

Transaction Framework Agreement

between

Tranter Gold (Proprietary) Limited

and

Southgold Exploration (Proprietary) Limited

and

Great Basin Gold Limited

FALCON
ATTORNEYS INC



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1. PARTIES

- 1.1 **Tranter Gold (Proprietary) Limited**, a private limited liability company duly incorporated in accordance with the company laws of the RSA under registration number 2005/028025/07 (**Tranter Gold**);
- 1.2 **Southgold Exploration (Proprietary) Limited**, a private limited liability company duly incorporated in accordance with the company laws of the RSA under registration number 2000/016129/07 (**Southgold**); and
- 1.3 **Great Basin Gold Limited**, a public company incorporated under the company laws of Canada under registration number B0436691 (and registered in South Africa under external company registration number 2006/021304/10) and listed on the Toronto Stock Exchange (**TSX**), the American Stock Exchange (**Amex**) and the JSE Limited (**JSE**) in the RSA (**GBG**).

2. BACKGROUND

- 2.1 GBG is a gold exploration and mining company, listed on the TSX, the Amex and the JSE.
- 2.2 GBG is the holder of, amongst other things, two advanced stage exploration projects, namely:
 - 2.2.1 the Hollister Project, located in the Carlin Trend of Nevada in the United States, in respect of which GBG anticipates that a detailed feasibility study will be completed by the end of October 2007; and
 - 2.2.2 the Burnstone Project, located in the Witwatersrand Basin in the Balfour area in the RSA, in respect of which a detailed feasibility study was completed in May 2006 and in respect of which an advanced stage bulk sample analysis is currently being conducted in anticipation of the commencement of mining activities in approximately mid-2008.
- 2.3 Tranter Gold is currently a 100%-owned and controlled BEE company whose members and their respective shareholding percentages and backgrounds are set out in **Schedule 2A** and **2B** respectively and whose relationship as shareholders in Tranter Gold is governed by the BEE Memorandum of Understanding.
- 2.4 Consistent with GBG's corporate philosophy and pursuant to the prevailing terms and conditions of the BEE Legislation, GBG wishes to conclude a transaction in terms of which Tranter Gold will acquire an effective participation interest in the Burnstone Project of at least 26% (twenty six percent) (referred to in this Agreement as the **Underlying Participation Interest**).

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2.5 The Parties have concluded negotiations with respect to the essential terms and conditions on which and the manner in which Tranter Gold will acquire the Underlying Participation Interest and, accordingly, wish to record in this Agreement their binding agreement in principle in relation to those essential terms and conditions and the possible inclusion of the following additional components in the Transaction;

2.5.1 GFL, in terms of the Royalty Settlement Agreement, donating an amount equal to R80million to Tranter Gold, the majority of which amount will be used by Tranter Gold to partly fund the Purchase Price payable in relation to the Transaction; and

2.5.2 a strategic trade partner providing funding to Tranter Gold in exchange for an equity participation interest in the Underlying Participation Interest, or the strategic trade partner acquiring an outright equity interest in the Underlying Participation Interest.

3. DEFINITIONS

3.1 In this Agreement, unless the context indicates otherwise, the words and expressions below will have the following meanings:

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|-------|--|--|
| 3.1.1 | Agreement | means this transaction framework agreement and its schedules; |
| 3.1.2 | BEE | has the same meaning given to the term "broad-based black economic empowerment" in the BEE Act; |
| 3.1.3 | BEE Act | means the Broad-Based Black Economic Empowerment Act, 2003; |
| 3.1.4 | BEE Compliant Entity | means a corporate entity: <ul style="list-style-type: none">(a) where more than 50% (fifty percent) of the issued share capital of that entity is beneficially held and beneficially owned by Black Persons;(b) the majority of the directors of which are Black Persons; and(c) where more than 50% (fifty percent) of the Economic Interest of the company is beneficially held and beneficially owned by Black Persons; |
| 3.1.5 | BEE Consortium Members | means the shareholders in Tranter Gold, as set out in Schedule 2A ; |
| 3.1.6 | BEE Legislation | means, collectively, the BEE Act, the relevant BEE provisions of the MPRDA, the Mining Charter and the Codes of Good Practice; |
| 3.1.7 | BEE Memorandum of Understanding | means the Memorandum of Understanding entered into between the BEE Consortium Members and Tranter Gold on or about 25 January 2007, a copy of which is attached as Schedule 3 , which provides for the essential terms and conditions on which they are to conduct the affairs of Tranter Gold and regulate their relationship as shareholders <i>inter se</i> in Tranter Gold; |



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- 3.1.8 **Black Person** means :
- (a) any natural person who, being otherwise legally competent to do so, or any of whose ascendants were, by virtue of racial classification under the political and legal dispensation prevailing in the RSA prior to the national elections held in April 1994, prohibited from exercising a right to vote in the appointment of representatives to the House of Assembly of the erstwhile tricameral parliament of the RSA or any predecessor thereof;
 - (b) any trust created for the benefit of persons referred to in clause 3.1.8 (a); or
 - (c) any juristic person :
 - (i) in which all the issued shares (or other like instruments) are beneficially owned by one or more of the persons referred to in clauses 3.1.8(a) or 3.1.8(b); and
 - (ii) whose management and daily business operations are under the control of one or more persons referred to in clauses 3.1.8 (a) or 3.1.8(b);
- 3.1.9 **Burnstone Project** means the project owned and operated by Southgold, as is more fully described in clause 2.2.2;
- 3.1.10 **Business Day** means any day other than a Saturday, Sunday or public holiday in the RSA, within the meaning of the Public Holidays Act, 1994;
- 3.1.11 **Codes of Good Practice** means the codes of good practice issued by the Department of Trade and Industry in terms of section 9 of the BEE Act, gazetted on 9 February 2007 in Government Gazette No 29617, and includes, without being limited to, any scorecard contained in such codes;
- 3.1.12 **Companies Act** means the Companies Act, 1973;
- 3.1.13 **Completion Date** means the date on which all of the Suspensive Conditions have been fulfilled or waived, as the case may be;
- 3.1.14 **Economic Interest** means a claim against an entity representing a return on ownership of the entity, similar in form to a dividend right;
- 3.1.15 **GBG Group** means GBG and all of its subsidiaries, as reflected in the corporate structure diagram set out in **Schedule 1**;
- 3.1.16 **GBG Shares** means the new ordinary shares in GBG which may be issued to Tranter Gold pursuant to clause 7.2;
- 3.1.17 **GFL** means GFL Mining Services Limited, a limited liability public company duly incorporated in accordance with



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- the company laws of the RSA under registration number 1997/019961/06;
- 3.1.18 **Hollister Project** means the project owned and operated (directly and indirectly) by Rodeo Creek Gold Inc (a company incorporated in the United States and wholly-owned by GBG), as is more fully described in clause 2.2.1;
- 3.1.19 **Mining Charter** means the Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry and its associated Scorecard promulgated by the Minister of Minerals and Energy on 13 August 2004 pursuant to the provisions of section 100(2) of the MPRDA and published in Government Notice 1639 of 2004;
- 3.1.20 **MPRDA** means the Mineral and Petroleum Resources Development Act, 2002;
- 3.1.21 **Parties** means the parties to this Agreement set out in clause 1 and their permitted assignees and successors-in-title, or any one of them as the context may require;
- 3.1.22 **Purchase Price** means the total purchase price payable by Tranter Gold to either Southgold or GBG, as the case may be, as determined in accordance with clause 7.4,
- 3.1.23 **R** means South African Rand, being the lawful currency of the RSA;
- 3.1.24 **Restriction Period** means the period commencing on the Completion Date and terminating on the last day of the third year from the Completion Date;
- 3.1.25 **Royalty Settlement Agreement** means the royalty settlement agreement entered into between GFL, Southgold and Tranter Gold on 12 February 2007, a copy of which agreement is attached as **Schedule 4**, in terms of which, amongst other things, GFL will donate an amount of R80 000 000 (eighty million Rand) to Tranter Gold, a portion of which amount will be used by Tranter Gold for purposes of partially funding the Purchase Price in relation to the Transaction;
- 3.1.26 **RSA** means the Republic of South Africa;
- 3.1.27 **Signature Date** means the date on which the last Party signs this Agreement;
- 3.1.28 **Southgold Convertible Shares** means the new ordinary shares in Southgold attached to which will be the right to convert such shares into new ordinary shares in the issued share capital of GBG, which may be issued to Tranter Gold pursuant to clause 7.3.2;
- 3.1.29 **Southgold Shares** means the new ordinary shares in Southgold which may be issued to Tranter Gold pursuant to clause 7.3.1;
- 3.1.30 **Strategic Partner** means the strategic facilitating partner who may, amongst other things, provide a certain portion of the required funding to Tranter Gold as contemplated in clause 9.1.2;



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- 3.1.31 ***Suspensive Conditions*** means the suspensive conditions set out in clause 4;
- 3.1.32 ***Transaction*** means the transaction contemplated in this Agreement in terms of which Tranter Gold will acquire the Underlying Participation Interest, which transaction may also include the matters set out in clause 2.5.1 and 2.5.2;
- 3.1.33 ***Transaction Agreements*** means the definitive agreements to be negotiated and concluded between the Parties which set out the definitive terms and conditions of the Transaction as contemplated in clause 15;
- 3.1.34 ***Transaction Shares*** means either the Southgold Shares, the GBG Shares or the Southgold Convertible Shares, as the case may be, or any other shares in the GBG Group acquired by Tranter Gold pursuant to its being the registered beneficial holder of the Transaction Shares; and
- 3.1.35 ***Underlying Participation Interest*** means an effective participation interest in the Burnstone Project of at least 26% (twenty six percent), which is to be acquired by Tranter Gold pursuant to the implementation of the Transaction.
- 3.2 This Agreement will be interpreted in accordance with the following principles:
- 3.2.1 a reference to a "person" includes a reference to an individual, partnership, company, close corporation, other body corporate, a trust, an unincorporated association or a joint venture and that person's legal representatives, successors and permitted assigns;
- 3.2.2 words importing the masculine will include a reference to the feminine and vice versa;
- 3.2.3 words importing the singular will include a reference to the plural and vice versa;
- 3.2.4 reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- 3.2.5 any reference in this Agreement to legislation or a statute will be a reference to such legislation or statute as at the Signature Date and as amended, varied or re-enacted from time to time;
- 3.2.6 the headings appearing in this Agreement are for reference purposes only and will not affect the interpretation hereof;
- 3.2.7 where numerical figures are referred to in numerals and words, if there is any conflict between the two, the words will prevail;
- 3.2.8 if any provision is a definition and is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it is only in the definition (or such other clause) effect will be given to it as if it were a substantive provision in the body of this Agreement;

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- 3.2.9 in the event that the day for performance of any obligation to be performed in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for performance will be the immediately succeeding Business Day;
- 3.2.10 the terms "holding company" and "subsidiary" bear the same meaning given to those terms in the Companies Act;
- 3.2.11 the use of the word "including" followed by specific examples will not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule will not be applied in the interpretation of such general wording or such specific examples;
- 3.2.12 where any number of days is prescribed in this Agreement, that number will be determined inclusively of the first and exclusively of the last day, unless the last day falls on a day which is not a Business Day, in which case the last day will be the following Business Day;
- 3.2.13 the expiration or termination of this Agreement will not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this;
- 3.2.14 unless expressly otherwise stated, no provision of this Agreement will constitute a stipulation for the benefit of any person (*stipulatio alteri*) who is not a Party to this Agreement; and
- 3.2.15 the terms of this Agreement having been negotiated, will not be interpreted against the Party who procured its preparation and drafting, it being specifically agreed that the *contra proferentem* rule will not apply.

4. SUSPENSIVE CONDITIONS

- 4.1 This Agreement (other than the rights and obligations of the Parties contained in this clause 4 and clauses 1, 3, 6, 11, 13, 14 and clauses 17 to 28 (both inclusive) which will commence with effect from the Signature Date) is subject to and conditional upon the fulfilment of each of the following Suspensive Conditions:
- 4.1.1 GBG confirming in writing that it is satisfied with the outcome of its due diligence investigation into the business and affairs of Tranter Gold and the BEE Consortium Members carried out in terms of clause 6;
- 4.1.2 the Parties obtaining any required regulatory approvals for the Transaction in Canada, the RSA and any other relevant jurisdiction including, without limitation:

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- 4.1.2.1 approval from the South African Reserve Bank to the Transaction being concluded, if and to the extent that such approval is necessary;
- 4.1.2.2 approval from the TSX, the Amex and the JSE for GBG to enter into the Transaction, and any other approvals required by GBG to complete the Transaction contemplated by this Agreement, in compliance with the Listing Rules of the TSX, any and all relevant Canadian laws relating to corporations and which govern GBG, the Listings Requirements of the JSE and the Companies Act;
- 4.1.2.3 approval from the Competition Commission and the Competition Tribunal (if relevant) in relation to the Transaction in terms of the Competition Act, 1998, which approval is to be obtained on an unconditional basis, or under circumstances where any conditions attached to any of such approvals are reasonably acceptable to the Parties;
- 4.1.2.4 GBG obtaining any required approval from its shareholders and board of directors which may be necessary to enter into and complete the Transaction contemplated by this Agreement;
- 4.1.3 Tranter Gold securing the necessary funding for the Transaction on terms and conditions that are commercially acceptable to it; and
- 4.1.4 the Parties negotiating and concluding the particular Transaction Agreement referred to in clause 15.1.
- 4.2 Each Party will use its reasonable endeavours, to the extent that it is within its power to do so, to procure the fulfilment of the Suspensive Conditions.
- 4.3 The Suspensive Conditions are for the benefit of all of the Parties and they may by agreement in writing between them by no later than the date set out in clause 4.4 or before the expiry of any extended date agreed in terms of this clause, be entitled, to the extent permissible in law, to waive or extend the period for the fulfilment of one or more of the Suspensive Conditions.
- 4.4 If any of the Suspensive Conditions in clause 4.1 remains unfulfilled by 30 June 2007, or such later date as the Parties may agree upon in writing prior to that date, then any Party may terminate this Agreement by notice in writing to the other Parties and, in such event, this Agreement (other than those clauses referred to in clause 4.1) will not come into force or effect and the Parties will be restored as nearly as possible to the positions in which they would have been had this Agreement not been entered into and no Party will have any claim against any other Party by virtue of the provisions of this Agreement, except for such claims as may arise out of the breach of the clauses referred to in clause 4.1, which will remain enforceable between the Parties.



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5. PURPOSE AND STATUS OF THIS AGREEMENT

- 5.1 The purpose of this Agreement is to record the Parties binding agreement in principle to undertake the Transaction on the essential terms and conditions set out more fully in this Agreement.
- 5.2 The Parties expressly record and agree that this Agreement creates and constitutes legally binding and enforceable obligations between the Parties.

6. RECIPROCAL DUE DILIGENCE INVESTIGATIONS

- 6.1 Tranter Gold will:
- 6.1.1 provide representatives of GBG with access to such books, records, certificates, registers and personnel of Tranter Gold; and
- 6.1.2 procure that the BEE Consortium Members provide access to such of their respective books, records, certificates, registers and personnel,

as may be reasonably necessary and which information may include some or all of the information set out in **Schedule 5**, in order for GBG to establish and verify the nature, status and composition of Tranter Gold and each of the BEE Consortium Members with reference to the compliance (or otherwise) by Tranter Gold with its status as a BEE Compliant Entity.

- 6.2 If and to the extent that Tranter Gold or any Party does not comply with the relevant ownership provisions of the BEE Legislation, such Party will, on request from GBG and at the BEE Consortium Member's own cost, take all such steps as may be necessary in order to resolve the non-compliance in question, which remedial steps will be taken as soon as possible but in any event prior to the conclusion of the Transaction.

- 6.3 GBG will provide representatives of and advisors to:

- 6.3.1 Tranter Gold;
- 6.3.2 the proposed financiers of Tranter Gold contemplated in clause 9.1.1; and
- 6.3.3 the Strategic Partner (if appropriate),

with access to such contracts, documentation, financial information, technical data, employees and advisors of the GBG Group as may be reasonably necessary for such investigating parties and their representatives and advisors to properly assess the financial condition and prospects of GBG and its mining and prospecting projects, in particular, the Hollister Project and the Burnstone Project, provided that any such due diligence investigation will be on such terms and conditions as GBG may reasonably impose, including without being limited to the conclusion by each investigating party of a confidentiality undertaking in favour of GBG in such form as GBG may require.

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- 6.4 Unless one or more of the Parties agree in writing to the contrary, each Party and each of the parties referred to in clause 6.3 will be responsible for all costs incurred directly or indirectly by it in connection with undertaking any due diligence enquiries contemplated in this clause 6.

7. ACQUISITION OF UNDERLYING PARTICIPATION INTEREST

- 7.1 GBG hereby agrees that Tranter Gold will be entitled to acquire, and Tranter Gold hereby agrees that it will acquire, the Underlying Participation Interest in the manner contemplated in this clause 7 and otherwise subject to the remaining terms and conditions set out in this Agreement.
- 7.2 Subject to clause 7.3, the Parties intend that, in order to implement the acquisition by Tranter Gold of the Underlying Participation Interest, the Transaction will be structured such that Tranter Gold will subscribe for 19 938 650 (nineteen million nine hundred and thirty eight thousand six hundred and fifty) which, after the allotment and issue of such new ordinary shares, will constitute approximately 14.1% (fourteen comma one percent) of the entire issued share capital of GBG (on a fully diluted basis) and will provide Tranter Gold with the Underlying Participation Interest (*the GBG Shares*).
- 7.3 In the event that the Parties should reasonably determine that it is not feasible for the Transaction to be structured in the manner contemplated in clause 7.2, they may elect to structure the Transaction in one of the following alternative ways:
- 7.3.1 Tranter Gold will subscribe for 812 (eight hundred and twelve) new ordinary shares in Southgold which will, after the allotment and issue of such new ordinary shares, constitute 26% (twenty six percent) of the entire issued share capital of Southgold (*the Southgold Shares*); or
- 7.3.2 Tranter Gold will initially acquire ordinary shares in Southgold in the manner set out in clause 7.3.1, with an option to convert some or all of such shares in Southgold into new ordinary shares in GBG, which conversion ratio will be at a rate that, after all of the shares in Southgold held by Tranter Gold have been converted into new ordinary shares in GBG, will provide Tranter Gold with the Underlying Participation Interest (*the Southgold Convertible Shares*).
- 7.4 The total purchase price to be paid by or on behalf of Tranter Gold to GBG or Southgold, as the case may be, in relation to its subscription for the Transaction Shares, will in each case, be an aggregate amount of R260 000 000 (two hundred and sixty million Rand), which amount will be paid:
- 7.4.1 against the subscription, allotment and issue to Tranter Gold of the Transaction Shares; and

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- 7.4.2 in cash without deduction or set off into an account nominated by GBG or Southgold, as the case may be, for that purpose.
- 7.5 The acquisition by Tranter Gold of the Transaction Shares will be subject to such terms and conditions as may be agreed between GBG, Southgold and Tranter Gold in the Transaction Agreements but will include the following terms and conditions:
- 7.5.1 Tranter Gold will be entitled to appoint a nominee to acquire the Transaction Shares, provided that, amongst such other terms as GBG may require:
- 7.5.1.1 such nominee will be a subsidiary of Tranter Gold and will be a BEE Compliant Entity; and
- 7.5.1.2 Tranter Gold will guarantee the due and punctual performance by its nominee of all of Tranter Gold's obligations under this Agreement and the Transaction Agreements (and any references in this Agreement to Tranter Gold will therefore where the context requires be deemed to include a reference to such nominee);
- 7.5.2 the ownership of, the risk in and the benefits attaching to the Transaction Shares will pass to Tranter Gold with effect from the date on which the Purchase Price is paid to GBG or Southgold, as the case may be;
- 7.5.3 the Transaction Shares will, except to the extent that this Agreement or the Transaction Agreements provide otherwise, rank *pari passu* with the ordinary shares in either Southgold or GBG, as the case may be;
- 7.5.4 GBG will procure that, if the Transaction is structured such that Tranter Gold acquires either the GBG Shares or the Southgold Convertible Shares, the GBG Shares or the shares in GBG arising from the conversion of the Southgold Convertible Shares will be listed on the JSE as soon as practicable after their allotment and issue to Tranter Gold; and
- 7.5.5 the allotment and issue (and listing, if applicable) of the Transaction Shares will be subject to such regulatory approvals in Canada, the RSA and any other relevant jurisdiction as may be necessary.

8. SHAREHOLDER RIGHTS AND RESTRICTIONS

- 8.1 The Transaction Shares acquired by Tranter Gold pursuant to the Transaction will be subject to such terms and conditions as may be agreed between GBG, Southgold and Tranter Gold and set out in the Transaction Agreements, but will include:
- 8.1.1 **funding:** Southgold and GBG are intended to be self-funding but, should the board of GBG determine that additional finance is required by the GBG Group from time

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to time, the funding will be provided in such manner as the board of GBG may determine (having regard always to the principles and requirements of the BEE Legislation), provided that, if Tranter Gold is provided with an opportunity to contribute such funding in proportion to its shareholding in the GBG Group and Tranter Gold should elect not to and/or fail to provide such funding, then the principles of straight dilution will apply;

- 8.1.2 **board of directors:** if and for so long as Tranter Gold:
- 8.1.2.1 is the registered and beneficial holder of not less than 20% of the entire issued share capital of Southgold, Tranter Gold will be entitled to appoint 1 (one) director to the board of directors of Southgold; or
- 8.1.2.2 is the registered and beneficial holder of not less than 10% of the entire issued share capital of GBG, Tranter Gold will be entitled to appoint 1 (one) director to the board of directors of GBG;
- 8.1.2.3 has any outstanding amounts owing to the external funding source referred to in clause 9.1.1, GBG will consider (but not be in any way obliged to accept) any requirements that such external funding sources may have in relation to appointing a nominee to the board of either GBG or Southgold, as the case may be;
- 8.1.3 **BEE status:** Tranter Gold will be obliged to ensure that it maintains its status as a BEE Compliant Entity for the duration of the Restriction Period;
- 8.1.4 **lock-in:** Tranter Gold will not be entitled to sell, alienate, encumber or in any other manner dispose of or transfer its interest in the GBG Group for the duration of the Restriction Period, without the prior written approval of GBG (which approval in relation to the encumbrance of the Transaction Shares may be provided in relation to the funding arrangements contemplated in clause 9.1.1). In addition, no BEE Consortium Member will be entitled to sell, alienate, encumber or in any other manner dispose of or transfer its respective shareholding in Tranter Gold nor will there be any change in control in any BEE Consortium Member for the duration of the Restriction Period, without the prior written approval of GBG;
- 8.1.5 **pre-emptive rights:** subject to the lock-in referred to in clause 8.1.4, if and for so long as Tranter Gold is the registered and beneficial holder of some or all of the Southgold Shares or the Southgold Convertible Shares (**Southgold Transaction Shares**), it will not at any time be entitled to sell, alienate, encumber or in any other manner dispose of or transfer such Southgold Transaction Shares unless:

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- 8.1.5.1 all (and not a portion) of the Southgold Transaction Shares and loans to Southgold held by Tranter Gold (if any) have first been offered in writing to the GBG Group; and
- 8.1.5.2 should the GBG Group elect not to and/or fail to purchase all of the Southgold Transaction Shares offered in terms of clause 8.1.5.1, Tranter Gold will only be entitled to sell, alienate or dispose of the Southgold Transaction Shares to such transferee(s) as GBG may approve in writing;
- 8.1.6 **deemed offers:** Tranter Gold will be deemed to have offered to sell the Transaction Shares (and any loans to the GBG Group) in the manner contemplated in clause 8.1.5 if at any time:
- 8.1.6.1 there is a breach of the undertakings set out in clause 8.1.3 or 8.1.4;
- 8.1.6.2 whilst it is the registered and beneficial holder of some or all of the Southgold Transaction Shares:
- 8.1.6.2.1 there is a change in control in Tranter Gold (which change in control has not been previously approved by GBG); or
- 8.1.6.2.2 Tranter Gold is placed under judicial management, sequestered or liquidated or placed under any similar disability,
- and the price at which the Transaction Shares will be offered to the GBG Group will be the market value of the Transaction Shares as determined by an independent merchant bank nominated by GBG;
- 8.1.7 **warranties:** Tranter Gold will be required to give such warranties as to its nature, status and composition as would be standard in arrangements such as these.

9. FUNDING OF THE TRANSACTION

- 9.1 The Parties acknowledge that Tranter Gold is currently in the process of negotiating and securing sufficient finance to fund the Transaction, which finance is currently anticipated to be provided in one of, or a combination of, the following ways:
- 9.1.1 funding from an external funding source such as a bank or other financing institution, in terms of a structure and on such terms and conditions as may be agreed between Tranter Gold and such bank or financing institution; and/or
- 9.1.2 by entering into an agreement with a strategic facilitating partner in terms of which such strategic partner may, amongst other things, provide a certain portion of the required funding to Tranter Gold in exchange for a maximum equity interest in Tranter Gold (or a wholly-owned subsidiary of Tranter Gold) of 49% of the entire

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issued share capital of Tranter Gold or such wholly-owned subsidiary of Tranter Gold; and/or

- 9.1.3 the Royalty Settlement Agreement being executed and being implemented in accordance with its terms,

which funding, if fully implemented, is diagrammatically represented in **Schedule 6** (which diagram is indicative only and is based on the assumption(s) that Tranter Gold indirectly subscribes for the GBG Shares as contemplated in clause 7.3.1 and that the Strategic Partner will participate as contemplated in clause 9.1.2).

- 9.2 The Parties acknowledge and agree that the finalisation of the potential funding arrangements referred to in this clause 9 will be subject to the prior written approval of GBG.

10. OPERATIONALISATION OF TRANTER GOLD

- 10.1 Tranter Gold has indicated its intention of becoming an active operating company in the gold mining sector and the Department of Minerals and Energy of the Government of the RSA has confirmed its support for this strategy.

- 10.2 In order to assist and facilitate the operationalisation of Tranter Gold to meet with the preference expressed by the DME, GBG intends to use its reasonable commercial endeavours to assist Tranter Gold in achieving this objective by, amongst other things, providing:

- 10.2.1 further opportunities to Tranter Gold to partner with GBG and/or its subsidiary companies in subsequent joint venture mining exploration activities in the RSA;
- 10.2.2 access to certain of GBG's and/or Southgold's existing prospecting and/or mining rights at this stage, in exchange for payment of a market related fee to be paid as and when such prospecting and/or mining rights become cash generating;
- 10.2.3 introductions to other industry players;
- 10.2.4 for the transfer of skills and expertise to the staff and management of Tranter Gold; and
- 10.2.5 assistance with a certain level of administrative support during the initial stages of Tranter Gold becoming operational,

subject to the Parties agreeing specific terms and conditions in this regard.

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11. EXCLUSIVITY

- 11.1 The Parties agree to work together and negotiate with one another exclusively and in good faith for a period of 90 (ninety) days (*the Exclusivity Period*) from the Signature Date for the purposes of implementing the Transaction.
- 11.2 Each Party accordingly undertakes to the others that it will not during the Exclusivity Period:
- 11.2.1 enter into any agreement, arrangement or understanding (whether formal or informal) with any other person for any transaction (*a Competing Transaction*) which would, by itself or together with any other transaction or series of transactions, be the same or similar to this Transaction or in serious conflict with the Party's commitments to the other Parties in terms of this Agreement, or would otherwise have the effect of preventing or frustrating this Transaction or delaying it unreasonably; or
- 11.2.2 entertain or consider any proposal from any other person, whether solicited or unsolicited, for any Competing Transaction; or
- 11.2.3 enter into any discussions or negotiations with any other person for any Competing Transaction.
- 11.3 The Parties expressly record that the provisions of this clause will be legally binding on them and enforceable against them with effect from the Signature Date.

12. BREACH

- 12.1 Should any Party commit a breach of any of the provisions of this Agreement and fail to remedy that breach within 7 (seven) Business Days after receipt from any other Party of written notice calling upon it so to do, then the Party aggrieved by that breach will be entitled, in addition to and without prejudice to any right it may have as a result of that breach, either to:
- 12.1.1 enforce specific performance of the terms hereof; or
- 12.1.2 cancel this Agreement and recover such damages as it may have sustained.
- 12.2 The Parties' remedies in terms of clause 12 will not be exhaustive and will be in addition and without prejudice to any other remedies they may have whether for damages or otherwise.

13. DISPUTE RESOLUTION

- 13.1 Should a dispute occur between the Parties in regard to any matter arising out of this Agreement or its interpretation or their respective rights and obligations under this



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Agreement or its cancellation or any matter arising out of its cancellation, the dispute will be referred to the executive chairman (or, if no such position exists, its equivalent designation) of each of the Parties concerned for resolution who will endeavour to resolve that dispute in good faith and with due willingness and intention to determine a solution.

13.2 If the executive chairmen are unable to resolve the dispute in accordance with clause 13.1 within 21 (twenty one) days of having declared a dispute, the matter will be referred to and decided by arbitration in accordance with clause 13.3.

13.3 Arbitration between the Parties will be subject to the following terms and conditions:

13.3.1 there will be 1 (one) arbitrator who will be, if the question in issue is:

13.3.1.1 primarily an accounting matter, an independent chartered accountant of not less than 15 (fifteen) years' standing;

13.3.1.2 primarily a legal matter, a practising attorney or advocate of not less than 15 (fifteen) years' standing;

13.3.1.3 primarily a technical matter, a suitably qualified person;

13.3.1.4 any other matter, a suitably qualified person;

13.3.2 the appointment of the arbitrator will be agreed upon between the Parties, but failing agreement between them within a period of 10 (ten) Business Days after the arbitration has been demanded, any of the Parties will be entitled to request the chairperson for the time being of the Arbitration Foundation of South Africa to make the appointment and, in making his or her appointment, to have regard to the nature of the dispute;

13.3.3 subject to the other provisions of this clause 13, each arbitration will be submitted to and determined by arbitration in accordance with the commercial arbitration Rules of the Arbitration Foundation of South Africa provided that a Party which has been given notice of breach in terms of this Agreement and has not disputed such breach within the time period provided for remedying same in terms of clause 12 will not thereafter be entitled to raise or refer such dispute to arbitration in terms of this clause 13, and the costs of any such arbitration will be determined by the arbitrator as part of his or her finding; and

13.3.4 the decision of the arbitrator will be final and binding on the Parties, and may be made an order of any Court of competent jurisdiction. Each of the Parties hereby submits itself to the jurisdiction of the Witwatersrand Local Division of the High Court of South Africa should any other Party wish to make the arbitrator's decision an order of that court.



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- 13.4 The provisions of this clause 13 will not preclude any Party from access to a competent division of the High Court of South Africa for urgent and/or interim relief pending the outcome of an arbitration in terms hereof or in respect of arbitration proceedings in terms hereof.

14. CONFIDENTIALITY

- 14.1 All communications between the Parties and/or any of them, all information and other materials supplied to or received by any of them from the others which relates in any way to this Agreement and/or the Transaction and all information which is confidential to any Party (together ***the Confidential Information***) will be kept confidential by all the other Parties unless or until the disclosing Party can reasonably demonstrate that:
- 14.1.1 any such Confidential Information is, or part of it is, in the public domain through no fault of their own; or
 - 14.1.2 any such Confidential Information has been lawfully obtained from any third Party; or
 - 14.1.3 the Confidential Information is already lawfully known to the relevant Party at the time that Party receives such information; or
 - 14.1.4 the relevant Party is obliged by law to disclose such Confidential Information;
- in which case this obligation in respect of that information will cease.
- 14.2 Without limiting the generality of clause 14.1, the Parties agree to disclose the Confidential Information only to their officers, directors, employees, consultants and professional advisers who:
- 14.2.1 have a need to know (and then only to the extent that each such person has a need to know);
 - 14.2.2 are aware that the Confidential Information should be kept confidential;
 - 14.2.3 are aware of the disclosing Party's undertaking in relation to such Confidential Information in terms of this Agreement; and
 - 14.2.4 have been directed by the disclosing Party to keep the Confidential Information confidential and have undertaken to keep the Confidential Information confidential.
- 14.3 The obligation contained in this clause 14 will endure, even after the termination of this Agreement, without limit in point of time except and until such Confidential Information falls within any of the provisions of clause 14.1.1 to 14.1.4.



15. DEFINITIVE TRANSACTION AGREEMENTS

- 15.1 Following the signature of this Agreement, each Party undertakes to negotiate in good faith and to prepare, negotiate and conclude such definitive and comprehensive Transaction Agreements as may be necessary to deal with and amplify the principles and matters set out in this Agreement, which agreements they currently anticipate will comprise the following:
- 15.1.1 subscription (and shareholders) agreement in relation to the subscription by Tranter Gold for either the Southgold Shares, the GBG Shares or the Southgold Convertible Shares;
 - 15.1.2 GFL royalty settlement agreement which will expand and amplify the principles recorded in the Royalty Settlement Agreement;
 - 15.1.3 strategic partner subscription and shareholders agreement, if applicable, setting out the terms and conditions of the relationship between the Strategic Partner and Tranter Gold, as contemplated in clause 9.1.2;
 - 15.1.4 finance agreements between Tranter Gold and the external funding source setting out the terms and conditions on which the funding source will loan funds to Tranter Gold, as contemplated in clause 9.1.1;
 - 15.1.5 shareholders agreement amongst the BEE Consortium Members which will expand and amplify the principles set out in the BEE Memorandum of Understanding; and
 - 15.1.6 such other agreements as may be necessary to implement the principles set out in this Agreement.
- 15.2 The parties record their intention to negotiate and conclude the Transaction Agreements on or before 30 April 2007.

16. STRUCTURE

Notwithstanding the particular processes and structure which the Parties have described in this Agreement to achieve their objectives, if, having regard to, amongst other things, their respective tax, financial and legal positions, there is a more efficient process or structure to achieve their objectives as set out in this Agreement, then the Parties acknowledge that this Agreement will not preclude them during the course of finalising these arrangements from determining, agreeing and implementing such alternative process or structure and reflecting such alternative arrangements in the Transaction Agreements contemplated in clause 15.



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17. GOOD FAITH

The Parties reciprocally undertake towards each other to exhibit good faith in giving effect to the terms of this Agreement, hereby undertaking to do and procure the doing of all such things as may be requisite or necessary for purposes of giving effect to the import or intent of this Agreement and the implementation of the terms contemplated herein.

18. DOMICILIUM CITANDI ET EXECUTANDI

18.1 Each of the Parties chooses the address set out alongside its name below as its *domicilium citandi et executandi* at which all notices, legal processes and other communications must be delivered for the purposes of this Agreement:

18.1.1 Tranter Gold:

Physical address	2 Eglin Rd Sunninghill 2157
Postal address	Private Bag X36 Sunninghill 2157
Fax number	(011) 209 5045
Attention	Mr Sipho Nkosi (copied to Mr Chris Morris)

18.1.2 GBG and Southgold:

Physical address	4 th Floor 138 West Street Sandton 2196
Postal address	P O Box 78182 Sandton 2146
Fax number	(011) 884 1826
Attention	Mr Ferdi Dippenaar

18.2 Any notice or communication required or permitted to be given in terms of this Agreement will be valid and effective only if in writing, but it will be competent to give notice by telefax.



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- 18.3 Any notice to a Party contained in a correctly addressed envelope and:
- 18.3.1 sent by prepaid registered post to it at its chosen address; or
- 18.3.2 delivered by hand to a responsible person during ordinary business hours at its chosen address,
- will be deemed to have been received, in the case of registered post, on the 8th Business Day after posting (unless the contrary is proved) and, in the case of hand delivery, on the day of delivery.
- 18.4 Any notice by telefax to a Party at its telefax number will be deemed, unless the contrary is proved, to have been received within 4 (four) hours of transmission where it is transmitted during normal business hours or within 24 (twenty four) hours of the opening of business on the first Business Day after it is transmitted where it is transmitted outside those business hours.
- 18.5 Each of the Parties will be entitled at any time to change its address to any other address in RSA by giving written notice to that effect to the other Parties.

19. ENTIRE AGREEMENT

Until execution of the definitive agreements for the Transaction, this Agreement constitutes the entire agreement between the Parties as far as the subject matter contained in this Agreement is concerned and no Party will have any claim or right of action arising from any undertaking, representation or warranty not included in this Agreement.

20. SEVERABILITY

Each of the provisions of this Agreement will be considered as separate terms and conditions and in the event that this Agreement is affected by any legislation or any amendment thereto, or if the provisions herein contained are by virtue of that legislation or otherwise, held to be illegal, invalid, prohibited or unenforceable, then any such provisions will be ineffective only to the extent of the illegality, invalidity, prohibition or unenforceability and each of the remaining provisions hereof will remain in full force and effect as if the illegal, invalid, prohibited or unenforceable provision was not a part hereof.

21. WARRANTY OF AUTHORITY

Each Party warrants to the other Parties that it has the power, authority and legal right to sign and perform this Agreement and that this Agreement has been duly authorised by all necessary actions of its directors and constitutes valid and binding obligations on it in accordance with the terms of this Agreement.



22. INDEPENDENT ADVICE

Each of the Parties hereto acknowledges that it has been free to secure independent legal advice as to the nature and effect of all of the provisions of this Agreement and that it has either taken such independent legal advice or dispensed with the necessity of doing so.

23. VARIATION AND CANCELLATION

No agreement varying, adding to, deleting from or cancelling this Agreement will be effective unless reduced to writing and signed by or on behalf of the Parties.

24. CESSION

None of the Parties will be entitled to assign, cede, delegate or transfer any rights, obligations, share or interest acquired in terms of this Agreement, in whole or in part, to any other Party or person without the prior written consent of all the other Parties, which consent will not unreasonably be withheld or delayed.

25. INDULGENCE

No extension of time, relaxation or indulgence granted by any Party to another will be deemed to be a waiver or tacit amendment of that Party's rights in terms hereof, nor will any such relaxation or indulgence be deemed to be a novation or waiver of the terms and conditions of this Agreement.

26. GOVERNING LAW AND JURISDICTION

- 26.1 This Agreement will in all respects be governed by and construed in accordance with the law of the RSA, and all disputes, actions and other matters in connection therewith will be determined in accordance with such law.
- 26.2 Each of the Parties hereby consents and submits to the non-exclusive jurisdiction of the Witwatersrand Local Division of the High Court of South Africa for the purposes of all or any legal proceedings arising from or concerning this Agreement.
- 26.3 Nothing in this Agreement will prevent any Party from seeking relief on an urgent or interlocutory basis from any High Court of South Africa with jurisdiction.

27. COUNTERPARTS

This Agreement may be executed in any number of counterparts and all such counterparts taken together will be deemed to constitute one and the same instrument.

Transaction Framework Agreement

28. COSTS

- 28.1 Each Party will bear their own costs of and incidental to the negotiation, preparation and execution of this Agreement.
- 28.2 Any costs, including attorney and own client costs, incurred by any Party arising out of a breach by the other Party of any of the provisions of this Agreement will be borne by the Party in breach.

SIGNED at Johannesburg on 20th February 2007

For and on behalf of

Tranter Gold (Proprietary) Limited

Name: Siphiso Nkosi

Capacity: Director

who warrants his authority to do so.

SIGNED at Johannesburg on 21 February 2007

For and on behalf of

Southgold Exploration (Proprietary) Limited

Name: Willie Beckmann

Capacity: Resolution

who warrants his authority to do so.

SIGNED at Johannesburg on 21 February 2007

For and on behalf of

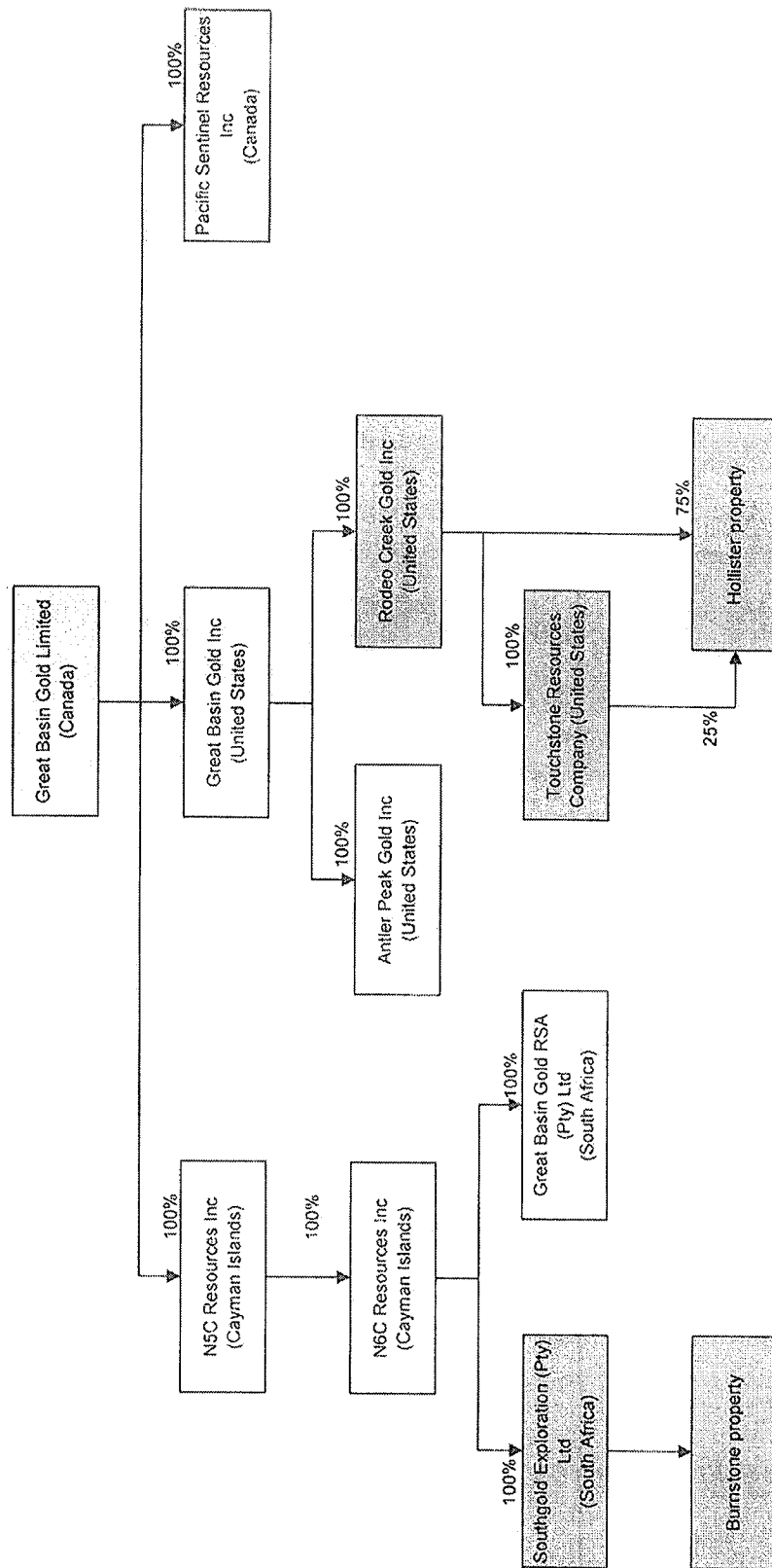
Great Basin Gold Limited

Name: Willie Beckmann

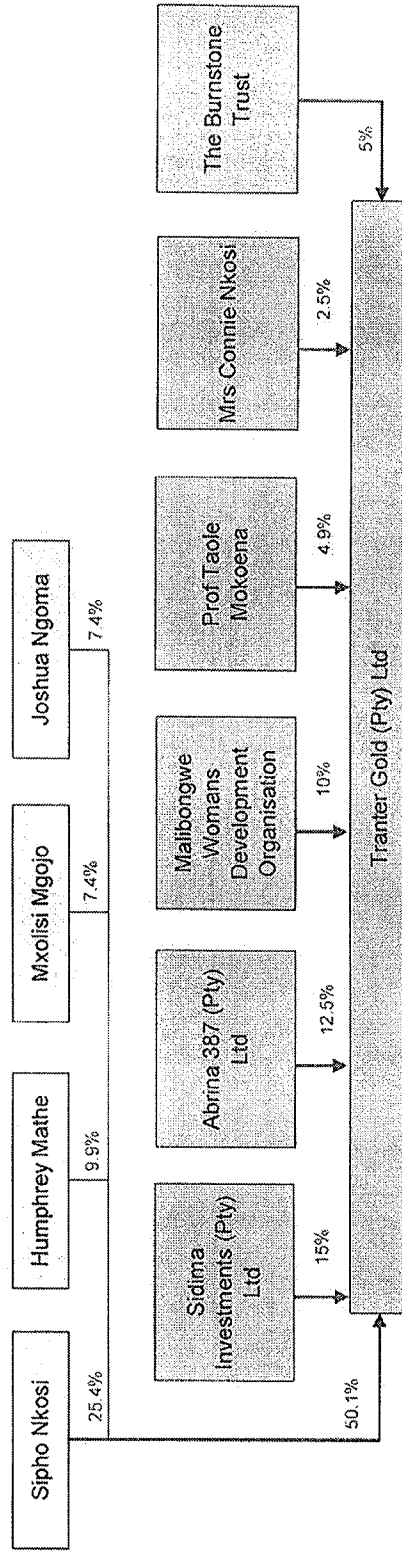
Capacity: Resolution

who warrants his authority to do so.

SCHEDULE 1: CORPORATE STRUCTURE OF GBG



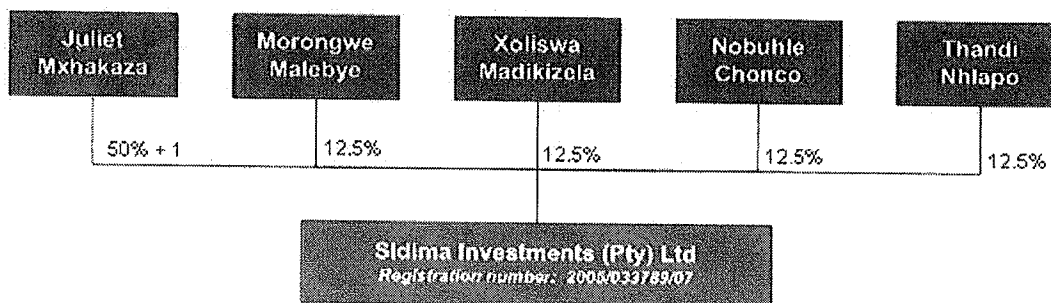
SCHEDULE 2A: SHAREHOLDERS OF TRANTER GOLD



SCHEDULE 2B: BACKGROUND ON SHAREHOLDERS OF TRANTER GOLD

Sidima Investments (Pty) Ltd

- Sidima is a 100% black women owned company
- Although it has only recently been established, it formally brings together 5 professional women with diverse skills and backgrounds, who have known each other over many years on a social, business and community basis.
- Its primary objective is to participate actively with the companies in which it invests, and wherever possible in conjunction with non-government organisations and broad based community and social upliftment groups.
- Its key focus is the sustainable development of black women from all levels of society and the communities directly affected by its investment companies.
- The shareholding structure of the company is as follows:



- ♦ Juliet Mxhakaza is the leader and initial founder of Sidima. She has a BA degree and has worked in teaching and training for a number of years initially as a school teacher with the DET and later as a skills and training facilitator in the private sector with Total South Africa. She is currently the Business Development Director for Amazwi Power Products, an engineering company producing mining equipment and power generation products.
- ♦ Marongwe Malebye has a Masters Degree in Industrial Engineering from University of the Witwatersrand and a BSc in Mechanical Engineering from University of Cape Town and an MBA from Wits University. She is currently the Managing Director of Babcock Ntuthuko, an empowered company that provides maintenance and engineering services to Eskom Boiler divisions and the petrochemical industry. She is an elected mentor on the Allan Gray Orbis foundation, SciBono for Girl learner initiative and BWA, MBF member.
- ♦ Xoliswa Madikizela has a BSc degree from the University of Western Cape, as well as a Higher Diploma in Education. She worked as a teacher for a

number of years, teaching maths and biology/natural science in the schools in and around Cape Town's poor and informal township settlements. She currently runs her own small cafeteria business and continues to teach young children from poor communities during weekends.

- ◆ Nobuhle Chonco has an BA from University of Zululand, BA (Hons) & MBL from Unisa and MSc & PhD from Michigan State University. She has been actively involved in community and social work throughout her life and is currently head of the Community Services Division of Vodacom.
- ◆ Thandi Nhlapo has a BComm degree from University of Witwatersrand, and is an executive in the procurement department of Total South Africa. She is currently studying for her MBA through the University of Potchefstroom.
- Sidima will have a significant role in managing The Burnstone Trust, as discussed below.

Abrina 387 (Pty) Ltd

- Abrina was founded in 2005 by Mr Sam Louw in order to provide much needed consulting services to the mining industry. Sam has some 15 years experience in the industry and was instrumental in the development and implementation of the transition of the new Minerals Act.
- The shareholders of Abrina, and their respective shareholding in Abrina, is as follows:
 - ◆ Sam Louw (30%) is the founder of Abrina 387 (Pty) Ltd (**Abrina**). He is the whip of Minerals and Energy and, as such, is highly skilled in the industry and a respected negotiator in crucial matters relating to the mineral issues of the country. Sam was instrumental in setting up critical structures within the MQA and attends their PPE training for HDSA in the industry. He also attended the MEETI training during the early 90's. Sam has acquired various diplomas in the mining and energy section, and has been the whip for Minerals and Energy since 1994 until now.
 - ◆ Yvonne Louw (30%) is a qualified nurse. She completed her training at Livingstone Hospital from 1974 until 1977 and is involved in health issues of the community ever since. She did midwife training at Coronationville Hospital from 1978 until 1979, then worked at the hospital as a General Nurse in surgery. She moved to Potchefstroom in 1993, and worked at Potchefstroom Hospital in Paediatrics, Surgery and theatre administration until 2000. She did community nursing in the surrounding villages and farms. She is presently actively involved in CANSA organisation as a volunteer, and spends most of her time with this project. She is also a founder of the Early Learning Centre in Wilgeboom Farm in Potchefstroom and is doing volunteer work for the farm school children in the surrounding area.

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- ♦ Portia Letsapa (10%) is a registered nurse and midwife has a BA degree in Nursing Education and Management from the University of Potchefstroom. She worked as a General and Operating theatre nurse for 17 years at Potchefstroom Hospital. She is currently practising as a nurse educator and is involved in the community service division of Ubuntu Family Centre Church.
- ♦ Gail Bent (10%) completed her secondary education at the Primrose Secondary School. She started working at the Potchefstroom University in 1989 at the Library. Registered as a student at the University of Potchefstroom and completed her Higher Education Diploma in 1993. She is presently teaching at the Secondary School at Promosa Potchefstroom. Her community involvement stretches from as early as 1986 to 2007 and she takes care of the orphans at the Phumulelo Centre, Counselling HIV infected and affected people at the Promosa Clinic and supervises at the Promosa Secondary School Hostel. She is presently also running a soup kitchen for the street children.
- ♦ Dolly Molebatse (10%) is a community care giver and specialist in special projects, especially beads, and scare skills projects, like sowing and agricultural projects. She is also a specialist in the Arts and Crafts projects.
- ♦ Eskay Mineral Resources & Development Trust (10%).

Malibongwe

- The Malibongwe Women's Development Organisation ("Malibongwe") is a non-government, non-profit organisation that is committed to socially and economically developing and empowering South African women, with a particular emphasis on previously disadvantaged women in both rural and urban areas. Malibongwe runs a number of community projects such as home based care for HIV/AIDS sufferers, caring for HIV/Aids orphans and income generation for women. Malibongwe has ten Commissions aimed at empowering women in fields such as construction, security, health, capacity building, fruit gardening, manufacturing, cleaning, child minding and home based care. The organisation acts as a catalyst in building bridges between women in rural and urban areas. Malibongwe will assist The Burnstone Trust in implementing its objectives.
- Malibongwe has no shareholders. Profits that accrue to the organisation are used for the sole benefit of its development projects. Recent projects have benefited a number of women and include HIV/AIDS management and education programs, income generation projects, poverty alleviation and food distribution projects.
- Ms Bertha Gxowa, an esteemed leader of the Women Rights Movement and a community builder since the 1950's, chairs Malibongwe.

Prof Taole Mokoena

- Professor Taole Mokoena is a medical graduate of the University of Natal, a PhD graduate of University of Oxford. He is currently professor and head of department of surgery at University of Pretoria and Kalafong Hospital.
- He has academic and research experience in RSA, UK and Canada. He is active in academic and professional leadership having served at different times on a number of national academic and professional bodies including SAMA, HPCSA (formerly SAMDC) disciplinary committee, Colleges of Medicine of SA, College of Surgeons of SA, Association of Surgeons of SA, Medical Research Council (chair 2001 – 2004) and UNITRA Council. He serves on Task Team for Transformation for Ministry of Health.
- He is also an entrepreneur who has previously invested in laundry, transport, real estate and healthcare businesses. He has served in a number of business leadership roles at different times such as Investment Committee of Wolfson College, Univ of Oxford and director of Rihanyo Health Informatics (chaired), Managed Care SA (chair), African Legend Investment, African Partnerships, Johnnic, M-Cell, HT Group (Doves Funeral Insurance Services), Eyesizwe Coal (chair 2002 - 2005), Chancellor House (chair) and Witwatersrand Consolidated Gold Resources (Wits Gold) (deputy chair), United Manganese of Kalahari, Hitachi Power Africa and Netcare. His forte lies in strategic focus analysis and in negotiations.
- Prof. Mokoena is a highly respected individual, both professionally and in his personal capacity, and was instrumental in the original healthcare policy formulation through NAMDA and the ANC.

Mrs Connie Nkosi

- An entrepreneur with an excellent track record in business, Connie Nkosi's career began in 1969 with a degree in psychology from the University of Zululand. This was followed by numerous qualifications, which include becoming the first black woman to obtain an MBA (University of Witwatersrand) in South Africa. She is currently enrolled with Intec for a Diploma in Mining.
- Her business expertise in finance and marketing led to her appointment as Area Manager for the Permanent Building Society (Nedbank), a position she held for 5 years. She then joined SA Rail Commuter Corporation as Communications Manager and was later promoted to Group General Manager – Strategic Planning and Communications. A well-known public figure, Connie Nkosi is a member of the Board of Directors of Pick 'n Pay Ltd; and is the non-executive Chairperson of First Technology (Pty) Ltd and a non-executive Director of Primeserv. Connie has previously served on the boards of: British American Tobacco, Lonhro Africa, Cash

Transaction Framework Agreement

Bank, Sotta International and Uthingo Management (Pty) Ltd. She is a founding shareholder of Lidonga Group Holdings (Pty) Ltd, a women's empowerment company.

Burnstone Trust

- In addition to the above broad base of shareholders, it is considered important that support should be provided to appropriate empowerment projects and sustainable entrepreneurial, business initiatives from the communities surrounding and impacted by the Burnstone Project.
- A considerable amount of groundwork was done in identifying possible beneficiaries. The objective was to identify sustainable organisations, with proven delivery capabilities and requisite internal governance structures. Those locally based organisations around the Burnstone Project area considered appropriate include:
 - ◆ Depaliseng Youth Group – an organisation promoting business entrepreneurship.
 - ◆ Mpumelelo Community Theatre – with a current membership of some 130 individuals focusing on traditional and gumboot dancing, drum majorettes, jazz and drama.
 - ◆ Sizanani Communal Properties – a community farming project benefiting over 200 participants in the Balfour area.
 - ◆ Siyathemba Male Voice – a local musical group.
 - ◆ Bareng Batho Disabled – an organisation located in Balfour formed in 1998 which provides care for the disabled.
 - ◆ Tshepehang Disabled and Kagiso Disabled Groups – located in Grootvlei and Ntorwane (Greylingstad) respectively, also providing ongoing care and support for the disabled.
 - ◆ Lindokuhle Poultry Project – a local community farming project sponsored currently by NDA
 - ◆ Bambanani – a community sewing project including initial sewing training, as well as marketing and financial management. Projects include local school uniforms, uniforms for Eskom, car seat covers and table cloths.
 - ◆ Vezukhono – a recently formed wood and steel project, producing window frames, gates, burglar doors, etc.
 - ◆ Khutlurano Home Base Care – supporting HIV/Aids, TB and other terminally ill patients, as well as vulnerable children in families affected by Aids. The

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organisation currently cares for some 153 orphans and many other patients providing food parcels, supporting school fees, providing uniforms, etc.

- ◆ Topsy Foundation – a home for aids orphans.
- Although there are numerous highly worthy organisations and projects around the Burnstone Project area, they are generally established with a focus of providing aid and support and not as investment vehicles. In addition, prior experience indicates that over a period of time, organisations such as these may not be sustainable and may also change their nature (e.g. youth groups may not remain as such).
- As a result, it was agreed that the introduction of broad-based beneficiaries focussing on the communities surrounding and impacted by the Burnstone Project be structured through a trust, The Burnstone Trust, which will be established as a Public Benefit Organisation.
- The use of a trust will provide greater flexibility to determine who the most appropriate beneficiaries are from time to time as they evolve and change and as new projects become available.
- The Trust Deed will have a very clear mandate and set of guidelines. It is envisaged that these would include:
 - ◆ Criteria for the qualification of beneficiaries
 - ◆ Provision for regular and ongoing review of the extent to which beneficiaries are fulfilling their obligations and maintaining adequate governance.
 - ◆ Provisions to ensure that worthy projects remain sustainable and continue to obtain support from the Trust until they are sufficiently robust to operate independently.
 - ◆ The retention of certain funds for discretionary allocations, subject to the satisfaction of Burnstone
- The ongoing management of the various social upliftment programs, as well as the administration and supervision of the Trust will require significant focus and attention.
- In order to provide this role, the women's group Sidima Investments will be mandated with specific responsibility for the Burnstone Trust, and it is proposed that Juliet Mxhakaza be appointed first Trustee. Other trustees will include Mxolisi Mgojo from Tranter Gold, a representative from Great Basin Gold, and a representative of the local community.

SCHEDULE 3: BEE MEMORANDUM OF UNDERSTANDING

(Cul)
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Memorandum of Understanding

between

Sipho Nkosi, Humphrey Mathe, Mxolisi Mgojo and Joshua Ngoma
(in their personal capacities)
(*the Founders*)

and

Tranter Gold (Proprietary) Limited
(a private company incorporated in South Africa under registration number 2005/028025/07)
(*Tranter*)

and

the parties otherwise listed in Schedule 1 to this Memorandum of Understanding

in relation to

the proposed investment by the BEE Consortium in Great Basin Gold Limited

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INC

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Memorandum of Understanding

1. BACKGROUND

- 1.1 Great Basin Gold Limited (**GBG**) is a gold exploration and mining company, listed on the Toronto Stock Exchange, the American Stock Exchange and on the Johannesburg Securities Exchange, with advanced stage exploration projects located in the United States and in South Africa.
- 1.2 Southgold Exploration (Pty) Ltd (**Southgold**) is a wholly-owned subsidiary of GBG and is currently completing prospecting operations on its Burnstone Gold Project located in the Balfour area of South Africa (**the Burnstone Project**). A feasibility study in relation to the Burnstone Project has been completed and the results published on 12 May 2006.
- 1.3 Pursuant to the corporate philosophy of GBG and the prevailing terms and conditions of the Minerals and Petroleum Resources Development Act, 2002 (**MPRDA**), the Mining Charter published by the Department of Minerals and Energy in terms of section 100 of the MPRDA and the Codes of Good Practice published by the Department of Trade and Industry in terms of section 9 of the Broad-Based Black Economic Empowerment Act, 2003 (collectively, **the BEE Legislation**), GBG wishes to conclude a transaction in terms of which it will offer certain Black Economic Empowerment (**BEE**) investors the opportunity to acquire an equity investment in GBG or in Southgold which is equal to an effective 26% interest in the Burnstone Project (**BEE Transaction**).
- 1.4 In the period since 2001, GBG has conducted various discussions and concluded various conceptual agreements with the Founders (indirectly through entities controlled by one or more of the Founders) with respect to concluding the BEE Transaction. Following the expiry of those various agreements, GBG and the Founders wish to negotiate and conclude the definitive agreements in terms of which GBG and a consortium of BEE investors established by the Founders (collectively, **the BEE Consortium**) will enter into the BEE Transaction.
- 1.5 In anticipation of the negotiation and conclusion of the definitive agreements referred to in clause 1.4, the parties to this agreement, being the members of the BEE Consortium, wish to enter into this binding Memorandum of Understanding (**MOU**) to record the salient terms and conditions on which the BEE Consortium will arrange its affairs in anticipation of concluding the BEE Transaction.

2. PURPOSE AND STATUS OF THIS MOU

- 2.1 This MOU sets out the framework within which the parties to this Agreement set out in **Schedule 1 (Parties)** will co-operate with each other in relation to arranging their respective affairs and the affairs of the BEE Consortium in anticipation of negotiating and



Memorandum of Understanding

concluding the BEE Transaction with GBG and executing the definitive agreements referred to in clause 9 relating to the BEE Transaction.

- 2.2 The Parties expressly record and agree that this MOU creates and constitutes legally binding and enforceable obligations between the Parties.

3. ESTABLISHMENT AND PURPOSE OF THE BEE CONSORTIUM

- 3.1 The Parties each agree to be a participant in the BEE Consortium formed for the purpose set out in clause 3.3 below.

- 3.2 The Parties record that their respective personal or organizational curriculum vitae are as set out in **Schedule 2**.

- 3.3 The purpose of the BEE Consortium shall, unless the Parties unanimously agree to the contrary, be to:

- 3.3.1 negotiate and conclude the BEE Transaction in the manner set out in this Agreement;

- 3.3.2 deal with the equity interest to be acquired directly or indirectly in either GBG or Southgold or the Burnstone Project; and

- 3.3.3 do all such other things as are reasonably associated with the matters referred to in clauses 3.3.1 and 3.3.2 and such other things as the Parties may agree from time to time.

4. DUE DILIGENCE AND CORPORATIZATION

- 4.1 The Parties each agree that they shall provide representatives of GBG with access to such books, records, certificates, registers and personnel of each Party as may be reasonably necessary in order for GBG to establish and verify the nature, status and composition of each Party with reference to its compliance (or otherwise) with the relevant ownership provisions of the BEE Legislation, which information may include some or all of the information set out in **Schedule 3**.

- 4.2 If and to the extent that any Party does not comply with the relevant ownership provisions of the BEE Legislation, such Party will at its own cost take all such steps as may be necessary in order to resolve the non-compliance in question, which remedial steps will be taken as soon as possible but in any event prior to the conclusion of the BEE Transaction.

5. TRANSACTION COMMITTEE

- 5.1 As soon as reasonably possible after the signature of this MOU, the Parties shall establish a Transaction Committee (**Exco**) for the purposes set out in clause 5.2.



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- 5.2 The purpose and objectives of Exco shall be to:
- 5.2.1 determine how the BEE Transaction is to be structured, including (but not limited to) such matters as the entity within the GBG group into which the BEE Consortium will acquire its equity interest and the possible participation by a strategic partner with the BEE Consortium in the BEE Transaction;
 - 5.2.2 determine how the funding required for the BEE Transaction is to be raised;
 - 5.2.3 negotiate and conclude the terms and conditions of:
 - 5.2.3.1 the BEE Transaction with GBG and its representatives;
 - 5.2.3.2 the arrangements relating to the donation by GFL Mining Services Limited of the proceeds of its net smelter royalty potentially owing to it by Southgold;
 - 5.2.3.3 the funding arrangements with the financier(s) and its/their representatives;
 - 5.2.3.4 the inclusion of a strategic partner (if any);
 - 5.2.4 at its own cost appoint such advisors and consultants as Exco may consider necessary;
 - 5.2.5 represent the BEE Consortium at such presentations, meetings and discussions as may be necessary, including but not limited to, presentations, discussions and/or negotiations with some or all of the Department of Minerals and Energy Affairs, the South African Reserve Bank and/or the Competition Commission; and
 - 5.2.6 undertake such other matters as the Parties and/or Exco may agree.
- 5.3 The Exco will carry out its objectives in the following manner:
- 5.3.1 each Party shall be entitled (but not obliged) to appoint a representative to the Exco;
 - 5.3.2 the Exco will be chaired by a representative appointed by the Founders; and
 - 5.3.3 the Exco shall meet as often as may be suitable and necessary in order to achieve its purpose and objectives set out in clause 5.2.
- 5.4 Subject to clause 11.2, Exco shall not be entitled to bind any of the Parties without their prior written consent.

6. ACQUISITION STRUCTURE AND PARTICIPATION INTERESTS

- 6.1 The Parties acknowledge and agree that each member (*a Member*) shall be entitled to the Participation Interest in the BEE Consortium allocated alongside their name in **Schedule 1**.
- 6.2 The Parties acknowledge that it is currently intended that, subject to clause 6.3, the BEE Consortium will acquire its interest in the relevant entity within the GBG group indirectly

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through Tranter and, accordingly, each Member will acquire such percentage of the entire issued ordinary share capital of Tranter as is equal to their Participation Interest referred to in clause 6.1.

- 6.3 Notwithstanding the particular processes and structure which the Parties have described in this MOU to achieve their objectives, if, having regard to, amongst other things, their respective tax, financial and legal positions, there is a more efficient process or structure to achieve their objectives then the Parties acknowledge that this MOU will not preclude them during the course of implementing these arrangements from determining, agreeing and implementing such alternative process or structure.

7. BEE CONSORTIUM SHAREHOLDING ARRANGEMENTS

- 7.1 Subject to the nature of the acquisition structure through which the BEE Consortium will acquire its interest in the relevant member of the GBG group, the Parties acknowledge and agree that, with effect from the implementation of the BEE Transaction, they will be subject to the following arrangements within the BEE Consortium:

- 7.1.1 **suspensive conditions:** that the Members become the registered and beneficial owners of the ordinary shares in Tranter (or other intermediate entity as may be applicable) in the proportions referred to in clause 6.1;
- 7.1.2 **funding:** the BEE Consortium is intended to be self-funding but, if Members holding not less than 75% of the Participation Interest agree that the Tranter requires additional finance from time to time, the Members shall be entitled to contribute such funding in proportion to their respective Participation Interests, failing which (unless the Members agree otherwise) the principles of straight dilution shall apply;
- 7.1.3 **shareholders' meetings:** any Member shall be entitled to call a meeting of the shareholders of Tranter, provided that:
- 7.1.3.1 a quorum for a meeting of the shareholders shall require Members holding not less than 66% of the Participation Interest to be present at a meeting;
- 7.1.3.2 decisions of the shareholders of Tranter shall be made by majority vote of those Members present at a meeting or by proxy (each voting their respective Participation Interests) unless the matter concerned is amongst the minority protection matters referred to in clause 7.1.6 below;
- 7.1.3.3 the Founders shall at all times vote in concert with each other with respect to the exercise of the rights attached their respective Participation Interests;
- 7.1.4 **board of directors:** each Founder shall be entitled to appoint a director to the board of directors of Tranter and each other Member shall, in relation to each

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complete 10% Participation Interest which they hold, be entitled to appoint a director to the board of directors of Tranter, provided that:

- 7.1.4.1 a quorum for a meeting of the board shall require directors holding votes which in aggregate is not less than 66% of the entire number of votes available to be cast at a meeting of the board is present at the meeting;
- 7.1.4.2 decisions of the board shall be made by majority vote of those directors present at the meeting unless the matter concerned is amongst the minority protection matters referred to in clause 7.1.6 below;
- 7.1.4.3 at a meeting of the board each director shall have that number of votes as is equal to the Participation Interest held by the Member who appointed such director;
- 7.1.5 **chairperson and casting vote:** Sipho Nkosi shall be entitled to appoint the chairperson of Tranter Gold who, in the event of an equality of votes, shall be entitled to a casting vote;
- 7.1.6 **minority protection matters:** unless shareholders or directors (as the case may be) holding not less than 75% of the Participation Interests or entire votes available to be cast at a meeting of the shareholders or the board (as the case may be) agree, then such principle matters as may be agreed between the Parties and will be set out in the definitive shareholders' agreement referred to in clause 7.3 will not be approved or undertaken;
- 7.1.7 **BEE status:** each Member shall be obliged to maintain its nature, status and composition such that for so long as it is a Member it complies with the relevant ownership provisions of the BEE Legislation;
- 7.1.8 **lock-in:** neither Tranter nor any Member shall be entitled to sell, alienate, encumber or in any other manner dispose of or transfer its interest in the GBG group or their Participation Interest (as the case may be) for a period to be agreed between the parties, but shall not be less than three years from the date of implementation of the BEE Transaction;
- 7.1.9 **pre-emptive rights:** following the expiry of the period referred to in clause 7.1.8, a Member shall not be entitled to sell, alienate, encumber or in any other manner dispose of or transfer its Participation Interest unless all (or a portion) of the Participation Interest and loans to Tranter held by the Member have first been offered in writing to the other Members pro rata to their respective Participation Interests as at the date of the offer, provided that:
 - 7.1.9.1 the Founders shall be entitled to offer and dispose of their Participation Interest and claims between themselves prior to having to offer their Participation Interest and claims to the remaining Members; and

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- 7.1.9.2 the Founders shall be entitled to allocate between themselves in such proportion as they deem fit the aggregate of any Participation Interest and claims offered to them by the remaining Members pursuant to these pre-emptive rights;
- 7.1.10 **deemed offers:** a Member shall be deemed to have offered to sell its Participation Interest (and any loans to Tranter) in the manner contemplated in clause 7.1.9 if at any time:
- 7.1.10.1 there is a change in control in the Member;
- 7.1.10.2 a Member is placed under judicial management, sequestrated or liquidated or placed under any similar disability;
- 7.1.10.3 a member ceases to satisfy the relevant ownership provisions of the BEE Legislation;
- 7.1.11 **obligations under GBG shareholders' agreement:** each Member shall be obliged to comply with any obligations in the shareholders' agreement to be concluded between Tranter and the relevant members of the GBG group which may apply to the Members;
- 7.1.12 **warranties:** the Members shall be required to give such warranties as to their nature, status and composition as would be standard in arrangements such as these;
- 7.1.13 **general:** such other provisions which are customarily included in an agreement of this nature and/or which the Members agree to include.
- 7.2 The arrangements referred to in clause 7.1 assume that the BEE Transaction will be structured in the manner referred to in clause 6.2 but, should the structure be finalized in a different form or through an entity other than Tranter, then the principles referred to in clause 7.1 shall nevertheless be implemented within the alternative BEE Transaction structure with such consequential amendments as may be necessary.
- 7.3 The arrangements within the BEE Consortium set out in clause 7.1 will be recorded in a definitive shareholders' agreement (or other suitable form of agreement) to be negotiated and concluded amongst the Members in the manner contemplated in clause 9.

8. EXCLUSIVITY AND CONFLICTING INTERESTS

Each Party undertakes to the other Parties that, until the definitive agreements referred to in clause 9 become unconditional and takes effect according to their terms, neither it nor any of its associated companies, shareholders, agents, or other person acting on its behalf, will except through the BEE Consortium, be concerned, engaged or interested, whether financially or otherwise and whether directly or indirectly, in any business or



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investment which may compete with or prejudice the negotiation and/or conclusion by the BEE Consortium with the GBG group of the BEE Transaction.

9. DEFINITIVE AGREEMENTS

9.1 Following the signature of this MOU, each Party undertakes to negotiate in good faith and without undue delay to prepare, negotiate and conclude such definitive and comprehensive agreements as may be necessary to deal with and amplify the principles and objectives set out in this MOU, which agreements may include:

- 9.1.1 the shareholders' agreement contemplated in clause 7.3;
- 9.1.2 the agreement(s) relating to the potential royalty donation arrangements contemplated in clause 5.2.3.2, if applicable;
- 9.1.3 the agreement(s) relating to the funding arrangements contemplated in clause 5.2.3.3; and
- 9.1.4 the agreements with the strategic partner contemplated in clause 5.2.3.4, if applicable.

10. DURATION AND STATUS OF THIS MOU

- 10.1 This MOU will commence on the date of last signature and will endure until the earlier of the expiry of 1 year from the date of signature of this MOU or definitive agreements are entered into and take effect in accordance with their terms and conditions.
- 10.2 The Parties expressly record and agree that this MOU creates and constitutes legally binding and enforceable obligations between the Parties to the extent of its terms and conditions.

11. CONFIDENTIALITY

- 11.1 The Parties undertake that this MOU, all communications between the Parties and all information and other materials supplied to or received by one of them from the other which relates in any way to this MOU will be kept strictly confidential by each of the Parties.
- 11.2 The Parties shall, for so long as they remain members of the BEE Consortium, each sign such reasonable confidentiality undertakings as the Exco may deem necessary in order to further the objectives of the BEE Consortium and, in the circumstances where a Party fails to duly sign any such confidentiality undertaking within a reasonable time of being requested by the Exco to do so, each Party hereby nominates, constitutes and appoints each of the Founders to be their lawful agent and attorney irrevocably and *in rem suam* for the purpose of signing any such confidentiality undertakings and giving effect to this clause 11.

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12. GOOD FAITH AND DISPUTES

- 12.1 The Parties reciprocally undertake towards each other to exhibit good faith in giving effect to the terms of this MOU, hereby undertaking to do and procure the doing of all such things as may be requisite or necessary for purposes of giving effect to the import or intent of this MOU and the implementation of the terms contemplated herein.
- 12.2 Any dispute arising between the Parties in connection with the interpretation or application of the provisions of this MOU, its breach or termination, or any other matter arising out of or in connection with this MOU, shall, in the first instance be referred to the Exco for resolution and, failing resolution by the Exco within a reasonable period of time, will be referred to and be determined under the auspices of and in terms of the Commercial Arbitration Rules of the Arbitration Foundation of Southern Africa in Johannesburg.

13. GENERAL MATTERS

- 13.1 This MOU constitutes the entire agreement between the Parties as far as its subject matter is concerned.
- 13.2 Each Party warrants to the other Parties that it has the power, authority and legal right to sign and perform this MOU and that this MOU has been duly authorised by all necessary actions of its directors and constitutes valid and binding obligations on it in accordance with the terms of this MOU.
- 13.3 None of the Parties will be entitled to assign, cede, delegate or transfer any rights, obligations or interests acquired in terms of this MOU, in whole or in part, to any other party or person without the prior written consent of all the other Parties, provided that any Member shall be entitled to cede and assign all (and not a part only) of its rights and obligations under this Agreement to a wholly-owned subsidiary of that Member or a trust which is controlled by that Member.
- 13.4 No agreement varying, adding to, deleting from or cancelling this MOU, and no waiver whether specifically, implicitly or by conduct of any right to enforce any term of this MOU, will be effective unless reduced to writing and signed by or on behalf of the Parties.
- 13.5 This MOU may be executed in any number of counterparts and all such counterparts taken together will be deemed to constitute one and the same instrument.
- 13.6 Each Party will bear their own costs of and incidental to negotiating, preparing and executing this MOU.

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SCHEDULE 1: BEE CONSORTIUM MEMBERS

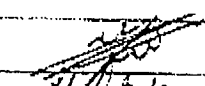
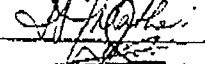
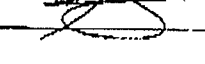
By signing alongside their name in this Schedule 1, each Party agrees to be bound by the terms and conditions of the MOU to which this Schedule 1 is attached.

Name	Registration Number	Participation Interest	Name of authorized signatory	Date of signature	Signature
Sipho Nkosi	n/a	25.4%	n/a		
Humphrey Mathe	n/a	9.9%	n/a		
Mxolisi Mgojo	n/a	7.4%	n/a		
Joshua Ngoma	n/a	7.4%	n/a	26/01/07	
Tranter Gold (Pty) Ltd	2005/028025/07	N/A	Sipho Nkosi	29/01/07	
Sidima Investments (Pty) Ltd	2005/033789/07	15%	Juliet Mxhakaza	29/01/07	
Abrina 387 (Pty) Ltd	2005/000063/07	12.5%	Sam Louw	26/01/07	
Malibongwe Womens' Development Organisation	n/a	10%	Bertha Gxowa		
Professor Taole Mokeona	n/a	4.9%	n/a		
Ms Connie Nkosi	n/a	2.5%	n/a	25/01/07	
The Burnstone Trust	To be registered	5%	Sipho Nkosi, for and behalf of a trust to be formed		

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Sipho Nkosi	n/a	25.4%;	n/a		
Humphrey Mathe	n/a	9.9%	n/a	23/01/07	
Mxolisi Mgojo	n/a	7.4%	n/a	24/01/07	
Joshua Ngoma	n/a	7.4%	n/a		
Tranter Gold (Pty) Ltd	2005/028025/07	N/A	Sipho Nkosi		
Sidima Investments (Pty) Ltd	2005/033789/07	15%	Juliet Mxhakaza		
Abrina 387 (Pty) Ltd	2005/000063/07	12.5%	Sam Louw		
Malibongwe Womens' Development Organisation	n/a	10%	Bertha Gxowa		
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Ms Connie Nkosi	n/a	2.5%	n/a		
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Joshua Ngoma	n/a	7.4%	n/a		
Tranter Gold (Pty) Ltd	2005/028025/07	N/A	Sipho Nkosi		
Sidima Investments (Pty) Ltd	2005/033789/07	15%	Juliet Mxhakaza		
Abrina 387 (Pty) Ltd	2005/000063/07	12.5%	Sam Louw		
Malibongwe Womens Development Organisation	n/a	10%	Bertha Gxowa	24 Jan 07 24 Jan 07	<i>Bertha Gxowa</i>
Professor Taole Mokeona	n/a	4.9%	n/a		
Ms Connie Nkosi	n/a	2.5%	n/a		
The Burnstone Trust	To be registered	5%	Sipho Nkosi, for and behalf of a trust to be formed		

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SCHEDULE 2: BACKGROUND OF BEE CONSORTIUM MEMBERS

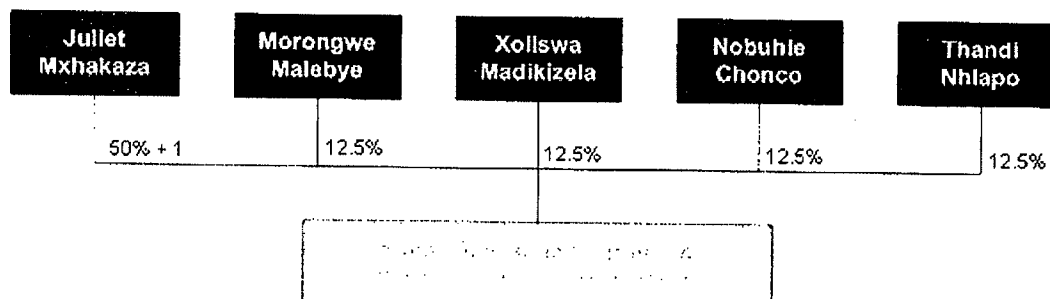
Sidima is a 100% black women owned company

Although it has only recently been established, it formally brings together 5 professional women with diverse skills and backgrounds, who have known each other over many years on a social, business and community basis.

Its primary objective is to participate actively with the companies in which it invests, and wherever possible in conjunction with non-government organisations and broad based community and social upliftment groups.

Its key focus is the sustainable development of black women from all levels of society and the communities directly affected by its investment companies.

The shareholding structure of the company is as follows:



- Juliet Mxhakaza is the leader and initial founder of Sidima. She has a BA degree and has worked in teaching and training for a number of years initially as a school teacher with the DET and later as a skills and training facilitator in the private sector with Total South Africa. She is currently the Business Development Director for Amazwi Power Products, an engineering company producing mining equipment and power generation products.
- Marongwe Malebye has a Masters Degree in Industrial Engineering from University of the Witwatersrand and a BSc in Mechanical Engineering from University of Cape Town and an MBA from Wits University. She is currently the Managing Director of Babcock Ntuthuko, an empowered company that provides maintenance and engineering services to Eskom Boiler divisions and the petrochemical industry. She is an elected mentor on the Allan Gray Orbis foundation, SciBono for Girl learner initiative and BWA, MBF member.
- Xoliswa Madikizela has a BSc degree from the University of Western Cape, as well as a Higher Diploma in Education. She worked as a teacher for a

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number of years, teaching maths and biology/natural science in the schools in and around Cape Town's poor and informal township settlements. She currently runs her own small cafeteria business and continues to teach young children from poor communities during weekends.

- ✓ Nobuhle Chonco has an BA from University of Zululand, BA (Hons) & MBL from Unisa and MSc & PhD from Michigan State University. She has been actively involved in community and social work throughout her life and is currently head of the Community Services Division of Vodacom.
- ✓ Thandi Nhlapo has a BComm degree from University of Witwatersrand, and is an executive in the procurement department of Total South Africa. She is currently studying for her MBA through the University of Potchefstroom.

Sidima will have a significant role in managing The Burnstone Trust, as discussed below.

Abrina was founded in 2005 by Mr Sam Louw in order to provide much needed consulting services to the mining industry. Sam has some 15 years experience in the industry and was instrumental in the development and implementation of the transition of the new Minerals Act.

The shareholders of Abrina, and their respective shareholding in Abrina, is as follows:

- ✓ Sam Louw (30%) is the founder of Abrina 387 (Pty) Ltd (**Abrina**). He is the whip of Minerals and Energy and, as such, is highly skilled in the industry and a respected negotiator in crucial matters relating to the mineral issues of the country. Sam was instrumental in setting up critical structures within the MQA and attends their PPE training for HDSA in the industry. He also attended the MEETI training during the early 90's. Sam has acquired various diplomas in the mining and energy section, and has been the whip for Minerals and Energy since 1994 until now.
- ✓ Yvonne Louw (30%) is a qualified nurse. She completed her training at Livingstone Hospital from 1974 until 1977 and is involved in health issues of the community ever since. She did midwife training at Coronationville Hospital from 1978 until 1979, then worked at the hospital as a General Nurse in surgery. She moved to Potchefstroom in 1993, and worked at Potchefstroom Hospital in Paediatrics, Surgery and theatre administration until 2000. She did community nursing in the surrounding villages and farms. She is presently actively involved in CANSA organisation as a volunteer, and spends most of her time with this project. She is also a founder of the Early Learning Centre in Wilgeboom Farm in Potchefstroom and is doing volunteer work for the farm school children in the surrounding area.

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- Portia Letsapa (10%) is a registered nurse and midwife has a BA degree in Nursing Education and Management from the University of Potchefstroom. She worked as a General and Operating theatre nurse for 17 years at Potchefstroom Hospital. She is currently practising as a nurse educator and is involved in the community service division of Ubuntu Family Centre Church.
- Gail Bent (10%) completed her secondary education at the Primrose Secondary School. She started working at the Potchefstroom University in 1989 at the Library. Registered as a student at the University of Potchefstroom and completed her Higher Education Diploma in 1993. She is presently teaching at the Secondary School at Promosa Potchefstroom. Her community involvement stretches from as early as 1986 to 2007 and she takes care of the orphans at the Phumulelo Centre, Counselling HIV infected and affected people at the Promosa Clinic and supervises at the Promosa Secondary School Hostel. She is presently also running a soup kitchen for the street children.
- ✓ Dolly Molebatse (10%) is a community care giver and specialist in special projects, especially beads, and scare skills projects, like sowing and agricultural projects. She is also a specialist in the Arts and Crafts projects.
- ✓ Eskay Mineral Resources & Development Trust (10%).

The Malibongwe Women's Development Organisation ("Malibongwe") is a non-government, non-profit organisation that is committed to socially and economically developing and empowering South African women, with a particular emphasis on previously disadvantaged women in both rural and urban areas. Malibongwe runs a number of community projects such as home based care for HIV/AIDS sufferers, caring for HIV/Aids orphans and income generation for women. Malibongwe has ten Commissions aimed at empowering women in fields such as construction, security, health, capacity building, fruit gardening, manufacturing, cleaning, child minding and home based care. The organisation acts as a catalyst in building bridges between women in rural and urban areas. Malibongwe will assist The Burnstone Trust in implementing its objectives.

Malibongwe has no shareholders. Profits that accrue to the organisation are used for the sole benefit of its development projects. Recent projects have benefited a number of women and include HIV/AIDS management and education programs, income generation projects, poverty alleviation and food distribution projects.

Ms Bertha Gxowa, an esteemed leader of the Women Rights Movement and a community builder since the 1950's, chairs Malibongwe.

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Professor Taole Mokoena is a medical graduate of the University of Natal, a PhD graduate of University of Oxford. He is currently professor and head of department of surgery at University of Pretoria and Kalafong Hospital.

He has academic and research experience in RSA, UK and Canada. He is active in academic and professional leadership having served at different times on a number of national academic and professional bodies including SAMA, HPCSA (formerly SAMDC) disciplinary committee, Colleges of Medicine of SA, College of Surgeons of SA, Association of Surgeons of SA, Medical Research Council (chair 2001 – 2004) and UNITRA Council. He serves on Task Team for Transformation for Ministry of Health.

He is also an entrepreneur who has previously invested in laundry, transport, real estate and healthcare businesses. He has served in a number of business leadership roles at different times such as Investment Committee of Wolfson College, Univ of Oxford and director of Rihanyo Health Informatics (chaired), Managed Care SA (chair), African Legend Investment, African Partnerships, Johnnic, M-Cell, HT Group (Doves Funeral Insurance Services), Eyesizwe Coal (chair 2002 - 2005), Chancellor House (chair) and Witwatersrand Consolidated Gold Resources (Wits Gold) (deputy chair), United Manganese of Kalahari, Hitachi Power Africa and Netcare. His forte lies in strategic focus analysis and in negotiations.

Prof. Mokoena is a highly respected individual, both professionally and in his personal capacity, and was instrumental in the original healthcare policy formulation through NAMDA and the ANC.

An entrepreneur with an excellent track record in business, Connie Nkosi's career began in 1969 with a degree in psychology from the University of Zululand. This was followed by numerous qualifications, which include becoming the first black woman to obtain an MBA (University of Witwatersrand) in South Africa. She is currently enrolled with Intec for a Diploma in Mining.

Her business expertise in finance and marketing led to her appointment as Area Manager for the Permanent Building Society (Nedbank), a position she held for 5 years. She then joined SA Rail Commuter Corporation as Communications Manager and was later promoted to Group General Manager – Strategic Planning and Communications. A well-known public figure, Connie Nkosi is a member of the Board of Directors of Pick 'n Pay Ltd; and is the non-executive Chairperson of First Technology (Pty) Ltd and a non-executive Director of Primeserv. Connie has previously served on the boards of: British American Tobacco, Lonhro Africa, Cash Bank, Sotta International and Uthingo Management (Pty) Ltd. She is a founding shareholder of Lidonga Group Holdings (Pty) Ltd, a women's empowerment company.

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In addition to the above broad base of shareholders, it is considered important that support should be provided to appropriate empowerment projects and sustainable entrepreneurial, business initiatives from the communities surrounding and impacted by the Burnstone Project.

A considerable amount of groundwork was done in identifying possible beneficiaries. The objective was to identify sustainable organisations, with proven delivery capabilities and requisite internal governance structures. Those locally based organisations around the Burnstone Project area considered appropriate include:

- ✧ Depaliseng Youth Group – an organisation promoting business entrepreneurship.
- ✧ Mpumelelo Community Theatre – with a current membership of some 130 individuals focusing on traditional and gumboot dancing, drum majorettes, jazz and drama.
- ✧ Sizanani Communal Properties – a community farming project benefiting over 200 participants in the Balfour area.
- ✧ Siyathemba Male Voice – a local musical group.
- ✧ Bareng Batho Disabled – an organisation located in Balfour formed in 1998 which provides care for the disabled.
- ✧ Tshepehang Disabled and Kagiso Disabled Groups – located in Grootvlei and Ntorwane (Greylingstad) respectively, also providing ongoing care and support for the disabled.
- ✧ Lindokuhle Poultry Project – a local community farming project sponsored currently by NDA
- ✧ Bambanani – a community sewing project including initial sewing training, as well as marketing and financial management. Projects include local school uniforms, uniforms for Eskom, car seat covers and table cloths.
- ✧ Vezukhono – a recently formed wood and steel project, producing window frames, gates, burglar doors, etc.
- ✧ Khutlurano Home Base Care – supporting HIV/Aids, TB and other terminally ill patients, as well as vulnerable children in families affected by Aids. The organisation currently cares for some 153 orphans and many other patients providing food parcels, supporting school fees, providing uniforms, etc.
- ✧ Topsy Foundation – a home for aids orphans.

Although there are numerous highly worthy organisations and projects around the Burnstone Project area, they are generally established with a focus of providing aid and support and not as investment vehicles. In addition, prior experience indicates

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that over a period of time, organisations such as these may not be sustainable and may also change their nature (e.g. youth groups may not remain as such).

As a result, it was agreed that the introduction of broad-based beneficiaries focussing on the communities surrounding and impacted by the Burnstone Project be structured through a trust, The Burnstone Trust, which will be established as a Public Benefit Organisation.

The use of a trust will provide greater flexibility to determine who the most appropriate beneficiaries are from time to time as they evolve and change and as new projects become available.

The Trust Deed will have a very clear mandate and set of guidelines. It is envisaged that these would include:

- ✓ Criteria for the qualification of beneficiaries
- ✓ Provision for regular and ongoing review of the extent to which beneficiaries are fulfilling their obligations and maintaining adequate governance.
- ✓ Provisions to ensure that worthy projects remain sustainable and continue to obtain support from the Trust until they are sufficiently robust to operate independently.
- ✓ The retention of certain funds for discretionary allocations, subject to the satisfaction of Burnstone

The ongoing management of the various social upliftment programs, as well as the administration and supervision of the Trust will require significant focus and attention.

In order to provide this role, the women's group Sidima Investments will be mandated with specific responsibility for the Burnstone Trust, and it is proposed that Juliet Mxhakaza be appointed first Trustee. Other trustees will include Mxolisi Mgojo from Tranter Gold, a representative from Great Basin Gold, and a representative of the local community.

SCHEDULE 3: LIMITED LEGAL DUE DILIGENCE INFORMATION CHECKLIST

In order to establish and verify the nature, status and composition each Member with reference to its compliance (or otherwise) with the relevant ownership provisions of the BEE Legislation, each Member (and shareholder of a Member) shall provide GBG and representatives with access to information which may include (but not necessarily be limited to) the following:

A: INFORMATION IN RELATION TO EACH MEMBER OF THE BEE CONSORTIUM OR EACH SHAREHOLDER OF A MEMBER OF THE BEE CONSORTIUM THAT IS A TRUST:

1. Constituent documents:

- 1.1 Memorandum and Articles of Association;
- 1.2 shareholders' register;

2 Share capital

- 2.1 details of the entire authorized and issued share capital;
- 2.2 details of the rights attaching to each class of shares and other securities (including any rights of pre-emption, rights of first refusal and voting agreements)
- 2.3 details (and agreements) relating to any share options;
- 2.4 details of any encumbrances over the company's shares and securities;
- 2.5 details of any debt instruments;

3 Shareholders

- 3.1 full names and identity number/registration number of each shareholder of the company;
- 3.2 share certificates;
- 3.3 copies of any and all agreements amongst the shareholders of the company relating to their relationship as shareholders in the company;

4 General

- 4.1 names of all directors and secretaries of the company;
- 4.2 details of all loan or facility arrangements;
- 4.3 details of any mortgages, guarantees or other security agreements provided by the company;
- 4.4 any other agreements, documents or instruments which are material to the ownership and/or management of the company

Memorandum of Understanding

B: INFORMATION IN RELATION TO EACH MEMBER OF THE BEE CONSORTIUM OR ANY SHAREHOLDER OF A MEMBER OF THE BEE CONSORTIUM THAT IS A TRUST:

1. Constituent documents:

1.1 Trust Deed;

2 Trustees

2.1 full names and identity number of each trustee;

2.2 letters of authority of each of the Trustees;

3 Beneficiaries

3.1 details of all beneficiaries of the Trust;

4 General

4.1 any other agreements, documents or instruments which are material to the control or dispositions of the trust.

C: INFORMATION IN RELATION TO EACH MEMBER OF THE BEE CONSORTIUM OR ANY SHAREHOLDER OF A MEMBER OF THE BEE CONSORTIUM THAT IS A NATURAL PERSON:

1. Constituent documents:

1.1 full names and identity number;

1.2 nationality; and

1.3 copy of identity document (or if not South African, a copy of their passport).

2 General

2.1 any other agreements, documents or instruments which are material to the acquisition or disposal of assets by the individual.

SCHEDULE 4: ROYALTY SETTLEMENT AGREEMENT

(C)

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Heads of Agreement

between

Tranter Gold (Proprietary) Limited
(registration number: _____)
Herein known as ("Tranter Gold")

and

Gold Fields Limited
(registration number: 1968/004880/06)
Herein known as ("Gold Fields")

GFL Mining Services Limited
(registration number: 1997/019961/06)
Herein known as ("GFL")

and

Great Basin Gold Limited
(registration number: _____)
Herein known as ("Great Basin")

INTRODUCTION

1. Tranter Gold is a broad-based HDSA company seeking opportunities to invest and participate in gold mining opportunities in South Africa.
2. Gold Fields is a public company, listed on the JSE. The shares of Gold Fields are also traded in the United States of America on the New York Stock Exchange and are registered with the United States Securities and Exchange Commission. Gold Fields is further listed on the London Stock Exchange, Euronex in Paris and Brussels and the SWX Swiss Exchange. Gold Fields is a significant producer of gold and major holder of gold reserves in South Africa, Ghana, Australia, Venezuela and Peru.
3. GFL is a wholly owned subsidiary of Gold Fields.
4. Great Basin is a Canadian and JSE listed mining company with assets in South Africa held by its wholly owned subsidiary Southgold Exploration (Proprietary) Limited ("Southgold").

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5. Gold Fields, GFL and Tranter Gold wish to enter into an agreement which will enable Tranter Gold to actively participate in a major new gold mining operation in South Africa.

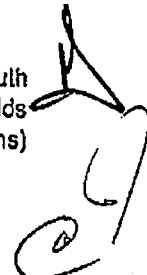
BACKGROUND

4. In terms of a prospecting agreement entered into between GFL, Randex Limited and Southgold on 17 October 2000 ("the Prospecting Agreement"), Southgold exercised an option to purchase the mineral rights which were the subject of the Prospecting Agreement (and which forms the basis of the Burnstone Project as defined in clause 6 below) from GFL. In addition to the upfront cash purchase price payable by Southgold in terms of clause 7 of the Prospecting Agreement, Southgold must in terms of clause 8 of the Prospecting Agreement pay to GFL an additional consideration for the sale of such mineral rights, which consideration is tiered to the gold price and is based on the net smelter revenue realised from the sale of the gold production emanating from those mineral rights ("the Net Smelter Revenue Payment").
5. The shareholders of Southgold sold their interests in Southgold to Great Basin during 2004.
6. Great Basin has successfully concluded a feasibility study relating to the development of a new mine ("the Burnstone Project") to extract the gold reserves which are subject to the Prospecting Agreement.
7. Tranter Gold has been in discussion with Great Basin, Southgold, Gold Fields and GFL regarding Tranter Gold's desire to participate in the Burnstone Project through an incorporated Special Purpose Vehicle ("SPV").
8. Gold Fields fully supports the Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry ("the Charter") and is seeking ways of encouraging HDSA's to benefit from the exploitation of mineral resources by participating in the ownership of mining assets.
9. With this objective, Gold Fields and GFL are willing to enter into a definitive agreement which would empower Tranter Gold to participate in the Burnstone Project, subject to the terms and conditions set out in this Heads of Agreement.

PROPOSED TRANSACTION

The parties to this Heads of Agreement ("the Parties") wish to enter into a definitive agreement ("the Agreement") based on the following salient terms and conditions:

10. Subject to the conditions precedent set out in clause 11 below:
 - 10.1. Southgold will pay to GFL an amount of ZAR 80 million plus Value Added Tax in full and final settlement of any amount payable in respect of the Net Smelter Revenue Payment in terms of clause 8 of the Prospecting Agreement.
 - 10.2. Simultaneously with the payment referred to in clause 10.1:
 - 10.2.1. GFL shall, acting as agent for and on behalf of GFI Mining South Africa (Proprietary) Limited (a wholly owned subsidiary of Gold Fields and which owns Gold Fields' South African gold mining operations)



- ("GFIMSA"), donate ZAR 80 million to Tranter Gold ("the Donated Amount").
- 10.2.2. Tranter Gold will pay ZAR 70 million of the Donated Amount to Southgold as part payment of the R260 million required to acquire a 26% equity interest in the Burnstone Project (via the SPV). This amount will be utilised by South Gold as Tranter Gold's initial contribution towards its share of the capital expenditure requirements of the Burnstone Project.
- 10.2.3. Tranter Gold will retain ZAR 10 million of the Donated Amount to be utilised exclusively by Tranter Gold for the establishment, administration and the day-to-day operational costs of the SPV in respect to its participation in the Burnstone Project.
- 10.3. Tranter Gold undertakes and warrants in favour of Gold Fields, GFL and GFIMSA that it is and shall remain an HDSA company. For purposes of this Heads of Agreement:
- 10.3.1. an "HDSA company" is a company which is owned or controlled (whether directly or indirectly) by HDSA's and any other company which is an "HDSA company" as contemplated from time to time in the Mining Charter. Without limiting the foregoing, a company is owned by HDSA's if:
- 10.3.1.1. HDSA's beneficially own at least 50,1% of the equity share capital of that company; or
- 10.3.1.2. one or more trusts, the majority of whose beneficiaries are HDSA's, beneficially own at least 50,1% of the equity share capital of that company; and
- 10.3.2. "beneficially own" equity share capital means entitled to participate in the distribution of profits, reserves, capital, share premium or any other dividend or distribution arising in respect of that equity share capital.

CONDITIONS PRECEDENT

11. The Agreement shall be conditional upon the fulfilment of *inter alia* the following conditions precedent:
- 11.1. the necessary regulatory approvals, to the extent required, including (but not limited to) the approval of the South African Competition authorities, the South African Reserve Bank and the JSE;
- 11.2. the written confirmation by the Department of Minerals and Energy ("the DME"), on terms which are acceptable to Gold Fields, acting reasonably, that Tranter Gold is a HDSA company and that the DME is satisfied with the transaction set out in this Heads of Agreement ("the Transaction") for purposes of the conversion, and thereafter retention, of the Burnstone Project's old order mining rights to new order mining rights under the Mineral and Petroleum Resources Development Act, 28 of 2002. The

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Parties shall co-operate with and assist each other in obtaining of such confirmation.

- 11.3. the written confirmation by the DME that the Transaction will secure equity credits (based on attributable units of production) to GFIMSA under the Charter and that such equity credits can be utilised to offset at least 2 percentage points of the equity ownership requirements of GFIMSA's South African gold mining operations. In this regard it is recorded that the Parties agree that the anticipated units of production attributable to GFIMSA is approximately 214 000 ounces per annum; and
- 11.4. the written confirmation from the South African Revenue Service, on terms which are acceptable to Gold Fields, acting reasonably, that GFIMSA will be entitled to a deduction for income tax purposes in respect of the payment made to Tranter Gold.
12. The Parties shall use their reasonable commercial efforts to procure the fulfilment of the conditions precedent referred to in clause 11 above.
13. Gold Fields shall have the right to unilaterally waive the conditions precedent.
14. If any of the conditions precedent is/are not timeously fulfilled:
 - 14.1. this Heads of Agreement, the Transaction and the Agreement shall be of no force and effect;
 - 14.2. the Parties shall be restored in relation to the subject matter of this letter as near as may be possible to the positions in which they were immediately prior to signature of this letter; and
 - 14.3. no Party shall have any claim against any other as a result of such non-fulfilment save in circumstances where a party has deliberately frustrated the fulfilment thereof.

MISCELLANEOUS PROVISIONS

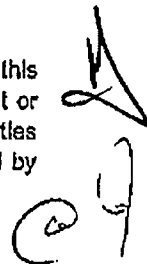
15. The Agreement shall contain such other and miscellaneous provisions normally associated with this kind of agreement as agreed to by the Parties.

WAY FORWARD

16. The Parties will jointly engage with the DME for the purposes of exercising their reasonable commercial efforts to ensure the fulfilment of the conditions precedent referred to in clause 11.
17. The final structure of the Transaction will be determined on the basis of commercial, tax, securities and corporate law advice in order to ensure the most efficient structure for each of the Parties.

STATUS OF HEADS OF AGREEMENT

18. The Parties wish to sign and execute a definitive written agreement based on this Heads of Agreement by [28 February 2007]. The Parties agree that no contract or agreement providing for the Transaction will be deemed to exist between the Parties unless and until a definitive agreement has been signed, executed and delivered by

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the Parties. Moreover, unless and until such a definitive written agreement is entered into, executed and delivered, none of the Parties will be under any legal obligation of any kind whatsoever with respect to any Transaction. For the purposes of this paragraph a "definitive written agreement" does not include this Heads of Agreement or any other preliminary agreement, nor does it include any written or oral acceptance of any offer or bid, unless otherwise expressly provided therein.

CONFIDENTIALITY

19. Notwithstanding the provisions of clause 18 above, the provisions of this "Confidentiality Section" shall have be of force and effect with effect from the signature of this Heads of Agreement by the Party signing last in time and the provisions of this "Confidentiality Section" shall be legally binding on the Parties.

20. For purposes of this "Confidentiality Section":

20.1. "Confidential Information" means any and all information, data, knowledge, opinions and interpretations of any nature whatsoever, relating to any one of the Parties ("the Disclosing Party"), its Affiliates and the terms and conditions of this Heads of Agreement, the Agreement and the Transaction, disclosed by the Disclosing Party, its Affiliates or any of their respective Representatives to any one of the other Parties ("the Recipient"), its Affiliates or any of their respective Representatives, howsoever such information may be disclosed including, without limiting the foregoing, whether orally, visually or in computer language or by reason of inspection of documentation or other matter. Notwithstanding the foregoing, for purposes of this Heads of Agreement "Confidential Information" shall not include information which the Recipient can demonstrate:

20.1.1. was or becomes a part of the public domain other than as a result of a disclosure by the Recipient or any of its Representatives in breach of this Agreement;

20.1.2. was or becomes available to the Recipient on a non-confidential basis from a source other than the Disclosing Party, its Affiliates or any of their respective Representatives, provided that to the best of the Recipient's knowledge such source is not bound by a confidentiality or other secrecy agreement with or a fiduciary obligation to the Disclosing Party; or

20.1.3. was already in the possession of the Recipient on a non-confidential basis prior to being furnished to the Recipient by the Disclosing Party, its Affiliates or any of their respective Representatives;

20.1.4. was developed by the Recipient independently of the Confidential Information received from the Disclosing Party;

20.2. "Affiliate" means in relation to any of the Parties, an entity (whether incorporated or unincorporated) which controls, is controlled by or is under common control with such Party, whether directly or indirectly. For this purpose *control* means the direct or indirect ownership of more than 50% of the voting interests in the entity concerned and/or the ability to

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appoint the majority of the board of directors of such entity and/or the ability to control, manage or influence, in fact, the business and affairs of such entity;

- 20.3. "Representative" means in relation to any one of the Parties, the directors, officers, employees, consultants, agents, contractors or advisors of such Party.

21. The Recipient undertakes:

- 21.1. to use all Confidential Information disclosed to it (whether before, on or after the date hereof) exclusively for purposes of this Heads of Agreement and the Agreement ("the Purpose"). The Recipient further undertakes that it will ensure that the Confidential Information is not used at any time to the detriment of the Disclosing Party or any of its Affiliates or for the benefit of the Recipient other than for the Purpose;
- 21.2. to procure that all Confidential Information is kept and treated as strictly confidential and, except with the prior written consent of the Disclosing Party, is disclosed only to its Representatives on a need to know basis. In this regard the Recipient undertakes to implement a system whereby the integrity of the Confidential Information is maintained;
- 21.3. to inform its Representatives of the confidential nature of the Confidential Information and the requirement that it is not to be used other than in terms of this Heads of Agreement and the Agreement;
- 21.4. to procure that its Representatives agree to be bound by the terms of this Agreement as a condition of receiving the Confidential Information;
- 21.5. accordingly, not directly or indirectly to use or disclose or permit to be disclosed any of the Confidential Information in whole or in part save in accordance with this Agreement.

22. The Recipient agrees that the Confidential Information remains the exclusive property of the Disclosing Party and its Affiliates. The Recipient shall not obtain ownership or any other right, title or interest in and to the Confidential Information. Nothing in this Agreement shall be construed to:

- 22.1. create a partnership between the Parties; or
- 22.2. grant the Recipient any rights in or to the Confidential Information.

23. The Recipient shall be responsible for any disclosure or misuse of Confidential Information resulting from a failure of its Representatives to comply with the provisions of this "Confidentiality Section". The Recipient agrees to promptly report to the Disclosing Party any actual or suspected violation of the terms of this "Confidentiality Section" and will take all reasonable steps requested by the Disclosing Party to prevent, control, or remedy any such violation.

Costs

24. Each Party shall bear its own costs to be incurred in connection with the drafting and negotiation of this Heads of Agreement and the Agreement.

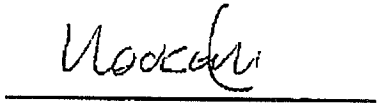
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SIGNATURE


S NKOLO
for Tranter Gold (Pty) Ltd

12/02/07
Date


I COCKERILL
for Gold Fields Limited

7/2/07.
Date


F. DIPPENAR
for Great Basin Gold Ltd

12/2/07
Date



SCHEDULE 5: LIMITED LEGAL DUE DILIGENCE INFORMATION CHECKLIST

In order to establish and verify the nature, status and composition Tranter Gold with reference to its compliance (or otherwise) with the relevant ownership provisions of the BEE Legislation, each BEE Consortium Member (and shareholder of a BEE Consortium Member) shall provide GBG and its representatives with access to information which may include (but not necessarily be limited to) the following:

A: INFORMATION IN RELATION TO EACH BEE CONSORTIUM MEMBER OR EACH SHAREHOLDER OF A BEE CONSORTIUM MEMBER THAT IS A TRUST:

1. Constituent documents:

- 1.1 Memorandum and Articles of Association;
- 1.2 shareholders' register;

2 Share capital

- 2.1 details of the entire authorized and issued share capital;
- 2.2 details of the rights attaching to each class of shares and other securities (including any rights of pre-emption, rights of first refusal and voting agreements)
- 2.3 details (and agreements) relating to any share options;
- 2.4 details of any encumbrances over the company's shares and securities;
- 2.5 details of any debt instruments;

3 Shareholders

- 3.1 full names and identity number/registration number of each shareholder of the company;
- 3.2 share certificates;
- 3.3 copies of any and all agreements amongst the shareholders of the company relating to their relationship as shareholders in the company;

4 General

- 4.1 names of all directors and secretaries of the company;
- 4.2 details of all loan or facility arrangements;
- 4.3 details of any mortgages, guarantees or other security agreements provided by the company;
- 4.4 any other agreements, documents or instruments which are material to the ownership and/or management of the company



Transaction Framework Agreement

B: INFORMATION IN RELATION TO EACH BEE CONSORTIUM MEMBER OR ANY SHAREHOLDER OF A BEE CONSORTIUM MEMBER THAT IS A TRUST:

1. Constituent documents:

1.1 Trust Deed;

2 Trustees

2.1 full names and identity number of each trustee;

2.2 letters of authority of each of the Trustees;

3 Beneficiaries

3.1 details of all beneficiaries of the Trust;

4 General

4.1 any other agreements, documents or instruments which are material to the control or dispositions of the trust.

C: INFORMATION IN RELATION TO EACH BEE CONSORTIUM MEMBER OR ANY SHAREHOLDER OF A BEE CONSORTIUM MEMBER THAT IS A NATURAL PERSON:

1. Constituent documents:

1.1 full names and identity number;

1.2 nationality; and

1.3 copy of identity document (or if not South African, a copy of their passport).

2 General

2.1 any other agreements, documents or instruments which are material to the acquisition or disposal of assets by the individual.

SCHEDULE 6: TRANSACTION STRUCTURE (REFLECTING GBG SHARES)

