



Reference: 4/16/1 Vol 3

Enquiries: Parkstone Tendai Chitaka

Mobile 083 566 3226

Direct Line: (011) 682 - 0520

**19 August 2010**

**NOTICE TO CRUSHING AND NON CRUSHING MINES CONSUMERS**

**WATER TARIFF INCREASE EFFECTIVE FROM 1 JULY 2010**

In compliance with the provisions of the Public Finance Management Act, Rand Water hereby notifies you of 14.1% potable bulk water tariff increase effective for the period 1 July 2010 to 30 June 2011.

This represents a total increase of 49.33 cents per kilolitre (c/kl) on domestic tariff and 73.99 cents per kilolitre (c/kl) on operational tariff respectively.

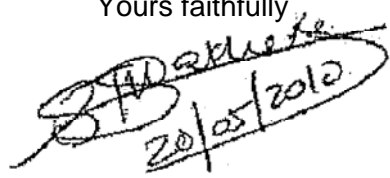
The new tariff will thus be as follows:

| <b>Mines<br/>(Crushing &amp; Non Crushing)</b> | <b>Current Tariff<br/>(1 July 09 – 30 June 10)</b> | <b>New Tariff<br/>(1 July 10 – 30 June 11)</b> |
|--|--|--|
| Tariff Domestic                                | 398.859096 C/kl<br>Including VAT at 14%            | 455.098209 C/kl<br>Including VAT at 14%        |
| Tariff Operational                             | 598.288622 C/kl<br>Including VAT at 14%            | 682.647318 C/kl<br>Including VAT at 14%        |
| Water Research Commission<br>Levy              | 0.385000 C/kl                                      | 0.385000 C/kl                                  |

Furthermore in terms of the Water Research Act, Act 34 of 1971, Rand Water must collect the Water Research Levy, which is not part of Rand Water's tariff, for payment to the Water Research Commission (WRC) Unfortunately the Water Research Commission levy has not been announced. Rand Water will inform you in due course about the WCR tariff increase.

If you wish to discuss any aspect of the above please do not hesitate to contact our Industry Account Executives, Parkstone Tendai Chitaka who will be ready to assist.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'M. Nyembe', is written over a date '20/05/2010'. The signature and date are enclosed within a hand-drawn oval shape.

**Matshidiso Nyembe**  
**Chief Financial Officer**