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Mark Pamensky CA (SA)

11 WEST ROAD SOUTH ESTATE
FARMBOON ROAD
SANDTON
JOHANNESBURG
2196

HOME: 011 883 2648
CELL: 082 901 0173
EMAIL: mark@markpam.com

Dr Baldwin Ngubane
Chairman
Eskom SOC Limited
Office of the Secretary
Megawatt Park
Maxwell Drive
Sunninghill
Sandton

8 November 2016

Dear Chairman,

NUCLEAR PROGRAMME

I refer to the board meeting of 27 October 2016 and in particular the proposed nuclear procurement programme.

At the outset, and in furtherance of my declaration of interest in relation to my independent, non-executive directorship of Oakbay Resources and Energy Limited ("ORE"), I wish to advise as follows:

1. ORE has as its major asset, a uranium mine – Shiva Uranium. This is involved directly in the nuclear energy industry.
2. Upon being informed on 3 November 2016 that Cabinet has confirmed that Eskom will be the lead procurer of the new nuclear build programme, I thought it prudent to bring any perceived conflict of interest I may have to the attention of the Board and shareholder.
3. It is my proposal that in the circumstances, I be recused from all deliberations, circulation of documents, strategy or information meetings of whatsoever nature in regard to the aforesaid nuclear programme.
4. Mindful of the potential extent of the nuclear programme and its importance to Eskom and the country going forward, to the extent that either the board or the shareholder are of the view that I may be unable to completely fulfil my commitment

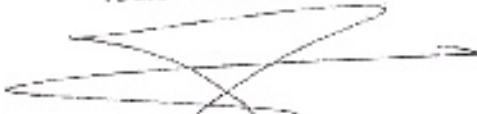


to dealing with all of the business of Eskom that I may be required to attend to as director, I would, upon advice consider my resignation. Equally, I would be prepared to consider my resignation where the shareholder or the board believe that any perceived conflict that may exist between my respective board positions on ORF and Eskom in regard to the nuclear programme.

I am obviously happy to meet to discuss any of the matters set out in this letter before any firm decisions are made by myself, the board and the shareholder.

I look forward to your response.

Yours Faithfully,



Mark Parnensky

CC: Mrs Venete Klein- non-executive director & P&G Chairlady
CC: Mrs Suzanne Daniels - Company Secretary & GM Legal

