

Repayment Terms  
Maturity Date  
Interest on

1/3-3.11

### GUARANTEE

WHEREAS the Government of the Republic of South Africa has entered into the Treaty on the Lesotho Highlands Water Project with the Government of the Kingdom of Lesotho on 24 October 1986,

AND WHEREAS in terms of Article 11(6) of the Treaty the Republic of South Africa shall, with respect to all loans, credit facilities or other borrowings procured by the Trans-Caledon Tunnel Authority (hereinafter referred to as "the TCTA") for the implementation, operation and maintenance of that part of the Project relating to the delivery of water to South Africa, provide such guarantees as the lenders of such loans, credit facilities or other borrowings may require;

AND WHEREAS the TCTA has resolved to procure loans for the implementation, operation and maintenance of that part of the Project relating to the delivery of water to South Africa by means of inter alia, the issue of Call Bills and Capital Project Bills in the Money Market which shall not exceed R4 000 million (Four thousand million Rand) and the due payment of which will be guaranteed by the Government;

AND WHEREAS, in the opinion of the Minister of Water Affairs and Forestry acting with the concurrence of the Minister of Finance, it is in the public interest to issue this Guarantee on behalf of the Republic of South Africa (hereinafter referred to as "the Guarantor"), and the said Ministers deem it necessary to issue this Guarantee in terms of section 35(1) of the Exchequer Act, 1975 (Act No.66 of 1975),

SIHO-AFRIKANSE POLISIEDIENS
AND WHEREAS Deloitte and Touche are administering on behalf of the TCTA any claims arising from the instruments;
2000-07-14
CHARGE OFFICER LITTLETON
SOUTH AFRICAN POLICE SERVICE

BY DELOITTE AND TOUCHE (Pty) Ltd. (INCORPORATED IN SOUTH AFRICA)	
THE COMPANY HAS THE HONOUR TO CERTIFY THAT THE ABOVE NAMED PERSON IS A MEMBER OF THE FIRM OF DELOITTE AND TOUCHE (Pty) Ltd. (INCORPORATED IN SOUTH AFRICA) AND IS A MEMBER OF THE FIRM OF DELOITTE AND TOUCHE (Pty) Ltd. (INCORPORATED IN SOUTH AFRICA) AND IS A MEMBER OF THE FIRM OF DELOITTE AND TOUCHE (Pty) Ltd. (INCORPORATED IN SOUTH AFRICA)	
AND WHEREAS Deloitte and Touche are administering on behalf of the TCTA any claims arising from the instruments;	
2000-07-14	
CHARGE OFFICER LITTLETON	
SOUTH AFRICAN POLICE SERVICE	
MADE BY FORCE NUMBER 0170435-4	DATE 2000-07-14

NOW THEREFORE, the Guarantor hereby unconditionally and irrevocably guarantees to the bearer or holder of TCTA's Call Bills and Capital Project Bills that, in the event of the non-fulfillment by TCTA of any financial obligation under the TCTA's Call Bills and Capital Project Bills, any and all such obligations of TCTA shall by themselves be the commitments of the Guarantor.

This Guarantee and the rights pursuant thereto are executed in favour of the holders of the said instruments and the Guarantor undertakes, upon default by TCTA in the fulfillment of its obligations, to make payment of all amounts payable in terms hereof immediately upon receipt of a written request from Deloitte and Touche addressed to the Director-General: Water Affairs and Forestry, Private Bag X313, Pretoria, 0001.

This Guarantee is in substitution of the Guarantee for a maximum amount of R2 500 million, issued on 20 January 1998

Signed on behalf of the Government of the Republic of South Africa in terms of section 35(1) of the Exchequer Act, 1975 (Act No.66 of 1975)

at PRETORIA this 29 day of OCTOBER 1999

*R. Kaswala*

MINISTER OF WATER AFFAIRS  
AND FORESTRY

WITNESSES

*Adel*  
*David*

Concurred at Pretoria this 10th day of July 2000

*[Signature]*  
MINISTER OF FINANCE  
2000-07-14  
CHIEF OF POLICE  
SOUTH AFRICAN POLICE SERVICE

WITNESSES  
*[Signature]*  
*[Signature]*  
*[Signature]*  
MAGSA NUMBER: 2170435-9  
FORCE NUMBER: 101  
NAME IN BLOCK LETTERS: W. N. BLOUJANE  
NAME IN PRINT: W. N. BLOUJANE