Annual Results Presentation
28 February 2011

Background

- Buildmax is a leading service provider of opencast mining, mining services, bulk earthworks and a supplier of construction materials to the South African mining and construction industries
- Buildmax aims to entrench itself as a preferred supplier of contract mining supply chain services to the mining industry as well as a supplier of selected building materials to the construction industry
- Buildmax is able to service these industries by way of its investment in mining and construction equipment as well as intellectual capital and the experience gained over more than 20 years
- The group employs 2405 people and operates through three key business units:

  - **Mining Services:** This business unit, largely trading through its flagship brand, Diesel Power, provides opencast mining services, SHECQ management, bulk earthworks, plant hire and rehabilitation to the opencast mining sector
  - **Equipment sales and rental:** The business unit provides plant hire and plant sales services on behalf of the Group
  - **Construction Materials:** The business unit manufactures and distributes a wide range of construction materials to the construction industry through three divisions namely Aggregates & Quarries, Bricks & Blocks and Building Materials

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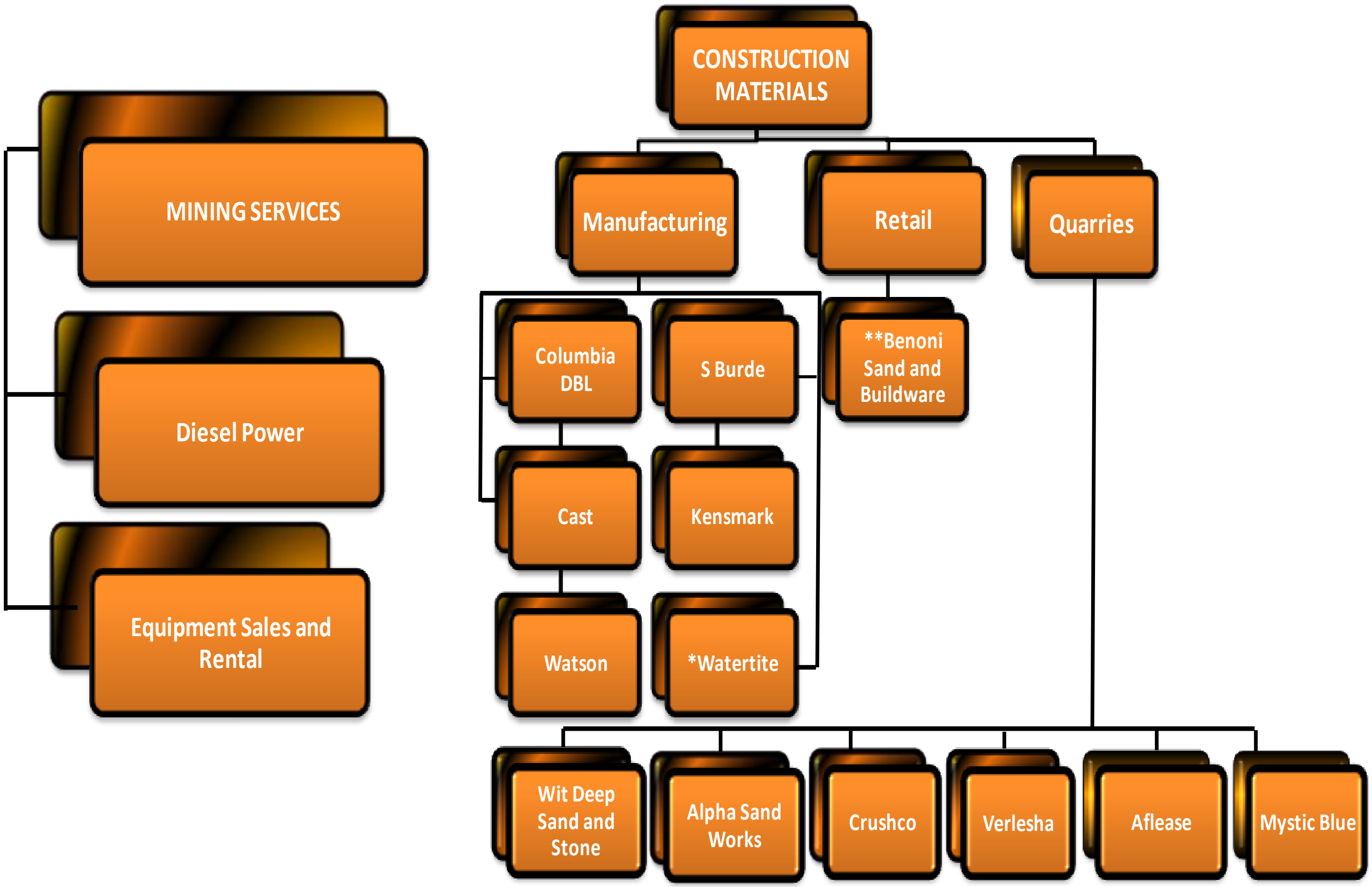
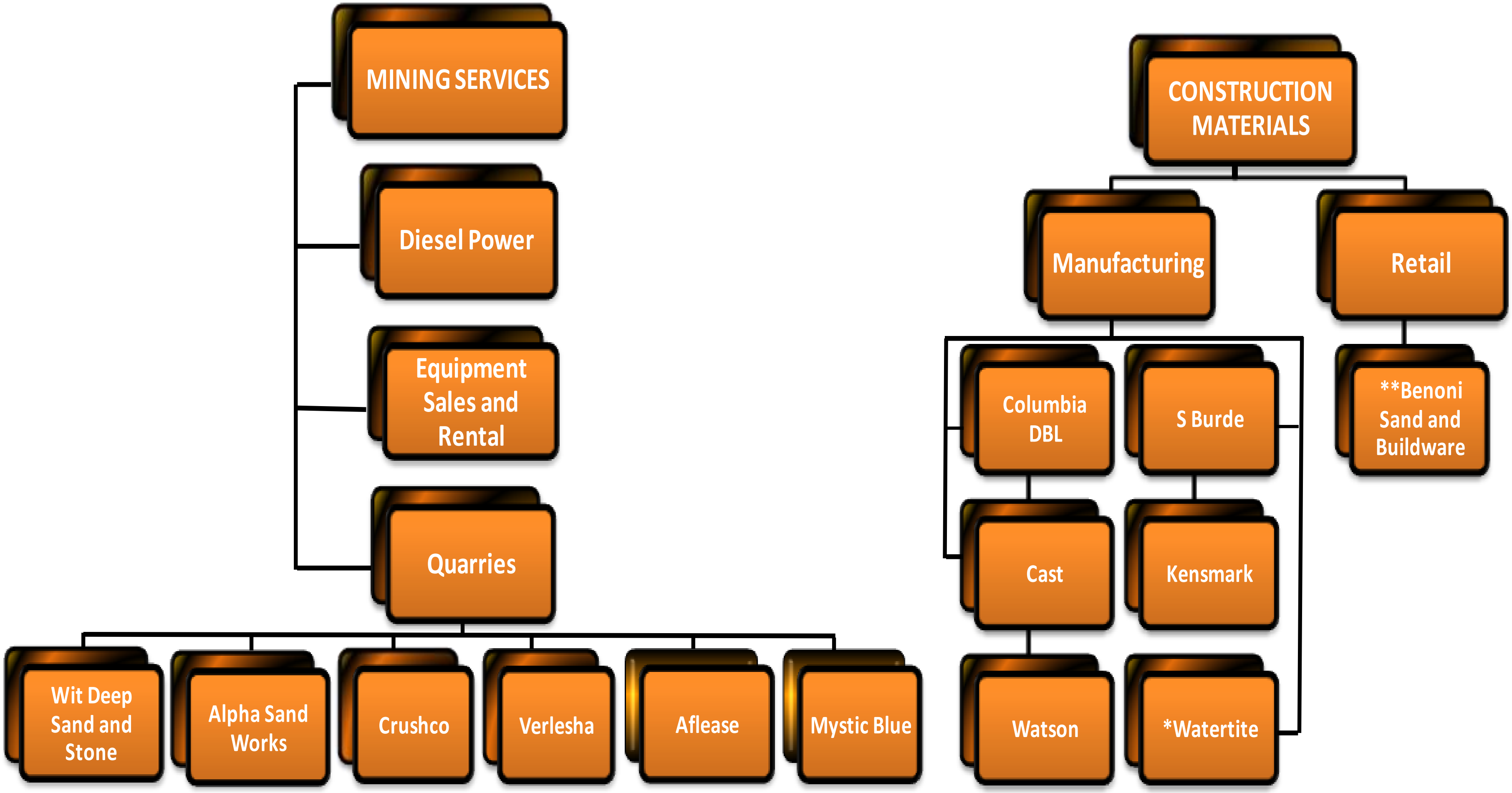
Group structure - historic



* Recently sold to management
** In the process of being sold to management

Group structure – effective March 2011



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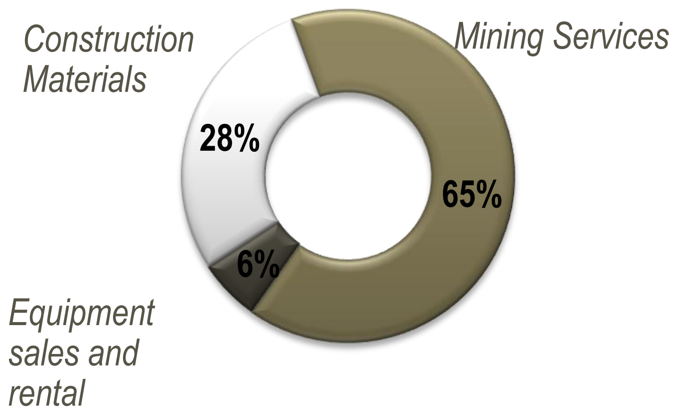
Segmental results

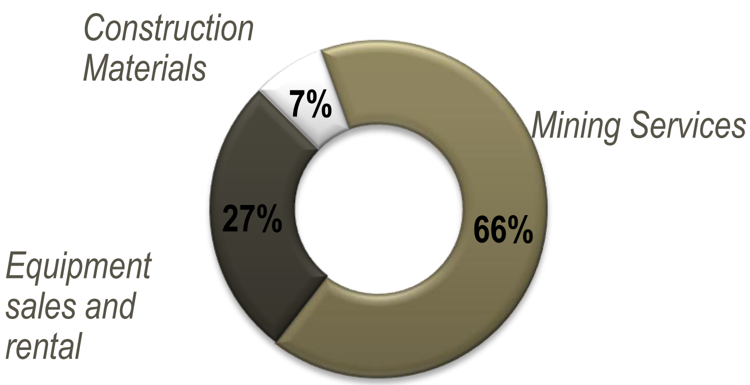
Year to 28 February 2011

Revenue	**R1 369 million**
EBITDA	**R133 million**

Divisional contribution to revenue:



Divisional contribution to EBITDA:



Group reported an operating loss before amortisation of R85 million

Mining Services

Operational review

Opencast Coal Mining

- Vukuza's loss making contracts were terminated; winding down operations in progress
- Diesel Power largely assumes no geological risk
- In FY2011 Exxaro and Xstrata accounted for approximately 75% of revenue
- Finalised price negotiations with customers at acceptable rate increases
- Certain contract terms still onerous - changes to contracts required to further reduce risk and improve margins
- Business adversely affected by the concurrent effects of;
  - continued decline in the value of second-hand equipment;
  - scarcity of bank finance for equipment;
  - ongoing use of sub-contractors and hired-in equipment at punitive rates;
  - extending the life of the fleet resulting in an increased investment in maintenance and related resources to improve sustainable plant availability and productivity; and
  - excessive rainfall during the last four months of the financial year

Operational review (contd.)

Opencast Coal Mining

- Investment in plant maintenance and proper site facilities will benefit future production
- Improved information systems and controls
- Improved tendering methodology and information
- Industry and geographical concentration and capital intensive business model necessitates the need to diversify into other sectors and less capital intensive revenue streams
- Civils / bulk earthworks division has been substantially restructured in first six months

Operational review

Equipment Sales and Rental

- New business unit started during the review period
- Aim is to increase the second hand brand equity of the group
- Preferred channel to dispose of group’s second hand equipment and fleet
- Reporting into the Mining Services SBU
- Minor successes in disposing of excess Mining Services assets in a constrained market
- Funding of second-hand equipment remains challenging
- Expanding new business unit in a controlled environment

Prospects

South Africa

- Coal remains one of the cheapest sources of energy in the world
- Increased international demand for coal will benefit the group's customers
- Eskom has curtailed its medium term demand for coal but the continued roll-out of coal fired power stations
- International demand for thermal coal, from China and India, should ensure continued growth in this sector
- Political sentiments negatively impacting growth in mining sector investment
- Certain key clients continue to increase investments and announce new projects
- Less capital intensive businesses in mining value chain being explored including – washing, stockpile management, screening, SHECQ and transport management

Redressing of South Africa's historic underinvestment in power generation offers growth opportunity

Prospects (contd.)

International

- Additional export capacity continues to come on stream at Richards Bay, Durban and Maputo
- Exports from Richards Bay are marginally higher than the corresponding period last year
- Transnet efficiencies, rolling stock and infrastructure continues to constrain the potential export of bulk commodities
- Transnet has announced that it intends to increase the size of its rolling stock fleet which should alleviate some bottlenecks currently experienced by coal exporters

Construction Materials

Operational review

Aggregates & Quarries

- Crushco is the largest river sand producer in Gauteng
- Dependence on group companies for distribution is decreasing
- Product mix and quality improved to cater for infrastructure spending

Bricks & Blocks

- Negative growth in Western Cape market
- Watson Concrete and Cast businesses to be combined on one site
- Cast’s newly commissioned curb plant now producing at reliable levels but sourcing aggregates remains a challenge

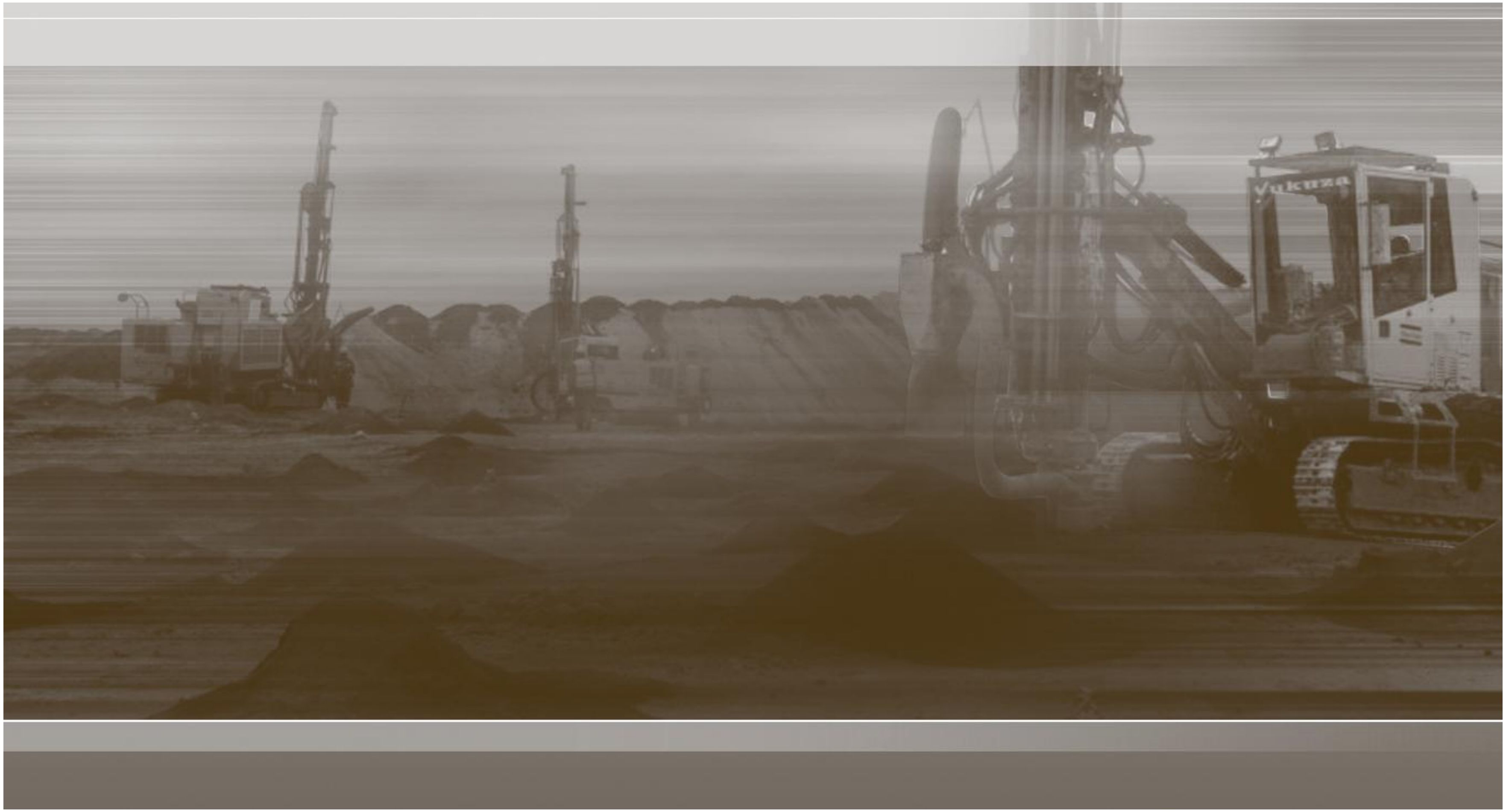
Rainwater goods

- Experiencing continued slow down in demand
- Watertite disposed of subsequent to year end

Prospects

- The outlook for the construction industry is reliant on spending by government and the private sector
- The dearth of credit and high debt levels continues to hamper private and public sector projects
- Forecasting the timing of a recovery is extremely difficult
- Prospects of an interest rate increase potentially inhibiting recovery
- Current trend in the Construction Materials SBU is not expected to reverse until end of FY2012
- The businesses are well positioned to benefit from improved trading conditions as and when they occur

Annual results and commentary



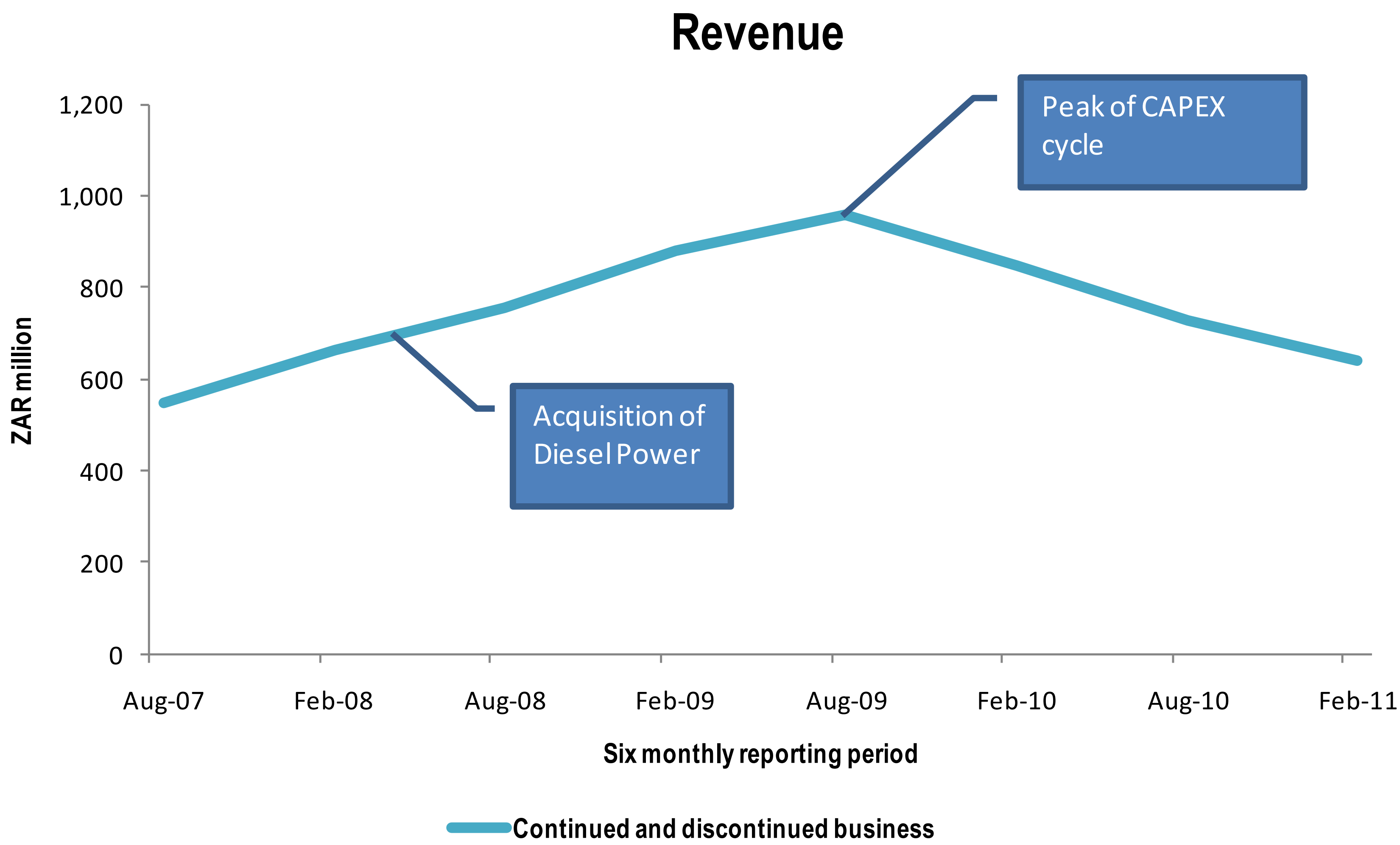
High level commentary on results

- **Mining Services**
  - Plant availability remained challenging resulting in general productivity being below anticipated levels
  - Continued use of rented plant and sub-contractors at punitive rates
  - Vukuza wind-down delivered anticipated results
  - Plant rental and sales division established, operating effectively in a tough second-hand market
  - Annual rate negotiations ongoing
  - Made several senior managerial appointments to fill vacant positions and bolster existing management team
  - Assessing all areas of cost and improving internal controls
  - Increased expenditure on maintenance infrastructure and repairs on equipment
  - A further impairment of R37.9 million on mining assets in Diesel Power and Buildmax Equipment
  - Impairment of remaining goodwill and intangibles in Diesel Power of R123.9 million

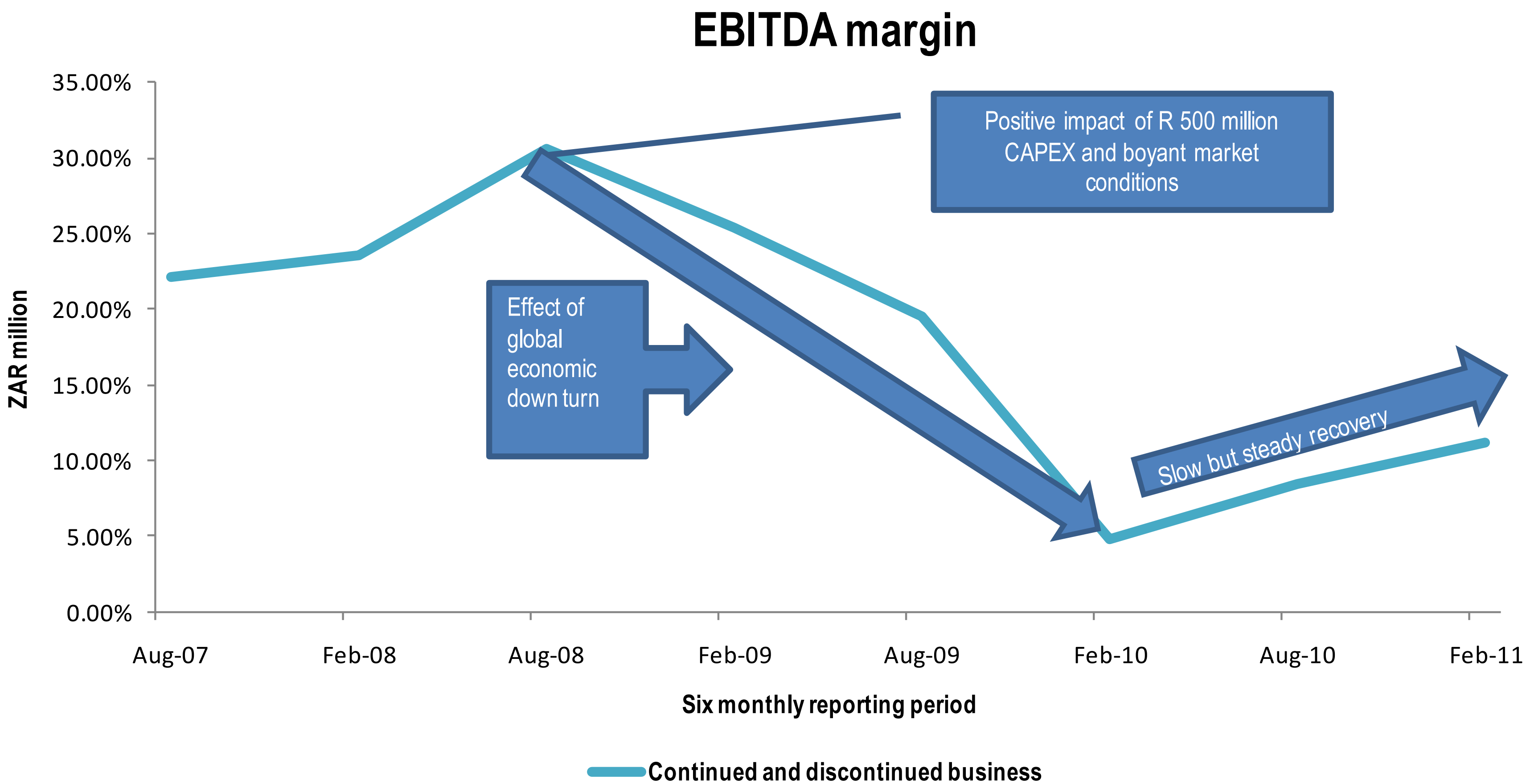
High level commentary on results

- **Construction Materials**
  - Initiated several cost cutting and control measures
  - Rationalised maintenance facilities in to centralised workshops at a new facility
  - Provision made for closing of Watson and relocation to Cast
  - Initiatives to increase production efficiencies and introduced new product lines at the Quarries
  - Good progress was made in securing the mining rights of stone at Crushco
  - Continued tough trading conditions in Bricks and Blocks division
  - Reduction of fleet to improve utilisation
  - Total impairments in goodwill and intangibles of R133.9 million

Revenue trend analysis



EBITDA margin trend analysis



Audited annual results (Abridged consolidated statement of financial position)

Abridged consolidated statement of financial position

	Audited 28 February 2011 R'000	Reviewed 31 August 2010	Audited 28 February 2010 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	**613 915**	**708 764**	901 997
Goodwill	**27 111**	**27 111**	190 848
Other intangible assets	**71 393**	**74 348**	174 801
Deferred taxation	**12 124**	**14 596**	20 087
	724 543	**824 819**	1 287 733
Current assets			
Inventories	**44 832**	**52 225**	72 049
Trade and other receivables	**155 001**	**170 646**	269 284
Taxation receivable	**4 425**	**5 573**	5 502
Bank and cash balances	**127 029**	**33 727**	136 447
	331 287	**262 171**	483 282
Assets classified as held for sale	**53 543**	**45 067**	-
Total assets	**1 109 373**	**1 132 057**	1 771 015

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Audited annual results (Abridged consolidated statement of financial position- continued)

Abridged consolidated statement of financial position	Audited 28 February 2011 R'000	Reviewed 31 August 2010	Audited 28 February 2010 R'000
EQUITY AND LIABILITIES			
Share capital and premium	**2 023 206**	**1 732 382**	1 732 382
Cash flow hedging reserve	**(2 453)**	**(3 925)**	(4 340)
Accumulated loss	**(1 463 301)**	**(1 427 464)**	(1 098 898)
Equity attributable to equity holders of the company	**557 452**	**300 993**	629 144
Outside shareholders' interests	**(7 328)**	**(7 150)**	-
Total shareholders' interests	**550 124**	**293 843**	629 144
Non-current liabilities			
Interest-bearing liabilities	**101 886**	**204 110**	315 037
Derivative instruments	**290**	**1 326**	1 940
Provisions	**4 751**	**3 956**	3 956
Deferred taxation	**28 948**	**39 064**	85 487
	135 875	**248 456**	406 420
Current liabilities			
Interest-bearing liabilities	**174 764**	**262 573**	307 522
Derivative instruments	**3 118**	**4 126**	4 088
Vendor loan payable	**-**	**43 500**	47 000
Trade and other payables	**190 580**	**240 559**	325 254
Provisions	**25 471**	**17 710**	19 571
Taxation payable	**883**	**2 745**	344
Bank overdrafts	**9 261**	**18 545**	31 672
	404 077	**589 758**	735 451
Liabilities directly associated with assets classified as held for sale	**19 297**	**-**	
Total equity and liabilities	**1 109 373**	**1 132 057**	1 771 015
Net asset value per share (cents)	**16.2**	**28.9**	60.5
Net tangible asset value per share (cents)	**13.9**	**21.2**	30.0
Net asset value per share (cents)*	**16.2**	**8.7**	18.3
Net tangible asset value per share (cents)*	**13.9**	**6.4**	9.1

* Based on shares in issue on 28 February 2011

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Audited annual results (Abridged consolidated statement of comprehensive income)

Abridged consolidated statement of comprehensive income	Continuing operations year ended 28 February 2011 R'000	Discontinued operations year ended 28 February 2011 R'000	Total operations year ended 28 February 2011 R'000	Continuing operations year ended 28 February 2010 R'000	Discontinued operations year ended 28 February 2010 R'000	Total operations year ended 28 February 2010 R'000
Revenue	**1 299 545**	**69 669**	**1 369 214**	1 240 906	564 678	1 805 584
Operating profit before depreciation and amortisation ("EBITDA")	**117 023**	**15 678**	**132 701**	215 063	12 477	227 540
Depreciation	**(181 488)**	**(25 207)**	**(206 695)**	(131 320)	(44 770)	(176 090)
Operating (loss) / profit before amortisation	**(64 465)**	**(9 529)**	**(73 994)**	83 743	(32 293)	51 450
Amortisation of intangible assets	**(11 298)**	**-**	**(11 298)**	(21 758)	-	(21 758)
Operating (loss) / profit	**(75 763)**	**(9 529)**	**(85 292)**	61 985	(32 293)	29 692
Loss on disposal of business	**-**	**-**	**-**	(2 467)	-	(2 467)
Impairment losses	**(274 407)**	**(21 313)**	**(295 720)**	(805 613)	(263 553)	(1 069 166)
Loss before interest and taxation ("LBIT")	**(350 170)**	**(30 842)**	**(381 012)**	(746 095)	(295 846)	(1 041 941)
Net interest paid	**(27 369)**	**(7 594)**	**(34 963)**	(64 857)	(21 569)	(86 426)
Loss before taxation ("LBT")	**(377 539)**	**(38 436)**	**(415 975)**	(810 952)	(317 415)	(1 128 367)
Taxation	**44 244**	**-**	**44 244**	62 803	54 715	117 518
Loss for the year	**(333 295)**	**(38 436)**	**(371 731)**	(748 149)	(262 700)	(1 010 849)

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Audited annual results (Abridged consolidated statement of comprehensive income – Supplementary info.)

Supplementary information	Audited year ended 28 February 2011	Adjusted for rights issue year ended 28 February 2010	Originally reported year ended 28 February 2010
Headline loss per share (cents)			
Continuing and discontinued operations	**(4.4)**	(2.8)	(5.9)
- Continuing operations	**(3.7)**	(1.1)	(2.3)
- Discontinued operations	**(0.7)**	(1.7)	(3.6)
Basic loss per share (cents)			
Continuing and discontinued operations	**(14.3)**	(46.1)	(96.8)
- Continuing operations	**(12.8)**	(34.1)	(71.5)
- Discontinued operations	**(1.5)**	(12.0)	(25.3)
Shares in issue ('000)			
- at end of the year	**3 444 716**	3 444 716	1 040 700
- w eighted	**2 546 426**	2 183 655	1 040 700

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Audited annual results (Segmental analysis)

Abridged segmental analysis

	Reveiw ed 6 months ended 31 August 2010 R'000	Unaudited 6 months ended 28 February 2011 R'000	**Audited year ended 28 February 2011 R'000**	Unaudited 6 months ended 31 August 2009 R'000	Unaudited 6 months ended 28 February 2010 R'000	**Audited year ended 28 February 2010 R'000**
EXTERNAL REVENUE						
Continuing operations	659 754	639 791	**1 299 545**	632 678	608 228	**1 240 906**
Mining Services	418 520	406 491	**825 011**	403 364	413 197	**816 561**
Equipment sales and rental	40 117	44 631	**84 748**	-	-	**-**
Construction Materials	201 117	188 669	**389 786**	229 314	195 031	**424 345**
Discontinued operations						
Mining Services	69 669	-	**69 669**	324 640	240 038	**564 678**
	729 423	639 791	**1 369 214**	957 318	848 266	**1 805 584**
EBITDA						
Continuing operations	45 822	71 201	**117 023**	143 432	71 631	**215 063**
Mining Services	40 282	30 960	**71 242**	114 134	68 277	**182 411**
Equipment sales and rental	-	36 068	**36 068**	-	-	**-**
Construction Materials	5 540	4 173	**9 713**	29 298	3 354	**32 652**
Discontinued operations						
Mining Services	15 678	-	**15 678**	43 451	(30 974)	**12 477**
	61 500	71 201	**132 701**	186 883	40 657	**227 540**
Operating (loss) / profit before amortisation						
Continuing operations	(40 158)	(24 307)	**(64 465)**	79 517	4 226	**83 743**
Mining Services	(33 950)	(30 142)	**(64 092)**	59 380	10 649	**70 029**
Equipment sales and rental	-	13 595	**13 595**	-	-	**-**
Construction Materials	(6 208)	(7 760)	**(13 968)**	20 137	(6 423)	**13 714**
Discontinued operations						
Mining Services	(9 529)	-	**(9 529)**	22 403	(54 696)	**(32 293)**
	(49 687)	(24 307)	**(73 994)**	101 920	(50 470)	**51 450**

Audited annual results (Segmental analysis - continued)

Abridged segmental analysis	Reveiw ed 6 months ended 31 August 2010 R'000	Unaudited 6 months ended 28 February 2011 R'000	**Audited year ended 28 February 2011 R'000**	Unaudited 6 months ended 31 August 2009 R'000	Unaudited 6 months ended 28 February 2010 R'000	**Audited year ended 28 February 2010 R'000**
Impairment losses (before taxation)						
Continuing operations	272 422	1 985	**274 407**	-	805 613	**805 613**
Mining Services	140 522	-	**140 522**	-	341 719	**341 719**
Equipment sales and rental	-	-	**-**	-	-	**-**
Construction Materials	131 900	1 985	**133 885**	-	463 894	**463 894**
Discontinued operations						
Mining Services	21 313	-	**21 313**	-	263 553	**263 553**
	293 735	1 985	**295 720**	-	1 069 166	**1 069 166**
Loss before interest and taxation ("LBIT")						
Continuing operations	(320 924)	(29 246)	**(350 170)**	66 413	(812 508)	**(746 095)**
Mining Services	(179 021)	(30 143)	**(209 164)**	52 529	(337 921)	**(285 392)**
Equipment sales and rental	-	13 595	**13 595**	-	-	**-**
Construction Materials	(141 903)	(12 698)	**(154 601)**	13 884	(474 587)	**(460 703)**
Discontinued operations						
Mining Services	(30 842)	-	**(30 842)**	22 403	(318 249)	**(295 846)**
	(351 766)	(29 246)	**(381 012)**	88 816	(1 130 757)	**(1 041 941)**

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Audited annual results (Abridged consolidated cash flow)

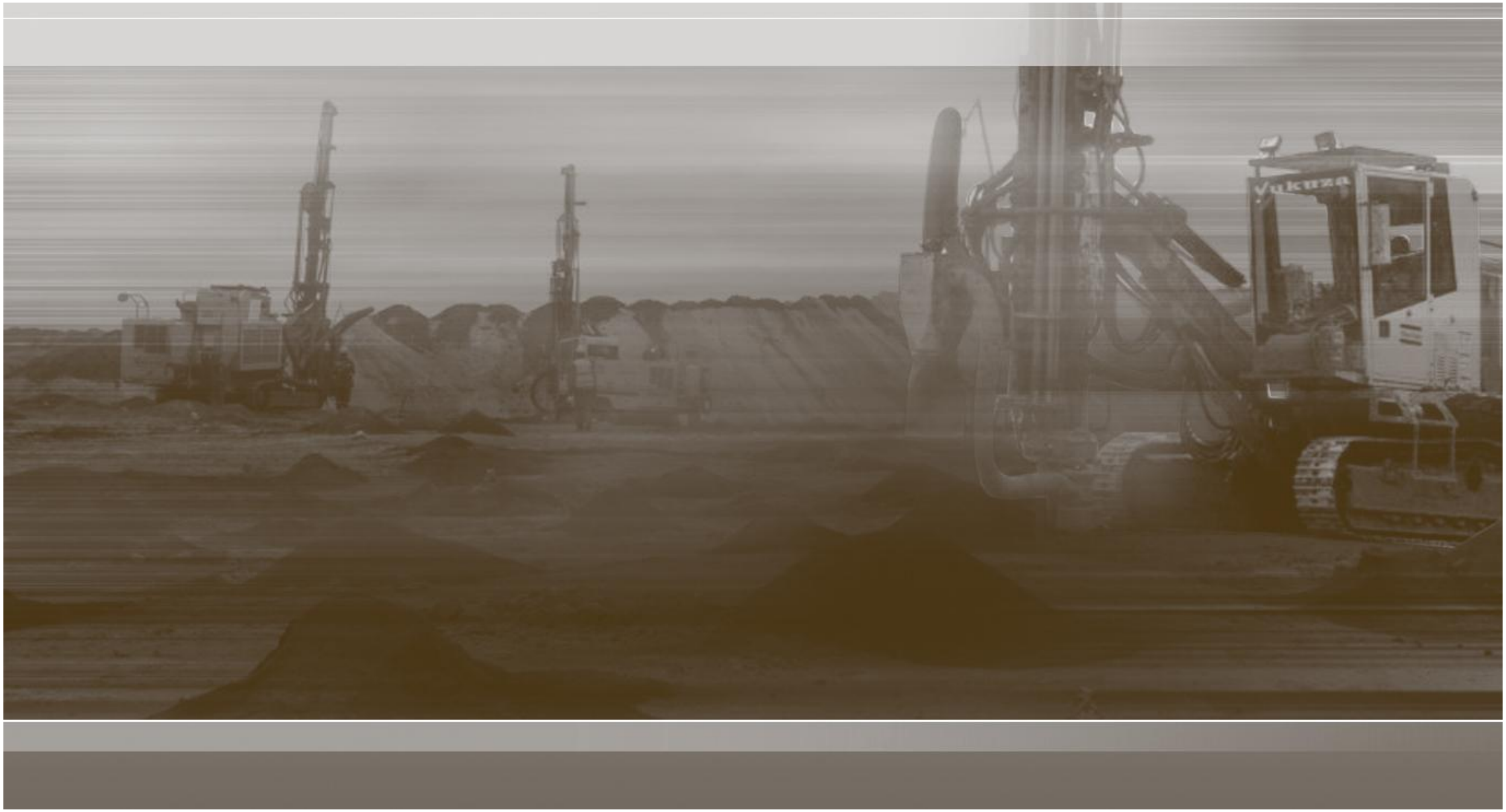
Abridged consolidated statement of cash flows	Audited year ended 28 February 2011 R'000	Audited year ended 28 February 2010 R'000
Operating activities		
Loss before taxation ("LBT")	**(415 975)**	(1 128 367)
Non-cash flow items and changes in w orking capital	**509 048**	1 426 597
Net interest paid	**34 963**	86 426
Cash generated from operations	**128 036**	384 656
Net interest paid in cash	**(34 218)**	(86 985)
Taxation paid	**(3 312)**	(29 388)
Net cash inflow from operating activities	**90 506**	268 283
Investing activities		
Purchase of property, plant and equipment		
- Expanding operations	**(5 402)**	(151 215)
- Maintaining operations	**(84 548)**	(45 774)
Proceeds on disposal of property plant and equipment	**92 199**	15 201
Net cash inflow / (outflow) from investing activities	**2 249**	(181 788)
Financing activities		
Net proceeds from issue of shares	**290 824**	-
Interest-bearing liabilities raised	**89 186**	85 245
Interest-bearing liabilities repaid	**(459 772)**	(353 889)
Net cash outflow s from financing activities	**(79 762)**	(268 644)
Net increase / (decrease) in cash and cash equivalents	**12 993**	(182 149)
Cash and cash equivalents at the beginning of the year	**104 775**	286 924
Cash and cash equivalents at the end of the year	**117 768**	104 775

Interest bearing debt

Interest bearing debt

- Interest bearing debt reduced by 56% from R660 million to R290 million
- Reduction was financed by internal cash resources (including certain of the proceeds of the rights issue) and sale of excess mining and distribution assets
- Banking covenants were successfully renegotiated
- New covenants are less restrictive
- Not in breach of covenants at year-end
- Secured asset based finance facility of R130 million with the IDC. No draw-downs at year end

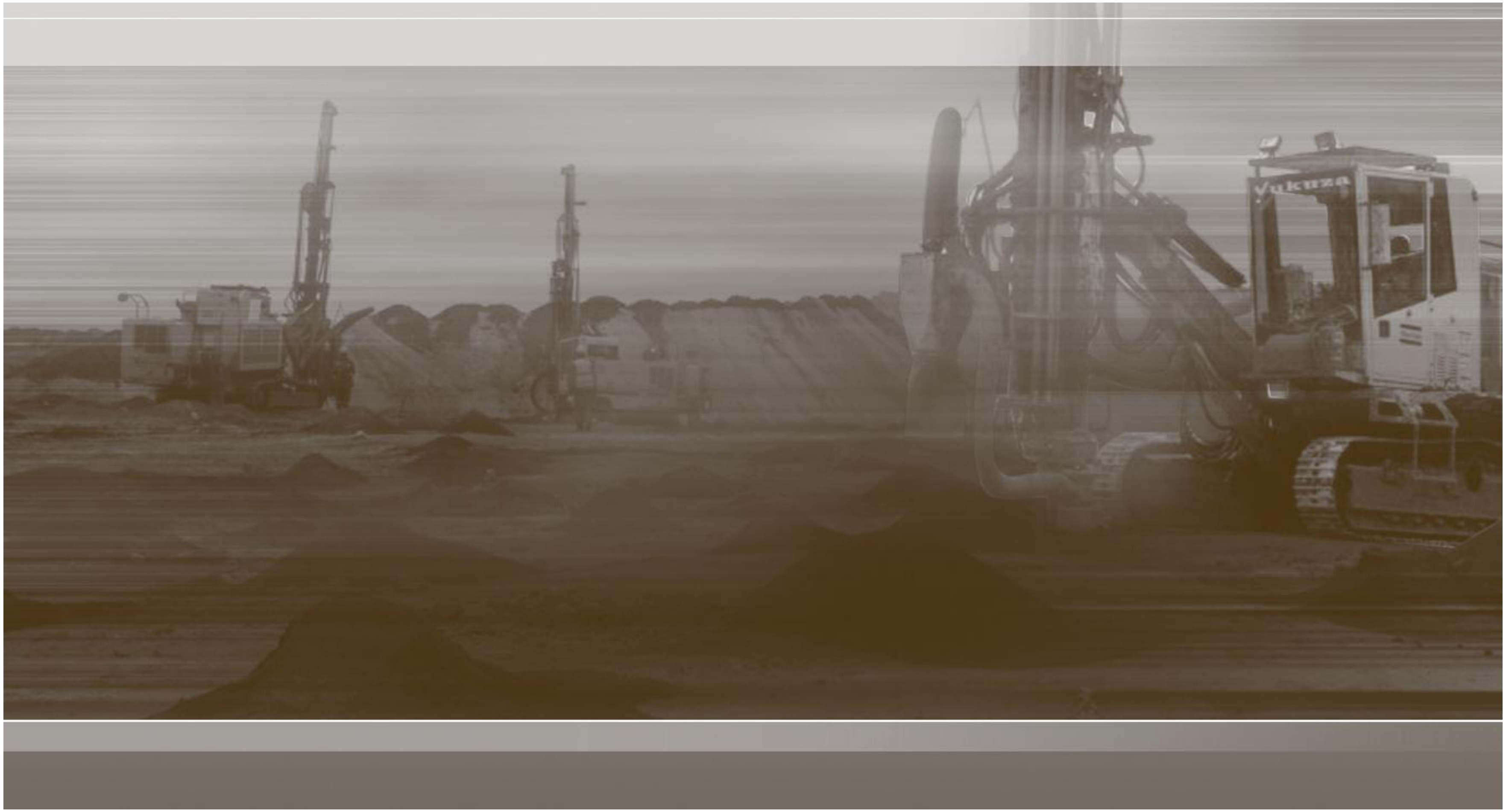
Capital Expenditure



Capital expenditure

- Capital expenditure reduced by 54.3% to R89.9 million
- 93% of capital expenditure spent on new equipment for maintaining operations
- Taken a view to reduce excess fleet in Mining Services and Construction Materials
- The new IDC facility will be used to purchase OEM equipment for Diesel Power during the 2012 financial year
- Management will only commit to growth capex if new projects deliver the required financial returns

Corporate Strategy



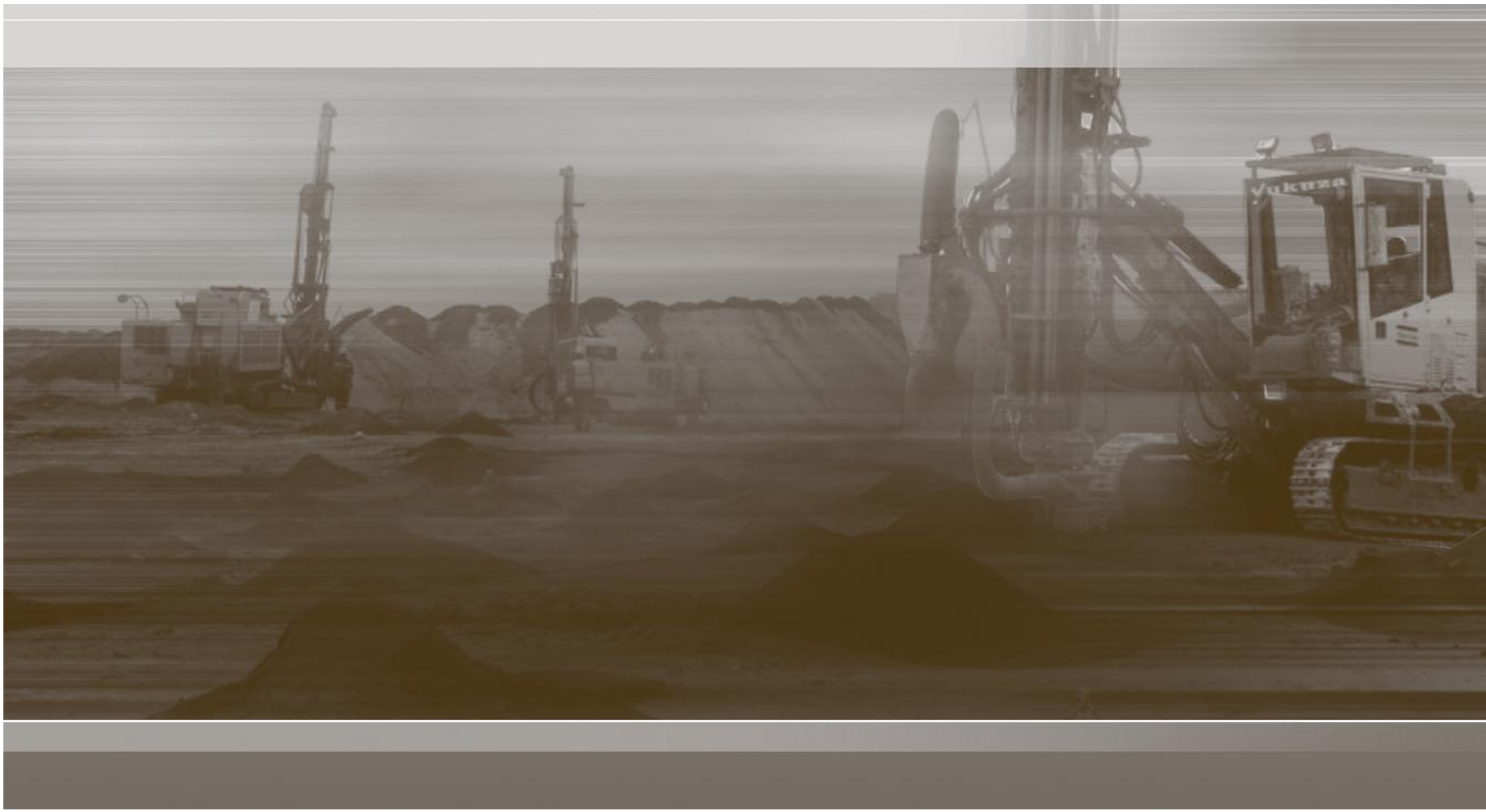
Buildmax in the Open Cast Mining value chain

Exploration / Prospecting	*Mining*	*Beneficiation*	*Logistics*	*Sales Marketing*
Mining Services				
	Diesel Power			

Construction Materials				
Crushco **Verlesha** **Mystic Blue***	**Crushco** **Alfa** **Verlesha**	**Crushco** **Alfa** **Verlesha** **Aflease**	**Crushco** **Alfa** **BSB** **Wit Deep**	**Crushco** **Alfa** **BSB** **Wit Deep**

77% of revenue is derived from opencast mining

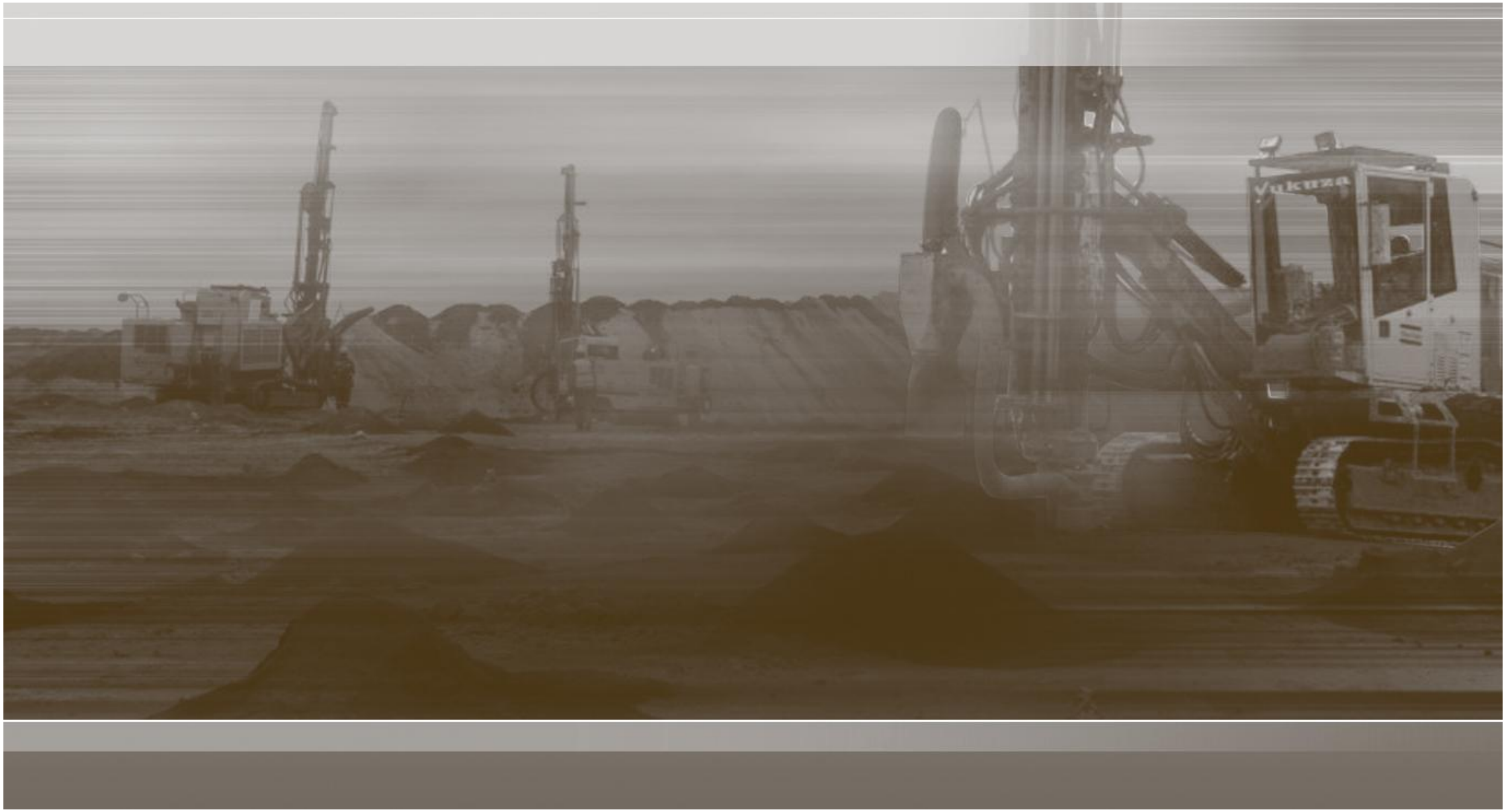
Safety, Health, Environment, Community and Quality (**'SHECQ'**)



SHECQ

- Group remains fully committed to achieve fatality free operations
- Continuously focuses on improving SHECQ standards to ensure efficient zero harm production in all business units
- Diesel Power reported 3 million injury free hours over a period of 18 months in January 2011
- Lost time injury frequency rate in Mining Services was 0.05 which equates to 2 incidents for the year under review; **an excellent achievement**
- Buildmax SHECQ Management System was successfully implemented, maintained and monitored for continuous improvement
- Buildmax SHECQ Management System was assessed and certified by SABS to confirm compliance (without any exclusions) with two standards:
  - ISO 9001 : 2008 (Quality Management)
  - OHSAS 18001 : 2007 (Occupational Health and Safety)
- Received excellent benchmark results from UNISA on internal and external communication processes
- Buildmax is fully committed to ‘Efficient Zero Harm Production’

Turnaround strategy and Ongoing Actions



Turnaround strategy

- Strengthened the executive management team through various senior appointments in crucial positions
- Increased the Group's focus on all aspects of human resources in order to retain its employees and attract proper qualified candidates in the future
- Implemented cost cutting and control initiatives in all businesses
- Disposal of idle plant and equipment
- Completed the controlled wind-down of Vukuza's mining operations and rationalised the Diesel Power civils division
- Bedding down the new plant rental and sales division
- Ongoing annual rate negotiations with existing customers in Mining Services
- Introduced new product lines and optimising production facilities in Construction Materials
- Securing the mining rights for stone at our Crushco quarry
- Successfully completed the Rights Offer of R300 million which has led to an improvement in Buildmax's financial position

Turnaround strategy (contd.)

- Improved communication with all stakeholders
- The restructuring of the Mining Services business has been completed and there is more focus on mining related supply chain activities
- Mining Services operating performance has shown continuous improvement over 18 months
- Plant availability continuously improving
- Improved maintenance and better pricing
- Staff turnover reduction
- Debt reduction
- Generation of free cash flow remains challenging
- Credibility with banks and prospects in the lending environment improving

Ongoing actions and opportunities

Funding and CAPEX

- Banks confirmed current reducing facilities
- Renegotiated less onerous borrowing covenants
- Rights Offer proceeds used to reduce debt
- Selling excess mining and construction equipment to settle debt and for deposits
- Secured IDC facility to increase production capacity in FY2012
- Critical ongoing evaluation of all current mining contracts

Working Capital

- Focus on stock, debtors and cash management
- CGIC cover
- Portion of Rights Offer provided much needed working capital

Overheads

- 3 year deal with Union
- Reduction in staff from 3 300 to 2 405
- Market related salary increases
- Consolidation of administration centers
- Restructure facilities to extract synergies
- Curtail discretionary costs
- Consolidation of improved maintenance facilities
- Better centralised procurement

Income

- Ongoing negotiations with customers
- Active and improved tendering
- Steady improvement in productivity
- Better contract management

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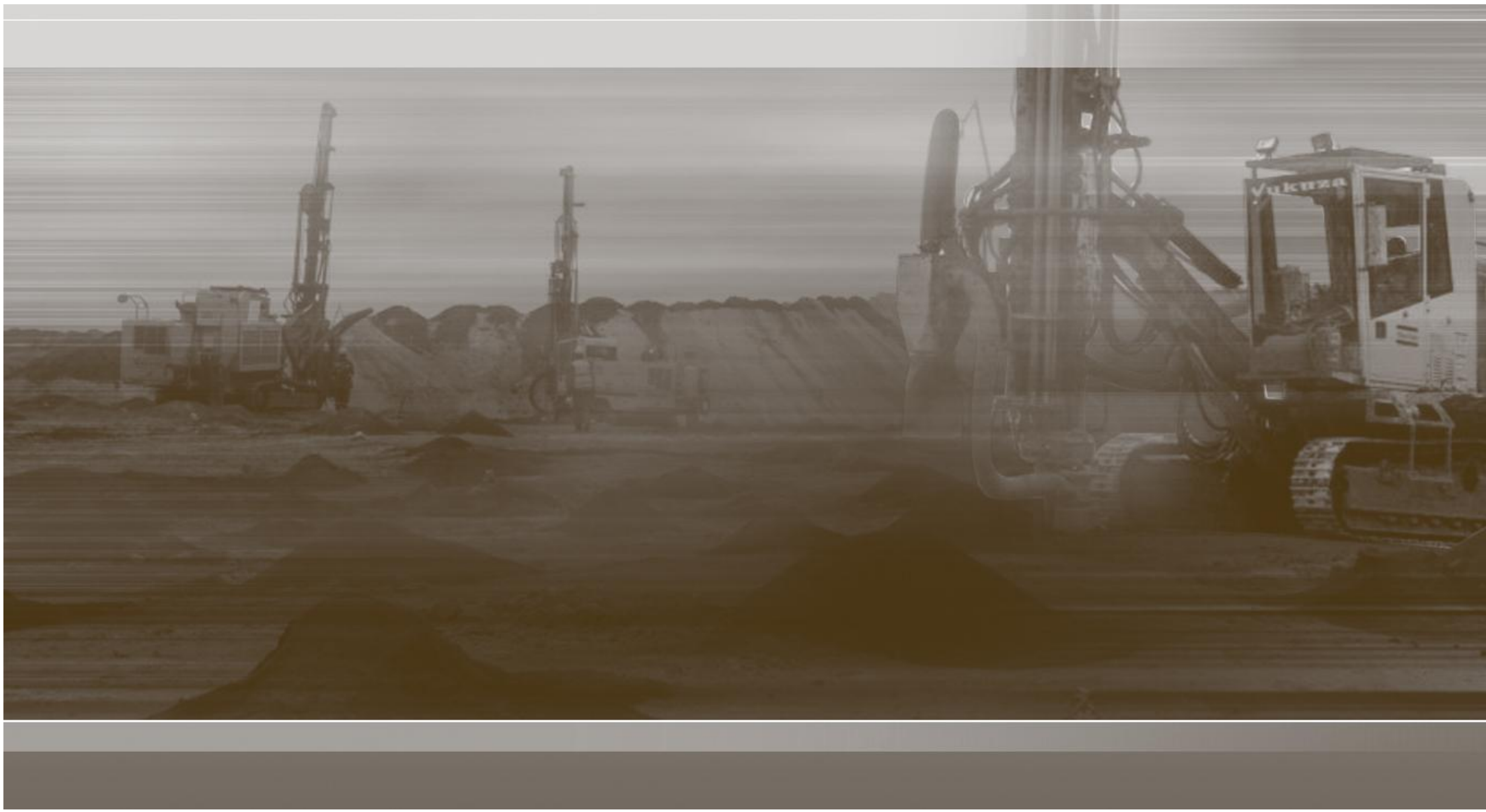
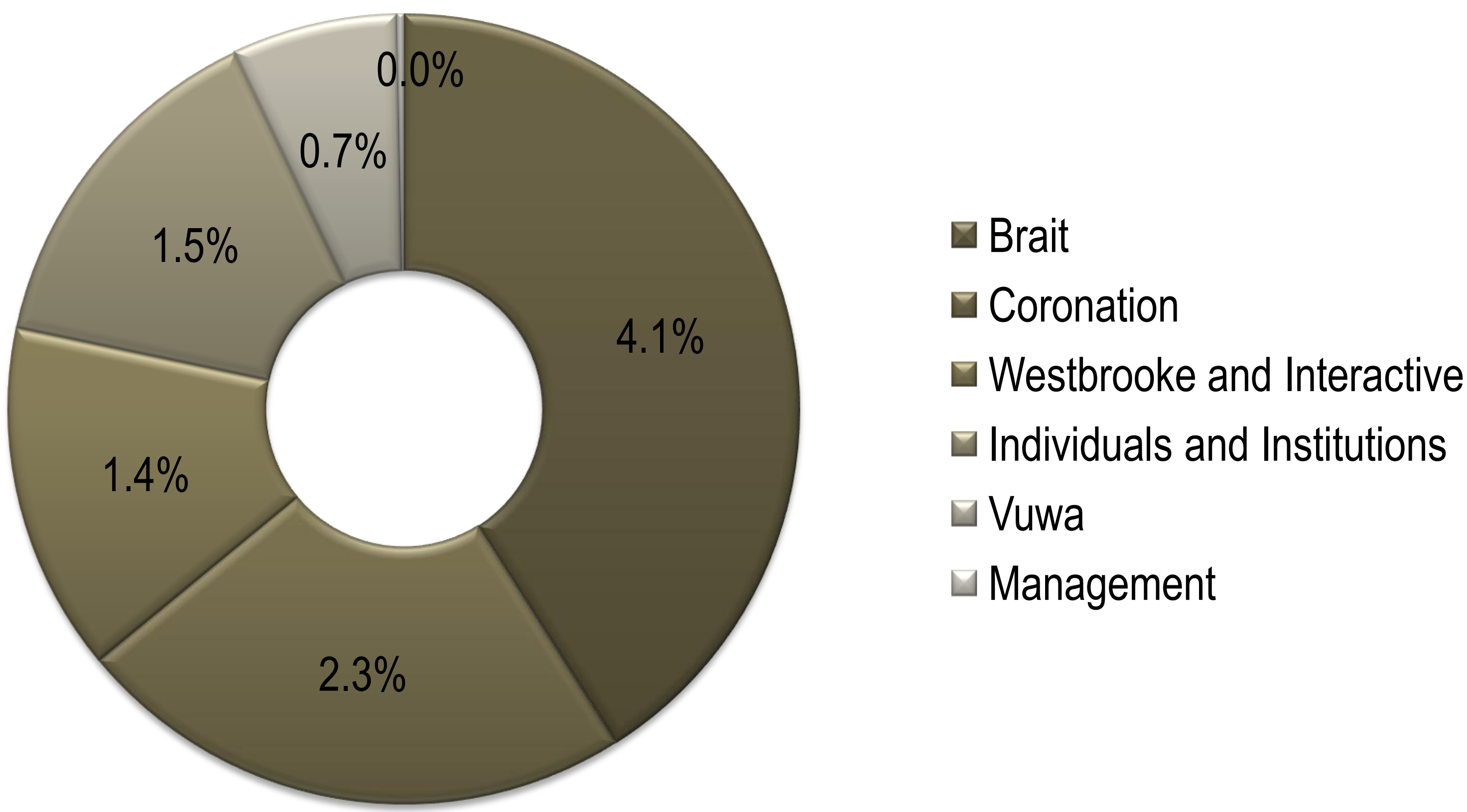
Rights Offer



Rights issue

- The rights offer was successfully implemented in November 2010
- The offer was fully subscribed by Buildmax shareholders
- Net proceeds of R290.8 million used to:
  - Provide equity deposits for medium-term capex requirements;
  - Reduced interest bearing borrowings with banks and vendors; and
  - Provided much needed working capital for Mining Services and the Group

Shareholding at year end after rights issue



Black Economic Empowerment

- Vuwa Investments Group shareholding reduced from 15% to 6.75% subsequent to the rights issue
- Retail BEE investors also significantly diluted due to rights issue
- Level 6 contributor and targeting level 4 in four years