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September 2008

Agenda

- Introduction
- Capital Raising
- Operating Structure
- Equipment & Services
- Construction Materials
- Financial Overview
- Capital Expenditure
- Business Strategy & Optimisation Projects
- Risks
- Appendix 1: Group Management
- Appendix 2: Non-executive Directors
- Appendix 3: Black Economic Empowerment

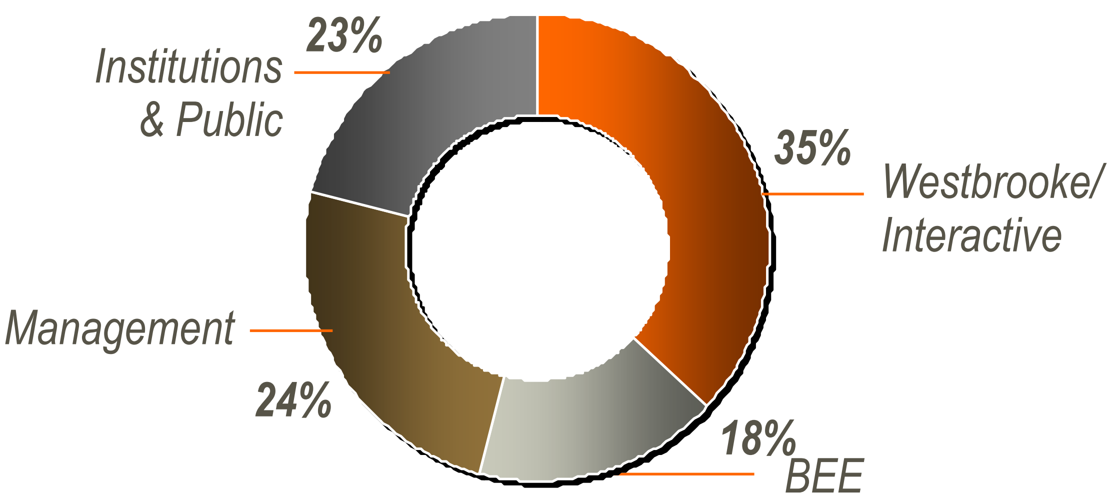
Introduction

- Newly enlarged Buildmax is one of Africa's leading opencast coal mining services companies – on track to become the largest
- Diesel Power is one of the most respected names in opencast coal mining in South Africa
- Buildmax's strong decentralised operational management teams are industry leaders
- The physical demand for coal as a relatively cheap source of energy, both locally and internationally, is set to continue
- Buildmax derives significant long term growth from the demand for coal without the risk of coal price fluctuations
- The shortage of equipment and skills to mine the vast coal reserves in South Africa and elsewhere presents a unique opportunity for long term profitable growth
- Mining legislation in South Africa favours BEE junior mining companies and therefore contractors as contractors have the equipment and skills
- Located in the economic hub of South Africa, Buildmax's construction material operations with their newly acquired BEE status stand to benefit from the infrastructure spending boom taking place

Capital Raising

Successful Capital Raising and Listing

- Reverse listed 2 April 2008
- Amount raised by private placement and BEE issue R311,2 million
  - 138,9 million shares at subscription price of R1.80 per share
  - 40 million shares to BEE at R1.53 per Buildmax share (85% of subscription price)
- As there was sufficient demand, Buildmax raised an additional R50 million by issue of additional shares at R1.80 per share
- Total shares in issue – 896,2 million (932,6 million on a fully diluted basis)
- Average number of shares traded per day since reverse listing is approximately 500 000
- Approximately 7% of issued shares held by international investors



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Operating Structure

Operating Structure

Equipment & Services

- **Opencast Coal Mining, Earthworks & Rehabilitation**
- **Equipment Sales & Rental**
  - Diesel Power
  - Vukuza

Construction Materials

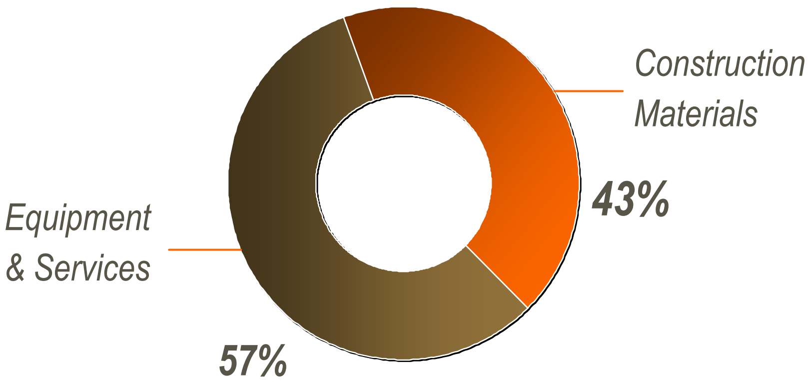
- **Aggregates & Quarries**
  - Crushco
  - Alfa
  - Verlesha
  - Mystic Blue
- **Bricks & Blocks**
  - Columbia DBL
  - Cast
  - Watson
- **Building Materials**
  - Wit Deep
  - BSB
  - S Burde
  - Kensmark
  - Watertite
  - Ticktin

Contribution by Business Unit

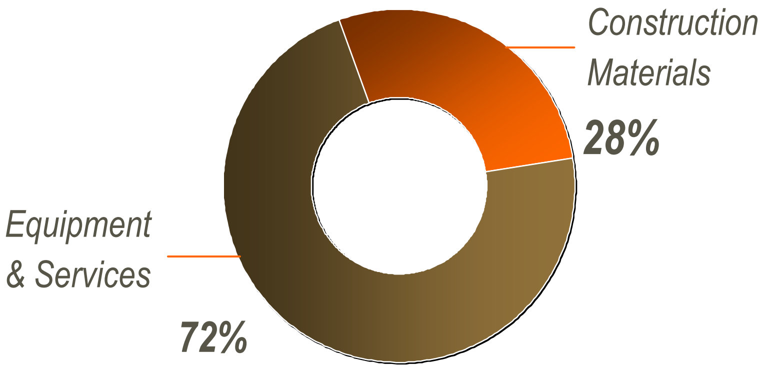
Pro-forma 12 month forecast to February 2009

Turnover	R1,7 billion
EBITDA	R491 million

Divisional contribution to revenue:



Divisional contribution to EBITDA:



Buildmax in the Open Cast Mining Value Chain

Exploration / Prospecting	*Mining*	*Beneficiation*	*Logistics*	*Sales & Marketing*
	Diesel Power Vukuza			
Crushco Alfa Mystic Blue Verlesha	Crushco Alfa	Crushco Alfa	Crushco Alfa BSB Wit Deep	Crushco Alfa BSB Wit Deep

70% of Revenue and 75% of PBT is derived from opencast mining

Equipment & Services

Prospects – Equipment & Services

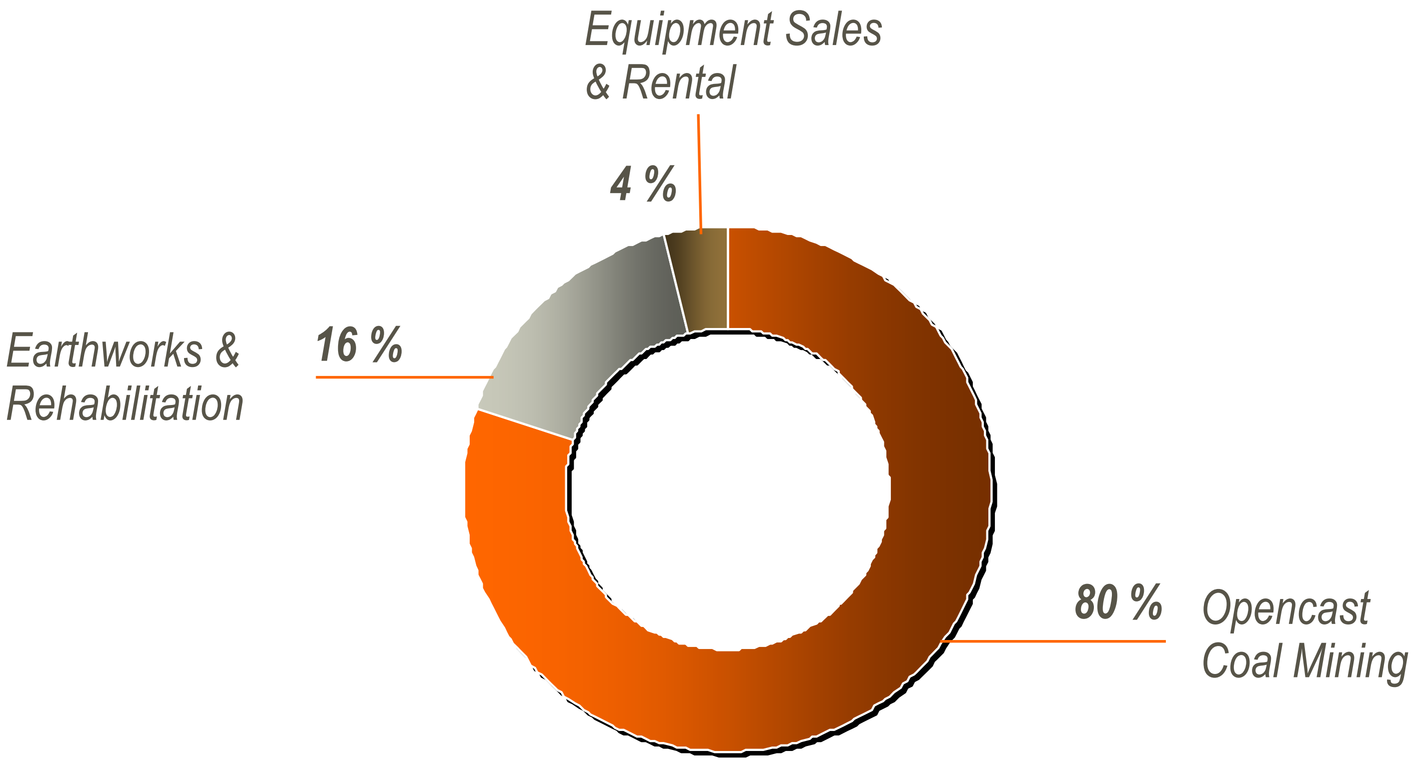
- Eskom's coal stock piles currently remain at low levels relative to requirements
- Increased demand for coal due to additional capacity and re-commissioning of mothballed power stations
- China is a net importer of coal and will require additional resources as energy requirements continue to grow
- Chief constraints to growth in mining sector – scarcity of equipment & skills
- Fleet of over 700 heavy duty, plant & LDV's make Diesel Power and Vukuza one of the biggest in South Africa
- Key clients continue to increase investments and announce new projects both to supply Eskom and the export market
- Richards Bay Coal Terminal is increasing capacity from 70Mt per annum to 90Mt per annum to cope with export demand
- Most new export allotment to go to BEE companies

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

DIESEL POWER OPENCAST MINING (PTY) LTD   Vukuza Earth Works (Pty) Ltd   buildmax materials·equipment·services

Operational Review – Equipment & Services

Revenue by Division – February 2009



Operational Review – Equipment & Services

Opencast Coal Mining

- Diversified customer base - currently 21 contracts with 9 mining companies on 12 mines
- Exxaro, Xstrata, Anglo Coal and Glencore/Shanduka account for approximately 60% of revenue
- Expect to increase contracts and customer base to 12 mining companies by February 2009 in line with strategy to grow revenue and diversify customer base
- Currently the second largest opencast coal mining services group but largest empowered group – objective to become the largest in medium term
- Diesel Power has extremely strong brand and recognition in the industry
- Revenue at end of second quarter of the year is ahead of target notwithstanding abnormally high rainfall in March
- The group assumes no geological risk
- Changes to contract pricing being introduced to reduce risk on certain variable costs
- Hard rock opencast mining projects being investigated and profit sharing models with junior miners being investigated

Construction Materials

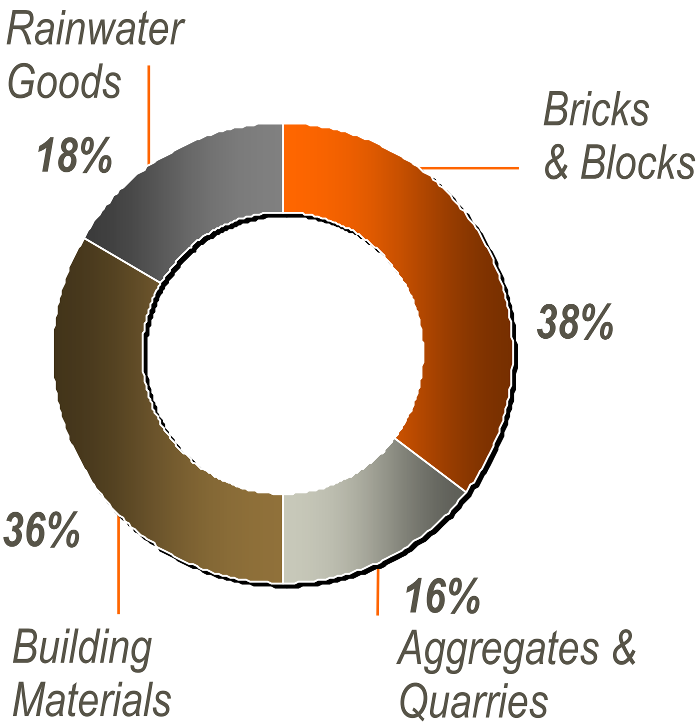
Prospects – Construction Materials

- Despite a noticeable slowdown in private sector investment, infrastructure spending, funded primarily by government continues to gain momentum
- Interest rate hikes, affordability and negative sentiment have affected the residential construction market adversely resulting in revenue being behind target for the first half of the year – we do not expect residential sector to recover before second half of 2009
- BEE credentials and increase in product lines give the group access to government funded infrastructure projects such as roads, airport upgrades, Gautrain etc
- Major construction companies reporting massive increases in order books for civil construction projects, and low-cost/subsidised housing projects (PPP projects are proving extremely successful and are opening avenues for more work)
- Major infrastructure projects announced are immune to interest rate movements

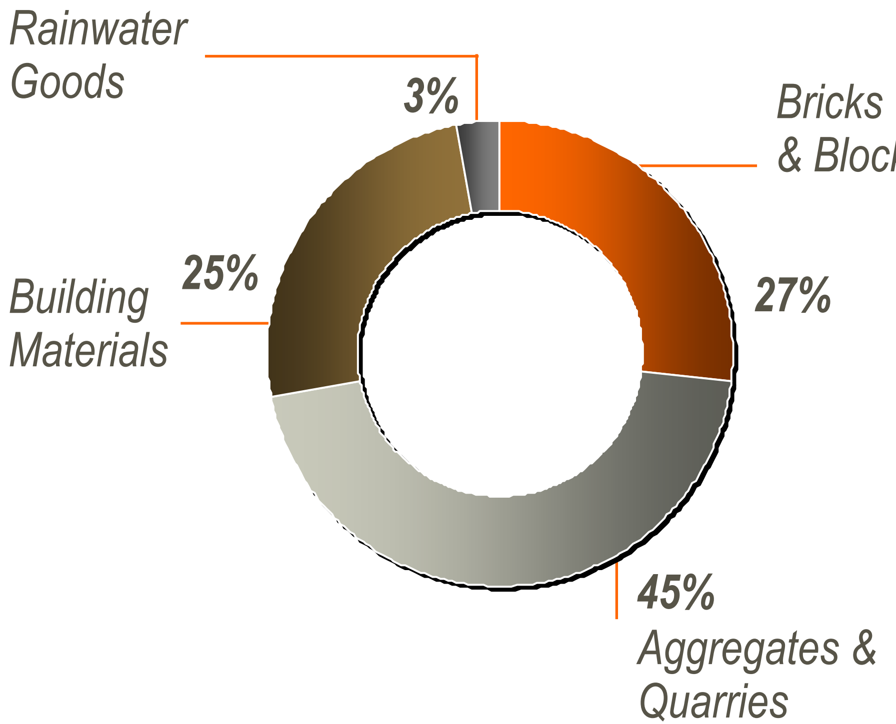
Government's commitment to address the underinvestment in infrastructure coupled with accelerated roll out of low-cost housing should compensate for slowdown in private sector spending

Operational Review – Construction Materials

Revenue by Division – February 2009



EBITDA by Division – February 2009



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Operational Review – Construction Materials

Aggregates & Quarries

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

Bricks & Blocks

- Negative growth in Western Cape market has necessitated cost cutting
- Watson Concrete production efficiency doubled since take over
- Cast newly commissioned plant now producing at full capacity

Building Materials

- Product range expanded at BSB, management team bolstered
- S Burde, Kensmark and Watertite trading ahead of budget for year to date but not considered core

The economic slowdown resulted increased competition between suppliers and the SBU was unable to pass on the increase in fuel prices to customers

ALFA & VERLESHA

Financial Overview

Forecast Highlights – 12 months to February 2009

R million	Buildmax Equipment & Services	Buildmax Construction Materials	Buildmax Group
Turnover	978,0	725,5	**1 703,5**
EBITDA	352,9	138,6	**491,5**
PBT	159,7	119,0	**278,7**
PAT	115,0	85,6	**200,6**
HEPS (cents)			**22,5**
Contribution to group revenue (%)	*57,4*	*42,6*	
Contribution to group EBITDA (%)	*71,8*	*28,2*	
Contribution to group PBT (%)	*57,3*	*42,7*	
EBITDA margin (%)	*36,1*	*19,1*	***28,9***
PBT margin (%)	*16,3*	*16,4*	***16,4***

HEPS for 6 months to 31 August expected to be between 11.3 and 12 cents per share and EPS are expected to be between 12.6 and 13.3 cents per share (acquisitions only included for 5 months)

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Capital Expenditure

Capital Expenditure

- The forecasts in the RLP assumed an investment in plant and equipment of approximately R360 million for the year ended 28 February 2009
- Increased demand for coal has resulted in requests for increased production from existing mining contracts and significant number of tenders for new mines
- To cope with the increased demand additional capital expenditure of approximately R240 million is required for the year ended February 2009
- 95% of capital expenditure is to expand coal mining operations
- The group will continue to hire in equipment to cope with demand
- Most of the equipment has been acquired at favourable prices based on orders secured prior to the devaluation of the Rand, increases in the steel price and annual escalations from global suppliers of earth moving equipment

The group continues to make a significant investment in mining and earth moving equipment to cope with the unprecedented demand for coal mining services

Funding of Capital Expenditure

- Capital expenditure will be funded by commercial debt funding and the group's internal cash resources
- The majority of capital equipment acquired or to be acquired is for long term contracts from large established mining houses
- The group is highly cash generative at an operations level (cash generated from operations before capital expenditure is in excess of 90% of EBITDA) because the investment in working capital is relatively low at approximately 10% of revenue
- The group's cash flow also benefits from accelerated tax write offs for plant and equipment which will continue while the group acquires equipment
- The cost of debt has increased as a result of the credit crisis

The group is highly cash generative at an operations level as a high proportion of EBITDA translates into operating cash generated

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Business Strategy & Optimisation Projects

Business Strategy

Short Term	Medium Term	Long Term
▪ Raise Capital & commercial debt funding ▪ Divest non core assets ▪ Integrate businesses ▪ Upgrade IT / reporting systems ▪ Diversify customer base	▪ Become leading opencast coal mining services company ▪ Increase exposure to other opencast mining ▪ Explore profit sharing models with junior miners ▪ Acquire own resources ▪ Repackage group debt	▪ Explore Opencast mining opportunities outside RSA ▪ Become leading opencast mining services company

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Optimization Projects Underway

Key project is the consolidation of Diesel Power and Vukuza

	Equipment & Services	Construction Materials
Procurement	▪ Mining equipment, consumables and spares ▪ Insurance and banking	▪ Top 20 product lines, inter-group buying ▪ Insurance and banking
Shared Services	▪ Consolidate four workshops into two ▪ Health & Safety ▪ Training	▪ Consolidate two workshops ▪ Health & Safety ▪ Training
Asset Optimization	▪ Drilling & blasting ▪ Transport/logistics ▪ IT Investment	▪ Fleet ▪ IT Investment

Risks

External Risks to Buildmax & Potential Impact on Revenue Forecast

	Equipment & Services	Construction Materials
	Risk factor	
Change in political leadership	Low	Low
Credit Crisis	Medium	High
Delays in granting mining licenses	Low	Low
Abnormally high rainfall	High	Medium
Labour unrest	Medium	Medium
Interruption in power supply	Low	Medium
Equipment lead times increasing	Low	Low
Material shortages	Low	Low
Skilled labour shortages	Medium	Medium
Rising fuel prices	Low	High
Drop in coal prices	Low	N/A