

SIMAVI
Spruitenbosstraat 6,
2021 LK HAARLEM
The Netherlands

Attn. Mr. S. Keuning, Director
Dr. A. van Enk.

Dears Sirs,

Re: Kitui Shallow Wells Project.

We are very appreciative of your initial support for the *** wells for Changwithya and Mulango Locations in Kitui District.

One point we need to bring to your attention is the state of currency fluctuation in Kenya. When the budget was worked out the cost per well was US\$1,000. Kenya Government devalued the shilling in February at 60%. As a result prices of materials and labour have doubled. This impact is bigger than the devaluation because other macroeconomic reasons are at play. For example inflation is about 40%. Therefore, the effective cost of a well is now US\$2,000. We therefore are not able to build a well at the earlier budget for even when we take advantage of foreign exchange conversion, we are still short of 40% of the cost. Is it possible to revise the figure for the original **** wells upward by 40?

The budget for an extra **** wells derived from quotations is appended.

We shall be grateful for any assistance on this matter.

Yours sincerely
SASOL FOUNDATION

G-C. M. Mutiso - Executive Chairman

Peter van Dongen - Director - Finance.