



Transnet SOC Limited  
(Incorporated in the Republic of South Africa)  
(Registration Number: 1990/000900/30)  
Issuer Bond Code: BITRA  
("Transnet", "the Company" or the "Issuer")

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## **TRANSNET RESPONSE TO HIGH COURT JUDGEMENT IN THE MATTER OF TOTAL ENERGIES MARKETING (PTY) LTD ("TOTAL") AND SASOL OIL (PTY) LTD ("SASOL")**

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Transnet is disappointed by the judgment handed down by the High Court on 18 June 2024 in the action instituted by Total and Sasol for the recovery of amounts paid to Transnet for the conveyance of crude oil in Transnet's crude oil pipeline from Durban to the Natref refinery in Sasolburg, which is jointly owned by Total and Sasol.

The case concerned the application of an agreement (which took the form of an exchange of letters between the parties) concluded in 1967 between Total, Sasol and the South African government at the time, which was varied by the parties (also by way of an exchange of letters) in 1991. This agreement, which has since been cancelled, had as its central feature that, in calculating the tariff from Durban to the Natref refinery, the so-called "neutrality principle" would apply in terms of which Natref would neither be advantaged nor disadvantaged by its inland location.

The judgment handed down by the High Court concerns the application of the neutrality principle in the face of uncontested evidence that Total and Sasol made vast transport profits during the claim period. Transnet intends to appeal the judgment and is in the process of instructing its legal team accordingly.

### **Johannesburg**

20 June 2024

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Absa Corporate and Investment Bank (a division of Absa Bank Limited)

