

Sallies Limited

(Incorporated in the Republic of South Africa)

(Registration number 1903/001879/06)

Share code: SAL ISIN: ZAE000022588

("Sallies" or "the Company")

CAUTIONARY ANNOUNCEMENT

Sallies shareholders and debenture holders are advised that Sallies have been informed by Maghreb Minerals PLC ("Maghreb"), a company listed on the London Stock Exchange, that it has conditionally agreed to purchase, from Firebird Global Master Fund, Ltd and Firebird Global Master Fund II, Ltd (together "Firebird"), their total equity stake in Sallies of 484,958,606 ordinary shares, which equates to a 66.9% shareholding in Sallies (which provides an aggregate holding for Maghreb of 78.3% given its existing 11.4% stake in Sallies).

The transaction between Maghreb and Firebird will result in a change in control in Sallies and trigger a mandatory offer to Sallies shareholders and debenture holders in terms of the rules of the Securities Regulation Panel.

Sallies shareholders and debenture holders as advised to exercise caution when dealing in their shares and debentures respectively, until such time as the terms of the mandatory offers are published.

Johannesburg
28 December 2010