

Sallies Limited

(Incorporated in the Republic of South Africa)

(Registration number 1903/001879/06)

Share code: SAL ISIN: ZAE000022588

("Sallies" or "the Company")

TRADING STATEMENT

In terms of paragraph 3.4 (b) of the Listings Requirements of the JSE Limited, the Board of Sallies hereby announces that for the Company's results for the year ended 30 June 2011, it expects to report a loss per share of between 6.1 cents per share ("cps") and 7.1 cps compared to a loss per share of 9.8 cps for the year ended 30 June 2010. The headline loss for the year ended 30 June 2011 is expected to be between 5.8 cps and 6.8 cps compared to a headline loss of 8.7 cps for the year ended 30 June 2010. The reduction in the loss is due to the Company's operating subsidiary, Witkop Fluorspar Mine (Pty) Ltd, recommencing mining operations during the second half of the current financial year and the refund of taxation by the South African Revenue Service.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors. The Company's annual results will be released on or about 30 September 2011.

Johannesburg

30 August 2011

Sponsor: Bridge Capital Advisors (Pty) Limited