

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

REGISTRATION NUMBER 2006/004764/06

**GROUP ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
29 FEBRUARY 2008**

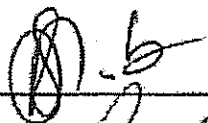
**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

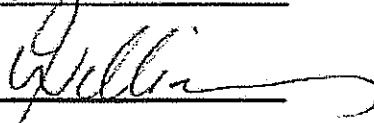
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FOR THE YEAR ENDED 29 FEBRUARY 2008**


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APPROVAL OF THE GROUP FINANCIAL STATEMENTS

The group financial statements set out on pages 3 to 19 have been approved by the directors and are signed on their behalf by :

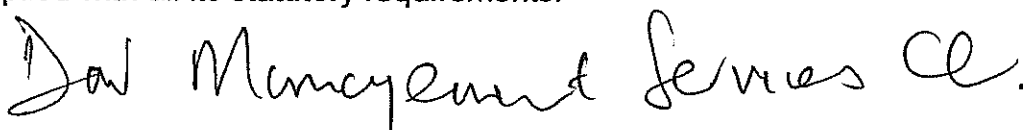






CERTIFICATE BY SECRETARY

We confirm that WOESA Investment Holdings Ltd has complied with all its statutory requirements.



Douglas & Velcich Management Services CC.
Johannesburg
5 November 2008

REPORT OF THE INDEPENDENT AUDITORS

TO THE SHAREHOLDERS

WOESA INVESTMENT HOLDINGS LIMITED AND ITS SUBSIDIARY

Report on the financial statements

We have audited the accompanying group financial statements of WOESA Investment Holdings Limited and its subsidiary, which comprise the directors' report, balance sheet as at 29 February 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 3 to 18.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), and in the manner required by the Companies Act of South Africa.

This responsibility includes : designing implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error ; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Unqualified Opinion

In our opinion, these group financial statements fairly present, in all material respects, the financial position of WOESA Investments Holdings Limited and its subsidiary as at 29 February 2008, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), and in the manner required by the Companies Act of South Africa.

With the consent of all the members, we have performed secretarial duties.

Supplementary information

The supplementary schedule set out on page 19 does not form part of the annual financial statements and is presented as additional information. We have not audited this schedule and accordingly we do not express an opinion on this.

A handwritten signature in black ink, appearing to read 'Douglas & Velcich', with a long horizontal flourish extending to the right.

Douglas & Velcich
Chartered Accountants (S.A.)
Registered Accountants and Auditors

Johannesburg
5 November 2008

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

BALANCE SHEETS AT 29 FEBRUARY 2008

		Group	Company		
	Note	2008 R	2007 R	2008 R	2007 R
ASSETS					
Intangible asset - trademark	2	1,000,000	-	1,000,000	-
Non - Current assets		426,960	-	167,996	100
Investment in subsidiary	3	-	-	100	100
Available for sale investments	4	426,960	-	167,896	-
Current assets		5,188,309	1,836,759	5,188,209	1,836,659
Cash and cash equivalents	5	5,188,309	1,836,759	5,188,209	1,836,659
Total assets		6,615,269	1,836,759	6,356,205	1,836,759
EQUITY AND LIABILITIES					
Capital and reserves		3,232,469	(491,373)	3,232,469	(491,373)
Share capital	6	814,076	1,000	814,076	1,000
Share premium	6	3,353,823	-	3,353,823	-
Retained income		(935,430)	(492,373)	(935,430)	(492,373)
Current liabilities		3,382,800	2,328,132	3,123,736	2,328,132
Trade and other payables	7	1,715,574	169,680	1,049,332	169,680
Woesa (Association incorporated under section 21)	8	271,420	272,952	271,420	272,952
Woesa Investments (Pty) Ltd.	3	-	-	407,178	-
Share subscribers	9	1,395,806	1,885,500	1,395,806	1,885,500
Total equity and liabilities		6,615,269	1,836,759	6,356,205	1,836,759

WOESA INVESTMENT HOLDINGS LIMITED
REGISTRATION NUMBER 2006/004764/06

INCOME STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008

	Note	Group		Company	
		12 Months to 29/2/2008 R	13 Months to 28/2/2007 R	12 Months to 29/2/2008 R	13 Months to 28/2/2007 R
REVENUE	1.7	-	-	-	-
OPERATING EXPENSES		778,657	492,561	778,657	492,561
Administration expenses		748,503	298,206	748,503	298,206
Other expenses		30,154	194,355	30,154	194,355
OPERATING LOSS		(778,657)	(492,561)	(778,657)	(492,561)
NET FINANCE INCOME		267,704	188	267,704	188
Finance income - call accounts		361,584	188	361,584	188
Finance charges payable to Ignis Project and Finance Solutions (Pty.) Ltd.		(93,880)	-	(93,880)	-
LOSS BEFORE TAXATION		(510,953)	(492,373)	(510,953)	(492,373)
TAXATION		-	-	-	-
(LOSS) FOR THE YEAR/PERIOD		(510,953)	(492,373)	(510,953)	(492,373)

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 29 FEBRUARY 2008**

	Share capital R	Share premium R	Retained income R	Total R
GROUP				
Balance at beginning of period	-	-	-	-
Issued share capital	1,000	-	-	1,000
Loss for the period	-	-	(492,373)	(492,373)
Balance at 28 February 2007	1,000	-	(492,373)	(491,373)
Loss for the year	-	-	(510,953)	(510,953)
Fair value adjustment to investment	-	-	67,896	67,896
Proceeds - share issue	813,076	3,353,823	-	4,166,899
Balance at 29 February 2008	814,076	3,353,823	(935,430)	3,232,469
COMPANY				
Balance at beginning of period	-	-	-	-
Issued share capital	1,000	-	-	1,000
Loss for the period	-	-	(492,373)	(492,373)
Balance at 28 February 2007	1,000	-	(492,373)	(491,373)
Loss for the year	-	-	(510,953)	(510,953)
Fair value adjustment to investment	-	-	67,896	67,896
Proceeds - share issue	813,076	3,353,823	-	4,166,899
Balance at 29 February 2008	814,076	3,353,823	(935,430)	3,232,469

WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY

CASH FLOW STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008

	Note	Group		Company	
		12 Months to 29/2/2008 R	13 Months to 28/2/2007 R	12 Months to 29/2/2008 R	13 Months to 28/2/2007 R
Cash flows from operating activities					
Cash paid to service providers		767,237	(322,881)	100,995	(322,881)
Cash generated from/(utilised in) operations	10	767,237	(322,881)	100,995	(322,881)
Finance income		361,584	188	361,584	188
Finance charges		(93,880)	-	(93,880)	-
Cash inflow/(outflow) from operating activities		1,034,941	(322,693)	368,699	(322,693)
Cashflows from investing activities		(1,359,064)	-	(1,100,000)	(100)
Purchase of investments		(359,064)	-	(100,000)	(100)
Purchase of intangible asset		(1,000,000)	-	(1,000,000)	-
Cashflows from financing activities		3,675,673	2,159,452	4,082,851	2,159,452
Cash received from shareholders		4,166,899	1,000	4,166,899	1,000
Cash held on behalf of related companies		(1,532)	272,952	405,646	272,952
Cash received from subscribers in terms of prospectus		(489,694)	1,885,500	(489,694)	1,885,500
Net cash inflow from operating activities		3,351,550	1,836,759	3,351,550	1,836,659
Cash and cash equivalents at beginning of year/period		1,836,759	-	1,836,659	-
Cash and cash equivalents at end of year/period	4	5,188,309	1,836,759	5,188,209	1,836,659

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008**

ACCOUNTING POLICIES

1. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Companies Act of South Africa.

The annual financial statements have been prepared on the historical basis, except for financial instruments and incorporate the principal accounting policies set out below.

1.1 SIGNIFICANT JUDGEMENTS

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

1.2 FINANCIAL INSTRUMENTS

1.2.1 Initial recognition

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the company's balance sheet when the company becomes party to the contractual provisions of the instruments.

Financial assets and liabilities are recognised initially at fair value. In the case of financial assets or liabilities not classified as at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument are added to the fair value.

An asset that is subsequently measured at cost or amortised cost is recognised initially at its fair value on the trade date.

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is not recognised for assets carried at cost or amortised cost, other than impairment losses.

Assets carried at fair value: the change in fair value shall be recognised in profit or loss or in equity, as appropriate.

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008 (Continued)**

ACCOUNTING POLICIES (Continued)

1.2 FINANCIAL INSTRUMENTS (Continued)

1.2.2 Subsequent measurement

After initial recognition, financial assets are measured as follows:

- loans and receivables and held-to-maturity investments are measured at amortised cost using the effective interest method;
- investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, are measured at cost;
- other financial assets, including derivatives, at fair value, without any deduction for transaction costs which may incur on sale or other disposal.

After initial recognition financial liabilities are measured as follows:

- financial liabilities, including derivatives that are liabilities, are measured at fair value through profit and loss.
- other financial liabilities are measured at amortised cost using the effective interest method.

1.2.3 Gains and losses

A gain or loss arising from a change in a financial asset or financial liability is recognised as follows:

- A gain or loss on a financial asset or financial liability classified as at fair value through profit or loss is recognised in profit or loss.
- A gain or loss on an available-for-sale financial asset is recognised directly in equity, through the statement of changes in equity, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity is recognised in profit or loss.
- Financial assets and financial liabilities carried at amortised cost: a gain or loss is recognised in profit or loss when the financial asset or financial liability is derecognised or impaired, and through the amortisation process.

1.3 CASH AND CASH EQUIVALENTS

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of change in value.

Cash and cash equivalents are measured at fair value.

1.4 IMPAIRMENT OF ASSETS

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008 (Continued)**

ACCOUNTING POLICIES (Continued)

1.4 IMPAIRMENT OF ASSETS (Continued)

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss on assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss on a revalued asset is treated as a revaluation decrease.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008 (Continued)**

ACCOUNTING POLICIES (Continued)

1.5 SHARE CAPITAL AND EQUITY

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.6 TRADE AND OTHER PAYABLES

Trade and other payables are measured at amortised cost using the effective interest method.

1.7 REVENUE

Dividends are brought to account on the last day for registration.

Interest is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is probable that such income will accrue to the company.

1.8 EXPENDITURE

Expenditure is recognised on the accrual basis of accounting.

2. INTANGIBLE ASSET

In the course of the year, in line with the decision set out in the prospectus in November 2007, the company issued 440,429 shares at par in exchange for the use of the trademark, Women in Oil and Energy, in recognition of the value of the network of members and potential members of the Section 21 company, and of the investment opportunities acquired through that network. The asset has been valued by directors at R1 million, and does not require to be impaired.

3. INVESTMENT IN SUBSIDIARY COMPANY

	Company	
	2008	2007
	R	R
Shares, at cost	100	100
100 shares in Woesa Investments (Proprietary) Limited - at cost		
ADVANCE FROM SUBSIDIARY COMPANY		
Woesa Investments (Proprietary) Limited.	(407,178)	-

The loan does not bear interest, and is expected to be settled within the ensuing year.

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008 (Continued)**

	Group		Company	
	2008 R	2007 R	2008 R	2007 R
4. AVAILABLE FOR SALE INVESTMENTS				
4.1 INVESTMENT IN MTN EMPOWERMENT SCHEME				
At cost	100,000	-	100,000	-
Fair value adjustment, through equity	67,896	-	67,896	-
	<u>167,896</u>	<u>-</u>	<u>167,896</u>	<u>-</u>
4.2 INVESTMENT IN JOINT VENTURE IN GREIFSA OPERATING COMPANY				
Shares - at cost	8	-	-	-
Capital contribution in terms of agreement	90,000	-	-	-
	<u>90,008</u>	<u>-</u>	<u>-</u>	<u>-</u>
4.3 INVESTMENT IN HYDROWSA INVESTMENT IN BETHLEHEM HYDRO (PTY) LTD.				
Shares at cost - 15.27% holding in ESI venture	169,056	-	-	-
	<u>169,056</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>426,960</u>	<u>-</u>	<u>167,896</u>	<u>-</u>

The company's 40.5% share in the HydroWSA consortium's 37.7% share in Bethlehem Hydro will require further equity funding estimated at R339,000. (refer notes 6 and 7.)

The company has decided against a fair value adjustment in respect of the investments in Greif SA and HydroWSA as there are currently significant uncertainties over the timing and quantum of future cash flows from these investments, and it would be both too costly and speculative to attempt to determine credible fair values at balance sheet date.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise :

ABSA - call account	4,701,343	-	4,701,343	-
ABSA - cheque account and cash	486,966	636,759	486,866	636,659
ABSA - fixed deposit	-	1,200,000	-	1,200,000
	<u>5,188,309</u>	<u>1,836,759</u>	<u>5,188,209</u>	<u>1,836,659</u>

6. SHARE CAPITAL

Authorised

5,000,000 Ordinary shares of R1,00 each	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
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Unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting.

Issued

814,076 (2007 - 1,000) Ordinary shares of R1,00 each	<u>814,076</u>	<u>1,000</u>	<u>814,076</u>	<u>1,000</u>
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Share premium

Premium of R9 a share on issued capital	<u>3,353,823</u>	<u>-</u>	<u>3,353,823</u>	<u>-</u>
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**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008 (Continued)**

	Group		Company	
	2008	2007	2008	2007
	R	R	R	R
7. TRADE AND OTHER PAYABLES				
Ignis Project and Finance Solutions (Pty) Ltd	1,026,732	-	1,026,732	-
Advance from HydroWSA consortium	248,982	-	-	-
Amount payable in respect of investment - Nu-Planet (Pty.) Ltd.	417,260	-	-	-
Trade payables	22,600	169,680	22,600	169,680
	<u>1,715,574</u>	<u>169,680</u>	<u>1,049,332</u>	<u>169,680</u>

The amount owing to Ignis Project and Finance Solutions (Pty) Ltd bears interest at prime.

The investment in Bethlehem Hydro (Pty) Ltd is largely financed by the Development Bank of South Africa Ltd. The total requirement for development costs and working capital is estimated at R100 million and R11 million respectively, of which the HYROWSA portion of equity funding is calculated at 10% of R8.4 million, or R840,000.

In terms of the agreement between Nu-Planet (Pty) Ltd and the HydroWSA consortium, an amount of R126 was payable at year end in respect of shares acquired at par, and a further R417,134 in respect of 90 shares acquired for this amount from Nu-Planet (Pty) Ltd. The amount due was paid shortly after year end.

8. LOAN PAYABLE - RELATED PARTY

Women in Oil and Energy South Africa (Association Incorporated under Section 21)	271,420	272,952	271,420	272,952
	<u>271,420</u>	<u>272,952</u>	<u>271,420</u>	<u>272,952</u>

The loan is unsecured, does not bear interest and is scheduled for repayment within the ensuing year.

9. SHARE SUBSCRIBERS	<u>1,395,806</u>	<u>1,885,500</u>	<u>1,395,806</u>	<u>1,885,500</u>
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These amounts represents amounts due to subscribers whose shares are to be issued after year end.

10. CASH GENERATED FROM/(UTILISED IN) OPERATIONS

Loss for the year/period	(510,953)	(492,373)	(510,953)	(492,373)
Adjusted for :				
Finance income	(361,584)	(188)	(361,584)	(188)
Finance charges	93,880	-	93,880	-
Operating loss before working capital changes	<u>(778,657)</u>	<u>(492,561)</u>	<u>(778,657)</u>	<u>(492,561)</u>
Working capital changes	1,545,894	169,680	879,652	169,680
Increase in accounts payable	<u>1,545,894</u>	<u>169,680</u>	<u>879,652</u>	<u>169,680</u>
	<u>767,237</u>	<u>(322,881)</u>	<u>100,995</u>	<u>(322,881)</u>

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 29 FEBRUARY 2008 (Continued)**

11. GOING CONCERN

The company will require future capital to fund investments and operational costs. The directors envisage that this future funding will be secured with the issue of a second prospectus, which is expected to raise between R6,5 and R9 million.

12. RELATED PARTY TRANSACTIONS

Related parties include:

Holding company

Woesa (Association incorporated under section 21)

Wholly -owned subsidiary

Woesa Investments (Pty) Ltd

The company entered into transactions in the ordinary course of business with various fellow subsidiaries and its holding company. These transactions are conducted on an arms length basis and relate to funding and administrative services. Details of the advances are set out in note 3 and 8.

**WOESA INVESTMENT HOLDINGS LIMITED
AND ITS SUBSIDIARY**

**INCOME STATEMENT FOR THE
YEAR ENDED 29 FEBRUARY 2008
- COMPANY AND GROUP**

	12 Months to 29/2/2008 R	13 Months to 28/2/2007 R
INCOME	361,584	188
Interest received	361,584	188
EXPENDITURE	872,537	492,561
Accounting fees	4,000	-
Advertising and promotions	16,991	-
Assets directly expensed	5,000	-
Bank charges	13,932	2,029
Computer expenses	1,855	-
Consulting fees	2,508	-
Co-ordinator fees	4,275	-
Fund raising costs	3,470	194,355
Interest paid	93,880	-
Legal fees	855	4,731
Other investment opportunities	5,000	-
Printing and stationery	4,726	-
Salaries and contributions	670,497	285,000
Secretarial fees	15,346	-
Share administration costs	20,087	-
Staff benefits	7,077	-
Telephone and fax	200	-
Travel and accommodation	2,838	6,446
NET (LOSS) FOR THE YEAR/PERIOD	(510,953)	(492,373)