

6 September 2008
Securities and Exchange Commission
100 F Street, NE
Washington, DC
20549-1090
UNITED STATES OF AMERICA

Dear Sir/Madam

SASOL LIMITED SUBMISSION ON PROPOSING RELEASE, FILE NUMBER S7-15-08

In response to your request for comments on the *Proposing Release on Modernization of the Oil and Gas Reporting Requirements* (File Number S7-15-08) attached please find the comment letter prepared by Sasol Limited (Sasol).

We thank you for the opportunity to provide comments on this document. In providing our comments on the proposal we have limited our observations to those proposals where we have a strong opinion which is either for or against your proposal. Where we make no explicit comment we are content with the suggested change.

Please do not hesitate to contact us should you wish to discuss any of our comments.

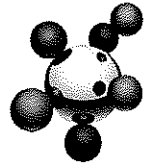
Yours sincerely

A handwritten signature in black ink, appearing to read 'Christine Ramon', with a stylized, cursive script.

Christine Ramon
Chief Financial Officer

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SASOL COMMENTS

In general Sasol supports the proposals contained in the Proposing Release. Where Sasol has a strong opinion which either is against the proposal or which is in support of the proposal, and we believe provides additional justification for the proposal, we make specific comment below and address the points raised in the appropriate Request for Comments.

Additionally, Sasol makes one general comment concerning the difference between categorisation and classification of volumes which underlies its response to a number of the proposals. In the interests of clarity this comment is laid out in full in the next section and is referred to, as required, when responding to specific requests.

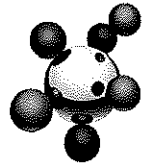
Where current, or proposed, SEC terminology is employed we indicate this by enclosing the text within double quotation marks.

GENERAL COMMENT

Sasol supports the proposal that only "Reserves" may be reported and also that, if a company so wishes, this can be in the "Probable" and "Possible" categories in addition to "Proved". Sasol, however, believes that there is an opportunity to create a clear distinction between this categorisation of volumes when compared with classification of volumes. SPE-PRMS clearly distinguishes between the two axes of categorisation of volumes (reflecting uncertainty of outcome) and classification (reflecting maturity of development). Sasol believes that, whilst permitting reporting only of "Reserves", there is a very strong benefit in the maintaining the separation of the two axes.

As currently drafted, Sasol is concerned that companies may be inclined to report as "Possible Reserves" those volumes which would be recovered, for example, by a yet to be approved incremental development, on the basis that there is a chance that it may be approved. Within SPE-PRMS these volumes would be classed as Contingent Resources and not allowable as Reserves at all. Such a difference of classification would be unhelpful.

In order to minimise this difference Sasol proposes the following approach. "Reserves" should be defined as volumes to be recovered from approved development projects, a tighter definition than that proposed in II.H but which will have the benefit that "Undeveloped Reserves" would move to the "Developed Reserves" class within a reasonable time. To be approved a developed project would have to have been sanctioned by the Board of the Company and have all contracts and licences in place to bring the product to market. "Reserves" would then be classified as "Developed" or "Undeveloped" as usual. Within both of these classes, however, companies would be able to reflect 'uncertainty of outcome', which essentially results from imperfect knowledge of the subsurface, by reporting "Proved", "Probable" and "Possible" volumes. There would therefore be six figures potentially reported by a company: Proved Developed, Probable Developed, Possible Developed, Proved Undeveloped, Probable Undeveloped and Possible Undeveloped.



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SPECIFIC COMMENTS

Proposal II.B

Sasol supports the proposal for a 12-month historical price based on the price on the last day of every month. A lag time of three months is strongly supported with the pricing period closing three months before fiscal year-end. Such a lag time will allow for execution of accounting calculations in advance of reporting dead lines without impacting negatively on the accuracy of the financial numbers.

Sasol strongly opposes using different prices for accounting purposes and for other purposes and recommends using of the same prices for **all** purposes on the basis of a 12-month historical price based on last day with a three month lag time. Over the longer term using average prices would result in only a fairly insignificant difference in depreciation. For Sasol, application of average pricing for accounting purposes would have resulted in approximately a 5% change in depreciation during the past year.

Proposal II.C

Sasol supports allowing extraction of hydrocarbons from unconventional sources as oil and gas producing activity but reiterates its view that this should be allowed only in the case that production occurs through wells. Where coal is mined for subsequent processing to yield hydrocarbons (e.g. coal gasification) the principal of 'first saleable product' should be applied to identify coal as the product and hence preclude this being allowed as oil and gas producing activity.

Proposal II.D.1

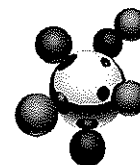
Allowing "Reliable Technology" is a very pragmatic approach to this problem; Sasol supports this proposal. One concern that can be raised is whether this will expose companies to dispute about whether the technology truly is reliable and whether SEC or some other body should be asked to generate a list of reliable technologies. Sasol believes that disclosure of those technologies used by each company would be adequate control but would want to ensure that the disclosure could not give rise to public debate about the validity of the reliability of the technology in any particular case.

Proposal II.D.3

See General Comment above. In order for volumes to be "Reserves" (of any category not only "Proved" as in the proposal) the project to develop the hydrocarbons must have been sanctioned. There is no need for companies to demonstrate the financing method.

Proposal II.E

Sasol strongly supports the proposal to allow companies the option to disclose "Probable" and "Possible" categories of reserves but suggests an arrangement more closely aligned with SPE-PRMS; see General Comment above. Sasol does not believe that this should be mandatory as many companies may not have manpower available to carry out the studies to calculate three estimates and this may reduce the overall quality of the more important "Proved Reserves" figure. The definitions are appropriate.



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Proposal II.F and II.G.1

Sasol supports the proposals. Sasol, however, would prefer that one of the three terms "Proved Reserves", "Proved Developed Reserves" and "Proved Undeveloped Reserves" is defined as the difference, (or sum) of the other two, rather than all three independently, so as to eliminate the chance of gaps or overlap. The General Comment also proposes that Probable and Possible categories be split into Developed and Undeveloped classes.

Proposal II.G.3

In line with the General Comment Sasol suggests that production from improved recovery projects should be allowed as reserves of any type only once the project has been approved. Once approved the "Reliable Technology" principle should apply.

Proposal II.H

This is very much in line with Sasol's General Comment. Sasol proposes that "Reserves" are those quantities to be recoverable by application of approved development projects. A further clarification should be made that the 'degree of uncertainty associated with the estimates' is related to outcome and not, for example, the chance that a development may be approved.

Proposal III.A.1 and Proposal III.B.4

See General Comment. Sasol's proposal that volumes can be reported as "Reserves" only if the development project is approved should significantly reduced the number of occurrences in which volumes are held as "Undeveloped" for extended periods.