

ABOUT THE INTEGRATED ANNUAL REPORT

BASIS OF CONTENT

The integrated annual report conveys information regarding the Group's financial and non-financial performance. It is reflective of the Group's commitment to create shareholder value while considering the triple contexts in which companies operate: social, environmental and economic.

The integrated annual report is Montauk's primary report to stakeholders and includes information that the board and management deem to be useful and relevant to stakeholders, and is guided by:

- the Company's memorandum of incorporation ("MOI");
- the Companies Act, 71 of 2008, as amended;
- the JSE Listings Requirements; and
- the King III Report on Corporate Governance for South Africa ("King III").

EXTERNAL ASSURANCE ON CONTENT AND APPROVAL OF THE REPORT

This integrated annual report is the result of combined input from Montauk and its subsidiaries on their activities and achievements for the year. No independent third-party assurance was obtained on the non-financial data included in this integrated annual report. A key component of assurance is the approval of data and information by Montauk's executive management, the audit and risk committee and, ultimately, the board.

This report was reviewed by management and the audit and risk committee and approved by the board on 18 September 2015. The external auditor, Grant Thornton Johannesburg Partnership, provide assurance on the annual financial statements.

We believe that this integrated annual report offers stakeholders the necessary information to make considered evaluations about Montauk's business activities and performance, and business viability.

MATERIALITY

While many issues affect the business on a daily basis the most material are those that may impact ongoing success. In determining which matters are material for disclosure in the integrated annual report, consideration was given to those

which may affect Montauk's strategy or business model. Identifying these issues involves consideration of Montauk's external and regulatory environment, key business risks and inputs from stakeholders.

The following were taken into account in developing our understanding of the most material issues:

- agreements and commitments entered into by Montauk;
- relevant current and future regulation and legislation;
- Montauk's strategies, policies, systems, goals and values;
- significant risks identified through Montauk's risk management process; and
- expectations, views, concerns and interest expressed by stakeholders.

CHANGES TO THE GROUP THAT WOULD RESULT IN COMPARATIVE INFORMATION NOT BEING MEANINGFUL

During the year ended 31 March 2014 the board of directors of HCI resolved to unbundle and separately list its interest in Montauk, which it successfully concluded on 15 December 2014. In anticipation of the listing of Montauk, the Company disposed of its 80% interest in Longkloof Limited and Crystal Brook Distribution Proprietary Limited in September 2014. It furthermore disposed of its 100% interest in Deepkloof Limited, which contained the Group's diversified Australian and oil and gas prospecting interests, in October 2014.

Where applicable, the results of disposed businesses were classified as discontinued operations in the current and prior years and the assets and liabilities of these businesses classified as held for sale in the prior year.

FORWARD-LOOKING STATEMENTS

This integrated annual report contains certain forward-looking statements which relate to the financial position and results of the operations of the Group. These statements by their nature involve risk and uncertainty as they relate to events and depend on circumstances that may occur in the future. These forward-looking statements have not been reviewed or reported on by the Group's external auditor.