

## Memorandum

On Tuesday, the 20th of March at 10:30 am I met with Mr. Walter Hennig at his office.

The meeting took place face to face in a conference room with transparent glass. To enter the building one is requested to provide personal details, so the entrance to the lobby follows an orderly registration process. This meeting follows an earlier meeting between Lloyd Pengelly and Dag held on Friday the 16th of March at our offices.

Walter Hennig, "African Global Capital"  
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At the beginning of the session I asked and made sure that the session was not being recorded.

Mr. Hennig opened the session by claiming what allegedly occurred in his meeting with alpha. He claimed that the South African government approached him after Alpha sought the help of South Africa in requesting they borrow funds to "the Government of Guinea through the World Bank" in exchange for options/stakes in the mines and mining resources of the country.

In the first part they he mentions they discussed the bauxite resources but because Deripaska already settled his affairs, it followed that the remaining options would be in the iron ore area, namely that of Simandou. He said they have been promised by Alpha options after the 15% carry of the state. So he claims we should respect the new code and give the GoG the 15%.

Walter further argued that they intended to run against us through the "LCPI" procedures and since the project will consequently be frozen for years following court proceedings, he won't be given his money's worth.

The undersigned of course utterly dismissed this nonsense emphasizing that all of BSGR's transaction was legal and transparent. Furthermore Mr. Walter and his partner Mr. Tokyo Sexwale engaged the president and the country in outright corruption. Undersigned mentioned amongst others the "Sammy" liaison contact as their representative facing Alpha. Mr. Walter countered, alleging the undersigned met several times with military personnel locally and planned a meeting with a military man, even towards the end of March – utterly false allegations. Similarly he accused the undersigned of meeting with the son of Alpha, which is completely untrue and fabricated.

See attached link for all these people and associated companies.

On Wednesday the 21 March I spoke with "L" who is familiar with the story and advised me to talk about it face to face with "Mado".

Mado is very familiar with those involved, including Tokyo, Walter, Sammy and others...

He confirmed the exchange. Two weeks ago there was a meeting between Walter, Sammy, Alpha and Mado. President Walter said that Simandou was still not relevant because there were still not negotiating with BSGR and so he is offering them shares with Dian Dian. Walter insisted, saying that the government must prosecute the members responsible of corruption and they know his methods, so he is the weak link ... and they are resorting to expert lawyers who specialize in the matter. Mado questioned how long such claim process could last? Walter replied about 4 years and their experience is similar in the Congo-Brazzaville ... According to Mado the amount that was given to Alpha is: 60 million ...

Alpha raised their attention to the fact they do not have the financial capacity to execute the Simandou project since they are just an investment group but they answered in turn that they plan to sell it to the ENRC (the Kazakhs) ...

According to Mado there is a document from Walter and Tokyo formally threatening Alpha.

Today on March 21<sup>st</sup>, a meeting was arranged with Lloyd and Dag at the office. At this meeting we highlighted the sequence of events that unraveled with Walter and stressed that they have clearly exceeded all acceptable limits in their conduct by way of direct threats as well as through the use of funds that they have dispersed to Alpha and his surroundings through Sammy and that we regard this with upmost seriousness and we know many details about their method of operation...

To be continued.  
Asher

**For immediate release**

**Mvelaphanda Holdings, Och-Ziff and Palladino Create Joint Venture to Focus on Natural Resources in Africa**

January 29, 2008 - Mvelaphanda Holdings (Proprietary) Ltd ("Mvela Holdings"), OZ Management LP ("OZ Management"), a subsidiary of Och-Ziff Capital Management Group LLC (NYSE: OZM) ("Och-Ziff") and Palladino Holdings Ltd ("Palladino") have announced the creation of a joint venture, Africa Management Limited.

As part of the joint venture, Africa Management Limited has established African Global Capital I, L.P. ("African Global Capital"), as a platform to invest in both the private and public markets across Africa, with a bias towards natural resources and related businesses. The new joint venture will combine the regional infrastructure and expertise of Mvela Holdings and Palladino together with the global investment management expertise of OZ Management. Africa Management Limited will act as the exclusive vehicle for Mvela Holdings and OZ Management to pursue private investment opportunities within the region.

African Global Capital consists primarily of assets contributed by Mvela Holdings and Palladino, and a capital commitment from funds managed by OZ Management for the acquisition of additional assets and the further development of existing investments. Contributed assets range from exploratory mining and energy concessions to mature producing mining assets and public equity positions across Africa. Further assets will be contributed by Mvela Holdings to African Global Capital in addition to further capital commitments by funds managed by OZ Management, subject to the completion of certain conditions including appropriate regulatory approvals.

It is expected that further funds managed by Africa Management Limited will be formed in the near future, which will include capital commitments made by third party investors.

Tokyo Sexwale, founder of Mvela Holdings, said: "We intend to build on our already strong foothold in African investments in partnership with Och-Ziff. We have a strong historical relationship with Och-Ziff having invested together in transactions in the past, and their abilities in navigating financial markets have always impressed us. The partnership with Och-Ziff in African Global Capital will help us accelerate in building the leading African investment firm."

Daniel Och, Chairman and Chief Executive Officer of Och-Ziff, said: "We are delighted to be entering into partnership with Tokyo Sexwale, Mvela Holdings and Palladino. Mvela Holdings has an exceptional track record of value creation and we look forward to working together to grow our combined venture and create the leading investment management business in the region."

Mark Willcox, Chief Executive Officer of Mvela Holdings and newly appointed Chief Executive Officer of Africa Management (UK) Limited, said: "We have a strong pipeline of transactions across a broad spectrum of industries and geographies. We are excited by the opportunities available to African Global Capital and feel our partnership with Och-Ziff and Palladino places us in a prime position to capitalise on them."

#### **About Mvela Holdings**

Mvela Holdings is one of the largest and most pre-eminent Black Economic Empowerment groups in South Africa with a strong and proven track record in significant and highly accretive investments over a broad range of industries across Africa. Mvela Holdings is a private investment company founded in 1998 by Tokyo Sexwale, Mikki Xayiya and Mark Willcox. It is the controlling shareholder of JSE-listed Mvelaphanda Group Ltd and has a significant interest in JSE-listed Mvelaphanda Resources Ltd. It has other substantial privately held interests in the mining, energy, real estate and various other industrial sectors in South Africa and Africa.

#### **About Och-Ziff Capital Management Group LLC**

Och-Ziff is one of the world's largest and most recognized institutional alternative asset managers with offices in New York, London, Hong Kong, Tokyo, Bangalore and Beijing. Och-Ziff's funds seek to deliver consistent positive, risk-adjusted returns with a strong focus on risk management and capital preservation. Och-Ziff's multi-strategy approach combines global investment strategies, including merger arbitrage, convertible arbitrage, equity restructuring, credit and distressed credit investments, private equity and real estate. Och-Ziff had approximately \$33.2 billion of assets under management for over 700 fund investors as of January 1, 2008. More information about Och-Ziff is available on the firm's web site at [www.ozcap.com](http://www.ozcap.com).

#### **About Palladino Holdings Ltd**

Palladino, a private investment vehicle, was founded in 2003 by Walter Hennig by way of consolidating various strategic assets in Africa. The vision for Palladino was to form an international investment finance vehicle, focusing on early stage predominantly African resource, property and industrial projects. Palladino holds a variety of significant mining, energy and other assets in Africa.

#### ***Forward-Looking Statements***

The information contained in this press release may contain forward-looking statements that reflect the current views of Och-Ziff and its affiliates, including OZ Management (the "Company") with respect to, among other things, future events and financial performance. Such forward-looking statements are generally identified by terminology such as "outlook," "believe," "expect,"

“potential,” “continue,” “may,” “will,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates” or the negative version of those words or other comparable words.

Any forward- looking statements contained in this press release are based upon historical information and the current plans, estimates, and expectations of the Company. The inclusion of this forward-looking information should not be regarded as a representation by the Company or any other person that the future plans, estimates or expectations contemplated by the Company will be achieved. Such forward-looking statements are subject to various risks and uncertainties, including but not limited to global and domestic market and business conditions, the Company’s successful execution of business and growth strategies and regulatory factors relevant to the Company’s business, as well as assumptions relating to the Company’s operations, financial results, financial condition, business prospects, growth strategy and liquidity.

If one or more of these or other risks or uncertainties materialize, or if the Company’s assumptions prove to be incorrect, the Company’s actual results may vary materially from those indicated in these statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements and risks that are included in the Company’s filings with the Securities and Exchange Commission, including but not limited to its registration on Form S-1 (registration no. 333-144256). Any forward-looking statements contained in this press release are made only as of the date hereof. The Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

**Please note that Mark Willcox, newly appointed Chief Executive Officer of Africa Management (UK) Limited, is available for interviews on 082 823 6666**

Issued on behalf of Mvelaphanda Holdings by Chris Vick (083 556 7644)