

**Nqaba Finance 1 (Proprietary) Limited**  
*(Incorporated with limited liability in South Africa under registration number 2005/040050/07)*  
**Issue of ZAR 115,000,000.00 Secured Class A10 Notes**  
**Under its ZAR5,000,000,000 Asset Backed Note Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described in this Pricing Supplement.

This Pricing Supplement must be read in conjunction with the Programme Memorandum issued by Nqaba Finance 1 (Proprietary) Limited dated on or about 21 May 2009, as amended from time to time. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

Any capitalised terms not defined in this Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "Glossary of Definitions". References in this Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum headed "Terms and Conditions of the Notes". References to any Condition in this Pricing Supplement are to that Condition of the Terms and Conditions.

**DESCRIPTION OF THE NOTES**

|   |  |
|---|--|
| 1. Issuer                                     | Nqaba Finance 1 (Proprietary) Limited          |
| 2. Status and Class of the Notes              | Secured Class A10 Notes                        |
| 3. Tranche number                             | 1  |
| 4. Series number                              | 1  |
| 5. Aggregate Principal Amount of this Tranche | ZAR 115,000,000                                |
| 6. Issue Date(s)                              | 24 May 2010                                    |
| 7. Minimum Denomination per Note              | ZAR 1,000,000                                  |
| 8. Issue Price(s)                             | ZAR 115,000,000                                |
| 9. Applicable Business Day Convention         | Succeeding Business Day                        |
| 10. Interest Commencement Date(s)             | 24 May 2010                                    |
| 11. Scheduled Maturity Date                   | 22 May 2020                                    |
| 12. Final Maturity Date                       | 22 May 2052                                    |
| 13. Final Redemption Amount                   | As per Condition 7 of the Programme Memorandum |

BOB [Signature]

14. Use of Proceeds

The net proceeds of the issue of this Tranche, together with the net proceeds from the issue of the Classes A6, A7, A8, A9, B6, B7, B9, B10, C6, C7, C9, C10, D4 and Notes and the borrowing of the Subordinated Loan referred to in this Pricing Supplement, will be used to refinance Tranche 1 of Series 1 of the Class A4 Notes, Tranche 1 of Series 1 of the Class A5 Notes, Tranche 1 of Series 1 of the Class B3 Notes, Tranche 1 of Series 1 of the Class B5 Notes, Tranche 1 of Series 1 of the Class C3 Notes, Tranche 1 of Series 1 of the Class C5 Notes and Tranche 1 of Series 1 of the Class D3 Notes.

15. Pre-Funding Amount

No

16. Pre-Funding Period

N/A

17. Specified Currency

Rand

18. Prepayment Notes

No

19. Set out the relevant description of any additional Terms and Conditions relating to the Notes

N/A

FIXED RATE NOTES

20. Fixed Interest Rate

10.435% per annum nacc

21. Interest Payment Date(s)

22 February, 22 May, 22 August and 22 November

22. Interest Period(s)

each period commencing on and including the day of any Interest Payment Date and ending on but excluding the following Interest Payment Date, provided that the first Interest Period shall be from and including the Issue Date in relation to such issue to but excluding the first Interest Payment Date thereafter

23. Initial Broken Amount

N/A

24. Final Broken Amount

N/A

25. Any other items relating to a particular method of calculating interest

After Scheduled Maturity Date and/or during the Amortisation Period, a floating Interest Rate shall be applicable

26. Manner in which the Interest Rate is to be determined

Screen Rate Determination

27. Margin/Spread for the Interest Rate

a) After the Scheduled Maturity Date, 25 basis points per annum to be added to the relevant Reference Rate up to the Final Maturity Date

28.

b) During the Amortisation Period, 200 basis points per annum to be added to the relevant Reference Rate

GENERAL

29. Additional selling restrictions

N/A

30. International Securities Numbering (SIN)

ZAG000077686

|   |  |
|---|--|
| 31. Stock Code  | NQ1A10   |
| 32. Financial Exchange  | The JSE Limited  |
| 33. Dealer(s)   | Absa Capital   |
| 34. Method of distribution  | Private Placement  |
| 35. Rating assigned to this Tranche of Notes (if any)   | AAA(zaf)   |
| 36. Rating Agency   | Fitch  |
| 37. Governing Law   | South Africa   |
| 38. Last Day to Register  | 16 February, 16 May, 16 August and 16 November   |
| 39. Books Closed Period   | 17 February, 17 May, 17 August and 17 November   |
| 40. Calculation Agent, if not the Manager   | N/A  |
| 41. Specified Office of the Calculation Agent   | 15 Alice Lane, Sandton, 2196   |
| 42. Transfer Agent, if not the Manager  | N/A  |
| 43. Specified Office of the Transfer Agent  | 15 Alice Lane, Sandton, 2196   |
| 44. Programme Limit   | ZAR5,000,000,000   |
| 45. Aggregate Outstanding Principal Amount of Notes in issue on the Issue Date of this Tranche  | ZAR 784,000,000 excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date |
| 46. Amount of Subordinated Loan to be borrowed simultaneously with this Tranche   | ZAR 227,000,000  |
| 47. Aggregate Principal Amount of Classes A6, A7, A8, A9, B6, B7, B9, B10, C6, C7, C9, C10, D4 and D5 Notes to be issued simultaneously with this Tranche | ZAR761,000,000   |
| 48. Required Direct Employees Percentage  | 86.00%   |
| 49. Required Interest Margin  | 2.15%  |
| 50. Required Maximum Average Outstanding Balance  | ZAR 300,000  |
| 51. Required Weighted Average Current LTV Ratio   | 73.0%  |
| 52. Required Weighted Average PTI Ratio   | 20.00%   |
| 53. Required Weighted Average Original LTV Ratio  | 91.00%   |
| 54. Required Maximum Second Property Percentage   | 8.50%  |
| 55. Required Minimum Payroll Deduction Percentage   | 95.00%   |

Application is hereby made to list this Tranche of the Notes, as from 24 May 2010, pursuant to the Nqaba Finance 1 (Proprietary) Limited Asset Backed Note Programme.

Nqaba Finance 1 (Proprietary) Limited (Issuer)

By: \_\_\_\_\_

Director, duly authorised representative

By: \_\_\_\_\_

Director, duly authorised representative

*fm*

Date: 20 MAY 2010

Date: 20 May 2010

DR M