

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF

MAWENZI RESOURCES LIMITED

ORDER PROVIDING A WAIVER
OF CERTAIN PROVISIONS OF THE
EXEMPTION PURSUANT TO ARK.
CODE ANN. §23-42-504(a)(9)
NO. 00-006-S

FINDINGS OF FACT

1. On February 17, 2000, a letter was received by the Arkansas Securities Commissioner requesting that the proposed exchange of ordinary shares (the "Shares") of Zarara Oil and Gas Limited (Zarara) with shares of Mawenzi Resources Limited (the "Company"), (the "Transaction) be determined to be an exempt transaction pursuant to Ark. Code Ann. §23-42-504(a)(9).

2. The Company was incorporated on August 7, 1895 in Johannesburg, South Africa under the name "The Sub Nigel Limited." It currently operates under the name Mawenzi Resources Limited pursuant to the Certificate of Name Change dated June 2, 1998.

3. The Company filed a proof of exemption pursuant to Ark. Code Ann. §23-42-504(a)(9) and Rule 504.01(A)(9) of the Rules of the Arkansas Securities Commissioner (the "Rules").

4. Pursuant to Ark. Code Ann. §23-42-504(a)(9)(B) and Rule 504.01(A)(9)(b), the Company has requested a waiver of the requirement that the buyers in this state are purchasing for investment since the Mawenzi shares are publicly traded on the Johannesburg Stock Exchange and the Zarara shares that are being exchanged are publicly traded on the London OFEX. The Company would like for the Arkansas residents who acquire the

Mawenzi shares to be free to trade them outside the U.S. or to sell them to other U.S. residents provided such shares are registered or exempt.

CONCLUSIONS OF LAW

1. Pursuant to Ark. Code Ann. §23-42-504(a)(9)(B) Rule 504.01(A)(9)(a), the Commissioner may waive any such requirements of Rule 504.01(A)(9) that apply to offerings of securities.

2. It is not necessary or appropriate in the public interest for the protection of investors for the Company to be required to register the Transaction under the Act for the purposes of the contemplated offering.

OPINION

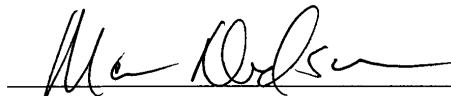
In recognition of the representations made by the Company, it appears registration of this Transaction is unnecessary in this instance.

This order does not exempt the Company from the antifraud provisions of the Act.

ORDER

IT IS THEREFORE ORDERED that any exchange of the Mawenzi shares and Zarara shares, offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of February 17, 2000 and in accordance with the Findings of Fact stated herein, shall be exempted from Sections 23-42-501 and 23-42-502 of the Act.

WITNESS MY HAND AND SEAL this 27th day of February, 2000



MAC DODSON
SECURITIES COMMISSIONER