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IN THE HIGH COURT OF SOUTH AFRICA
GAUTENG DIVISION, PRETORIA

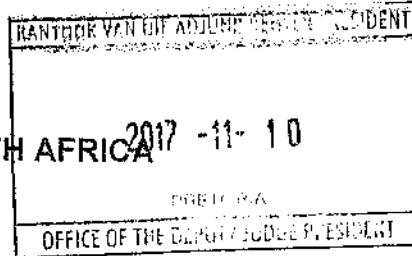
Case No. 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

and

MINISTER OF MINERAL RESOURCES



Applicant

Respondent

RESPONDENT'S ANSWERING AFFIDAVIT TO THE CHAMBER OF MINES IN
THE REVIEW APPLICATION (PART B)

mk

M.J.2

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I, the undersigned,

MOSEBENZI JOSEPH ZWANE

state under oath that:

1. I am the Minister of Mineral Resources of the Republic of South Africa and was appointed to that post on 23 September 2015. The Minister's office is at building 2C, c/o Meintjes and Francis Baard Street (formerly Schoeman Street), Sunnyside, Pretoria.
2. Unless stated otherwise or the contrary appears from the context, the facts contained in this affidavit fall within my personal knowledge and are to the best of my belief both true and correct.
3. Where I state facts that fall outside my personal knowledge, I attach confirmatory affidavits of those persons who are able to confirm the correctness and the veracity of those facts.
4. Where I make submissions of law, I do so on the advice of my legal advisors whose advice I accept to be correct.
5. For ease of reference, I use the definitions set out in paragraph 14 of the founding affidavit.¹

¹ FA at pp 23-24, para 14.

6. I have read the founding affidavit of Tebello Laphatsoana Chabana ("**Chabana**"), and the supporting affidavits of Ambrose Vuzumuzi Richard Mabena ("**Mabena**") and Roger Alan Baxter ("**Baxter**"), that have been filed on behalf of the Chamber of Mines ("**the Chamber**").
7. This application brought by the Chamber is not about vindicating fundamental rights. Rather, it is about preserving the *status quo* for the Chamber and its members, borne out of commercial interests, to the detriment of persons who have been historically disadvantaged and subjected to discriminatory treatment. If the Chamber were to succeed in this application, such an outcome would be to the detriment of the efforts being made to achieve substantive equality in the mining sector.
8. The Chamber raises 58 grounds of review. Various of these grounds are repetitive, raised only blithely, without a factual or legal basis, and/or without serious attempt to provide a substantive basis on which the ground of review is premised. In view of this approach taken by the Chamber, I first deal with certain general matters relating to the background, statutory framework, legal status of the Mining Charter and the flawed nature of the present application, before turning to respond to the Chamber's allegations *seriatim*.
9. This affidavit is structured as follows:
 - 9.1. First, the relevant background and statutory framework;

- 9.2. Second, the legal status of the Mining Charter;
 - 9.3. Third, the flawed nature of this application;
 - 9.4. Fourth, the general grounds of review raised by the Chamber;
 - 9.5. Fifth, the grounds of review relating to the ownership element;
 - 9.6. Sixth, the grounds of review relating to the non-ownership elements;
 - 9.7. Seventh, the miscellaneous further grounds of review raised by the Chamber;
 - 9.8. Lastly, I respond seriatim to the remaining allegations.
10. I deal with each of these sections in turn below.

RELEVANT BACKGROUND AND STATUTORY FRAMEWORK

11. In my answering affidavit to Part A of the present application, I set out the relevant background and statutory framework in some detail. It is apparent from this background that the Mining Charter in its different iterations are a key tenet to achieving substantive equality and transformation of the mining sector.
12. Given its relevance to the present application, as well as the Chamber's failure to deal with this in the present application, I repeat the main aspects in the interests of completeness below.

THE CONSTITUTION

13. The application deals with legislation whose aim is to de-racialise and diversify the mining industry in South Africa in a meaningful and long-term manner.
14. The economic, political and social legacy inherited by the democratic South African government in 1994 was one characterized by the racial exclusion of the majority of South Africans from the mainstream economy. There was, and unfortunately still is, a massive disparity in access to, control over and ownership of resources in the economy, and in the mining industry in particular.
15. At the time, and shortly thereafter, the phraseology of reconstruction, development and transformation of society to redress the substantial imbalances of the past in a meaningful manner, became *de rigueur*, including in the mining industry. Everyone professed to be committed to achieve those objectives.
16. The Department published a white paper in 1998 entitled "*A Minerals and Mining Policy for South Africa*" which recorded, in relevant part (the preamble to chapter 2), as follows:

"Past legislation and practices have inhibited black ownership of assets, in mining as in other of the country's principal producing sectors. While various initiatives are under way to introduce black investors into the industry, ownership of the main mining companies remains as yet essentially unchanged. A long-term perspective is needed because of the difficulties of raising the large capital sums involved.

Similarly, workplace discrimination (legislated in some cases) obstructed the advancement of black people into middle and senior management positions in the mining industry. Progress has been made in recent years, both on the mines (notably via apprenticeship and other training programmes) and in head offices. But the impact will take some years to start being really visible because of the long periods needed for employees to acquire the practical experience required for promotion. Black participation in ownership and management of the mining industry will have special political significance for South Africa's development as a market-based democracy."

17. The relevant extract of the white paper is attached marked "AA16".
18. In this context, Parliament enacted the Mineral and Petroleum Resources Development Act 28 of 2002 ("MPRDA" or "the Act") as a measure *inter alia* to introduce historically disadvantaged South Africans ("HDSA") into the mining industry in an incremental, meaningful and sustainable manner.
19. The Constitution enjoins the government, to take legislative and other measures which are designed to protect or advance persons, or categories of persons, disadvantaged by unfair discrimination. In this regard, reference in the Constitution to categories of persons disadvantaged by unfair discrimination is a reference to HDSA.
20. In its terms, the Constitution provides, in section 9(2) that:

"Equality includes the full and equal enjoyment of all rights and freedoms. To promote the achievement of equality, legislative and other measures designed to protect or advance persons or categories of persons disadvantaged by unfair discrimination may be taken."

21. Given the historical inequities of excluding HDSA from meaningful participation in the mining industry, legislative measures were taken to correct that past and to ensure the participation of HDSA in the mining industry in the future.

MPRDA

22. It is common cause that the then *status quo* within which mining companies operated in the pre-democratic era was not sustainable, did not encourage foreign direct investment, and excluded the majority of South Africans from ownership and management opportunities within the industry. There was also a constraint on the development of sound labour relations within the industry.
23. All of these matters of racial exclusion informed the decision to review the then *status quo* and to develop a new policy framework for the mining industry. One of the primary documents that records the history of post 1994 developments is the White Paper on a Minerals and Mining Policy for South Africa of 1998. A copy thereof is attached as "AA17".

24. This policy document recognised and acknowledged the central role of mining in the South African economy. It essentially sought to create a policy and regulatory framework within which necessary and fundamental changes could be made to the mining industry. One of its primary objectives was that of aligning mining operations with the imperatives of the Constitution and the strategic developmental goals of the newly formed democratic government. This policy framework, developed further, ultimately became enshrined in the MPRDA.
25. The MPRDA is the legislative instrument in the mining industry that was enacted by Parliament to promote the achievement of equality as mandated by the Constitution. The MPRDA was promulgated by the legislature to deal with the prevailing reality that white South Africans wield real economic power while the overwhelming majority of black South Africans are still mired in unemployment and abject poverty. This is because they were (and still are) unable to benefit directly from the exploitation of South Africa's mineral resources by reason of their landlessness, exclusion and poverty.
26. In other words, the MPRDA was enacted to address the gross economic inequality in South Africa, and in particular to facilitate equitable access to opportunities in the mining industry. The commencement of the MPRDA had a seismic effect on the mining industry which, to date, is still not fully appreciated by the long-established and well-entrenched participants in the industry.

- 26.1. It had the effect of freezing the ability to sell, lease or cede unused old order rights until they were converted into prospecting or mining rights with the written consent of the Minister for Minerals and Energy.
- 26.2. The MPRDA also had the deliberate and immediate effect of abolishing the land owner's entitlement to sterilise mineral rights, otherwise known as the entitlement not to sell or exploit minerals. This should have come as no surprise in a country with a progressive Constitution, a high unemployment rate and a gaping chasm (increasingly widening) between the rich and the poor which could be addressed partly through the optimal exploitation of its rich mineral and petroleum resources, to boost economic growth.
- 26.3. The MPRDA vested rights in the limited mineral resources in the state, as custodian on behalf of all South Africans as part of their common heritage. The MPRDA gave effect to this principle by granting limited prospecting, mining, exploration or production rights to successful applicants. Provision was made for the grant, content and duration of the rights (generally limited to varying time periods of up to 30 years). In terms of the MPRDA, these rights if not appropriately exercised, they may be suspended or cancelled.
27. It is a matter of public record that attempts by Agri-SA to challenge the MPRDA by alleging that it amounts to a deprivation and/or expropriation of its members'

alleged rights was dismissed by the Constitutional Court (see **Agri SA v Minister for Minerals & Energy** 2013 (4) SA 1 (CC)).

28. According to its long title, the MPRDA was enacted to facilitate equitable access to and sustainable development of the nation's mineral and petroleum resources. This objective finds support from the preamble which sets out a list of commitments which lie at the heart of the MPRDA. They are, among others, the eradication of all forms of discriminatory practices in the mineral and petroleum industries. Also included is the undertaking to take measures to address the effects of the skewed distribution of economic benefits which took place during the apartheid era and the creation of a mining regime that is internationally competitive and efficient.
29. The preamble refers to the State's obligation under the Constitution to take legislative and other measures to redress the results of past racial discrimination. In the relevant part, the preamble points to the fact that the legislature, in passing the MPRDA, is committed to "*eradicating all forms of discriminatory practices in the mineral and petroleum industries as well as having considered the obligations of the State under the Constitution 'to take legislative and other measures to redress the results of past racial discrimination'*".
30. Amongst the objects of the MPRDA is the stated intention to substantially and meaningfully expand opportunities for historically disadvantaged persons including women, to enter the mineral and petroleum industries and to benefit from the exploitation of the nation's mineral and petroleum resources, to promote

employment and advance the social and economic welfare of all South Africans, as well as to give effect to section 24 of the Constitution.

31. Section 24 relates *inter alia* to the right to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that include securing ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.
32. The provisions of the MPRDA, as far as is relevant to the above context, read as follows:

"Objects of Act

2. *The objects of this Act are to –*

- (a) ...
- (b) ...
- (c) *promote equitable access to the nation's mineral and petroleum resources to all the people of South Africa;*
- (d) *substantially and meaningfully expand opportunities for historically disadvantaged persons, including women and communities, to enter into and actively participate in the mineral and petroleum industries and to benefit from the exploitation of the nation's mineral and petroleum resources;*
- (e) ...

(f) *promote employment and advance the social and economic welfare of all South Africans;*

(g) ...

(h) *give effect to section 24 of the Constitution by ensuring that the nation's mineral and petroleum resources are developed in an orderly and ecologically sustainable manner while promoting justifiable social and economic development...*"

33. It is clear that the MPRDA aims at promoting equitable access to the nation's mineral and petroleum resources to all the people of South Africa. The purpose and objects of the MPRDA as described in the paragraphs above, permeate and have a direct bearing on the meaning of numerous other provisions of the MPRDA. I cite several key examples.

34. First, the ambit of the definition of HDSA whom the act seeks to empower in the mining industry must be interpreted with reference to the objects of the MPRDA, in particular, sections 2(d) and (f). The opportunities for HDSA must, according to the objects of the MPRDA, be substantial and meaningful to enable them to benefit from the exploitation of the nation's mineral and petroleum resources. From this, it is evident that any steps that seek to undermine the participation of HDSA in the mining industry in the future would be contrary to the objects of the MPRDA.

35. "Historically disadvantaged person" means:

- "(a) any person, category of person or community, disadvantaged by unfair discrimination before the Constitution took effect;"*
- (b) any association, a majority of whose members are persons contemplated in paragraph (a);"*
- (c) any juristic person other than an association in which person contemplated in paragraph (a) own and control a majority of the issued capital or members' interest and are able to control a majority of the members' votes".*

36. Secondly, in interpreting the provisions of the MPRDA, the objects under section 2 must necessarily be given effect to and trump any interpretation to the contrary. Section 4 of the MPRDA is a specific provision dealing with the interpretation of the MPRDA. It reads as follows:

"Interpretation of Act

- (1) When interpreting a provision of this Act, any reasonable interpretation which is consistent with the objects of this Act must be preferred over any other interpretation which is inconsistent with such objects.*
- (2) In so far as the common law is inconsistent with this Act, this Act prevails."*

37. The legislature was unequivocal in providing that precedence must be given to any reasonable interpretation which is consistent with the objects of the MPRDA,

that is, any interpretation, reasonable or otherwise, that may stand in competition with the objects of the MPRDA must be rejected. This would include even the common law where it conflicts with the MPRDA.

38. Thirdly, the granting of a prospecting right is determined with reference to section 2(d) of the MPRDA. The relevant provisions of Section 17 of the MPRDA reads:

"(1) Subject to subsection (4) the Minister **must** grant a prospecting right if –

...

(2) ...

(3) ...

(4) *The Minister may, having regard to the type of mineral concerned and the extent of the proposed prospecting project, request the **applicant to give effect to the object referred to in section 2(d)**.*" (Own emphasis).

39. As evident from this section, the Minister is obliged to grant prospecting rights if certain conditions are fulfilled. In granting such a prospecting right and having had regard to the type of minerals concerned and the extent of the proposed prospecting project, the Minister may request an applicant to give effect to the objects referred to in section 2(d) of the MPRDA.

40. Invariably, the Minister does require an applicant for a prospecting right to give effect to the transformation objectives sought to be realised by the MPRDA. This is because the realisation of empowering HDSA to participate in and derive meaningful benefits from the exploitation of the country's mineral resources

commences at the initial and most basic of levels, the grant of prospecting rights, where the barriers to entry (such as capital costs) for HDSA are relatively minimal.

41. Fourthly, the Minister can only grant a mining right if it would further the objects in sections 2(d) and (f) of the MPRDA. In this regard, section 23(1), provides in relevant part as follows:

*"(1) Subject to subsection (4) the Minister **must** grant a mining right if –*

...

(h) The granting of such right will further the objects referred to in section 2(d) and (f) in accordance with the Charter contemplated in section 100 and the prescribed social and labour plan" (own emphasis).

42. Under section 23 of the MPRDA and after having had regard to various peremptory requirements including the achievement of HDSA ownership in the mining entities, the Minister is enjoined to grant a mining right. The authority to take into consideration these peremptory requirements is aligned to the transformation objectives that are sought to be achieved by the MPRDA.
43. Fifthly, section 100(2) of the MPRDA obliges the Minister to develop a broad based socio-economic empowerment Charter and uses the following language in the context of section 100 which deals with the transformation of the minerals industry:

"100 Transformation of minerals industry

(1) *The Minister must, within five years from the date on which this Act took effect-*

(a) *and after consultation with the Minister for Housing, develop a housing and living conditions standard for the minerals industry; and*

(b) *develop a code of good practice for the minerals industry in the Republic.*

(2) (a) *To ensure the attainment of Government's objectives of redressing historical, social and economic inequalities as stated in the Constitution, the Minister must within six months from the date on which this Act takes effect develop a broad-based socio-economic empowerment Charter that will set the framework, targets and time-table for effecting the entry of historically disadvantaged South Africans into the mining industry, and allow such South Africans to benefit from the exploitation of mining and mineral resources.*

(b) *The Charter must set out, amongst others, how the objects referred to in section 2 (c), (d), (e), (f) and (i) can be achieved.*

(Emphasis own).

44. "Broad based economic empowerment" as used in section 100(2) is defined in section 1 of the MPRDA to mean:

"a social or economic strategy, plan, principle, approach or act which is aimed at –

(a) redressing the results of past or present discrimination based on race, gender or other disability of historically disadvantaged persons in the minerals and petroleum industry, related industries and in the value chain of such industries; and

(b) transforming such industries so as to assist in, provide for, initiate or facilitate -

(i) the ownership, participation in or the benefiting from existing or future mining, prospecting, exploration or production operations;

...

(iv) the ownership of and participation in the beneficiation of the proceeds of the operations or other upstream or downstream value chains in such industries;

...

(vii) the socio-economic development of all historically disadvantaged South Africans from the proceeds or activities of such operations ...".

45. Section 100(2)(a) of the MPRDA therefore obliges the Minister to develop a broad based socio-economic empowerment Charter to ensure the attainment of government's objective of redressing historical, social and economic inequalities as stated in the Constitution and set out in the purpose and objects of the

MPRDA. The Charter is to set the framework, targets and timetable for effecting the entry of HDSA's into the mining industry. The Charter is to enable HDSAs to benefit from the exploitation of mining and mineral resources.

46. At the time of the drafting of the MPRDA, in particular section 100(2), the legislature contemplated that the Charter would be the most appropriate mechanism to give effect to section 2, enabling the Minister to respond progressively and step by step to a fluid and constantly evolving situation regarding methods for the achievement of the relevant objects set out in the MPRDA. It would be much easier and purposefully practical to update the Charter or write a new Charter to give effect to section 100(2) than to keep amending the Act through the legislative process that is inherently far slower and more cumbersome.

47. In other words, the intention was that, over time, as it was discovered that some aspects of the Charter worked and others did not, the Minister could, effectively and relatively expeditiously, give effect to section 100(2) and some of the key objects of the MPRDA. That would avoid:

47.1. casting the modalities and mechanisms of giving effect to the relevant objects of the MPRDA through primary legislation (as opposed to a Charter), and

47.2. the resultant danger that, if the legislative mechanisms for giving effect to section 100(2) and the relevant objects of the MPRDA did not go far

enough or if they proved to be excessive or if they needed to be amended as time passed and the situation changed (as would inevitably be the case), it would be impossible to amend them with any degree of flexibility and expeditiousness.

48. I point out that the Chamber, on behalf of its members, repeats in its founding affidavit the mantra that it is committed to ensuring transformation in the mining industry and is committed to achieving the objects in the MPRDA as set out above and construed against the values of the Constitution. But the indisputable facts demonstrate the contrary: the Chamber, through its conduct, seeks to subvert those very legislative objectives and underpinning values. This is a point that will be demonstrated repeatedly throughout this answering affidavit.

2004 CHARTER

49. In terms of section 100(2) the responsibility, indeed obligation, rests on the Minister (and his department) to develop the Charter.
50. Pursuant to section 100(2) of the MPRDA, in 2002, the Minister in conjunction with the Department developed a draft of what was ultimately gazetted as the 2004 Charter. After the draft was drawn, stakeholders in the mining industry were engaged in extensive consultations. These stakeholders included *inter alia* the Chamber of Mines of South Africa, the National Union of Mineworkers and the South African Mineral Development Association, which is a mining body representing mainly emerging black miners.

51. I point out that the Department initially sought to include an HDSA ownership requirement of 50 plus 1% in the draft at the time. Some of the stakeholders strongly disagreed with this requirement.
52. The ensuing media blitz and concern from some of the established stakeholders, notably the Chamber of Mines, resulted in the draft Charter receiving a lot of attention from the executive, including the president and the minister of finance. After intensive consultations, in the interests of certainty and expeditiousness and in order to comply with the time frame set out in section 100(2) of the MPRDA, the draft was shortly thereafter finalised. The HDSA ownership requirement was considerably watered down to 26% in the final version of the 2004 Charter which was gazetted on 1 October 2004. This was exactly six months from the date of commencement of the MPRDA on 1 May 2004.
53. The final version of the 2004 Charter was a result of a compromise with the mining industry and other relevant stakeholders. The mining industry was granted an opportunity to meaningfully and substantially achieve the incremental objectives set out in the Charter for that period over a period of 10 years.
54. In relation to ownership, the 2004 Charter prescribed *inter alia* that:
- 54.1. mining companies were to "achieve 26% HDSA ownership of the mining industry assets in 10 years by each mining company", and

54.2. the Charter would be reviewed in 5 years' time with a view to determining what further steps, if any, need to be taken to achieve the target of 26%.

55. The mining companies were to assist in funding the 26% HDSA acquisition. The 2004 Charter prescribed the financing mechanism in the following terms:

"The industry agrees to assist HDSA companies in securing finance to fund participation in an amount of R100 billion within the first 5-years. Participants agree that beyond the R100 billion-industry commitment and in pursuance of the 26 per cent target, on a willing seller – willing buyer basis, at fair market value, where the mining companies are not at risk, HDSA participation will be increased".

56. The 26% HDSA ownership requirement had to be fulfilled by the mining industry incrementally. It had to occur over a period of ten years. There was an interim threshold of 15% at the 5 year mark that had to be achieved. At the end of the ten-year period, upon the HDSA ownership threshold of 26% being achieved, the Charter and its mechanisms to ensure compliance with the relevant objects of the MPRDA would be revisited.

57. The 2004 Charter recorded that the achievement of the objectives of the Charter (and that of the MPRDA) *"entails an ongoing process"* (at para 4.14). Mining companies were obliged to report on an annual basis their progress towards achieving their commitments under the 2004 Charter. These annual reports had to be verified by their external auditors.

58. Going forward, the 2004 Charter, in its terms envisaged that its provisions had to be reviewed. This was to assess compliance with the 2004 Charter and to cater for the inevitable adjustments and new situations and circumstances that would arise in the future, and lessons learned from the past.
59. Furthermore, the 2004 Charter envisaged consultation with stakeholders in relation to a wide range of aspects including its implementation and an assessment of the effectiveness thereof, and any amendments in the future. The 2004 Charter recorded (at para 4.14) that the stakeholders, including the Chamber of Mines, agreed to participate in annual forums *inter alia* for the purposes of: monitoring progress in the implementation of plans; developing new strategies as needs are identified; engaging in ongoing government/ industry interaction in respect of these objectives; developing strategies for intervention where hurdles are encountered; exchanging experiences, problems and creative solutions; arriving at joint decisions; and; reviewing the 2004 Charter if required. These forums were opportunities for the Minister and the Department to consult with the stakeholders for purposes of, amongst other things, assessing the implementation and effectiveness of the 2004 Charter and consulting on any changes to the 2004 Charter.

2009 ASSESSMENT

60. The foreshadowed review or assessment of the effectiveness of the implementation of the 2004 Charter occurred in 2009. The Department

appointed a third party service provider to assist in collating information and drawing the assessment. However, the Chamber initially refused to provide access to the relevant information sought. The Chamber had in fact written officially to the Department and communicated that it was opposed to the assessment. The Department responded that whilst the Minister had no authority over the Chamber, the Minister had an obligation over the right holder in assessing the right owner's compliance with the Charter which was a condition of the right. I point this out simply in order to demonstrate to the court the Chamber's reluctance to constructively meaningfully engage with objectives in the MPRDA. This exemplified the consistent approach adopted by the Chamber in relation to these issues of transformation over the years in terms of which the Chamber pays lip-service to the objectives in the MPRDA (enshrined in critical respects in the Charter) and the over-arching constitutional values, but it's conduct intentionally subverts those very processes.

61. Eventually after that relevant information was provided, a Mining Charter impact assessment report drawn up by the Department in October 2009 ("the 2009 assessment"). A copy of the 2009 assessment is attached marked "AA18". The DMR 2009 assessment revealed *inter alia* that the mining companies had fallen well short of their commitments and targets set out in the 2004 Charter in almost every aspect. For example, in relation to the HDSA ownership targets (of 15% in 5 years and 26% in 10 years), the DMR 2009 assessment revealed the following concerns and lack of compliance with the 2004 Charter –

"the current net asset value of the South African mining industry averages R2 trillion, indicating that the 15 percent HDSA ownership threshold requires no less than R300 billion to accomplish (in 2009 terms). The industry's stated commitment of R100 billion to facilitate HDSA ownership represents 5 percent of the current net asset value of the mining industry, which falls far short of the agreed 15 percent empowerment target envisaged within 5 years.

...

Analysis of the available data shows that aggregated BEE ownership of the mining industry has, at best, reached 9 percent.

...

Regrettably, the reported level of BEE ownership is concentrated in the hands of anchor partners and SPV's, representing a handful of black beneficiaries, contrary to the spirit and aspiration of both the Freedom Charter and the Mining Charter.

Despite the noble intention of the empowerment vehicles (ESOPS and Community Trust) to effect the broad ownership transformation envisaged in the Mining Charter, a closer examination of these vehicles high lights the pervasive constraints presented in the form of non equitable distribution of benefits inherent in their implementation and such benefits being extended to non HDSA, which remains proverbially problematic.

The underlying empowerment funding model has resulted in the actual ownership of mining assets intended for transformation purposes being tied in loan agreements. Accordingly, the net value of a large proportion of empowerment deals is negative, due to high interest rates on the loan

and moderate dividend flows, compounded by the recent implosion of the global financial markets. The rapacious tendencies of the capital markets have consistently thwarted the intended progress towards attaining the goals of transformation, as embedded in the Charter.

The assessment shows that the structure of most empowerment deals is insidiously effected at operational (mining rights) levels, which allows for ring-fencing of transformation at holding company level. Such undesirable practices perpetuate a culture and focus on regulatory compliance at the expense of fundamental transformation of the mining industry, including albeit not limited to de-racialising the corporate profiles and ownership of mining companies.

The assessment also points to a structural malaise in BEE deals focussed solely on economic interest, which is not representative of the true ownership transfer of mining assets to HDSA's. As a result of these structural weaknesses, the BEE companies end up in an invidious financial position, as evidenced by the swift mass exodus of these companies, which coincided with the global financial crisis.

The realisation of the benefits of BEE deal-flows to HDSA beneficiaries is delayed by elusive structuring of these deals. The nature of most BEE deals is such that the repayment terms for the HDSA continue beyond the Life of Mine (LOM). There are often onerous conditions attached to agreements to discourage HDSA participation. A majority of empowerment deals are structured with a lifespan ending 2014, contrary to the object of this element, which sought to achieve these targets as a baseline of transformation. Some companies have used what they call the

"pool and share" method, which is their own creation and features nowhere in the Charter. Through this method, established mining companies enter into joint ventures with black owned companies and each party brings resources into the deal based on the close proximity of their operations "geographically".

The profits are shared on the basis of who has what percentage of the reserves brought into the deal. Effectively, the BBBEE ownership in such an arrangement is based on how much reserves each party brings into the deal. In essence such companies are not empowered and should not claim credit on the basis of attributable units of production since they did not give up any of their reserves for the benefit of black owned company and their racial profile remains unaltered.

Lack of HDSA representation at empowering companies' boards limits their decision making authority and leaves them at the mercy of empowering companies. Consequently, HDSA companies are generally excluded from major decisions relating to investment/divestment and key policies that determine the future direction of the company.

The prevalence of fronting is both an insult and an indictment to the broader objectives of the Mining Charter. This unscrupulous practice sets back the transformation agenda of South Africa and must be condemned in the strongest terms possible. The surreptitious nature of fronting remains a scourge to South Africa's transformation agenda."

(Underlining added).

62. The DMR 2009 assessment recorded that there was material non-compliance with the 2004 Charter, and the provisions of the 2004 Charter also suffered some shortcoming which required remedy –

"The first period of the implementation of the current Mining Charter coincided with the longest synchronised commodity boom ever experienced by the mining industry globally. The Charter was developed as a pre-cursor lever to effect sectoral transformation, aligned to the broader national transformation agenda. In developing the Mining Charter, the DME accommodated the diverse interests of various stakeholders, as they lobbied for the protection of their various constituencies.

As an agreement based on concessions by the various stakeholders, the Mining Charter is not without shortcomings. The ambiguity inherent in the current construct of the Charter elements has given rise to various interpretations, which afford the industry an opportunity to exploit intrinsic weaknesses. This has resulted in shocking levels of non compliance.

Consequently, the intended benefits flowing from the mining industry fall significantly below the expectations and aspirations of the majority of South Africans as intended by the Charter. To this extent, there is a degree of criticism levelled against the Mining Charter that in its current form, it is a blunt tool to address the broad based transformation agenda.

Although some of the elements of the Charter allude to the national objectives, there is a need to further align it to the developmental state

agenda. However, this raises questions as to whether the state has utilised State Owned Enterprises for the maximum benefit of the nation and what needs to be done to ensure that such utilisation occurs.

It is therefore imperative that the Mining Charter be reviewed to ensure that it remains relevant and true to its original intent, and aligned to the Broad Based Black Economic Empowerment (BBBEE) Act No.53 of 2003 and the Codes of Good Practice championed by the DTI.

While the assessment of the Mining Charter demonstrates a measure of cumulative progress towards the attainment of its objectives as embedded in the elements, it also illuminates some deficiencies in the construct and mechanisms of implementation thereof. The juxtaposition of interpretation of the Mining Charter aligned to the score-card (measures) is blurry."

(Underlining added).

63. The 2009 assessment concluded in the following terms:

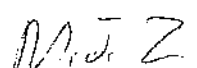
"The assessment of the Mining Charter has demonstrated that the Charter and its constituent elements for effecting meaningful transformation remain relevant. However, the efficacy of the Charter as an instrument of promoting transformation is blunted to a large extent by the identified shortcomings. It is therefore recommended that the Charter be reviewed to strengthen and sharpen its effectiveness in driving transformation in the industry. It is further recommended that the MPRDA be amended to ensure that non-compliance with the provisions of both

the Charter and the Act is severely penalised. In addition, there needs to be greater synergy between the procurement element of the Mining Charter and the procurement element of the DTI Codes of Good Practice" (emphasis added).

64. Shortly after the Department released the DMR 2009 assessment, the Chamber released its own assessment. A copy thereof is attached marked "AA19" ("**the Chamber 2009 assessment**"). This was drawn by the Chamber on a parallel process. At no point in time prior to the publication by the Chamber of its own assessment was the department alerted to the fact that the Chamber was drawing its own competing assessment. Needless to say, the Chamber's assessment painted a rosy picture of compliance with the targets, framework and thresholds set out in the 2004 Charter. The Chamber's rosy assessment was not reflective of reality.

2010 STAKEHOLDERS' DECLARATION

65. As demonstrated above, there was an obvious tension between the imperatives of the Chamber and the imperatives of the Department regarding the effectiveness of the implementation of the 2004 Charter. In order to best resolve this and consult with the Chamber and other stakeholders, the Department arranged an extensive consultative session, with its high watermark comprising a mining summit in Drakensberg in about March 2010 presided over by the then minister of mineral resources, Minister Susan Shabangu.

66. More particularly, the mining summit was a joint endeavour of the Mining Industry, Growth, Development & Employment Task Team hereafter referred to as "MIGDETT", a tripartite initiative comprising the government, organised business and organised labour (the Department, South African Mineral Development Association, the Chamber, National Union of Mineworkers, United Association of South Africa (UASA) and Solidarity).
67. The mining summit and the associated extensive consultation process that preceded and followed it resulted in the MIGDETT representatives (including the Chamber) jointly signing a declaration on the "*strategy for sustainable growth and meaningful transformation of South Africa's mining industry*" ("**the 2010 stakeholders' declaration**"), a copy of which is attached as "**AA20**". The 2010 stakeholders' declaration affirmed the mutual inclusivity of competitiveness and meaningful transformation of the mining industry and further ascertained that one attribute cannot be achieved without the other. It recorded in its terms that it was the product of extensive consultations: "*this declaration symbolises the spirit of common purpose by the stakeholders*".
68. The 2010 stakeholders' declaration affirmed 13 commitments in relatively detailed terms which included *inter alia* the following:
- 68.1. establish a long-term infrastructure planning mechanism,
 - 68.2. add value through beneficiation,
 - 68.3. develop skills,
 - 68.4. advance employment equity,

- 68.5. boost near-mine communities,
 - 68.6. convert hostels into family units by 2014,
 - 68.7. develop enterprises through procurement,
 - 68.8. "A minimum target of 26% ownership by 2014 to enable meaningful economic participation of HDSA",
 - 68.9. "*Finalise the review of the Mining Charter by August 2010*".
69. One of the aims of the 2010 stakeholders' declaration was "*[t]o commit to effective implementation of the strategy*" of supporting "*the sustainable growth and meaningful transformation of South Africa's mining industry*". The parties also undertook to "*[a]dhere to effective implementation of strategy*" for achieving the stated transformation objectives of the Charter, which entailed monitoring and compliance.
70. The 2010 stakeholders' declaration served as the basis on which the 2004 Charter was amended. The 2010 Charter, while retaining all the original elements of the 2004 Charter, sought to improve the construct, scorecard, and remove identified ambiguities. It introduced an element on "*sustainable development and growth*". This addressed the stakeholders' commitment to utilise South African based facilities for analysis, and research and development, throughout the mining value chain, together with the improvement of the industry's environmental management as well as progress in implementation of the mine health and safety summit commitments. Furthermore, it introduced the concept of meaningful economic participation.

2010 CHARTER

71. After extensive consultations including with all stakeholders, the 2010 Charter was published in the government gazette on 20 September 2010.
72. The 2010 Charter incrementally built on and amended the 2004 Charter. The 2004 Charter records the commitment of stakeholders to a minimum target of 26% ownership by 2014 to enable de-racialisation and diversification of ownership in the mining industry through HDSA participation. That commitment is echoed in the 2010 Charter and expanded to meaningful economic participation. Once again, these provisions indicate a full alignment between the MPRDA and the 2010 Charter.
73. The 2010 Charter reads:

"The systematic marginalization of the majority of South Africans, facilitated by the exclusionary policies of the apartheid regime, prevented Historically Disadvantaged South Africans (HDSA) from owning the means of production and from meaningful participation in the mainstream economy. To redress these historic inequalities, and to thus give effect to section 9 (equality clause) of the Constitution of the Republic of South Africa, Act 108 of 1996 (Constitution), the democratic government has enacted, inter alia, the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA). The objective of the MPRDA is to facilitate meaningful participation of HDSA in the mining and minerals industry. In

particular, section 100(2) of the MPRDA provides for the development of the Mining Charter as an instrument to effect transformation with specific targets. Embedded in the Mining Charter of 2002 is the provision to review the progress and determine what further steps, if any, need to be made to achieve its objectives."

74. The vision, mission and purpose of the 2010 Charter is:

- 74.1. to facilitate sustainable transformation, growth and development of the mining industry;
- 74.2. to give effect to section 100(2)(a) of the MPRDA;
- 74.3. to give effect to section 9 of the Constitution;
- 74.4. to redress the historical exclusion of HDSA in mining;
- 74.5. to ensure meaningful participation by HDSA in the mainstream economy; and
- 74.6. to review progress and to determine what further steps, if any, need to be taken to achieve the objects of the 2010 Charter.

75. "Effective ownership" in the definition clause of the 2010 Charter defines the term to mean the meaningful participation of HDSA in the ownership, voting rights, economic interests and management control of mining entities.

76. The flow-through principle is not defined in the 2010 Charter. Reference to the flow through principle is made in the Generic Codes of Good Practice on Broad Based Black Economic Empowerment ("**the Generic Code**") and states:

"3.3 Flow-Through Principle

3.3.1 As a general principle, when measuring the rights of Ownership of any category of Black people in a measured Entity only rights held by natural persons are relevant. If the rights of Ownership (of Black people) pass through a juristic person then the rights of ownership of Black people in that juristic person are measurable. This principle applies across every tier of Ownership in a multi-tiered chain of Ownership until that chain ends with a Black person holding rights of Ownership."

77. The Generic Code provides a method of applying the principle across one or more intervening juristic persons. Having applied the method, the result of the calculation will represent the percentage of ownership held by the participant.

78. It admits of no dispute, therefore, that the beneficiaries of the transformation objectives set out in the Charters, are natural persons whose participation in the mining industry is sought to be achieved.

79. The 2010 Charter defines "*Meaningful economic participation*" as including *inter alia* the following key attributes:

79.1. that BEE transactions shall be concluded with clearly identifiable beneficiaries in the form of:

- 79.1.1. BEE entrepreneurs,
- 79.1.2. workers (including ESOP's), and
- 79.1.3. communities; and that
- 79.1.4. barring any unfavourable market conditions, some of the cash-flow should flow to the BEE partner throughout the term of investment, and that for this purpose, stakeholders should engage financing entities in order to structure BEE financing in a manner that permits a percentage of cash-flow to service the funding of the structure, while the remaining amount is paid to BEE beneficiaries.

80. The definition of meaningful economic participation further states that BEE entities should be able to leverage equity from that time in proportion to vested interests over the life of the transaction in order to facilitate sustainable growth of BEE entities.

81. The definition of "*meaningful economic participation*" is mirrored in the 2010 stakeholder's declaration to which the Chamber is a signatory.

82. As far as material, the objectives of the Charters are to, amongst others, promote equitable access to the nation's mineral resources to all the people of South Africa and to substantially and meaningfully expand opportunities for HDSA to enter the mining and minerals industry and to benefit from the exploitation of the nation's mineral resources that belong to the state.

83. With regard to the element of ownership, clause 2 of the 2010 Charter states in express terms that *"effective ownership is a requisite instrument to effect meaningful integration of HDSA into the mainstream economy. In order to achieve a substantial change in racial and gender disparities prevalent in ownership of mining assets, and thus pave the way for meaningful participation of HDSA for attainment of sustainable growth of the mining industry"*, stakeholders are to commit to achieving a minimum target of 26% ownership to enable meaningful economic participation of HDSA by 2014.
84. Clause 2 of the 2010 Charter also deals with permissible offsets, limiting these to offsets *"against the value of beneficiation, as provided for by section 26 of the MPRDA and elaborated in the mineral beneficiation framework"*. Whereas the 2004 Charter did not cap the offsets that may be derived from beneficiation, the impact assessment review revealed that some right holders thought it was conceivable to achieve offsets and/or credits of up to 26% from beneficiation. This could never have been the intention that beneficiation can completely supplant the equity requirements in the MPRDA. To remove any doubt, the 2010 Charter capped the credits that may be achieved through beneficiation to 11%.
85. The 2004 Charter and the 2010 Charter, as elaborated in the scorecard, divide the ownership compliance targets into two parts. The first part was the achievement of a 15% HDSA ownership target by 2009 and the second, the achievement of a minimum 26% HDSA ownership holding with meaningful economic participation and full shareholder rights by 2014. This merely mirrors the provisions of the Charters.

86. The 2010 Charter expressly provided that the "*Department shall monitor and evaluate, taking into account the impact of material constraints which may result in not achieving targets*" (at para 3). Moreover, it anticipated the inevitable situation that would arise in the future, namely the need for the Minister to amend the provisions of the Charter. Therefore, it expressly recorded that "[t]he Minister of the Department of Mineral Resources may amend the Mining Charter as and when the need arises" (at para 4).

CHAMBER'S ACCEPTANCE OF THE 2010 CHARTER

87. Bearing in mind that the underpinning framework, the targets, the thresholds were agreed upon in 2004 and the amendments thereto were extensively consulted on and in principle enshrined in the 2010 declaration of stakeholders, there was no conceivable scope for dispute about the content of the 2010 Charter.
88. The indisputable facts bear this out. After publication of the 2010 Charter in September 2010, there was no real dispute from any stakeholder, including the Chamber. On the contrary, there was unequivocal support for the 2010 Charter from all the stakeholders, including the Chamber. The annual report of the Chamber for 2009/2010 makes express reference to the extensive consultation that had taken place, and emphasises that its members are fully committed to implement the 2010 Charter *inter alia* because there was more than sufficient

consultation regarding its content. The Chamber's 2010 annual report is attached marked "AA21". It states in relevant part as follows:

"The significance of this [2010 stakeholders'] declaration is that it is a joint government, labour and business initiative. All the stakeholders agree that growth and transformation are interdependent and the achievement of these two vital objectives will ensure that South Africa is well positioned for the next global commodities boom. This is the reason our theme for this year's annual report is: 'Sustainable growth and development in mining'.

The commitments in the [2010 stakeholders'] declaration were also contained and expanded upon in the [2010] Mining Charter, which was published on 20 September 2010. In the revised Charter, some of the targets were specified in more detail and new targets relating to the sustainability of the mining industry were added, and the scorecard was improved. Contrary to what some stakeholders have reportedly asserted, the Department of Mineral Resources (DMR) had in fact consulted with all stakeholders in the process of drafting the revised Charter. The Chamber is satisfied that the outcome is a reasonably balanced Charter. The views of no single stakeholder are fully accommodated, but the Chamber and its members are fully committed to ensure that the revised Charter is implemented not only in the letter but also in the spirit."

(Emphasis added).

89. The Chamber's 2009/2010 annual report again makes reference to the fact that the 2010 stakeholder's declaration and the 2010 Charter were effectively jointly developed through a process of open and extensive communication between the Department and all stakeholders including the Chamber. In short, on the Chamber's own version, the 2010 Charter was a product of long-running, extensive and detailed collaboration and consultation. In this regard, I refer to the following extract from the Chamber's 2009/2010 annual report:

"In an effort to reposition the South African mining industry, the sector has developed strategies to address identified shortcomings, signed a joint mining declaration with 13 commitments [the 2010 stakeholders' declaration], and amended the Mining Charter [culminating in the 2010 Charter]" (emphasis added).

90. A mere perusal of the Chamber's 2009/2010 annual report also demonstrates that the Chamber and its constituent members regarded the 2010 Charter as imposing binding obligations on them on every aspect of the 2010 Charter.

2015 ASSESSMENT

91. As part of its monitoring function, and in order to gauge whether there has been actual compliance with the 2004 Charter and thereafter the 2010 Charter in terms of the targets, frameworks and timetables set out therein, the Department commenced an assessment of the effectiveness of the implementation of the 2010 Charter in 2014.

92. Once again, the Department struggled to get the co-operation of the mining companies. Therefore, this necessitated a new approach by the Department.
93. The Department then formed a project management steering committee. It held several workshops with stakeholders under the auspices of MIGDETT. The purpose thereof was to establish the requirements of a template to request information from mining companies. In terms of this web-based information gathering exercise, all rights holders would have immediate and ongoing insight into what was transpiring regarding the assessment. They could log in and access their information on the database on the web.
94. However, the Chamber representatives appeared not to understand the need for monitoring and compliance of the Charter, and how and why the templates were to be completed. Therefore, the Department officials met with Chamber representatives and conducted several workshops to facilitate this process, including specifically in order to explain the rationale and purpose for the templates and how they were to be completed, in order to ensure consistency in their completion and to facilitate compliance.
- 94.1. On or about 10 November 2014 the Department's Mining Charter project steering committee met to review progress on the assessment of the implementation of the 2010 Charter. I attach hereto a copy of the minute of the meeting marked "AA22".

94.1.1. Under the heading "critical decisions" the following is noted:

"[t]he CFO confirmed that the following key decisions need to be taken by the steering committee based on the outcome of the Chamber of Mines stakeholder meeting."

94.1.2. Under the header "Revision of Mining Charter Questionnaires", the following is recorded:

"HM [Henrich Mundt] stated that the representatives at the Chamber of Mines Info meeting requested the Department to align the Mining Charter questionnaires exclusively to the requirements as stipulated in the Mining Charter. Examples of issues as raised were provided ...

It was agreed that the project task team will review and amend the templates and questionnaires to address the issues as raised by the Chamber of Mines and also to align questions to what is relevant to the Mining Charter only"
(emphasis added).

94.1.3. Under the header "Project Communication", the following is recorded:

"It was agreed that the Project Task Team will continue to engage with other stakeholders, including organised labour following the meeting held with the Chamber of Mines. Also that a follow up meeting will be scheduled with the Chamber of Mines to consult and provide feedback on the issues as raised during the 1st meeting" (emphasis added).

94.2. I attach hereto marked "AA23" is a copy of a briefing note spanning two workshops held with the Chamber in November 2014 (and foreshadowing a further such workshop on 27 November 2014).

94.3. On or about 17 November 2014 the Department's Mining Charter project steering committee met again to review progress on the assessment of the implementation of the 2010 Charter. I attach hereto a copy of the minute of the meeting marked "AA24". The following is recorded:

"HM [Henrich Mundt] confirmed that the planned follow-up meeting with the Chamber of Mines scheduled for last week did not transpire due to the unavailability of a number of mining company representatives. He confirmed that a follow-up meeting is proposed for 24 November '14 by the Chamber of Mines, which need to be confirmed. The DG [Director-General] indicated that he will attempt to intervene to secure an earlier meeting."

- 94.4. In summary, in relation to the above documents, I point out to this court that they demonstrate the extensive lengths to which the Department took to involve the Chamber in consultations (including the DG intervening to secure a meeting with the Chamber in circumstances where the Chamber was unable to make an earlier meeting because of the unavailability of some of its members.
- 94.5. The above documents also illustrate the ongoing communications and meetings between the parties, and the significant extent to which the Department took on board the Chamber's input and considerations (including (but not solely) in relation to the relatively minor matter of formulating a template in order to elicit information from mining companies).
- 94.6. Finally, I note that these are mere samples of minutes and documents. Given the urgent nature of the application, the attendant logistical constraints (including staff members being away), and the relatively limited time period within which I (in conjunction with the Department) have been able to produce this answering affidavit, it has not been possible to exhaustively consider or even produce the full gamut of the documentary trail evidencing the extent to which the Chamber has been consulted with, and its inputs considered.
95. A further letter addressed from the Chamber to the Department and dated 4 February 2015 reveals yet further extensive consultation and engagement

between the parties. A copy of this letter is attached as "AA25". It records a meeting between the parties the day before. It also summarises the parties' *"areas of disagreement, proposals and requests as raised in the meeting yesterday, and adds to these based on the web based template we received this morning"*.

96. The Department drew up a template requesting relevant information, with the input of the Chamber and other stakeholders (under the auspices of MIGDETT), and the assistance of a third party service provider. All rights holders had access to their own information on the web based system. They accessed and monitored it.
97. The preliminary *ex facie* result of the assessment based on the information submitted from mining companies was that there was substantial compliance with the 2010 Charter. For example, based on the information submitted from mining companies there was apparently 70% plus compliance with the 26% HDSA ownership target. There was a difference between the Department and the Chamber on this preliminary result in at least one important respect. The Department was of the view that this face value result had to be viewed with significant caution for at least the following reason. The preliminary result was based on the Chamber's notion of 'once empowered always empowered' in terms of which, once a mining company entered an empowerment transaction, it considered itself as thereafter always being in compliance with its Charter obligations even though its empowerment partner may already have exited. On closer scrutiny, the Department and the Minister came to the considered view

that only 6% of mining rights holders met or fulfilled the requirement of meaningful economic participation as included and defined in the 2010 stakeholders' declaration and in the 2010 Charter.

98. Therefore, the Department called in some of the mining companies who claimed to comply with the 26% ownership requirement in the 2010 Charter. The Department engaged them on their notion of 'once empowered always empowered' and the continued consequences of previous transactions, in order to understand exactly what they meant by this in the context of their individual cases. Furthermore, after this process of engagement, the Department tested the information on the templates further for accuracy by taking the top 17 (seventeen) miners and establishing the veracity of the information. The Department thereafter considered the views of the Chamber and its members on their so-called 'once empowered always empowered' notion and took the (tested) information from the templates. Together with the assistance of an actuary, the Department then drew up a report.

99. The Department intended publishing the results of its assessment in a report on 31 March 2015. However, because of a threatened interdict from the Chamber to prevent the release of the Department's assessment, the Department did not release its assessment report on that date.

100. In an application launched in about March/April 2015 and brought under case number 41661/15 the Chamber challenged the 2010 Charter and the Minister on the basis that the 2010 Charter and the Minister did not have regard to the

Chamber's asserted notion of 'once empowered always empowered' in dealing with the ownership requirement under the 2010 Charter.

101. In short, the Department and the Chamber had a dispute on policy. The Chamber had repeatedly presented its view. The Department and the Minister were of a different view. The Chamber sought to go to court in order to resolve that difference, in the context of the 2010 Charter. The Department and the Minister agreed to refer that dispute to court.

102. This approach of going to court appeared to temporarily appease the Chamber. As a result the Department published the results of its 2015 assessment in the absence of the threat of an urgent interdict, on or about 15 May 2015. The report is headed "*Assessment of the Broad-Based Socio-Economic Empowerment Charter for the South African mining industry (Mining Charter), May 2015*", and a copy thereof is attached as "AA26" ("**the Department's 2015 assessment report**").

103. The Department's 2015 assessment report notes that it "*presents the findings of the assessment of implementation of the Mining Charter against each element, effectively quantifying progress of implementation of the instrument in an aggregated manner over a ten year window period*".

104. The foreword of the then Minister to the Department's 2015 assessment report conveniently summarises its findings as follows:

"The Mining Charter is a trailblazing sector-specific transformation instrument in pursuit of meaningful transformation. It was developed and subsequently refined by government, in collaboration with organised labour and business, in order to emphasise mutual inclusivity of meaningful transformation and global competitiveness of the mining industry.

As of 2014, the Mining Charter had been in force for a decade. This report presents the findings of an assessment in terms of the extent of progress to date.

Notwithstanding a paucity of companies of all sizes that have fully embraced the spirit and the letter of the Mining Charter, there's an extremely varied performance that seems suggest a compliance-driven mode of implementation, designed only to protect the 'social license to operate'.

Whereas the MPRDA has transferred the ownership of the mineral wealth of our country to all the people of South Africa, under the custodianship of the State, a proliferation of communities living in abject poverty continues to be largely characteristic of the surroundings of mining operations.

Limited progress has been made in embracing the broad-based empowerment ownership in terms of meaningful economic participation of HDSAs. The trickle flow of benefits that ought not only to service the loan, but also include cash-flow directly to a combination of beneficiaries, is vastly limited. To this end, the interests of mineworkers and communities are typically held in nebulously defined Trusts, which constrain the flow of benefits to intended beneficiaries. As a result, the mining industry has

broadly been faced with increasing tensions with both workers and host communities.

Some strides have been made to date in creating an enabling environment for women to participate in the development of mining and mineral resources.

However, more still needs to be done to ensure meaningful participation of women in the sector.

Transformation remains a central tenet of the government of South Africa.

As a result, the Mining Charter targets remain applicable and the government will work tirelessly to turn this picture around and achieve radical socio-economic transformation to deracialise the economy and greater equality in the development of the nation's mineral wealth."

105. The day before publication of the Department's results, on 14 May 2015, the Department called the Chamber representatives and other stakeholders in, and shared all its findings with them.

106. A day after the Department released its 2015 assessment report, the Chamber released its own assessment report. A copy of a summary thereof is attached marked "AA27" ("the Chamber 2015 assessment"). This was drawn by the Chamber in a parallel process. At no point in time prior to the publication by the Chamber of its own assessment was the department alerted to the fact that the Chamber was drawing its own competing assessment. In all the many consultation and workshops and interactions that preceded the Department's release of its report, the Chamber did not once disclose that it had a parallel

process in terms of which it was drawing its own report. Needless to say, the Chamber's assessment painted a rosy picture of compliance with the targets, framework and thresholds set out in the 2010 Charter.

DRAFT 2017 CHARTER

107. In a meeting dealing with the mining industry, in about September 2015, the President of the Republic of South Africa expressed the public view that the Chamber and the Department should not as a measure of first instance resort to courts to resolve their differences, but should speak to one another first in an endeavour to find solutions.

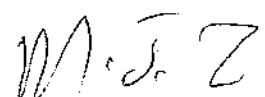
108. To this end, in about December 2015, another MIGDETT meeting was held between the relevant stakeholders. The various stakeholders were aware that the Department was drafting an amendment to the 2010 Charter. All of the stakeholders wanted certainty in relation to the Mining Charter. They wanted this finalised as soon as possible. This is because there was too much uncertainty in the mining industry, bearing in mind the events at Marikana had relatively recently occurred and the economy was in recession.

109. In response to this overwhelming request for certainty, in February 2016 I attended my first mining indaba and very explicitly undertook to bring finality to the Charter within a year, taking into account all representations made on the issues. I made this commitment to the entire industry.

110. At that juncture, in about February 2016, the court application involving the Chamber's asserted notion of 'once-empowered always-empowered' in the context of the 2010 application was to be heard in court.

111. In about March 2016, another MIGDETT meeting was held between the relevant stakeholders. The Department presented the content of the draft 2017 Charter at this meeting. In that context, the various stakeholder representatives made their respective submissions. Admittedly, they did not have sight of the content of the 2017 draft Charter before. However, there was nothing revolutionary in the draft 2017 Charter or draconianly different. It simply proposed an incremental build-on to the 2010 Charter which in turn incrementally built on the 2004 Charter. Each of the successive Charters was based on agreed principles and objectives enshrined in the Constitution and the MPRDA, and each Charter built incrementally upon its predecessor.

112. The draft 2017 Charter took into account all the submissions of relevant stakeholders, the Department's 2015 assessment report, as well as the submissions and assertions by the Chamber expressed in its separate report and in its earlier correspondence and submissions. Once the drafting of the 2017 Charter was concluded internally, the Minister wrote to the key stakeholders in the mining industry (including the Chamber) in early April 2016 and informed them of his intention to publish the draft 2017 Charter for comment and input. A copy of the Minister's letter to the Chamber is attached as "AA28".



113. In accordance with the Department's long-standing practice, the draft 2017 Charter was published for comment on 15 April 2016. On that same date the Chamber published a media statement, a copy of which is attached as "AA29", in which the Chamber recorded *inter alia* that:

113.1. the "Chamber of Mines member companies continue to be committed to the achievement of all the transformation objectives of the Mining Charter and, for the most, have met the targets set by the 2010 Mining Charter" (emphasis added); and

113.2. "the version published this morning will be used as the basis for engagement between the DMR and key industry stakeholders. At a meeting this morning between Minister Mosebenzi Zwane and Chamber office bearers and a number of company CEOs, he and the Chamber team agreed on a process over the coming month, or beyond if necessary, on the content of a revised version of the Mining Charter" (emphasis added).

2017 CHARTER

114. All interested parties were invited to comment on the draft 2017 Charter, including especially stakeholders in the mining industry. In addition to inviting written submissions from any interested party, the Department set aside a period of 4 weeks after the deadline for written submissions closed, in order to receive face-to-face follow up representations.

115. Shortly after publication of the draft 2017 Charter, there were various meetings between the Chamber and the Department:

115.1. On 24 April 2016 I called Mr Teke on behalf of the Chamber and arranged for a meeting at the Inter-Continental Hotel next to the OR Tambo International Airport. In attendance were myself, several members of the Department and Mr Mike Teke (on behalf of the Chamber). It was at this meeting that the parties discussed *inter alia* options around the Chamber's notion of 'once empowered always empowered' and the HDSA ownership threshold.

115.2. Following on this meeting, a representative from the Department called Mr Roger Baxter, the Chamber's representative, and arranged for a meeting of the Department and the Chamber on or about 26 April 2017, in order that differences could again be discussed and, where possible, resolved. The meeting of principals, attended by senior representatives of the Chamber and the Department, occurred at the Johannesburg Country Club. This was a without prejudice meeting. However, I am advised and respectfully submit that I can allude to the meeting, at least to the extent set out herein in order to set out the true and full chronological sequence of events in order to refute the Chamber's allegations that there has been no meaningful consultation. The parties agreed to establish a joint technical committee (comprising six persons from each side) to look at finding a solution to their differences regarding

the Charter. They agreed that the joint technical committee would meet at least once every three months and report back to a meeting of principals (senior representatives of the Chamber and the department). As described further below, the Chamber/Department technical team met periodically over the next few months, and reported back to a joint meeting of the principals. I point out that no other stakeholder in the mining industry benefited from this much attention and consultation which was afforded to the Chamber.

116. The Chamber/Department joint technical team had over the course of the next few months come up with a jointly agreed proposal *inter alia* in terms of which the Department would allow, as an exception, eight mining companies identified by the Chamber to benefit from the Chamber's notion of 'once empowered always empowered'. The agreement was further that the Department would write appropriate letters to those companies that claim that they have achieved the HDSA ownership targets. The Chamber was going to furnish the Department with the names of those 8 companies proposed to be exempted. The basis of that in-principle agreement was limited to the 8 companies that the Chamber alluded to. The Department's assessment was that, given the extent of mining activities in the country, the exemption of 8 companies as part of a negotiated compromise with the Chamber would not have a material adverse impact on the objectives of the Charter. But when the Chamber recanted and suddenly produced over a hundred companies, this defied the very basis for that negotiated compromise. More importantly, it subverted the very basic principles on which the parties had agreed, and the mechanisms to give effect to those

principles in the mining industry on the parties appeared to have also reached agreement.

117. On 19 July 2016 the joint technical team reported back to a meeting of principals of the Chamber and the Department. At that meeting the Chamber suddenly reneged on the joint technical proposal. Furthermore, the proposed list of 8 companies illustrated that these companies actually owned more than 130 mining and prospecting rights. This changed the position for an exemption materially. The parties simply could not find common ground on this issue.

118. The Department received just over 60 written representations from various stakeholders in response to its invitation for comments from interested parties on the draft 2017 Charter. The Chamber presented a written submission to the Department on or about 27 May 2016, a copy of which is attached as "AA30".

119. In its written submission, the Chamber complained about insufficient time within which to draft its response to and comments on the 2017 draft Charter. The Chamber foreshadowed many of the arguments that now feature in this application. Constituent members of the Chamber also submitted their own written representations, as did other stakeholders. A broad summary of those submissions is contained in the attached table marked "AA31".

120. Thereafter, for part of June, the entire month of July 2016 and for the early part of August 2016, on a daily basis, the Department engaged in face-to-face consultations with individual entities and groups of entities. For illustrative

purposes I attach as "AA32" a copy of the then itinerary for the limited period of 21 June 2016 until 28 July 2016.

121. The Chamber was also given such an audience and opportunity to make further representations. When the Chamber met with the Department in the course of about 8 July 2016, it sought permission to submit a further written submission. The Department granted the Chamber this permission and accepted and considered this further written submission which was dated 16 September 2016, a copy of which is attached as "AA33".

122. The Chamber's constituent members who had made written submissions were also granted an opportunity to make oral representations. Again, I point out that there was not always uniformity between the Chamber's representations on the one hand, and those of its constituent members on the other hand. Nor was there a uniformity between the different Chamber members' representations. On the contrary, they sometimes differed in material respects. I cite but one example. In relation to the 1% contribution from foreign suppliers, Afrisam (a Chamber member) proposed 1% of net profit after tax (as opposed to 'annual turnover generated from local mining companies' stipulated in the draft 2017 Charter). However, the Chamber disagreed with this contribution entirely.

123. I point out that all the elements in the draft Charter were discussed with the Chamber, except for that of ownership and the Chamber's notion of 'once empowered always empowered'. This is because the Chamber and the Department agreed that issue would be best dealt with by a one-on-one bilateral

consultation process specially accorded to the Chamber which, as described above, comprised joint meetings at the level of principals and a slew of periodic meetings of the six-a-side joint technical committee. However, other stakeholders who had made written submissions and made oral representations broached the question of ownership targets for HDSA. Some were calling for 40%, some were calling for 51%, and some were calling for 60% HDSA ownership.

124. The Department had originally intended to finalise the 2017 Charter and publish it by the end of October 2016. However, there was intense interest in the Charter. Many persons and entities who had not made written submissions sought to make oral representations. Furthermore, the Charter deals with a highly contested and emotive subject-matter. And the content of the Charter was (and remains) of critical importance for the country, and the mining industry specifically, going forward. For those reasons, *inter alia*, I took a decision in August 2016 (after conferring with the relevant representatives of the Department) to extend the period for consultations for several months. During that period, the Department consulted *inter alia* with black person shareholders, various communities, traditional leaders, emerging black miners, major commercial and private banks and other major financial institutions (including the IDC and PIC). I attach hereto a copy of a document marked "AA34" and headed "*Continued Stakeholder Engagements on the Gazetted Draft Reviewed Mining Charter, 2016 - List of Engagements (August 2016 to 21 April 2017)*" which was drawn up at the relevant time. It illustrates the comprehensive, intensive and detailed nature of the consultative process that was embarked upon.

125. In October 2016 the Department had yet another meeting with the Chamber to engage it and receive oral representations from the Chamber on its revised written submission. As a result of the Chamber's submissions, there were changes wrought to the sustainable development target in the draft 2017 Charter, to accord closer with the Chamber's position.

125.1. For example, on 18 October 2016, the Department met with the Chamber to engage further on the draft 2017 Charter. During the engagement the Department indicated that due to public interest it sought to reinsert the sustainable development element in the draft 2017 Charter (I point out that the sustainable development element was included in the 2010 Charter, but had been omitted from the draft 2017 Charter). That element requires that every mining right holder must contribute 0.15% annual turnover towards Research and Development.

125.2. The Chamber indicated that its concern with regard to the 0.15% of annual turnover was that not all mining companies were investing in research and development, and further, that a compulsory requirement is an additional obligation on all mining companies.

125.3. The Department then reconsidered the requirement as follows: where a right holder is investing in research and development, 70% of the investment must be utilised using local facilities.

- 125.4. Therefore, in response to the Chamber's contribution, the element only applies to those companies investing in research and development, and not to all mining companies. Furthermore, in response to the Chamber's contribution, the benchmark of 0,15% of turnover was rendered more flexible.
- 125.5. The Chamber's submissions in relation to other elements of the draft 2017 Charter might not have manifested in the 2017 Charter in a similar manner described above. This, however, does not in any way mean that the Chamber's submissions were not considered by the Department and myself, or that the Chamber was not meaningfully consulted. The contrary is true.
126. On about 15 November 2016 the Department presented its latest thinking on the then evolved draft 2017 Charter to the parliamentary portfolio committee. It had evolved as a result of the Department's consultations over the preceding few months. The parliamentary portfolio committee meeting is an open public hearing. The Chamber sent a representative to attend the hearing.
127. The Chamber and the Department were scheduled to have another principals meeting on 19 November 2016. The agenda for that principals meeting was to once again attempt to break the deadlock in relation to the Chamber's asserted notion of 'once empowered always empowered' in relation to the question of HDSA ownership, which issue was pending before the high court. The meeting did not happen. The Chamber sent the Department a letter in advance, raising

all sorts of reasons for not attending and withdrew from the meeting. A copy of that letter is attached as "AA35".

128. On 17 January 2017 the senior principals of the Department and the Chamber once again met. The Department arranged for that meeting, despite the Chamber having pulled out of the 19 November 2016 meeting. The parties mainly discussed the issues in the pending court application. They also broached other issues raised by the Chamber regarding the draft 2017 Charter.
129. All these issues were taken up further as part of the joint technical meetings between the Chamber and the Department, the next one which occurred on 18 January 2017. In the joint technical committee meeting the Department presented its thinking on the content of a near final version of the draft 2017 Charter. The Chamber replied in a letter in January 2017, attacking some aspects of the revised draft 2017 Charter which had been shared with it at that stage. A copy of that letter is attached as "AA36".
130. On 23 January 2017 the Chamber/Department technical committee had a further meeting to discuss the draft 2017 Charter. At this juncture the parties' respective contentions regarding the ownership element in the draft 2017 Charter was contained in a document, in its eighth iteration (and headed "Version 8"). It is attached as "AA37". It once again demonstrates that the Department bent over backwards to meaningfully consult with the Chamber.

131. On or about 17 February 2017, the joint technical committee of the Chamber the Department met again and produced a document setting out the results of the detailed discussions and meetings between the parties over the preceding months and recording the instances where they agreed, where they disagreed, and where an accommodation was possible. This document was developed further over the next few meetings and through consultations between the parties. A copy of this document is attached hereto marked "AA38".
132. The final joint technical committee meeting (comprising Chamber and Department representatives) was held on or about 23 March 2017. It was the final technical joint committee meeting held between the parties.
133. On 24 March 2017 the Chamber, per Mr Roger Baxter, wrote to the acting DG of the Department, Mr David Msiza, and responded in detail to *"the request by the DMR for further input on three important elements of the DMR's reviewed Mining Charter [namely, employment equity, procurement targets and community investment target]"*. A copy of this letter is attached as "AA39". This letter once again is illustrative of the ongoing engagement, consultation and interaction between the Department on the one hand and the Chamber on the other.
134. The consultation process with the Chamber came to a natural end. The Department aimed to publish the 2017 Charter by the end of March. However, after it finalised its consultations with cabinet (the last cabinet meeting dealing with the 2017 Charter was on 24 May 2017), it was only able to do so on 15 June 2017.

135. I point out that throughout the course of its deliberations and consultations with the Chamber from at least July 2016 onward, the Department kept the Chamber apprised of its thinking and consulted with the Chamber as the draft 2017 Charter evolved as part of the consultative process with all the other parties. I attach hereto marked "AA40" a schedule headed "*Meetings with Chamber of Mines on the Draft Reviewed Charter*". The schedule sets evidences that over the period March 2016 until March 2017 there were at least 17 substantive meetings and extensive engagements which the Department had with the Chamber in relation to the draft 2017 Charter.

136. I believe and am advised that the above described extensive, detailed and long-running consultative process has more than reasonably and adequately met the requirement for consultation. I note that the Chamber no longer claims that it was not adequately consulted. Indeed, it cannot properly be a requirement of consultation that any and every change in a draft must engage the full consultative process: this would be impractical and ill-conceived.

137. Confirmatory affidavits of the following persons from the Department who were, amongst others, involved at various stages throughout the above described procedure are attached hereto:

137.1. Sibongile Jane Malie (Director: Mineral Policy Development);

137.2. Bongiwe Mabusela (Director: Empowerment Transactions Assessment);

137.3. David Msiza (Acting CEO Mintek);

- 137.4. Mosa Mabuza (CEO of the Council of Geoscience);
- 137.5. Rendani Muthige (Deputy Director: Mineral Policy Development);
- 137.6. Rofhiwa Irene Singo (Chief Financial Officer);
- 137.7. Setepane Mohale (Chief Director: Mineral Promotion and International Co-ordination);
- 137.8. Sibusiso Kobese (Deputy Director: Mineral Policy Development);
- 137.9. Ayanda Shezi (Director: Communications);
- 137.10. Mthokozisi Lethukuthula Mtshali (Deputy Director: Mineral Policy Development);
- 137.11. Martin Madiala (Director in the Deputy Director General's Office);
- 137.12. Pieter Alberts (Chief Director: Legal Services);
- 137.13. Seipati Dhlamini (Acting Deputy Director General: Mineral Regulation);
- 137.14. Jeaniffer Ntome (Assistant Director: Mineral Policy Development);
- 137.15. Kagiso Menoe (Director: Mineral Beneficiation Economics and Acting Chief Executive Officer, State Diamond Trader).

138. These persons are also relevant to and confirm the remaining allegations made in this affidavit regarding the Department and its interactions with various parties, including the Chamber.

LEGAL STATUS OF THE MINING CHARTER

139. Section 100(2) of the MPRDA provides as follows:

- "(a) To ensure the attainment of Government's objectives of redressing historical, social and economic inequalities as stated in the Constitution, the Minister must within six months from the date on which this Act takes effect develop a broad-based socio-economic empowerment Charter that will set the framework, targets and time-table for effecting the entry into and active participation of historically disadvantaged South Africans into the mining industry, and allow such South Africans to benefit from the exploitation of mining and mineral resources and the beneficiation of such mineral resources.
- (b) The Charter must set out, amongst others how the objects referred to in section 2(c), (d), (e), (f) and (i) can be achieved."

140. There are five key tenets to section 100(2) of the MPRDA:

- 140.1. It mandates the development of a broad-based socio-economic empowerment Charter.
- 140.2. It requires that such an empowerment Charter must set out a framework, targets and time-table.
- 140.3. The framework, targets and time-table must effect entry into, and active participation of, HDSAs into the mining industry, and allow them to benefit from mining and beneficiation.

140.4. The empowerment Charter must set out how the specified objectives can be achieved – including in relation to, amongst other considerations, the promotion of equitable access to the nation's mineral and petroleum resources, the substantial and meaningful expansion of opportunities for HDSAs to enter into and actively participate in the industry, and the contribution of mining and production rights holders towards the socio-economic development of the areas in which they operate.

140.5. Notably, section 100(2) does not provide an exhaustive list of what the empowerment Charter must contain. Sub-section 100(2)(b) provides for what the empowerment Charter must set out, "amongst others". As such, in giving effect to the mandate contained in section 100(2), the Minister is vested with a discretion to determine what should be contained in the empowerment Charter.

141. The Chamber contends that the Mining Charter constitutes "a formal guideline or statement of policy, mandated by section 100".² The Chamber goes on to state that: "A policy, formal or otherwise, is not legislation and remains a guideline. It could never be applied so as to have the force of law ...".

142. I am advised, however, that this is not correct. As a point of departure, I am advised that a "law" is defined as meaning "any law, proclamation, ordinance, Act of Parliament or other enactment having the force of law".³ As such, whilst

² FA at p 21, para 32.

³ Section 1 of the Interpretation Act 31 of 1957.

section 100(2) creates a *sui generis* enactment that is particular to the framework, the Mining Charter is still an enforceable law. Whilst the Mining Charter is not an Act of Parliament, it is nevertheless a law as contemplated in the definition above.

143. There are a number of considerations that confirm the legal enforceability of the Mining Charter. First and foremost, this is apparent from the wording of section 100 of the MPRDA, read together with the objects which, amongst other things, strive to meet the aims of substantive equality in the mining sector. These transformational objectives, as contained in section 2 of the MPRDA – in particular, section 2(d) and (f) – are legally binding. Indeed, they serve as an imperative to the mining industry, for instance as a prerequisite for the grant of a mining right or prospecting right.

144. This is recognised by the Chamber itself.⁴ The Chamber opportunistically seeks to argue that the Mining Charter is policy, on the hand, whilst later arguing that the 2017 Charter stands to be reviewed and set aside because of the fact that the Mining Charter will have a direct, external legal effect in line with section 23(1)(h). The Chamber cannot have it both ways.

145. The power to revise the Charter is further derived from the provisions of the 2004 Charter (to which the Chamber was a signatory), which explicitly provided that *"all stakeholders accept that transactions will take place in a transparent manner and for fair market value. Stakeholders agreed to meet after five (5) years to*

⁴ FA at pp 50-51, para 97.

review the progress and to determine what further steps, if any, need to be made to achieve a 26% target". The target referred to was that of the 2004 Charter. It has been reviewed in the 2010 Charter and the 2017 Charter. The empowering provision of the Minister herein is informed by the lack of adequate compliance, if any, to meet the targets and has to be redressed by taking further steps to ensure the deracialisation and active participation in the main stream mining industry.

146. The Minister's powers also are contained in explicitly in the mining rights which makes specific reference to the objectives as contained in section 2(d). This aspect has to be taken into consideration and considered in light of the fact that mining or mineral resources are non-renewable resources. The effect thereof means that once the depleted there will not be a mining industry to regulate and ensure entry by black persons and benefiting therefrom.

147. This is further reinforced by the following considerations:

147.1. The Constitution demands everyone to enjoy equality which includes the full and equal enjoyment of all rights and freedoms. Participation of HDSA in the mining industry is a search for the substantive equality that is promised under the Constitution. The objective to achieve equality is not merely aspirational or a guideline.

- 147.2. The MPRDA in its own various provisions makes it patently clear that the transformational objectives spelt out, *inter alia*, in section 2(d), are legally binding.
- 147.3. The granting of a mining right or a prospecting right is only legally competent if the Minister is satisfied that the transformation objectives are achieved as well.
- 147.4. Furthermore, section 25(2)(d) of the MPRDA provides that the holder of a mining right must "*comply with the relevant provisions of this Act, any other relevant law and the terms and conditions of the mining right*". Similarly, section 19(2)(d) of the MPRDA provides that the holder of a prospecting right must "*comply with the terms and conditions of the prospecting right, relevant provisions of this Act and any other relevant law*".
- 147.5. "[T]his Act" is defined in section 1 of the MPRDA as including "*the regulations and any term or condition to which any permit, permission, licence right, consent, exemption, approval, notice, closure certificate, environmental management plan, environmental management programme or directive issued, given, granted or approved in terms of this Act, is subject*".
- 147.6. In other words, the granting of a mineral right is generally subject to the condition that the transformation objectives are to be achieved. By way

of illustration, a standard mining right reads *"in the furthering of the objects of this Act, the holder is bound by the provisions of an agreement or arrangement dated ... entered into between the holder/empowering partner and ... (the empowerment partner) which agreement or arrangement was taken into consideration for the purposes of compliance with the requirements of the Act and/or a Broad Based Economic Empowerment Charter developed in terms of the Act and such agreement shall form part of this right".* The legal enforceability of the Charter could not have been stated any higher. The standard conditions imposed by the Department against the grant of any mining or prospecting right are attached marked as "AA41" to "AA42".

147.7. Finally, the MPRDA empowers the minister to develop a Charter. This legislative instruction bears legal consequences which follow the development of the Charter by the minister. Parliament therefore, in empowering the minister to develop the Charter was intent on ensuring that government's objectives of redressing historical, social and economic inequalities must be achieved in the broadest manner possible.

147.8. Taken together, these are some of the factors that demonstrate that the transformation objectives spelt out in the Constitution and the MPRDA, and enshrined in the Charter, produces obligations which the right holders must meet.

148. Second, the enforcement of the MPRDA and attempted compliance therewith by mining companies (including members of the Chamber) also makes that clear.

148.1. The terms of the 2004 Charter were enforced by the DMR in a flexible, sensitive and accommodating manner. However, they were certainly not aspirational or viewed as such. When non-compliance notices in terms of section 47 of the MPRDA were issued, the holders of relevant rights (including many members of the Chamber of Mines) indicated that they had complied with the terms of the Charter.

148.2. The mining companies, including members of the Chamber, filed their annual audited reports setting out their degree of compliance with the Charter. Two examples hereof are attached marked as "AA43" and "AA44".

148.3. There were also a number of cases where the holder of a right under the MPRDA challenged allegations of non-compliance with the framework targets and milestones set out in the 2004 Charter. Despite a search the DMR officials have not unearthed any case where the validity of the 2004 Charter as a binding instrument was challenged or where it was contended that a Charter in terms of section 100(2)(a) is a mere non-binding guideline. Furthermore, I am led to believe that there is no finding by any court or regulator that any Charter is a mere non-binding guideline. Instead, the 2004 Charter was enforced by the Department,

and viewed by mining companies (including the Chamber and its constituent members), as binding law.

149. Third, the Chamber accepts the binding nature of the 2004 Charter. However, it refuses to accept the binding nature of the 2010 and 2017 Charters. Instead, it contends that, by their nature, they are non-binding guidelines. This obvious contradiction in the Chamber's stance is not explained clearly, or at all. It is not rooted in principle. It demonstrates that the objection to the Charter as a non-binding guideline is an excuse to latch onto the lowest common denominator insofar as the achievement of the objects of the MPRDA is concerned. The Chamber's actual challenge to the 2010 Charter is to a limited aspect of that Charter.

150. Fourth, although not required for purposes of enforcement, it appears from a reference in the 2004 Charter that the relevant stakeholders signed the 2004 Charter as a mark of their acquiescence therein. Furthermore, in relation to the 2010 Charter the Chamber signed the 2010 stakeholder's declaration that preceded, informed and gave effect to it. The Chamber's express conduct belies its relatively recent submission that the Charter is a non-binding guideline. As set out above, in its 2009/2010 annual report the Chamber expressly acknowledged that the 2010 Charter was a binding document to be implemented by its members and that it was the result of a full and proper consultative process.

151. Fifth, it is self-evident that the framework, targets and timetable in the respective Charters are a baseline set for the transformation of the mining industry at a

particular point in time and for a particular period of time, until such time that the Minister deems it prudent to revisit them given, for example, changed circumstances or the non-effectiveness of any measures. In short, the Charter was intended by the legislature:

151.1. to constitute a flexible measure implemented by the Minister in 2004 that was to be incrementally built as and when the occasion arose;

151.2. in order to effectively ensure the entry of HDSAs into the mining industry and, more importantly, to ensure that such HDSA benefit from the exploitation of mining and mineral resources in a meaning and substantive manner over the long term.

152. Accepting as the Chamber does that it embraces the transformation objectives of the MPRDA which in substance are particularised in the Charters, and then to argue that those targets are merely aspirational or guidelines, is plainly wrong.

153. Parliament's objective, as set out in section 2(d) and (f) of the MPRDA, of redressing historical inequalities through the Charter, would not be realised if the Charter had no legal force but was a mere "*aspirational*" document or were its provisions considered to be mere non-binding "*guidelines*".

154. Further argument in this regard will be addressed to the court at the hearing of this matter.

FLAWED NATURE OF THIS APPLICATION

155. Although this is raised under the first general ground of review raised by the Chamber, I deal with it separately because it is fundamental to the entirety of the Chamber's application as a whole.

156. The Chamber seeks to review and set aside the 2017 Charter on the basis of it being impermissible administrative action in terms of the Promotion of Administrative Justice Act 3 of 2000 ("**PAJA**"), alternatively the principle of legality. The Chamber itself accepts that it is a strain for the Chamber to seek to rely on PAJA for the purpose of its application.⁵

157. In this regard, I am advised that the Chamber's reliance on PAJA must fail for two key reasons. The first is that the Chamber fails to identify the decision on which it relies and seeks to set aside. Instead, the Chamber speaks in broad, vague terms of the "developing and publishing" of the 2017 Charter. The second is that the definition of "administrative action" in terms of PAJA expressly excludes decisions taken in the exercise of executive or legislative functions.

158. Accordingly, I am advised that the Chamber's reliance on PAJA is misplaced, and cannot be sustained.

159. I accept unreservedly that all exercise of public power must be constrained by the principle of legality. However, I am advised that various of the grounds of

⁵ FA at p 46, para 98.

review relied on by the Chamber are not encapsulated within the principle of legality alone, and therefore fall to be dismissed outright on the basis of not constituting administrative action for the purpose of PAJA.

160. Further argument in this regard will be advanced at the hearing of this matter.

161. I note that, despite the Chamber's repeated assertion that it is committed to transformation, its contrary conduct speaks louder than its words. As demonstrated below, the Chamber advances arguments that are patently incorrect and implausible, with little to no effort in the founding affidavit to substantiate the grounds, in an effort to impede the implementation of the 2017 Charter.

162. A classic illustration of the Chamber's unfortunate approach to this litigation appears from a cursory comparison between the Chamber's urgent interdict application (which is not before this court), and its present judicial review application.

162.1. The Chamber spent a considerable amount of time and effort in drawing the founding papers in its urgent interdict application. The Chamber foreshadowed its grounds of review in that application. The thrust of its first complaint was an alleged lack of consultation by the Minister and the Department in drawing the 2017 Charter. The Chamber made this complaint in sweeping and dramatic terms in the opening gambit to its founding affidavit. This complaint was strongly echoed in the Chamber's

media statements at the time, and curiously found its way, in almost identical words, into several newspaper articles.

162.2. However, as a result of work done over a number of consecutive nights and days, and after consulting with numerous employees in the Department, an answering affidavit was filed in the urgent interdict application. Despite the severely tight time constraints, the answering affidavit demonstrated unequivocally that the chamber's allegations of a lack of consultation were factually and legally incorrect. The true facts revealed that the Chamber had the benefit of remarkably extensive and detailed consultation, more than any other party. The Chamber well knew that, but nevertheless raised the argument of an alleged lack of consultation in strident terms in its urgent interdict application and actively disseminated that legally and factually incorrect contention.

162.3. The only reasonable inference to draw is that the Chamber did that in the hope that its spurious claim of a lack of consultation 'would stick' for purposes of the urgent interdict application because the Department would not be able to respond timeously within the tight time constraints (having regard to the many number of employees that would be required to be consulted with and the numerous documents that would require to be collated and canvassed). The Chamber, however, made a wrong gamble. The Department burnt the midnight oil. The answering affidavit revealed the Chamber's complaint to be spurious.

162.4. In the present judicial review application, the Chamber raises an astonishing 58 grounds of review (which are ill-conceived, theoretical, speculative and not rooted in fact). But the Chamber does not utter a single word about any lack of consultation, despite this constituting the thrust of its opening complaint (made in strident terms and forming part of its media offensive) in the urgent interdict application. I respectfully submit that this, once again, reveals the Chamber's assertions of good faith and a commitment to transformation to be untrue.

163. Various of the grounds of review raised by the Chamber are only raised as a statement of the ground, without a factual basis or substantiation. There is therefore little by way of response that I can provide in this affidavit, and will properly dealt with in the appropriate stages of argument.

164. A further aspect to note is the abstract nature of the application that the Chamber brings. While the Chamber's application is rife with speculation and conjecture, the Chamber in no way that any person has in fact suffered an adverse effect on rights. It is my understanding that unless a law is generally incapable of being followed in a manner that is consistent with the Constitution, it does not fall foul by mere virtue that its application in the future may give rise to unconstitutionality in certain circumstances.

165. It is at all times open to any affected applicant in the future to seek recourse for a decision that has been taken in terms of the 2017 Charter, in circumstances in which it avers that it has unjustifiably suffered an adverse effect to its rights.

However, in the absence of any such facts in the present application, and for the reasons set out further below when I deal with the grounds of review raised by the Chamber, there is no basis in the abstract to set aside the 2017 Charter on speculation alone.

166. In this regard, I emphasise that the Chamber deliberately fails to have regard to the flexible discretion vested in the Department and the Minister to remedy any problems that might arise in the application of the provisions of the 2017 Charter; or the fact that rights holders have a slew of remedies at their disposal in the event that the 2017 Charter is applied in a manner that unlawfully infringes on their rights, which may properly be raised in the event that this arises.

167. I deny that the Chamber is entitled to any of the relief sought in this application. However, I note that even if it were to succeed on one of the individual 58 grounds of review raised, this would not necessarily in and of itself entitle the Chamber to the relief sought in this application. At best, in respect of the vast majority of the grounds raised by the Chamber, the Chamber would only be entitled to the relief sought in respect of the specific provision in question, not to the invalidation of the 2017 Charter as a whole. Furthermore, I am advised that our courts have given ample guidance in respect of the determination of a just and equitable order, which I submit would direct the Court to avoid undoing the 2017 Charter in view of the public importance and national interest that it serves. Further argument will be advanced in this regard.

168. This, of course, is only relevant in the unlikely event that the Court finds in favour of the Chamber in respect of any of the grounds of review. I turn next to deal with why the grounds of review raised by the Chamber cannot succeed.

GENERAL GROUNDS OF REVIEW RAISED BY THE CHAMBER

THE POWERS OF THE MINISTER

169. As I have already dealt with above, I submit that as the Minister I am both empowered and authorised to develop, publish and implement the 2017 Charter. The powers in this regard stem directly from the provisions of section 100, read with the objectives contained in section 2. Furthermore, the Original Charter (to which the Chamber was a signatory) explicitly provided that *"all stakeholders accept that transactions will take place in a transparent manner and for fair market value. Stakeholders agreed to meet after five (5) years to review the progress and to determine what further steps, if any, need to be made to achieve a 26% target"*.

170. As indicated above, the Minister's powers also are contained in explicitly in the mining rights which makes specific reference to the objectives as contained in section 2(d). Moreover, of relevance, the clear wording of section 100 of the MPRDA makes apparent that it does not provide an exhaustive list of what is to be contained in the Charter. It therefore vests the Minister with a discretion to include that which may be pertinent in order to achieve the objectives in section 2. This is precisely what has been done in relation to the 2017 Charter.

Ad paragraphs 71 to 75

171. I deny the allegations contained in these paragraphs, which summarise the Chamber's allegations in reference to this ground of review. In particular, for the reasons set out in this affidavit, and as will be further advanced in argument, I deny that the Chamber is entitled to its relief in terms of the review application, or that this matter falls within the purview of PAJA.

Ad paragraphs 76 to 78

172. The MPRDA was a carefully considered and negotiated piece of legislation. Each provision in the MPRDA therefore bears meaning and reference. This includes in reference to the preamble, the long title and the objectives, all of which speak to the intention of the legislature, and give guidance on the interpretation and application of mining laws. Moreover, section 2 of the MPRDA contains substantive provisions which are of application to the MPRDA as a whole, as well as with specific application to those provisions of the MPRDA that make express reference to section 2.

173. In addition to what is set out in this affidavit, further argument on the proper interpretative approach will be advanced in argument.

Ad paragraphs 79 to 82

174. The contents of these paragraphs are noted.

Ad paragraphs 83 to 84

175. I submit that, on a proper interpretation of the mining framework as a whole, the transformation objectives set out in section 2 of the MPRDA, and implemented through the Mining Charter, are of overarching relevance as a whole. As such, I deny that the Chamber's interpretive approach is correct.

Ad paragraphs 85 to 95

176. I have dealt with the legal enforceability of the Mining Charter above. For the reasons set out therein, I deny the Chamber's averment that the Charter is a "formal guideline or statement of policy", which is only aspirational in nature. Instead, the Mining Charter is legally enforceable as law, in light of the express wording of section 100(2) of the MPRDA, read with section 2 and the 2004 Mining Charter.

177. I deny that, in publishing the 2017 Charter – in accordance with section 100(2) of the MPRDA – that I as the Minister have taken any action that usurps the powers of Parliament. I am not only permitted, but mandated, by the legislature to engage in this regard.

Ad paragraph 96

178. I note the Chamber's acknowledgement that section 100(2) may constitute a proper delegation of legislative power to the Minister. I deny that I have amended the source of authority or assumed any power not conferred to me by the MPRDA.

Ad paragraphs 97 to 102

179. I have already dealt above with the characterisation of this application. As submitted, I deny that the Chamber is entitled to the relief sought in this judicial review application, because the preparation and development of the 2017 Charter does not constitute administrative action contemplated under PAJA.

180. Whilst I accept unreservedly that the exercise of public power is constrained by the principle of legality, I deny the Chamber's averment that there is little practical difference whether the publication and development of the 2017 Charter constitutes administrative action or not. To the contrary, the consequence is that the Chamber is not entitled to the relief sought in the application. This will be dealt with further in argument.

THE 2017 CHARTER'S APPLICATION TO 'BLACK PERSON'

Ad paragraphs 103 to 108

181. The Chamber adopts a patently contradictory approach, simultaneously complaining about the widening and narrowing of the scope of application. I

submit that there is nothing improper or unlawful about the application to "Black persons", as defined, who represent the majority of the category of HDSAs. It is clear from the MPRDA that it seeks to address the injustices of our racially discriminatory past. This provision gives effect to precisely this.

182. This provision seems to ensure effective integration and participation of black persons into the mainstream economy. The definition of black persons accords with the BBBEE Act as amended and the applicable codes. The empowering provision in the portion of the Charter being worded as it is, is to ensure effective integration and participation of black persons into the mainstream economy.

183. Accordingly, the Chamber's allegations in this regard are denied.

THE 2017 CHARTER'S APPLICATION TO 'HOLDERS'

Ad paragraph 109 to 111

184. I admit the contents of these paragraphs insofar as they accord with the express wording of the applicable law.

Ad paragraphs 112

185. I deny that there is any conflict, as claimed by the Chamber. Indeed, the Chamber makes no effort to explain its position in this regard. I further deny that the Chamber is entitled to the relief sought.

Ad paragraph 113

186. The contents of this paragraph are noted.

THE CODE OF GOOD PRACTICE***Ad paragraphs 114 to 115***

187. The Chamber blithely states that the "2017 Charter conflicts with the Code as a whole", without giving any further indication of its argument in this regard. It is therefore not possible to respond to the Chamber's claim, save to state that I deny that there is any such conflict, or that the Chamber is entitled to the relief sought.

GROUND OF REVIEW RELATING TO THE OWNERSHIP ELEMENT**EXISTING RIGHTS: ALLEGED IMPOSITION OF NEW OBLIGATIONS**

188. In order to assess the proper context, I begin by outlining the position in terms of the three Charters, before answering the allegations in the founding affidavit.

189. In terms of the 2004 Charter:

189.1. Under the scorecard – enquired whether has the mining company achieved HDSA participation in terms of ownership for equity or attributable units of production of 15% in HDSA hand within five years and 26% on ten (10) years. This contained a five-year target at 15% and a ten (10) year target at 26%.

189.2. In the definitions ownership of a business entity entails to be achievable in a number of ways.

189.2.1. a majority shareholding position, i.e. 50% plus one share;

189.2.2. joint ventures of partnerships (25% equity plus one share);

189.2.3. broad-based ownership (such as HDSA dedicated mining unit trust, or employee share ownership schemes).

189.3. Ownership in joint ventures – government and industry recognise that one of the means of effecting the entry of HDSA's into the mining industry and of allowing HDSA's to benefit from the expectation of mining and mineral resources is by encouraging greater ownership of mining industry assets by HDSA's. Ownership and participation by HDSA's can be divided into active or passive involvement as follows.

189.4. Active involvement entails:

- 189.4.1. HDSA controlled companies (50% plus one vote), which includes management control;
- 189.4.2. strategic joint ventures or partnerships (25% plus one vote). These would include a management agreement that provides the joint management and control which would also provide for dispute resolution.; and
- 189.4.3. collective investment, through ESOPS and mining dedicated unit trust. The majority ownership of these would need to be HDSA-based. Such empowerment vehicles would allow the HDSA participants to vote collectively;
- 189.5. Passive involvement entailed:
- 189.6. greater than 0% and up to 100% ownership with no involvement in management, particularly broad-based ownership like ESOPS. In order to measure progress on the broad transformation front the following indicators are important:
- 189.6.1. the currency of measure of transformation and ownership could, *inter alia*, be market share as measured by attributable units of South African production controlled by HDSA's;
- 189.6.2. that there would be capacity for offsets which would entail credits that offsets would allow for flexibility;

189.6.3. the continuing consequences of all previous deals will be included in calculating such credit/offsets in terms of market share as measured by attributable units of production;

189.7. Government will consider special incentives to encourage HDSA companies to hold on to newly acquired equity for a reasonable period. In order to increase participation in ownership by HDSA's in the mining industry, mining companies agree:

189.8. to achieve 26% HDSA ownership of the mining industry assets in 10 years each mining company; and that where a company has achieved HDSA participation in excess of any set target in a particular operation then such access may be utilised to offset any shortfall in its other operations. All stakeholders except the transaction will take place in a transparent manner and for a fair market value. Stakeholders agreed to meet after five (5) years to review the progress and to determine what further steps, if any, need to be made to achieve the 26% target.

190. In terms of 2010 Charter:

190.1. Effective ownership is defined to mean the meaningful participation of HDSA's in the ownership, voting rights, economic interest and management control of mining entities;

190.2. Meaningful economic participation includes the following key attributes:

190.2.1. These transactions shall be concluded with clearly identifiable beneficiaries in the form the BE entrepreneurs, workers (including ESOP) and community;

190.2.2. barring any unfavourable market conditions, some of the cash flow should flow to the BE partner throughout the term of investment, and for this purpose, stakeholders will engage the financing entities in order to structure the BE financing in a manner where a percentage of the cash flow is used to service the funding of the structure, while the remaining amount is paid to the beneficiaries. Accordingly, BEEE entities enabled to leverage equity henceforth in proportion to vested interests over the life of the transaction in order to facilitate sustainable growth of BEE entities;

190.2.3. these rights such as being entitled to full participation at Annual General Meetings and exercising of voting rights, regardless of the legal form of the instruments used; and ownership shall vest within the timeframes agreed taking into account market conditions.

190.3. Effective ownership is a requisite instrument to effect meaningful integration of HDSA into the mainstream economy. In order to achieve a

substantial change in racial and gender disparities prevalent in ownership of mining assets, and thus paved the way for meaningful participation of HDSA for attainment of sustainable growth of the mining industry, stakeholders commit to:

190.3.1. achieve a minimum target of 26% ownership to enable meaningful economic participation of HDSA by 2014;

190.3.2. the only offsetting permissible under the ownership element is against the value of beneficiation, as provided for by section 26 of the MPRDA and elaborated in the mineral beneficiation framework.

190.4. The continuing consequence of all previous deals concluded prior to the Promulgation of the Mineral and Petroleum Resources Development Act 2008 at 2000 will be included in calculating such credit/offsets in terms of market share as measured by attributable units of production.

190.5. The outlined provisions of the Original Charter and the 2010 Charter should be taken into consideration when considering the Department's response into the specific challenge on the terms of the 2017 Charter.

Ad paragraphs 116 to 118

191. I have noted the contents of these paragraphs. They do not, however, provide a complete picture of the relevant framework.
192. In terms of the provisions of section 17 for the Minister may, having regard to the type of mineral concerned and the extent of a proposed prospecting project, request the Chamber to give effect to the object referred to in section 2(d).
193. In terms of the provisions of section 19(d) the holder of a prospecting right has to comply with the terms and conditions of the prospecting right, relevant provisions of this Act and any other relevant law.
194. In terms of section 23(h), the Minister must grant a mining right if the granting of such right will further the objects referred to in section 2(d) and (f) and in accordance with the Charter contemplated in section 100 and the prescribed social and labour plan.
195. In terms of the provisions of section 25(1)(d) and (f) the holder of a mining right must comply with the relevant provisions of the MPRDA and any other relevant law and the terms and conditions of the mining right.
196. Further the holder of the mining right must comply with the requirements of the prescribed social and labour plan.
197. Section 25(1)(h) goes further to create an obligation on the holder of a mining right to submit a prescribed annual report, detailing the extent of the holder's

compliance with the provisions of section 2(d) and (f), the Charter contemplated in section 100 and the social labour plan.

198. Be it in-line with prospecting or mining, the Minister did not impose any new obligation other than an obligation which was originally enshrined and entrenched in the provisions pertaining to prospecting rights and mining rights.

Ad paragraphs 122 to 126

199. Firstly, I deny that I imposed any additional obligations on holders of mining rights above what was committed to at the time of the grant of the right. The additional requirements prescribed by the Charter are for purposes of giving effect to the objectives as contained in *inter alia* section 2(d). I refer this Court to "AA41" and "AA42", which are copies of template prospecting rights and mining rights.

200. Evident *ex facie* the prospecting rights and the mining rights, are an integral requirement to give effect to the objectives as contained in section 2 of the MPRDA. In this regard, mining rights specifically provide as follows:

"Provision relating to section 2(d) and (f) of the Act in the furthering of the object of this Act, the holder is bound by the provisions of an agreement entered into between the holder and empowering partner which agreement or arrangement was taken into consideration for purposes of compliance with the requirements of the Act and/or broad-

based economic empowerment Charter developed in terms of this Act and such agreement shall form part of this writing”.

201. The Minister when granting the mining right must satisfy himself that, in line with the provisions of 23(h), the granting of such right will further the objects referred to in section 2(d), (f) and in accordance with the Charter as contemplated in section 100. The requirements which prevailed from time to time were as follows:

201.1. Pre-2004 lacked any form of regulatory framework (“unChartered”);

201.2. The period 2004 – 2009 period where the 2004 Charter was applicable;

201.3. The period 2010 – 2017 where the 2010 Charter was applicable; and

201.4. Presently, the 2017 Charter onwards.

202. I admit that the decision to grant a mining right is administrative action. However, I deny the contention that a mining right cannot be amended after it has been granted, or that the Minister is rendered *functus officio* once the mining right has been granted. This contention is simply not borne out by the provisions of the MPRDA:

202.1. Section 47(1)(b) of the MPRDA expressly empowers the Minister to cancel or suspend a right if the holder or owner breaches any material term or condition of the right, which as referred to above, includes

provision relating to section 2(d) and (f) of the MPRDA in furthering the objects of the Act.

202.2. Furthermore, it is clear from section 47 of the MPRDA, as well as other relevant sections that require the Minister to exercise ongoing authority after the grant of a right, including supervisory authority, that the Minister is not rendered *functus officio* once the right has been granted. To the contrary, the Minister retains powers in relation thereto, including being empowered to suspend or cancel a right in circumstances of non-compliance.

203. Moreover, any steps required by the Chamber's members to meet the revised targets are mitigated by the transitional provisions contained in the 2017 Charter, to assist with easing the process. I note that:

203.1. An existing mining right holder has a maximum of twelve (12) months to comply with the revised target of the 2017 Charter from the date of publication of the 2017 Charter;

203.2. The holder must align existing targets cumulatively from the targets in the 2010 Charter within the transitional period referred to above to meet the revised mining target in line with the attached scorecard;

203.3. The holder's performance shall be reported and audited against each element in respect of the implementation for the applicable transitional period.

Ad paragraph 127 to 128

204. For the reasons set out above, the Chamber correctly notes that the Department holds a different view to that which has been taken by the Chamber. I deny that the Chamber is entitled to the relief sought in its application.

EXISTING RIGHTS: REFERENCES TO PAST TRANSACTIONS

Ad paragraphs 131 to 133

205. The Chamber seeks to advance the argument of "once empowered, always empowered", which undermines the objects of section 2(d) of the MPRDA. I deny that the relevant provisions are unclear or ambiguous, and note that these are matters of statutory interpretation that will be dealt with in argument.

206. For present purposes, I note that paragraph 2.1.2 of the 2017 Charter contemplates different factual situations which may exist (having regard to historical targets and levels of BEE shareholding actually achieved and retained) as at the date of publication of the 2017 Charter.

207. The manner in which, and the transitional period permits for the attainment of the required 30% shareholding is then set out.

208. Thereafter, reference is made to historical BEE transactions where the previous requirement of 26% was not met.

209. Finally, provision is made to dispense with recognition of historical transactions for future applications for mining and prospecting rights and the renewal of such rights.

210. These provisions are directed towards ensuring that the targets for percentage black shareholdings are actually met.

211. Historical transactions are recognised for the reporting period up to the date of publication of the 2017 Charter. But after publication of the 2017 Charter, the BEE shareholding of 30% must be met, and to facilitate this the 12 month transitional period is provided for.

Ad paragraph 134 to 135

212. The Chamber's approach to this issue frustrates the transformation imperatives of the MPRDA, and such is not consistent with the provisions of the MPRDA. The Chamber's view on this issue has been fully considered. However, I came to the view that the suggestion of "once empowered always empowered" has led,

and would continue to lead, to abuses in regulatory attempts to transform the mining industry and has also undermined the objectives of the MPRDA.

213. The obligation to continually maintain the 26% HDSA ownership level was an obligation provided for in the 2004 Charter and the 2010 Charter. A failure to maintain the 26% HDSA ownership is a contravention of the targets contained in the 2004 Charter as developed by the 2010 Charter. The 2017 Charter makes provision for a twelve (12) month transitional period within which the mining right holders can top-up to 30%.

214. The principled issue the Chamber attacks is a requirement in the 2017 Charter, as existed in the 2010 Charter, that true transformation of the industry can only occur if the required level of Black Shareholding is always maintained in the entity holding mining or prospecting rights. Transformation is not directed to a moment in time. It requires, to be effective, continuity.

Ad paragraphs 136 to 137

215. I deny that the Chamber's interpretation of the MPRDA is in line with the language, spirit, purport and objectives of the MPRDA.

216. I deny the notion of perpetual lock-ins and submit that the Charter properly interpreted makes provision for a consistent and constant participation of HDSA shareholders. The contention that the lock-ins will reduce the value of their HDSA investment and materially impair investment opportunities available to

HDSA and discourage investments in HDSA is misplaced. The 2004 Charter describes as one of the goals, the intention to create an industry that would *"proudly reflect the promise of a non-racial South African"*.

217. A requirement limited to the notion of "once empowered always empowered" has the likelihood of perpetuity an ownership structure of mining and prospecting rights which will not give effect to the objects in the MPRDA. The Chamber, in taking this approach, does not use the objects of the MPRDA as its point of departure.

218. I deny that the consequence of cashing out will be that HDSA shareholding and the holder of the right diminishes. This is catered for by the fact that an exiting HDSA must be replaced by an entering HDSA participant at market related prices for fair value. The issue is policy driven in order to ensure that the objects of the MPRDA are not diluted. The consequence of the Chamber's approach is that theoretically (and perhaps even practically) a time could come when the mining industry is devoid of any Black Shareholding even if it once did have Black Shareholding – this approach undermines the objects of the MPRDA and its legislative imperatives, as well as the Constitution.

219. A previously empowered mining right holder who's HDSA shareholder wishes to sell its shares will be able to do so and will be entitled to sell its shares to another HDSA. The right holder and the HDSA can commercially reach such a measure through disclosing agreements. There is no obligation for an HDSA to disinvest when market conditions are not conducive. If the HDSA equity is sold to another

HDSA which is a transaction that is commercially permissible, then the transformation credentials of such right holder will not be open to any threat. If all is HDSA participants who seek to disinvest are enjoined to sell their shares to other HDSAs then there is no risk of dilution by the mining company. There are many sound companies of varying economic standing which have lock-up clauses in their shareholder's agreements without diluting the valuation of the shareholders.

220. The MPRDA is designed in a way to retain sustainable participation of HDSA in the mining industry. There is yet a further issue to consider. The acquisition of equity in a mining company by HDSA is facilitated by the MPRDA and the Charter. This arises from ownership by the State of South Africa's mineral resources on behalf of the people of South Africa. And the corollary of such a facilitation of ownership is the requirement that the principle of Black Ownership in mining companies remain constant and not be limited to a "moment in time".

Ad paragraph 138

221. I deny that the Chamber is entitled to the relief that it seeks.

EXISTING RIGHTS: SHAREHOLDING

Ad paragraphs 139 to 142

222. I deny that existing shareholders will be arbitrarily deprived of shareholding which vested in them. The relevant paragraph clearly regulates that to the extent that the BEE partner or partners have exerted the BEE historical transaction or the contract between the holder and the BEE partners have lapsed or the BEE partners have transferred the shares to a person other than a black person, then the top-up shall be to a BEE person entrepreneur.

223. The 2017 Charter is consistent in this regard, both with the Constitution and the MPRDA.

224. I admit the contents of these paragraphs to the extent that they are direct re-statements of existing law.

Ad paragraph 143 to 144

225. I deny that that the Charter is not a law. As dealt with above, this is provided for in terms of the MPRDA.

226. I deny that the requirement of 30% Black shareholding is arbitrary. It is directed towards giving effect to the objects of the MPRDA.

227. I deny that there has been any expropriation, or that there is any entitlement for compensation that arises. As indicated, I deny that there has been any arbitrary deprivation of property, which is a precursor to any claim for compensation for expropriation.

228. These are matters for argument that will be dealt with further in due course.

Ad paragraph 145

229. I deny that the provisions are inconsistent with the Companies Act, 2008.

Contrary to the contention advanced by the Chamber, the Companies Act does not prohibit different classes of shareholders.

Ad paragraph 146

230. I deny that the Chamber is entitled to the relief sought.

EXISTING RIGHTS: TRANSITIONAL PROVISIONS

231. The twelve (12) month transitional period in terms of 2017 Charter cannot be considered in isolation.

232. In terms of the 2004 Charter, the scorecard under the heading of ownership and joint ventures contained a five year target of 15% and a ten year target of 26%. The ownership aspect entailed an enquiry as to whether a holder of a mining right has achieved HDSA participation in terms of ownership for equity or attributable units of production in relation to the said five year and ten year targets.

233. The 15% target would have had to have been obtained in 2009 and the 26% target in 2014.

234. In terms of the 2010 Charter effective ownership is a requisite instrument to effect meaningful integration of HDSA into the mainstream economy. In order to achieve a substantial change in racial and gender disparities prevalent in ownership of mining assets, and thus paved the way for meaningful participation of HDSA for attainment of sustainable growth of the mining industry, Stakeholders committed to achieve a minimum target of 26% ownership participation by HDSA by 2014.

235. The 26% ownership as outlined in the Original Charter and the 2010 Charter was a minimum target to be achieved by 2014. This in turn means that if holders of mining companies exceeded the 26% threshold by 2014 that additional percentage would be recognised as at the inception of the 2017 Charter. The transitional period of twelve (12) months is applicable to the following:

235.1. A holder who claims the recognition of historical transactions is required to top-up its black person shareholding from the existing level to a minimum of 30% black person shareholding;

235.2. An existing holder, who after the coming into operation of the 2017 Charter, has maintained a minimum of 26% black person shareholding who will be required to top-up its black person shareholding to a minimum of 30%. An existing holder who has acquired and maintained

more than 30% black person shareholding shall be allowed to maintain its existing structure until such time as the BEE partner/partners exit or upon renewal of such right.

236. In terms of paragraph 2.1.2.8 a holder referred to in paragraph 2.1.2.3 or to 2.1.2.5 must, within the transitional period of twelve (12) months, ensure that the BEE partners directly and actively control their share of equity interest in the holder, including transportation as well as trading and marketing of the proportionate share of the production.

Ad paragraph 147

237. The contents of this paragraph are admitted.

Ad paragraph 148

238. I deny that the transitional period offered is unreasonable. I reiterate the provisions of subsection 2(d) of the MPRDA, namely that it is an object of the MPRDA to substantially and meaningfully underline substantially and meaningfully expand opportunities for historically disadvantaged persons including woman and communities, to enter into and actively participate in the mineral and petroleum industries and to benefit from the exportation of the nation's mineral and petroleum resources.

239. The emphasis is on historically disadvantaged persons including women and communities to enter into and actively participate and benefit from the exploitation of the nation's mineral.
240. Minerals are non-renewable resources and as such the transformation of the mining industry cannot be prolonged any further. The longer transformation is prolonged, the less historically disadvantaged persons enter into and actively participate in mineral and petroleum resources and benefit therefrom. Non-renewable mineral resources will be exploited without the benefit of the HDSA. The alleged complaints by the Chamber of an *"unreasonably short"* period indicates the lack of compliance with the 2014 target. The targets as contained in the 2004 Charter and reaffirmed in the 2010 Charter indicate that as at 2009, 15% effective HDSA ownership had to have been achieved, and full minimum 26% HDSA ownership in a ten year period (by 2014). Once the 30% target is considered in this context, then the Chamber's contention reveals itself as without merit.
241. The transitional aspects, and recognition of the consequence of previous deals are contained in the Charter to cater for such situations wherein a holder of a right was compliant prior to the effective date of the 2017 Charter. The 2004 Charter to which the Chamber is a signatory, reaffirmed by the stakeholder declaration, was a commitment to achieve the target as contained in the 2004 Charter. The Chamber cannot at this stage, after three (3) years from which the 26% minimum HDSA ownership target had to be obtained, complain of a top-up of 4% being unreasonable within a twelve month period.

Ad paragraph 149

242. The Chamber's reference to "basic principles of company law", "the law of contract" and changes to existing arrangements/shareholders' agreements is not only misplaced in law but is quite simply a veiled attempt to persist with a failure to give real effect to the objects of the MPRDA. Indeed, the constant and continued failure in the mining industry to give effect in real terms to the objects of the MPRDA has been a major factor motivating the 2017 Charter. The Chamber, rather than constructively engage on how the MPRDA objects can be met has sought to put up one technical objection after another, it would now seem, to undermine those objects.

Ad paragraphs 150 to 151

243. The 2017 Charter contains a scorecard dealing with the 2009 and 2014 assessment and focused on ridding the notion of once empowered forever empowered in the mining industry. The contention of the pending rights being treated as new rights and not as existing rights and shareholding will immediately have to be restructured is not contrary to the object as contained in section 2(g) of the MPRDA.

244. I note, as indicated previously, that I am certain that should the holder of a right show cause to the Department on transformational orientated grounds which require more time to implement, this would be considered by the Department. I

reiterate that the longer it takes for transformation to be implemented, the more minerals are exploited from the Republic of South Africa without having fully benefited HDSA. The Charter envisages the continued involvement of the HDSA.

Ad paragraph 152

245. I deny that the provisions as so unreasonable that no reasonable person could have so exercised the power conferred by section 102(a) of the MPRDA. I deny that publication of the 2017 Charter stands to be set aside in terms of PAJA. I deny that I failed to have regard to relevant considerations and information put forward by the Chamber. I further deny that this Charter stands to be set aside on the basis that irrelevant considerations were taken into account or relevant considerations were not considered. The extensive consultations with members of the Chamber indicate a vigorous consultation process which then led to the 2017 Charter. I submit that I took into consideration all the relevant considerations put forward by the Chamber and refer this Court to all the minutes of the extensive consultation with the Chamber.

Ad paragraph 153

246. I deny that the non-recognition of renewals is contrary to the object of security of tenure and contradicts the provisions of section 18(3) and 24(3).

247. The provisions of section 18(3) provides as follows:

"The Minister must grant the renewal of a prospecting right if application complies with subsections (1) and (2) and the holder of a prospecting right has complied with the:

- (a) terms and conditions of a prospecting right and is not in contravention of any relevant provision of this Act;*
- (b) prospecting work programme; and*
- (c) compliance with the conditions of the environmental authorisation."*

248. Section 24(3) provides as follows:

"The Minister must grant the renewal of a mining right if the application complies with subsections (1) and (2) and the holder of a mining right has complied with:

- (a) terms and conditions of the mining right and is not contravention of any relevant provision of this Act or any other laws.*
- (b) the mining works programme;*
- (c) provisions of the environmental authorisation; and*
- (d) requirements of the approved environmental management program."*

249. In terms of both the above quoted provisions compliance is required with either the terms and conditions of the prospecting rights or the mining right and no contravention of any relevant provision of the MPRDA or any other law is permitted.

250. As highlighted above both the prospecting rights and mining rights make express provision for the objects of section 2(d) to be achieved.

Ad paragraphs 154 to 156

251. For the reasons set out above, I deny the allegations contained in these paragraphs, or that the Chamber is entitled to the relief sought.

NEW RIGHTS: REFERENCE TO ALL PROSPECTING RIGHTS HOLDERS***Ad paragraphs 157 to 158***

252. I deny that 2017 Charter introduces a new minimum level of black ownership shareholding which is *ultra vires* the MPRDA. I submit that this contention is without merit and baseless. The 2017 Charter seeks to give effect to the objects set out in section 2 of the MPRDA, insofar as permitted by the MPRDA.

253. The interpretation of section 17(1)(f) which is in line with the objects of the Act, would entail that in the absence of prescribed minerals, it is applicable to all minerals. Any Chamber would have to give effect to the objects referred to in section 2(d). The notion that the section does not allow the imposition of a 51% black shareholding in respect of minerals is in the circumstances and in light of the three Charters unfounded and misplaced.

Ad paragraph 159

254. I admit the contents of this paragraph the extent that it is a re-statement of the legal position under the MPRDA.

Ad paragraph 160

255. I deny that the Chamber's interpretation is correct, or that it is entitled to the relief sought.

NEW RIGHTS: 51% BLACK OWNERSHIP

Ad paragraph 161

256. I admit the contents of this paragraph the extent that it is a re-statement of the legal position under the MPRDA.

Ad paragraph 162

257. I deny the Chamber's allegations in this regard. I note that the Chamber persists with its speculative, negative outlook, without providing any factual underpinning for such speculation. I further deny that this provision is contrary to the MPRDA; instead, it specifically seeks to further the objects set out therein.

Ad paragraph 163

258. I deny the contents of this paragraph, in particular that the Chamber is entitled to the relief sought.

NEW RIGHTS: SPECIFIC DISTRIBUTION OF SHAREHOLDING

Ad paragraphs 164 to 165

259. I deny the allegations herein contained. The objectives of the MPRDA for purposes of redressing historical, social and economic inequalities, empower me as the Minister to develop a broad-based socio-economic empowerment Charter that will set the timeframe for targets and timetable for the effecting of the entry into an active participation of historically disadvantaged South Africans alternative black persons into the mining industry. This is in order to allow South Africans to benefit from the exploitation of the mineral resources.

260. The Charter is not solely intended to guide the Minister's discretion. Instead the Charter is intended to create a framework and set timeframes to allow for greater participation of black business defined in the Charter.

261. I deny that the Chamber is entitled to the relief as sought.

NEW RIGHTS: TRANSFERS

Ad paragraphs 166 to 167

262. I deny that paragraph 2.1.1.4 is contrary to the MPRDA. The rationale behind this provision is simply to ensure that the thresholds reached are maintained. There is nothing contained in section 11 of the MPRDA that renders this provision impermissible, and it accords with the transformative intentions of the MPRDA and the Charter.

263. I deny that the Chamber is entitled to the relief sought.

NEW RIGHTS: SECTION 9 OF THE CONSTITUTION

Ad paragraphs 168 to 169

264. I deny the allegations herein contained. Paragraph 2.1.1.5 pertains to any reduction of shareholding of existing shareholders through the issue of new shares. The effect thereof that it shall not reduce percentage black shareholdings. The provision is directed towards ensuring that the threshold levels of black ownership is not progressively diluted.

265. I deny that this amounts to unequal treatment that is contrary to section 9 of the Constitution. Quite the opposite, in fact: this measure is in further pursuit of the transformative objectives being sought to achieve meaningful economic participation in the mining sector.

266. I deny that the Chamber is entitled the relief sought.

NEW RIGHTS: ALLEGED EXPROPRIATION OF DEBT***Ad paragraph 170***

267. The 2014 assessment found that there was substantial non-compliance with transformation targets. This led to a policy reconsideration which required the Department to ensure greater compliance with the implementation of the targets. The 2017 Charter evidences a value unlocking document to facilitate entry to and benefit from exploitation of minerals by black persons.

268. The effect of paragraph 2.1.1.6 is that the 50% black shareholding has to be concluded within twelve (12) months notwithstanding that distribution has to vest within ten (10) years. The Department's intention is to ensure that this black shareholding is unencumbered. The effect of the 50% plus one for prospecting and 30% for mining in effect means that with the transition from prospecting to mining the black shareholding can be diluted to 30% from the 50% plus 1% the dilution from 50% plus 1% from the prospecting right stage to 30% at the mining right stage then negates the effect of any amount which will have to be written off. The emphasis and intention of the Department is to ensure an unencumbered black shareholding. There are various examples of BEE transactions which evidenced the perpetual encumbrance of the black shareholder. The 2017 Charter seeks to correct and redress this problem.

Ad paragraph 171

269. I deny that there is any form of expropriation and deprivation of property. The transition from prospecting to mining right permits a dilution to the maximum of 30% of the black shareholding. I submit that the transition caters for and considers the rights of the holder.

270. I deny that the Charter is not a law of general application. It does not fall foul of this requirement solely by virtue of it being prescribed for the mining sector; this is so for various laws, that regulate all persons who engage specifically with the subject matter in question. If the Chamber's argument in this regard were correct, the MPRDA would similarly not be considered a law of general application, which would be patently wrong in law.

271. I deny that the Chamber is entitled to the relief sought.

NEW RIGHTS: SECTIONS 9 AND 25 OF THE CONSTITUTION, AND SECTION 37(1) OF THE COMPANIES ACT

Ad paragraph 172 to 174

272. I deny the alleged intended effective meaning attributed to black shareholders. Paragraph 2.1.1.7 clearly provides that subject only to the solvency and liquidity requirements as set out in the Companies Act, a holder of a new mining right must pay a minimum of 1% of its annual turnover in any given financial year to black person shareholders, prior to and over and above any distributions to the shareholders of the holder.

273. The 1% payment of the annual turnover is subject to the solvency and liquidity requirements as set out in the Companies Act. In turn this means that should the solvency and liquidity requirements not be satisfactory, then the payments of the minimum 1% annual turnover will in any given financial year not ensue to the black person shareholders.

274. I deny that the Chamber is entitled to the relief sought.

NEW RIGHTS: THE COMPANIES ACT

Ad paragraph 175 to 176

275. I deny that paragraph 2.1.1.12 is *ultra vires* or that the interpretation is contrary to the objectives as contained in section 2(d). Paragraph 2.1.11.12 gives effect to active participation of Black Shareholders and ensures that they benefit from the exploitation of mineral resources. The contention contained herein by the Chamber is contrary to its self-proclamation as being in favour of transformation.

276. This contention should also be considered against the backdrop of the Chamber contending that the mining industry has achieved 38% of black ownership and shareholding. The intention behind the provisions of paragraph 2.1.1.12 is to ensure that black persons are not deprived of ownership in the true sense and their share of equity. The intention is to ensure that black persons are active participants and are involved in the running of operations as to ensure a skills transfer at operational management and board level and to ensure that value is

created throughout the entire value chain. This policy position will begin to truly unlock the value of the black equity part of the shareholding which will give effect to the object as contained in section 2(d) and the objectives of the 2017 Charter.

277. The MPRDA's objects facilitate Black Shareholders' participation in the mining industry, and this is echoed in practical terms by the 2017 Charter. The Charter creates a reciprocal duty and obligation on the black shareholder to direct and actively control the issue of shareholding and equity in order to give effect to the MPRDA. I submit that the alleged idea of a shareholder being entitled to actively pursue a proportionate share of the business of the company merely by virtue of being a shareholder is entirely inconsistent with the Companies Act of 2008 as being inconsistent with the objectives of the Act and intentions of the Charter. Paragraph 2.1.12 creates a clear obligation on the black persons to participate.

Ad paragraphs 177 to 179

278. These paragraphs summarise the Chamber's contentions. For the reasons set out above, the Chamber's allegations are denied.

SALE OF MINING ASSETS, BENEFICIATION AND OFF-SETS: RESTRICTIONS

Ad paragraphs 180 to 192

279. The question of off-sets relates to a recurring theme in the founding papers, namely the assertion of continuing consequences of empowerment deals. The debate must therefore be construed in light of the above paragraphs.
280. Off-setting in the 2004 Charter entailed the recognition of activity outside the scope of ownership. Based on the results of the 2009 assessment pointing to minimal meaningful black ownership, a policy consideration arose requiring an incremental curtailment of off-sets.
281. Accordingly, in the 2017 Charter, the off-set is designed for an inclusion of an activity other than ownership.
282. The Chamber's complaint that the Minister does not have the power to revisit any element of the Original Charter has been dealt with above. It also applies in relation to off sets. I am advised further that allegations of retrospective application of the 2017 Charter are ill-conceived.
283. The provisions of the Original Charter, the 2010 Charter and the 2017 Charter are admitted to the extent that they accord with those Charters.
284. It bears mention – again – that the Chamber alleges a factual basis for its claim in the abstract, without providing a substantiation. In particular, in this regard, that “[m]assive transactions were designed and implemented on this basis”, which will now be prejudiced as a result of the 2017 Charter. Nothing further is provided by the Chamber to support this claim.

285. Save as aforesaid these allegations are denied.

Ad paragraph 193

286. I deny that the Chamber is entitled to the relief sought.

**SALE OF MINING ASSETS, BENEFICIATION AND OFF-SETS: BENEFICIATION
IN THE CONTEXT OF OFF-SETS**

Ad paragraphs 194 to 196

287. The Chamber's complaint that the Minister does not have the power to revisit any element of the 2004 Charter has been dealt with above. It also applies in relation to beneficiation. I am advised further that allegations of retrospective application of the 2017 Charter are ill-conceived.

288. The provisions of the 2004 Charter and the 2017 Charter are admitted to the extent that they accord with those Charters.

Ad paragraph 197

289. The 2017 Charter deals with beneficiation in a manner that aims to develop industrialisation, facilitate de-racialisation and encourage the entry black persons

into the mining industry. The Chamber's three complaints regarding the beneficiation element in the 2017 Charter are without merit.

290. There is no discrimination against mining right holders who have already met the 30% ownership target. The Chamber's contentions in this regard are ill-conceived.

291. The Chamber's second complaint, once again, reveals its true views. The Chamber is clamouring to avoid black ownership in the mining industry, so much so that it advocates that a rights holder should be able to off set the entire 30% HDSA ownership target. This is contrary to the intention of the Charter and the objects of the MPRDA.

292. The Chamber's third complaint is that the 2017 Charter does not give any indication of how the 11% off set is to be calculated. This is incorrect. The post-amble to paragraph 2.1.4 of the 2017 Charter states that –

"The processes and mechanisms that shall determine the offset of each mineral value chain, shall be provided for by the Minister, by way of Government Gazette, as envisioned in section 26 (2) of the MPRDA".

293. I refer this court to the undertaking given by myself not to implement the provisions of the 2017 Charter either directly or indirectly. I submit that this prevents me from publishing in the Government Gazette the processes and mechanisms that shall determine the off-set of each mineral value chain.

Ad paragraph 198

294. I deny the allegations contained in this paragraph, in particular that the Chamber is entitled to the relief sought.

**SALE OF MINING ASSETS, BENEFICIATION AND OFF-SETS: PREFERENTIAL
OPTION ON SALE OF MINING ASSETS*****Ad paragraphs 199 to 200***

295. The 2017 Charter provides, in essence, that in order to ensure effective and meaningful participation of black persons in mining and mineral industry, a holder who sells its mining assets must give black owned companies a preferential option to purchase. This is a laudatory objective that accords with the objects of the 2017 Charter, the MPRDA and the Constitution.

296. The Chamber complains about this. First, it contends that the meaning of "mining assets" is not defined, vague and possibly *ultra vires* section 11 of the MPRDA. I deny this. I am advised that the interpretation that best fits with the spirit, purport and object of the Charter, section 100(2) of the MPRDA and the Constitution is the appropriate interpretation to adopt. The Chamber resorts to the most strained interpretations of every provision of the 2017 Charter in a bid to subvert the Charter by contending that it is potentially problematic.

297. Secondly, the Chamber complains that paragraph 2.1.3 "*confers a right of first refusal but contains no mechanism and hence contravenes the rule of law requirements*". But this is incorrect. I am advised that such rights of first refusal are uncontroversially incorporated into agreements and observed and enforced on an everyday basis.

298. Thirdly, the Chamber attempts to equate this requirement in the 2017 Charter as akin to a species of property deprivation. This is incorrect and denied. There is nothing arbitrary about the right of first refusal. It does not amount to a deprivation of property. And, in any event, there is no lack of compensation. I do not understand why the Chamber assumes that the right of first refusal would be at anything less than market related prices.

299. Save as aforesaid these allegations are denied.

GROUND OF REVIEW RELATING TO THE NON-OWNERSHIP ELEMENTS

Ad paragraphs 202 to 203

300. The contents of these paragraphs are noted.

PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT: CONTEXT

301. It is trite that mining development presents a catalyst for other economic development. From a policy perspective, the Department adopted an integrated

value-addition approach. According to this policy approach, the mining activity must extend to and be associated with economic activity that occurs beyond just the mining and deal with, for example, suppliers of goods and services in the mining industry.

302. This is a relatively uncontroversial approach. The Department considered various regulatory frameworks in multiple jurisdictions, including Canada, Australia and several Latin American countries and found that this approach is prevalent and accepted. It is sometimes referred to as "value addition" which is a broad concept that, depending on the context and jurisdiction, includes *inter alia* beneficiation of minerals, skills development, and other elements of the 2017 Charter.

303. The Department conservatively estimated, based on an average calculated over several 'good' and 'bad' years, that the procurement budget for the mining industry is approximately R250 billion annually. The purchasing power inherent in that, if carefully and appropriately harnessed, is sufficient to assist in influencing economic policy and conduct in the mining industry in particular, and in the adjoining related economic areas.

304. In short, government sought to use the mining industry's purchasing power and concomitant influence to encourage the consumption (and production) of goods and services of South African origin. On the face of it, there is no dispute that this policy imperative is to be accepted and applied in the present instance. (However, as demonstrated below, the Chamber's submissions reveal its

constant refrain to be one of pro-transformation in favour of the objectives underpinning the MPRDA, yet in the same breath its conduct seeks to subvert those very objectives).

305. In short, government sought to use the mining industry's purchasing power and concomitant influence to encourage the consumption (and production) of goods and services of South African origin.

306. The procurement element of the Charter is a deliberate intervention by stakeholders to create new avenues for HDSA supplier participation in the mainstream economy, to bridge the divide between the two economies, as espoused in the Broad Based Black Economic Empowerment Act No. 53 of 2003. It is precisely for this reason that this policy imperative first featured in the 2004 Charter.

306.1. Note 8 to the 2004 Charter provided that *"[i]n terms of procurement the mining company should commit to an increase of procurement from HDSA companies over the 3-5 year time frame and agree to a monitoring system"*.

306.2. As set out in the 2004 Charter, the scorecard represented 5 year targets. Under the header of "Procurement" in the scorecard, holders of rights were required to answer "Yes" or "No" to the following three questions:

- *"Has mining company given HDSA's preferred supplier status?"*

- *Has the mining company identified current level of procurement from HDSA companies in terms of capital goods, consumables and services?*
- *Has the mining company indicated a commitment to a progression of procurement from HDSA companies over a 3 - 5 year time frame in terms of capital goods, consumables and services and to what extent has the commitment been implemented?"*

306.3. The definition of Broad Based Socio-Economic Empowerment (BBSEE) under the 2004 Charter is also relevant. It refers in relevant part to "a social or economic ... strategy, plan, principle, approach or act, which is aimed at ... Transforming such industries so as to assist in, provide for, initiate, facilitate or benefit from the ... Involvement of or participation in the procurement chains of operations."

306.4. Paragraph 4.6 of the 2004 Charter deals with the heading of "Procurement" and provides as follows:

"Procurement can be broken down into three levels, namely: capital goods; services; and consumables.

Stakeholders undertake to give HDSAs a preferred supplier status, where possible, in all three levels of procurement. To this end stakeholders undertake to:

- *Identify current levels of procurement from HDSA companies;*

- *Commit to a progression of procurement from HDSA companies over a 3 to 5-year time frame reflecting the genuine value added by the HDSA provider;*
- *Encourage existing suppliers to form partnerships with HDSA companies, where no HDSA Company tenders to supply goods or services; and*
- *Stakeholders commit to help develop HDSA procurement capacity and access Department of Trade and Industry (DTI) assistance programmes to achieve this.*

List of suppliers: It is envisaged that information on all HDSA companies wishing to participate in the industry will be collected and published. All participants in the industry will assist the DTI in compiling such a list that will inter alia be published by government on the Internet and updated regularly."

307. The above is apparently not disputed by the Chamber. On the contrary, on its own version, it is accepted.

308. The 2009 assessment by the Department made the following findings regarding procurement:

"The assessment illustrates that 89 percent of companies have not given HDSA companies preferred supplier status, while 80 percent have not indicated commitment to the progression of procurement from HDSA companies over a 3-5 year time-frame. The current reported level of

procurement from HDSA companies averages a mere 37 percent of companies, although companies could not always ascertain the ownership and management control status of their HDSA suppliers.

Procurement of capital goods, consumables and services managed and dispensed by the mining companies continues to be skewed in favour of their preferred untransformed suppliers to the detriment of HDSA companies.

HDSA companies largely benefit from procurement contracts for the provision of consumables and non-core services such as providing cleaning facilities, toilet paper and other trivial activities.

The value of HDSA procurement expenditure as a percentage of total procurement remains below 3 percent, consistent with the insignificant provisions of preferred supplier status to HDSA companies. There is no evidence that stakeholders have identified levels of procurement from the HDSA companies and developing HDSA procurement capacity as per their undertaking at the time of adopting the Charter. This demonstrates lack of commitment by mining companies to advance the procurement element of the Mining Charter. The pervasive resistance by the industry to meaningfully engage the services of HDSA companies continues to delay the achievement of broader economic freedom" (emphasis added).

309. For the above reasons, the 2010 Charter incrementally built on and amended the procurement requirements.

309.1. The 2010 stakeholder's declaration which preceded the Charter recorded the following commitment *inter alia* by the Chamber in relation to procurement:

"Realising that procurement provides an important market opportunity for goods and services and that lack of access to market is a major impediment to growth and expansion of enterprises, parties commit to:

- Adhere to fundamental principles of enterprise development, irrespective of the mining company's turnover;*
- Develop mechanisms for multinational suppliers of capital goods to the mining industry, which are operating in South Africa to contribute towards social development."*

309.2. This commitment, building on the 2004 Charter, was then given effect to in the provisions of the 2010 Charter. Clause 2.2, under the heading "Procurement and Enterprise Development", provided as follows:

"Local procurement is attributable to competitiveness and transformation, captures economic value, presents opportunities to expand economic growth that allows for creation of decent jobs and widens scope for market access of South African capital goods and services. In order to achieve this, the mining industry must procure from BEE entities in accordance with the following criteria, subject to the provisions of clause 2.9-

- *Procure a minimum of 40% of capital goods from BEE entities by 2014;*
- *Ensure that multinational suppliers of capital goods annually contribute a minimum of 0.5% of annual income generated from local mining companies towards socio-economic development of local communities into a social development fund from 2010;*
- *Procure 70% of services and 50% of consumer goods from BEE entities by 2014. The targets above are exclusive of non-discretionary procurement expenditure".*

309.3. *"Non-discretionary procurement expenditure" was defined in the 2010 Charter to mean "expenditure that cannot be influenced by a mining company, such as procurement from the public sector and public enterprises".*

309.4. The accompanying scorecard to the 2010 Charter required set targets for procurement compliance, which had to be met by 2014 (ten years from the 2004 Charter). These targets were: 40% of procurement spend on HDSA in relation to capital goods, 70% of procurement spend on HDSA in relation to services, and 50% of procurement spend on HDSA in relation to consumable goods. These categories of capital goods, consumables and services, echoed the terminology employed in the scorecard to the 2004 Charter.

309.5. Apart from strengthening the scorecard (by moving away from a simple yes/no binary response to quantifiable targets), the 2010 Charter also introduced an effective monitoring and compliance system. This included annual audited reports that would have to be provided by mining companies, as well as consequences for companies who failed to comply with the 2010 Charter.

310. As demonstrated above, in relation to the Chamber's 2010 annual report, the Chamber unequivocally and expressly accepted, adopted and encouraged the implementation of the 2010 Charter.

311. Moreover, the Chamber is of the view that it not only complied with the targets set out in the 2010 Charter in relation to procurement, but that it exceeded them. In this regard, I attach as "**AA45**" a schedule headed "*Chamber of Mines of South Africa Assessment of Mining Charter 2014 targets*". It shows *inter alia* that on the Chamber's own version:

311.1. Its assessment of whether its members met the targets for HDSA procurement of capital goods and consumable goods was "*achieved well*";

311.2. Its assessment of whether its members met the targets for HDSA procurement of services was "*good progress made*"; and

311.3. It contended that the 2014 targets were broadly aligned with the 2010 Charter requirements, based on a weighted average.

312. The 2015 assessment described above, however, revealed *inter alia* that there was material non-compliance if the relevant data was properly and more accurately assessed on a non-weighted basis:

312.1. In relation to capital goods, the percentage of right holders meeting the 40% target is 39.1% when the data is not weighted. (But 81.6% of mining right holders (weighted) met the 2014 target of spending 40% of their total expenditure on capital goods sourced from BEE entities).

312.2. With respect to procurement of services from BEE entities, 32% of the rights in the not-weighted dataset met the target of 70%. (It is noteworthy that 64.8% of mining right holders met the 2014 target when data is weighted by employment).

312.3. On procuring consumables from BEE entities, the not-weighted data shows that 57.8% of rights met the 2014 target of 50%. (There is, however, a marked increase when weighing the data with employment, with mining right holders meeting the target increasing to 82.7%).

313. The 2017 Charter imposes a minimum 70% target for the domestic procurement of mining goods, a minimum 80% target for the domestic procurement of general services, a 100% target for the domestic procurement of mineral sample analysis

services, and a 1% contribution of annual turnover from foreign suppliers generated from its local mining and to be paid to a special fund, the Mining Transformation and Development Agency ("the MTDA").

314. What is apparent from the above description of the indisputable facts are the following three points:

314.1. First, the policy imperative underpinning domestic procurement is not sudden or in least surprising. It has not been launched by stealth on the Chamber for the first time in the 2017 Charter. Nor is it exceptional. It applies in many other jurisdictions the world over.

314.2. Secondly, and relatedly, as demonstrated above and elsewhere in this affidavit, the Chamber has constantly been engaged on this issue and has been consulted on procurement issues at a detailed level throughout the process of drawing the 2004 Charter, and its successive changes in the 2010 Charter and the 2017 Charter.

314.3. Thirdly, the Chamber fully supported and was in agreement with the 2004 Charter, and the 2010 Charter (despite their more recent claim to the contrary).

315. It is against this factual and legal context that the Chamber's complaints about certain procurement aspects of the 2017 Charter must be assessed.

PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT: MINING
GOODS

Allegations regarding "must be set aside": Ad paragraphs 204 to 206

316. The Chamber's second complaint is that the phrase "*must be set aside*" is unclear. The relevant provision of the 2017 Charter in which the phrase "*must be set aside*" arises, is as follows:

"A Holder must spend a minimum of 70% of total mining goods procurement spend on South African Manufactured Goods. The abovementioned 70% of the total goods procurement spend shall be apportioned in the following manner:

- (a) A minimum of 21% of total mining goods procurement spend must be set aside for sourcing South African Manufactured Goods from Black Owned Companies;*
- (b) A minimum of 5% of total mining goods procurement spend must be set aside for sourcing South African Manufactured Goods from Black Owned Companies with a minimum of 50%+1 vote female Black Person owned and controlled and/or 50% +1 vote Youth owned and controlled; and*
- (c) A minimum of 44% of total mining goods procurement spend must be set aside for sourcing South African Manufactured Goods from BEE Compliant Manufacturing Companies" (emphasis added).*

317. The Chamber contends that the phrase "*must be set aside*" suggests that money need not actually be spent on mining goods, but instead provision can be made for possible future spend. To put it in its proper perspective, the Chamber's argument boils down to the following: There is a possibility of another interpretation. Such possibility gives rise to vagueness. Therefore, because of this vagueness, the 2017 Charter in violation of the rule of law.

318. But the Chamber's argument is incorrect. If there is more than one reasonable interpretation to be accorded to this phrase "*must be set aside*" in the relevant context, the interpretation that best fits with the spirit, purport and object of the Charter, section 100(2) of the MPRDA and the Constitution is the appropriate interpretation to adopt. That is a matter of common sense and trite law.

Allegations regarding Black owned Companies: Ad paragraph 207

319. The Chamber's further complaint is that it does not understand what is mean by the phrase "*Black Owned Companies with a minimum of 50%+1 vote female Black Person owned and controlled and/or 50% +1 vote Youth owned and controlled*".

320. But the Chamber's complaint is difficult to understand. This is particularly so because, as indisputably demonstrated above, the Chamber was intimately involved in the consultative process that culminated in the 2017 Charter. The Chamber was first made aware of the exact wording it now complains of vague and uncertain in the meeting before the parliamentary portfolio committee on 16

November 2016. Furthermore, in the Chamber's meetings with the Department on 18 and 19 January 2017 this formulation was again expressly pointed out to the Chamber. Yet there appears to be no record whatsoever of the Chamber previously raising this point in all its consultations and submissions, including those just prior to the finalisation of the 2017 Charter. The Chamber's most recent submission dealing with the procurement issue, dated 24 March 2017, is attached hereto marked "AA39". It deals with the issue of procurement extensively and the Chambers concerns in that regard. Nowhere does the Chamber claim that it does not understand this expression. I add that no member of the Department who has periodically engaged the Chamber recalls any Chamber representative previously raising this point. Therefore, it appears that the Chambers inability to understand this expression has been sudden and has arisen in the course of the launch of these proceedings.

321. In any event, I point out that this is a matter of legal interpretation. The words are to be construed and made sense of in their proper context against the objects underpinning the Charter. The Chambers contention that they cannot be made sense of are incorrect.

Allegations regarding unconstitutionality for impossibility: Ad paragraph 208

322. The Chamber complains that the 2017 Charter might possibly not be capable of implementation because the Minister has not provided the Chamber with any evidence of sufficient HDSA supplier capacity to meet the 2017 Charter procurement targets. This complaint is contradictory, ill-conceived and incorrect.

323. The Chamber's complaint is riddled with a fundamental contradiction. On the one hand, in asserting this argument, the Chamber suggests that there might not be sufficient HDSA supplier capacity to meet the 2017 Charter procurement targets. On the other hand, as described above, the Chamber itself is of the view that it not only complied with the (lower but still substantial) targets set out in the 2010 Charter in relation to procurement, but that it exceeded them. In this regard, I refer to two examples of the Chamber confirming existing HDSA supplier capacity for mining goods:

323.1. The Chamber's revised written submission on the draft 2017 Charter, submitted to the Chamber in October 2017, confirms the Chamber's view that there is domestic HDSA supplier capacity for mining goods. It states at page 7 thereof, under the heading "*Procurement, Enterprise and Supplier Development*", as follows:

"Procurement, Enterprise and Supplier Development can be a catalyst for growth

- *Consumables and parts of the mining equipment can be produced economically in SA.*
- *SA industry has the expertise, funding support and baseline off take.*
- *The vision must be for a South African parts and consumables Hub for Africa and for operations of OEM locally and*

internationally (The Mining and Innovation Hub initiative is as an example).

- Our expertise developed for local produced consumables and services can be exported (emphasis added).

323.2. The Chamber's schedule headed "*Chamber of Mines of South Africa Assessment of Mining Charter 2014 targets*" which appears as annexure "AA45" also demonstrates the Chamber's view that there is sufficient HDSA supplier capacity for meeting the mining goods target. In it, the Chamber affirms:

323.2.1. its assessment of whether its members met the targets for HDSA procurement of capital goods and consumable goods, as "*achieved well*";

323.2.2. its assessment of whether its members met the targets for HDSA procurement of services, as "*good progress made*"; and

323.2.3. that the 2014 targets were broadly aligned with the 2010 Charter requirements, based on a weighted average.

323.3. I point out that in the last several weeks the Department has chased up several prominent Chamber members to provide the department with their compliance reports insofar as procurement was concerned. This

demonstrated, without exception, that they had all complied with the 2010 Charter procurement targets. Copies of these reports are attached hereto as "AA46". In many instances, they claim to have exceeded those targets. I also point out that it demonstrates that these mining companies, contrary to what the Chamber is submitting, appear to be seized with a clear understanding of the relevant wording.

324. The Chamber's complaint is contradictory for a further reason. On the one hand, the Chamber and its members claim to have been complying with their procurement obligations for at least 13 years and have collectively spent billions of rands on building HDSA supplier capacity. But on the other hand, the Chamber complains and suggests that there is insufficient HDSA supplier capacity which, I submit, can only be attributable to non-compliance by rights holders with their obligations under the Charter over the last 13 years.

325. The Chamber's complaint is incorrect because it appears to be based on the mistaken assumption that the Minister is obliged to provide evidence of the existence of a requisite pool of black suppliers before he can amend the Charter in relation to procurement. There is no such obligation on the Minister to provide any evidence to the Chamber. Furthermore, the Chamber fails to appreciate that the consultation process was extremely wide and in-depth and included parties other than the Chamber.

326. The Chamber's complaint is incorrect for a further reason. It fails to have regard to the effective HDSA mining goods procurement target in the 2017 Charter, and

the relatively minor and incremental change from the previous position under the 2010 Charter.

326.1. Under the 2010 Charter a rights holder had to procure 40% of all its capital goods from BEE entities.

326.2. Under the 2017 Charter a rights holder has to spend 70% of its mining goods procurement on South African Manufactured Goods. South African Manufactured Goods are in turn defined as goods where at least 60% of the value added during assembly and/or manufacturing is realised in South Africa.

326.3. Therefore, under the 2017 Charter a holder must spend an effective rate of 42% on domestic mining goods (70% of 60%). This is only a 2% increase on the capital goods target set out under the 2010 Charter, which as demonstrated above, the Chamber and its members fully accepted and purportedly implemented.

326.4. Furthermore, the position under the 2017 Charter is far more flexible in favour of the rights holder than that under the 2010 Charter. It allows the rights holder to structure its HDSA procurement targets more flexibly, so as to accommodate, for example, joint ventures with foreign suppliers and the use of foreign parts in the assembly of local products. The formula under the 2010 Charter was not as flexible.

327. The Chamber's complaint is also wrong because it fails to take into account the transitional arrangements for procurement in the 2017 Charter.

327.1. Paragraphs 2.11(c) stipulates that a rights holder has three years within which to implement the HDSA procurement targets.

327.2. Paragraphs 2.11(e) provides that, in relation to mining goods, the first year target is 15% of the 70%, the second year target is 45% of the 70%, and the third year target is the full 70%.

327.3. Paragraphs 2.11(d) states that after this three-year period, the transition period may upon request by the rights holder be extended by a further two years in terms of paragraph 2.11 (d) of the 2017 Charter.

327.4. In these circumstances, there can be no question of hardship to the rights holder. Similarly, questions about capacity of HDSA suppliers become academic at best. The Chamber's persistence with its arguments in the face of these provisions which it is intimately familiar with, is most revealing.

328. The Chamber's complaint is incorrect for yet a further reason, namely that it fails to have regard to the actual facts. As a matter of practice, the Department always applied the Charter in a flexible and sensitive manner that took into account the individual circumstances of each rights holder. This was also in relation to monitoring and implementing procurement. The following is typically what

transpired where a rights holder experienced difficulty in meeting its HDSA requirements.

328.1. If a rights holder approached the Department and contended that it was unable to comply with its target HDSA procurement obligations the Department did not inflexibly treat the rights holder with contempt and in a high-handed manner.

328.2. On the contrary, the Department arranged workshops and indabas where it introduced rights holders and HDSA suppliers. The Department invited all HDSA suppliers in the relevant area to a workshop with rights holders to present and showcase their capacity. These were termed black industrialist or procurement workshops. The Department intentionally facilitated these workshops between the parties in order to identify suitable HDSA capacity and potential capacity for rights holders. I attach hereto several examples of attendance registers of such meetings with mining companies the majority of whom are Chamber members attached as "AA43" and "AA44".

328.3. In addition to this, the Department also made presentations to rights holders, individually and collectively, on procurement. The Department provided rights holders in the course of such presentations with HDSA supplier lists of mining goods and services, and encouraged them to interview prospective HDSA suppliers. The suppliers drawn from such supplier are reflected in the above lists. This almost always had the result

of assisting a rights holder who was otherwise unable to comply with its HDSA procurement targets.

329. The Chamber's complaint is also ill-conceived. The Chamber and its members cannot now, through their own conduct of not complying historically and incrementally with procurement targets, suddenly contend that the targets are too difficult to achieve from their baseline. In other words, if there is insufficient HDSA supplier capacity, this can only be attributable to non-compliance by rights holders with their obligations under the Charter over the last 13 years. It is untenable for the Chamber and its members to use their historical non-compliance with procurement targets in the 2004 Charter and the 2010 Charter to build up the relevant procurement HDSA capacity for mining goods, to justify their future inability to comply with slightly more onerous procurement targets in the 2017 Charter.

330. The Chamber's complaint is ill-conceived for a further reason. The Chamber fails to appreciate the flexibility built into the 2017 Charter and given effect to in practice by the Department since the commencement of the 2004 Charter.

330.1. Paragraph 2.9 of the 2017 Charter provides that "[t]he Department shall monitor and evaluate the Holder's implementation of this Mining Charter of 2017, taking into account the impact of material constraints which may result in not achieving the set target" (emphasis added).

331. Accordingly, if in any given case a rights holder under the MPRDA faces a non-compliance notice in relation to its HDSA procurement target, in circumstances where such rights holder correctly asserts in its defence that there are no HDSA suppliers, a court will certainly come to the assistance of that rights holder.

Allegations regarding relevant considerations and information: Ad paragraph 209

332. I deny that I failed to take into account relevant considerations and information. I duly applied my mind to the submissions received, but – as already indicated – came to a different conclusion, as I am entitled to do. The Chamber speculates that this may be challenging for mining companies to meet, but does not provide a basis for this claim, or aver that it cannot be done.

Allegations regarding international trade agreements: Ad paragraph 210

333. The Chamber's seventh complaint is that the 70% target on HDSA procurement in the Charter "*is in breach of South Africa's obligations under the General Agreement on Trade and Tariffs (GATT) and the Trade, Development and Cooperation Agreement (TDCA) in that it discriminates against the exports of other member countries*". This complaint is meaningless, ill-conceived and incorrect.

334. The Chamber makes this complaint, like most of its others, in a cavalier *en passant* manner in order to invoke support for its interdictory relief. Had the

Chamber really thought this is a significant or remotely plausible point, it would have made out a proper case in its founding affidavit. It hasn't. Instead the Chamber has elected to mention in passing, and in an off-hand manner, an alleged contravention of GATT the TDCA in the briefest and most general terms possible.

334.1. The Chamber does not even bother to identify which particular provision or provisions of GATT and the TDCA it alleges has been breached by the 2017 Charter.

334.2. To compound matters, the Chamber does not explain how, even if there is a breach of certain (unidentified) articles of GATT and the TDCA, such breach is not capable of being justified by the exemption provisions that might apply internally to the article/s concerned.

334.3. Nor does the Chamber explain how, even if there is a breach of certain (unidentified) articles of GATT and the TDCA that is/are not capable of being justified by any internal exemptions to the relevant articles, such breach is not capable of being justified by the general exemption provision under each treaty. In short, the Chamber's objection is entirely meaningless.

335. I am advised, and respectfully submit, that the Chamber's complaint is also ill-conceived and incorrect.

335.1. This is because the provisions of the WTO and GATT and the TDCA are not directly enforceable and justiciable in a South African court, despite the Chamber's attempt to effectively do so.

335.2. Furthermore, and in any event, the threshold of review when considering South Africa's international obligations simply requires a court to assess whether the decision-maker took into account the relevant provisions of any treaties such as the WTO and GATT and the TDCA in making its decision and reaching its conclusions in a *bona fide* manner. The Chamber has misconceived the law in this regard.

336. I am advised that further argument in this regard will be addressed to the court at the hearing of this matter.

PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT: SERVICES

MISCELLANEOUS FURTHER GROUNDS OF REVIEW

Ad paragraph 212

337. The contents of this paragraph are noted to the extent that it expressly reflects the correct legal position.

Allegations regarding unconstitutionality for impossibility: Ad paragraph 213

338. As indicated by the Chamber in the founding affidavit, this is the same objection as that raised in respect of mining goods. This has been dealt with above. Save as aforementioned, the allegations in this paragraph are denied.

Allegations regarding Black owned Companies: Ad paragraph 214

339. In the same vain, this is the same objection as that raised by the Chamber in respect of mining goods. This has been dealt with above. Save as aforementioned, the allegations in this paragraph are denied.

Ad paragraph 215

340. I deny that this sub-element is *ultra vires* the MPRDA, or that the Chamber is entitled to the relief sought.

PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT: SAMPLES

341. Prior to and up until 1994 the mining industry's analytical facilities, and research and development capacity, was resilient and strong. Sampling is required at several and various stages of the mining process. Samples are collected and analysed during exploration. At every point during actual mining samples collected, to test the ore, to test the grade of mineral mined etc. As the extracted mineral is processed, further samples are required to be tested and analysed.

342. The mining industry's analytical facilities, and research and development capacity employed tens of thousands of professionals. These persons included chemists, geologists, engineers etc. Since 1994, however, the Department has witnessed a discernable shift in the practice of the mining industry in terms of which the analysis of samples and the accompanying research and development is abroad and not in South Africa. This has resulted in the closure of many analytical and research and development facilities. Today the infrastructure and installed capacity for analysis and research and development in the mining industry has been considerably reduced from the position which obtained prior to 1994.

343. The requirement for 100% processing of samples at South African facilities was aimed at stemming the local demise of this ancillary but necessary limb of the mining industry. It was aimed at ensuring skills capacity being retained and developed and infrastructure being utilised instead of being mothballed.

344. The requirement for 100% processing of samples domestically first featured in the 2010 Charter. Paragraph 2.8, under the heading "*Sustainable Development and the Growth of the Mining Industry*", recorded *inter alia* as follows:

"Stakeholders undertake to enhance the capacity and skills in relevant South African research and development facilities in order to ensure quality, quick turn around, cost effectiveness and integrity of such facilities. To this extent, mining companies are required to utilise South African

based facilities for the analysis of samples across the mining value chain"

(emphasis added).

345. Compliance with the requirement in the 2010 Charter was not immediate. On the contrary, rights holders were provided with a period of 4 years within which to reach 100% compliance, staggered over that 4 year period as follows: 25% in 2011, 50% in 2012, 75% in 2013 and 100% in 2014.

346. As demonstrated above from the Chamber's 2009/2010 annual report, the Chamber expressly and unequivocally accepted *inter alia* this obligation under the 2010 Charter, required all its members to implement the provisions of the 2010 Charter (including this obligation) and confirmed that the 2010 Charter was a product of extensive consultation with which it agreed. Moreover, as demonstrated above, the Chamber's members purported to implement this obligation. Indeed, several of their audited annual reports regarding compliance with the Charter indicate that they have had success in complying with this obligation.

347. The Department's 2015 assessment attached as "AA26" concluded that "[w]ith regard to the utilisation of South African based research facilities, the performance is encouraging" (at paragraph 5) because, based on the information provided by rights holders (including the Chamber's members), a majority of the right holders met and exceeded the target of utilising South African based research facilities. Therefore, this has proven to be a non-issue until now.

348. The only difference between the 2010 Charter and the 2017 Charter in this regard is that the requirement for 100% sampling at local facilities has been moved from the chapter on *sustainable* development and placed under procurement, where it more properly belongs. However, that makes no difference whatsoever to rights holders. Nor do they complain about that movement. Paragraph 2.2 of the 2017 Charter, dealing with procurement, provides as follows:

"Processing of Samples

- (a) *A Holder must utilise South African Based Companies for the analysis of 100% of all mineral samples across the mining value chain, except in cases where samples are analysed for the purpose of verification of the accuracy of local laboratories.*
- (b) *A Holder may not conduct sample analysis using foreign based facilities and/or companies without the prior written consent of the Minister."*

Allegations regarding relevant considerations: Ad paragraph 217

349. the Chamber complains that the Minister has not presented any evidence to demonstrate that local companies *"have the capacity to conduct an analysis of 100% of a Holder's mineral samples"*, and has not taken this submission by the Chamber into account. However, this is incorrect.

349.1. The Department and the Minister did have regard to the Chamber's submission in this regard. We did not agree with the Chamber's submission.

349.2. Furthermore, this complaint is without merit for the reasons described above. In essence, the Minister is not obliged to demonstrate such capacity and, most importantly, the Chamber and its members have themselves expressly, and in writing, confirmed such capacity.

349.3. Finally, in relation to this point, I attach marked "AA47" an excerpt of a document headed "*Strategy for sustainable development and meaningful transformation of the South African mining industry*" which was jointly authored and jointly presented by Mr Mosa Mabuza (of the Department) and Mr Roger Baxter (of the Chamber) and drawn in about August 2011. This document expressly describes the under-utilisation of local capacity for mineral sampling and research and development in South Africa in the following terms:

"The research and development capacity that was installed in South Africa pre-1991 remains grossly under-utilised, with the industry almost exclusively using off-shore facilities for its research and development needs notwithstanding the availability of such facilities in the country including state-owned facilities such as Mintek, CSIR and CGS."

Allegations regarding lack of criteria: Ad paragraph 218

350. The Chamber complains that the Minister's discretion to exempt a right holder from the requirement is open-ended or not bound by any constraints (including time constraints), might be exercised capriciously or arbitrarily, and for that reason it is reviewable. This complaint is incorrect. It is incorrect because the discretion granted to the Minister is not at all free from legal fetters. On the contrary, as a basic proposition of law, the exercise of any administrative discretion must reasonable failing which it is reviewable under PAJA and/or the principle of legality. Therefore, for example, if the Minister does not respond to a request for an exemption within a reasonable period of time in any given circumstances, the Minister's decision would immediately be reviewable and appropriate relief could be sought from a court

Allegations regarding micro-management: Ad paragraph 219

351. The Chamber asserts that I may not be able to timeously process request received for written permission in circumstances where a holder cannot obtain the sampling services of a South African based company. I deny that this is the case, or that the Chamber has any basis to assume as much. It is inappropriate for the Chamber to cast aspersions in the abstract, with no evidence to support this.

352. I deny that I, in any way, would be 'micro-managing' the daily affairs of the industry through this provision, or that the consequences that this provision will have are indeed as suggested by the Chamber. Furthermore, I deny that the Chamber is entitled to the relief sought.

Allegations regarding section 100(2) of the MPRDA: Ad paragraph 220

353. I deny that the processing of samples does not fall within the ambit of section 100(2). The provisions in this regard also seek to further the transformative objectives of the MPRDA, and ensure meaningful economic participation. As set out above, section 100(2) also does not provide an exhaustive list in respect of what can be included in the Charter. I therefore deny that the Chamber is entitled to the relief sought.

**PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT:
VERIFICATION OF LOCAL CONTENT**

Ad paragraph 335 to 336

354. Paragraph 2.2 of the 2017 Charter, dealing with procurement, provides in relevant part as follows:

"Verification of local content

- (a) *A Holder shall, when submitting the annual Mining Charter report contemplated in paragraph 2.9 to the Department of Mineral Resources, provide proof of local content for goods and services in the form of certification from the South African Bureau of Standards (SABS).*

(b) *The responsibility to verify local content lies with the supplier of goods and/or services."*

355. The Chamber complains that the responsibility to verify local content lies with the supplier who is not bound by the MPRDA. Therefore, so the argument runs, the provision is *ultra vires* the MPRDA. This is incorrect. The express mechanism created in terms of the Mining Charter is through the certification from the South African Bureau of Standards.

356. Added to this, sub-paragraph (a) requires the Holder to obtain such proof from the supplier. As such, while the 2017 Charter does not impose direct obligations on the supplier, the consequence of the refusal is that the supplier cannot benefit from the transaction in order for the Holder to be compliant with the MPRDA. This provision is therefore rendered operative through this duality.

PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT: CONTRIBUTION BY FOREIGN SUPPLIERS

357. As described above, the MPRDA ushered in a new era and a seismic shift in how the limited mineral resources in South Africa are to be perceived and treated. It stipulates that the mineral resources belong to the people of South Africa, and the development thereof has to occur in a manner that benefits the people of South Africa throughout the value chain. If one takes capital goods as an example, the fact that the HDSA target for procurements was at 40% in 2010, meant that the balance of 60% of capital goods could still be procured through

foreign nationals and foreign companies. These foreign persons would benefit from doing business on the development of mineral resources of South Africa without contributing towards the socio-economic development program. Therefore, an obligation on such suppliers to contribute toward the socio-economic development program was inserted in the 2017 Charter.

358. Paragraph 2.2 of the 2017 Charter, under the heading "Procurement and Enterprise Development", provided in relevant part as follows:

"Ensure that multinational suppliers of capital goods annually contribute a minimum of 0,5% of annual income generated from local mining companies towards socio-economic development of local communities into a social development fund from 2010".

359. This placed an obligation on rights holders to ensure that their multi-national suppliers contributed to a social development fund.

360. Government was preoccupied with implementing other aspects of the 2010 Charter. In the ensuing period, it did not as vigorously chase up implementation of this aspect of the Charter as it did others. Accordingly, some members of the Chamber complied more effectively with this aspect of the Charter than others.

361. In the Northern Cape, for example, the Chamber has a mine manager's forum where they established a fund to collect the monies from multinationals, and appointed themselves as trustees of the fund. In this regard, I point out that many

of the Chamber's members purported to implement this obligation. Several of their audited annual reports regarding compliance with the Charter indicates that they have had success in complying with this obligation. The Department and the Minister's office do not know what they did with the money that came through. In fact, based on information provided to the Department by mining rights holders, and as reflected in the 2015 assessment attached as "AA26", "3.4% (not-weighted) have reportedly met the required target Weighted data indicates that 14.9% of the industry has reportedly met and exceeded the target of multinational suppliers contributing towards the social fund".

362. There were many other companies that approached the Department when it came to reporting on this requirement. Some of them had indicated that they had created a provision within the company for such monies received. Others reported that they were awaiting on the Department and the Minister's office to create a fund in which the monies could be collected and placed. The 2010 Charter did not provide a timeline in terms of which government would establish a fund.

363. No rights holder had complained about the principle underpinning the obligation, or the actual obligation. The only complaints the Department ever received in relation to this obligation imposed on rights holders was the manner in which it was to be effected

364. On the contrary, as demonstrated above from the Chamber's 2009/2010 annual report, the Chamber expressly and unequivocally accepted *inter alia* this

obligation under the 2010 Charter, required all its members to implement the provisions of the 2010 Charter (including this obligation) and confirmed that the 2010 Charter was a product of extensive consultation with which it agreed.

365. This obligation on rights holders to ensure a contribution by foreign suppliers is repeated in the 2017 Charter at paragraph 2.2 under the heading "*Contribution by Foreign Suppliers*". It provides as follows:

"A Foreign Supplier must contribute a minimum of 1% of its annual turnover generated from local mining company/ies towards the Mining Transformation and Development Agency."

366. In terms of paragraph 2.11(a), a rights holder has 12 months within which to ensure compliance. Therefore, the 2017 Charter has, yet again, incrementally strengthened a long-established and agreed principle. It now stipulates a deadline of 12 months from June 2017 for implementation. It has increased the contribution to 1% from 0,5%. And it has provided for a fund, the Mining Transformation and Development Agency ("the MTDA"), into which such monies are to be paid.

367. The Chamber raises a number of complaints in relation to this obligation. None of these complaints have any merit.

Allegations regarding Money Bills: Ad paragraphs 223 to 224

368. I note that, but for the broad undertaking that was insisted on by the Chamber, the Department and the Minister would have made substantial progress in setting in setting up the MTDA within the next few months. It is directly as a result of the Chamber's conduct that the Department and Ministry's hands are tied. Nevertheless, there are ongoing efforts to overcome these hurdles.

369. The Chamber's interpretation of section 77 of the Constitution, as well as of the provision under question, is incorrect. I deny that the funds constitute a tax, levy, duty or surcharge as contemplated by section 77(3) of the Constitution, or that the procedure in terms of section 75 was required to be followed. As such, I deny that the 2017 Charter is unconstitutional.

Allegations regarding receipt of levy by the MTDA: Ad paragraphs 225 to 226

370. I deny that the MTDA will exercise an unconstitutional mandate. On a proper analysis, and having regard to the wording, spirit, purport and objects of the MPRDA and the Constitution, the foreign supplier contribution and the payment into the MTDA is entirely lawful. Further argument will be advanced in this regard at the hearing of the matter.

371. Furthermore, I point out that this attack has never featured by the Chamber in relation to the in-principle same obligation under the 2010 Charter. On the contrary, as demonstrated above, the Chamber and its battery of legal advisors expressly and unequivocally accepted and supported the implementation of the obligations under the 2010 Charter (including this in-principle same obligation),

without demur. After several years they have now decided that they object to such an obligation. This gives rise to the compelling inference that the Chamber's conduct is not motivated by its stated commitment to the transformational objectives of the MPRDA, but instead that it is geared toward actively subverting those transformational objectives.

Allegations regarding extraterritoriality: Ad paragraphs 227

372. The Chamber complains that in certain highly unlikely hypothetical circumstances which *might possibly* arise, the 2017 Charter *might possibly* be applied by the Department in a manner which results in it not capable of being enforced against a foreign supplier. The Chamber contends further that, in such instance, *if the Department decides to enforce* the 2017 Charter against such foreign supplier that has no assets or funds locally, the Department effectively would be enforcing the Charter in an extra-territorial manner. That, says the Chamber, is unlawful.

373. This argument is highly speculative. It is also transparently incorrect. If the 2017 Charter is not capable of extra-territorial application in any given instance, the Department generally will not be able to enforce it against such foreign supplier. If the Department unlawfully attempts to do so, it will no doubt be challenged in court by the very vigilant Chamber and some of its members.

374. Furthermore, this is yet another instance of the Chamber clutching at straws in an attempt to conjure every possible argument, irrespective of how desperate or

poor, in a bid to stymie the implementation of the 2017 Charter. As repeatedly described in this affidavit, this repeated conduct by the Chamber stands in marked contrast to its stock refrain of "*being fully committed to the transformational objective of the MRDA*".

375. This argument is also incorrect because it fails to appreciate the nature of the obligations imposed upon the rights holder. The MPRDA regulates right holders. If a rights holder fails to comply with the 2017 Charter, it will be dealt with in accordance with the provisions of the MRDA. It is there therefore incumbent on the rights holder, when they seek services of foreign suppliers, to ensure that the relevant requirements are met by, for example, inserting a condition into their contractual relationship with that supplier or obtaining the requisite guarantee or other assurances from the foreign supplier.

Allegations regarding obligations on suppliers: Ad paragraphs 228

376. I deny that I am not empowered by section 100(2) to give effect to this provision. The Mining Charter creates the framework for those who wish to mine in South Africa, and participate in the mining industry. I note in this regard that the Chamber does not provide any express authority for raising this complaint, or any indication that any of its members are impacted by this provision. I therefore submit that the Chamber does not have the authority to raise this ground.

Ad paragraph 229

377. I deny that this sub-element is unconstitutional and *ultra vires* the MPRDA.

**PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT:
TRANSITIONAL ARRANGEMENTS**

378. The transitional arrangements set out at paragraph 2.11 of the 2017 Charter are there to mitigate any possibility of alleged hardship occasioned to a rights holder caused by the implementation of the 2017 Charter.

379. I point out that there should in fact be no basis for such a claim. This is because the rights holders ought to have incrementally applied the Charter from inception (the 2004 Charter), then reached the targets set out therein over the ten year period, then dealt with the 2010 Charter and taken the incremental steps prescribed therein, and now be in an ideal position to immediately implement the incremental further steps in the 2017 Charter. After all, the Chamber and its members have consistently submitted, over the last 13 years, that they were generally in compliance with the Charter obligations.

380. The Chamber complains that there is confusion and a lack of clarity regarding the meaning to be accorded to the transitional arrangements in the 2017 Charter. This is incorrect. I am advised that, properly interpreted, the relevant provisions are as follows:

380.1. Paragraph 2.11(c) stipulates that a rights holder has three years within which to implement the HDSA procurement targets.

380.2. Paragraph 2.11(e) provides that, in relation to mining goods, the first year target is 15% of the 70%, the second year target is 45% of the 70%, and the third year target is the full 70%.

380.3. Paragraph 2.11(d) states that in relation to all HDS procurement targets, after this three-year period, the transition period may upon request by the rights holder be extended by a further two years in terms of paragraph 2.11 (d) of the 2017 Charter.

380.4. At best for the Chamber, there appears to be an omission in relation to staggered yearly thresholds for the other HDSA procurement targets over the three year period. However, that does not in any way detract from the above. It simply means that in respect of those HDSA procurement targets, the rights holders are at liberty to decide how and to what extent they wish to phase in compliance with the prescribed target over the three year period, provided that by the end of the three year period, they meet the prescribed target.

380.5. There can be no confusion as claimed by the Chamber. Its claim to that effect is, with respect, contrived. I am advised that further argument in this regard will be addressed to the court at the hearing of this matter.

PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT:
PROCUREMENT: GENERAL

381. The Chamber's complaint is that when the Minister first proposed procurement targets in April 2016 the Chamber made a number of submissions in that regard. However, so argument runs, when the 2017 Charter transitional arrangements were promulgated, a year later in July 2017, the Chamber's submissions were not reflected in the revised document. The Chamber concludes that the *"only conclusion to draw from this is that the Minister failed to apply his mind to those submissions"*.

382. This is incorrect for several obvious and related reasons. First, as demonstrated above, the Minister's obligation is to consult with all relevant persons, including the Chamber. The Minister is not obliged to slavishly follow anyone's submissions entirely or in part.

383. Secondly, in any event, extensive, lengthy, detailed and comprehensive consultations were held with the Chamber and other stakeholder. The Chamber had every opportunity to engage with the Department and the Minister throughout the evolution of the Charter from 2004 to date. This is especially the case between April 2016 and April 2017. These consultations were substantive, lengthy and meaningful. They resulted in negotiated positions, and a constant back and forth between the Department and the Chamber. At times, they resulted in the Department and myself being persuaded on certain aspects, at other times we were not persuaded by the Chamber's position. The Chamber's failure to disclose this and to claim that it was not consulted is not an act of good faith.

384. Thirdly, in these circumstances, it is incorrect to conclude that the Minister failed to have regard to the Chamber's submissions merely because the Minister did not adopt the Chamber's submissions. It reveals once again the leitmotif informing the Chamber's approach to this litigation: the Chamber professes lip service to transformation, but by its conduct it actually seeks to subvert transformation by desperately latching onto every and any argument in a bid to prevent the implementation of the 2017 Charter.

EMPLOYMENT EQUITY

Ad paragraphs 238 to 241

385. The Chambers grounds of review in this regard are overlapping and inter-related.

I deny that there is any merit to any of the grounds of review raised.

386. The Chamber complains that the employment equity targets are imposed immediately but are not capable of being implemented immediately and this will cause havoc in the mining industry. But this is incorrect for several reasons, including the following.

387. But the Chamber's complaint is incorrect. It fails to have regard to the actual facts. As described above, a matter of practice, the Department always applied the Charter in a flexible and sensitive manner that took into account the individual circumstances of each rights holder. This was also in relation to monitoring and implementing employment equity.

388. Furthermore, on the rights holder's own version, there is capacity for higher employment equity thresholds. The Chamber's allied complaint that the targets for Black Women do not take into account the mining industry's existing employment equity profile or the university skills pipeline is incorrect. In other words, there are pools of suitably qualified HDSA persons who are not being employed by the mining industry. In this regard, and by way of example, I attach as "AA48" a recent list drawn by the Mining Qualifications Authority established in terms of the provisions of the Mine Health and Safety Act 29 of 1996. It was drawn as at 26 July 2017 by that authority. It shows a current list of qualified graduates from universities or other institutions of higher learning with professional skills relevant to the mining industry (and related disciplines), and who are either unemployed or employed in other sectors. The relevant MQA official will provide a confirmatory affidavit in due course.

389. The Chamber's complaint is also ill-conceived. The Chamber and its members cannot now, through their own conduct of not complying historically and incrementally with employment targets, suddenly contend that the targets are too difficult to achieve from their baseline. In other words, if there are insufficient pools of qualified persons (which is denied), this can only be attributable to non-compliance by rights holders with their obligations under the Charter over the last 13 years. It is untenable for the Chamber and its members to use their historical non-compliance with employment equity obligations in the 2004 Charter and the 2010 Charter (including to build up the relevant employment equity capacity), to

justify their inability to now comply with slightly more onerous targets in the 2017 Charter.

390. The Chamber's complaint is ill-conceived for a further reason. As described above, the Chamber fails to appreciate the flexibility built into the 2017 Charter. The Chamber has 12 months within which to implement the employment equity targets. It is not "*immediate*". Furthermore, paragraph 2.9 of the 2017 Charter provides that "[t]he Department shall monitor and evaluate the Holder's implementation of this Mining Charter of 2017, taking into account the impact of material constraints which may result in not achieving the set target" (emphasis added).

391. The Chamber complains that the problem is exacerbated because, it notes, white women are now excluded from the qualifying employment pool whereas previously they were included. I disagree with the suggestion that there is an insufficient pool of skilled HDSA persons to meet the employment equity targets for the reasons described above. In any event, I note that the Chamber's concern regarding white women is, once again, revealing of its intention to subvert true transformation. The Chamber appears to be concerned that the pool of qualified persons is going to be diminished by the exclusion of white women from the definition of Black Person. However, as demonstrated elsewhere in this affidavit, where the definition of Black Person has been sought to be legitimately expanded to include HDSAs that are otherwise unfairly excluded from the pool of qualified persons, the Chamber objects. This contradiction in the Chamber's approach is telling.

392. I deny that the Chamber is entitled to the relief sought.

HUMAN RESOURCE DEVELOPMENT

Ad paragraphs 242 to 249

393. The rationale and objectives of human resource development as a core transformational objective is not in dispute. On the contrary, by all accounts its repeated public utterances are to the effect that it supports this.

394. However, as will be demonstrated below, the Chamber's conduct demonstrates that it is only paying lip service to the objective of human resource development. In reality through its conduct, the Chamber is actively seeking to undermine this transformational objective.

395. Human resources development first featured in the 2004 Charter at para 4.1 in *inter alia* the following terms:

"The South African labour market does not produce enough of the skills required by the mining industry. Stakeholders shall work together in addressing this skills gap in the following manner:

- *Through the standing consultative arrangements they will interface with statutory bodies such as the Mines Qualifications Authority*

(MQA), in the formulation of comprehensive skills development strategies that include a skills audit;

- By interfacing with the education authorities and providing scholarships to promote mining related educational advancement, especially in the fields of mathematics and science at the school level;
- By undertaking to ensure provision of scholarships and that the number of registered learnerships in the mining industry will rise from the current level of some 1200 learners to not less than 5000 learners by March 2005; and
- Through the MQA shall undertake to provide skills training opportunities to miners during their employment in order to improve their income earning capacity after mine closure.

...

Companies undertake:

- To offer every employee the opportunity to become functionally literate and numerate by the year 2005 in consultation with labour;
- To implement career paths to provide opportunities to their HDSA employees to progress in their chosen careers; and
- To develop systems through which empowerment groups can be mentored as a means of capacity building."

396. However, there was a lack of progress regarding the implementation of the transformational objective of human resources development. This is reflected at para 3.1 of the 2009 assessment, attached as **AA18**".

397. This resulted in the promulgation of the 2010 Charter which imposed the following obligations on rights holders in terms of paragraph 2.4 under the heading "*Human Resource Development*":

"The mining industry is knowledge based and thus hinges on human resource development, constituting an integral part of social transformation at workplace and sustainable growth. To achieve this objective, the mining industry must –

- *Invest a percentage of annual payroll (as per relevant legislation) in essential skills development activities reflective of the demographics, but excluding the mandatory skills levy, including support for South African based research and development initiatives intended to develop solutions in exploration, mining, processing, technology efficiency (energy and water use in mining), beneficiation as well as environmental conservation and rehabilitation; as follows –*
 - *Target for 2010 = 3%;*
 - *Target for 2011 = 3.5%;*
 - *Target for 2012 = 4%;*
 - *Target for 2013 = 4.5%;*
 - *Target for 2014 = 5%."*

398. I point out that the above obligation imposed on rights holders was almost the exact same obligation which the parties (including the Chamber) had agreed on and signed in the 2010 declaration (see "commitment 7") that is attached as "AA20".

399. Furthermore, as demonstrated above, in relation to the Chamber's 2010 annual report, the Chamber unequivocally and expressly accepted, adopted and encouraged the implementation of the 2010 Charter.

400. The 2015 assessment report, attached as "AA26", assessed the implementation of the 2010 Charter, based again on information provided by rights holders. It recorded the following at paragraph 4.6:

"When weighted, the number of right holders meeting the target increases to 56.8%.

...

Although there are some right holders that have striven to meet this target, there are still a significant number of right holders that have fallen below the requisite threshold."

401. The only material difference in the 2017 Charter is that the 5% is no longer to be assessed against annual payroll, but instead against a Leviable amount. The Chamber motivated for that submission and the Department and the Ministry accepted it. It effectively results in a less onerous requirement being placed on the Chamber.

402. However, the Chamber now complains about this obligation to invest 5% although it championed and supported it in the 2010 declaration and the 2010 Charter and even though its member applied it thereafter. Remarkably, the Chamber invokes the equality clause of the Constitution and complains that it is being unfairly discriminated against. This is obviously incorrect. I am advised that further argument in this regard will be addressed to the court at the hearing of this matter. Moreover it reveals the Chamber's bad faith approach to engaging the transformational objectives underpinning the Charter.

403. The Chamber also raises a series of other complaints, identical to those considered above in relation to other obligations under the 2017 Charter against this transformational obligation. These arguments concern the MTDA and the constitutionality of a 5% "levy". They are, for the reasons advanced above, incorrect.

MINE COMMUNITY DEVELOPMENT

Ad paragraphs 250 to 253

404. The Chamber's attacks against the obligation on rights holders in relation to mine community development follow a similar pattern as described above. There is no merit to any of these attacks.

405. The Chamber contends *inter alia* that the obligation is vague. This is incorrect.

I am advised that it is a question of statutory interpretation that will be dealt with by way of argument at the hearing of this matter.

406. The Chamber also complains about the MTDA. That complaint is identical to the Chamber's complaint considered above in relation to other obligations under the 2017 Charter. It is, for the reasons advanced above, incorrect.

407. The Chamber complains that the 2017 Charter obligation in respect of mine community development is the same as rights holders' obligations under their SLPs (regulated by MPRDA regulations), except for a problematic timing difference between the two. But the Chamber's complaint is ill-conceived. The Charter simply reinforces existing SLP obligations. The contention that there is a timing difference between these identical respective obligations is incorrect. This is because an SLP has to be renewed every 5 years. At any time in the year a rights holder should be implementing its SLP. Rights holders are already under a continuing obligation in that regard. The SLP reporting requirement is also annual. There can be no problem regarding the immediate implementation of the 2017 Charter obligation in this regard. It simply requires the rights holder to comply with what it already should be complying with under its SLP.

408. I deny that the Chamber is entitled to the relief sought. I am advised that further argument will be advanced at the hearing of this matter.

SUSTAINABLE DEVELOPMENT AND GROWTH

Ad paragraphs 254 to 261

409. The Chamber's attacks against the obligation on rights holders in relation to sustainable development are without merit.

410. The Chamber's main contention that this objective in the 2017 Charter does not fall within the purview of the empowering provision of the MPRDA is incorrect. It is artificial to contend, as the Chamber effectively does, that health and safety and sustainable development are not part of a socio-economic development obligation.

411. The Chamber's complaint that its submissions were not taken into account are incorrect for the reasons described above in response to the identical complaint regarding other Charter obligations. In essence, they were taken into account. However, they were not adopted.

412. The Chamber's complaint that this obligation already features in other statutory instruments is, likewise, not a concern. This is because the 2017 Charter simply reinforces existing obligations. No issues arise from that. Nor has the Chamber been able to specifically identify any. If and when such issues do arise, the Department will deal with them accordingly.

413. Without a shred of evidence, the Chamber complains that the relevant percentages in relation to research and development to be spent on historically

black academic institutions were "*plucked out of nowhere*". This is incorrect. The Department considered *inter alia* the financial statements of a sample of rights holders, considering their total expenditure, their research and development, their history of spending, and the 2017 Charter targets for the procurement of goods in order to determine these percentages.

414. The Chamber complains that the wording "*must be spent on South African Historically Black Academic Institutions*" is unclear. This is incorrect.

415. The Chamber complains that there is no evidence that these institutions have relevant research capacity. But there is no obligation imposed on the Minister to provide such evidence to the Chamber. Nor does the Chamber squarely contend on oath that there are no historically black institutions that have the requisite capacity. In any event, if a rights holder runs into any difficulty because of a lack of institutional capacity, the 2017 Charter caters for this. Paragraph 2.9 provides that "[t]he Department shall monitor and evaluate the Holder's implementation of this Mining Charter of 2017. taking into account the impact of material constraints which may result in not achieving the set target" (emphasis added). Furthermore, in this regard, I refer to the above-described statements where the Chamber has itself expressly acknowledged the gross under-utilisation of local research and development capacity and facilities.

416. The Chamber raises other complaints regarding infringements of the Constitution which it also raises in the context of other Charter. These have been dealt with above. There is no merit in any of them. They also reveal the Chamber's failure

to appreciate the change wrought by the MPRDA and the values underpinning that act and the Charter.

417. I am advised that further argument in the above respects will be dealt with at the hearing of the matter.

HOUSING AND LIVING CONDITIONS

Ad paragraph 262

418. The Chamber's complaint that this obligation already features elsewhere under the MPRDA, therefore it is claimed the Minister inclusion thereof under the 2017 Charter is ultra vires. This is incorrect. At worst, the 2017 Charter simply reinforces existing obligations. No issues arise from that. Nor has the Chamber been able to specifically identify any. In any event, this complaint reveals the Chamber's failure to appreciate the role and transformational objectives underpinning the Charter.

419. I am advised that further argument in the above respects will be dealt with at the hearing of the matter.

MISCELLANEOUS GROUNDS OF REVIEW RAISED BY THE CHAMBER

APPLICATION TO THE PRECIOUS METALS ACT AND THE DIAMONDS ACT

Ad paragraphs 263 to 264

420. I admit the contents of these paragraphs.

Ad paragraphs 265 to 267

421. I deny that the Chamber's interpretation of these provisions is correct, or that paragraph 2.8.2 is *ultra vires*. This is a matter of statutory interpretation that will be dealt with in argument.

RING-FENCING AND COMPLIANCE***Ad paragraph 268***

422. It is unclear of what basis the Chamber states so categorically that compliance is not possible. Indeed, it does not provide any substantiation for this bald allegation. However, I note in this regard, as referred to above, that the Chamber fails to have regard to the flexible and sensitive approach that the Department has always had, and the willingness of the Department to engage with the industry and other stakeholders.

APPLICABILITY OF TARGETS***Ad paragraphs 269 to 270***

423. The Chamber simply refers to its general grounds of review in this regard.

Accordingly, I refer to my responses thereto.

NON-COMPLIANCE WITH THE 2017 CHARTER

Ad paragraphs 271 to 277

424. The Chamber repeats its allegations that the Charter is *ultra vires* and that the Minister is not empowered in terms of section 47. I have dealt with this extensively above, and again deny the allegations in this regard. I deny that the Chamber is entitled to the relief sought.

AD SERIATIM

425. Set out below, I provide my *ad seriatim* responses to the remaining allegations contained in the Chamber's application.

AD PARAGRAPH 1

426. As I have already dealt with above, the 2017 Charter is an instrument that strives to achieve transformation in the mining industry. It seeks to do so incrementally in the pursuance of substantive equality. The Chamber's efforts to undermine the Mining Charter through this application in turn undermine the achievement of that aim, and seek to halt the steps being taken in this regard.

427. It is therefore inapposite for the Chamber to claim, as it does, that it and its members are fully committed to the transformational objectives of the MPRDA. While certainly members of the Chamber – some more so than others – have taken certain steps to achieve these objectives, chiefly through the mechanisms created through the implementation of the Mining Charter, it is undeniable that the mining industry remains frustratingly untransformed and reluctant to the transformative agenda of the Department.

AD PARAGRAPHS 2 TO 3

428. As dealt with above, I deny that the Chamber has any basis to claim that there have been attempts to subvert the rule of law, the MPRDA or its objectives. To the contrary, the instrument of which the Chamber complains is directly in pursuance of the objectives set out in the MPRDA.

429. The Chamber's application is littered with emotive, unsubstantiated claims of the 2017 Charter being the death knell of the mining industry. I deny that this is true. There is no evidence whatsoever to substantiate the Chamber's claim that the 2017 Charter "will, if implemented, destroy the [mining] industry". Furthermore, there is no reason to think that the 2017 Charter will have such a dire consequence, where the previous Charters did not. Instead, the furtherance of the aims contained in the MPRDA and the 2017 Charter has the potential to serve in the best interest of the country, the industry and those who have been affected by mining-activities.

430. The Chamber's flawed approach in bringing this application by way of a judicial review, which cannot be sustained in law, will be dealt with further in argument. For present purposes, suffice it to say that I deny that the Chamber is entitled to the relief sought.

AD PARAGRAPHS 4 TO 5

431. The Chamber's careless statements in respect of the impact of the Mining Charter border on being reckless, in addition to being inaccurate. The Chamber's miscommunications and mischaracterisations of the Charter have contributed considerably to the negative press. I deny that there has been "universal disbelief and condemnation on the part of mining lawyers", or that it has been an "unmitigated disaster". Again, in the absence of any substantiation, such overt exaggeration and inaccuracies do not have any place in court proceedings or the public discourse in matters of such public importance.

432. The table of figures attached as Annexure FA1 to the Chamber's application does nothing to provide context, reflect the usual exigencies of the market or other factors that may have also had an impact, or provide any indication of the market recovery in this regard. Furthermore, I have noted the indication provided by Moody's. However, contrary to the Chamber's averment that Moody's has implied that this may lead to a cut in South Africa's credit rating, Moody's has expressly urged that its position be clarified to reflect that the phrase "negative

credit" does not mean that it intends downgrading a rating. A copy of media reportage in this regard is annexed marked "AA49".⁶

AD PARAGRAPHS 6 TO 9

433. The Chamber's arguments are summarised in these paragraphs. These allegations have been dealt with above.

434. Save as aforesaid these allegations are denied.

AD PARAGRAPHS 10, 11 AND 13

435. The contents of these paragraphs are noted.

AD PARAGRAPH 12

436. I deny that the allegations in the founding affidavit are true and correct.

AD PARAGRAPH 14

437. I note the definitions contained in these paragraphs, and for ease of reference and consistency, have used the same in this affidavit. However, as dealt with

⁶ Business Day, *Moody's warns Mining Charter will be 'credit negative' for SA resources groups*, 21 June 2017: <https://www.businesslive.co.za/bd/economy/2017-06-21-moodys-warns-of-ratings-cuts-to-resources-firms-if-mining-Charter-is-enforced/>

above, I deny that there has been anything unlawful in referring to "Black Person" and "Black Owned Company" instead HDSA in the 2017 Charter.

AD PARAGRAPHS 15 TO 16

438. As I pointed out in my answering affidavit to Part A of the present application, the Chamber has not attached a resolution of its members who have voted in favour of the present litigation or the challenge to the Charter. The Chamber has still not done so – and again, I invite the Chamber to do so. Furthermore, I again invite the Chamber to indicate to this Court the extent to which the content of the 2017 Charter was debated with its members, and the outcome of that debate.

439. I have already dealt above with the Chamber's self-proclaimed commitment to transformation. Save as aforesaid, these allegations are noted.

AD PARAGRAPHS 17 TO 50

440. I have dealt with the context and history relevant to this matter in some detail above. Chabane accuses me and my team of being blind to the processes and outcomes of discussions because I was not present during the early discussions regarding the Original Charter. Whilst it is correct that I did not attend the meetings preceding the Original Charter during 2004, I am familiar and well-versed in the discussions, considerations and negotiations that took place. I have also had the benefit of members of the experience of members of my team having been present.

441. While I am aware of the steps that have been taken since the Original Charter, it is undeniable that not enough has yet been done to meaningfully transform the mining industry, which is precisely what the 2017 Charter seeks to remedy.

442. It is further not clear from Chabane's founding affidavit, who seeks to level this criticism against me, or the confirmatory affidavit of Baxter, whether these averments fall within the personal knowledge of Chabane himself.

443. Save as aforesaid, the contents of these paragraphs are noted.

AD PARAGRAPHS 51 TO 56

444. The context and history relevant to the 2010 Charter has also been dealt with in detail above. The Chamber adopts a contradictory stance in respect of the 2010 Charter: on the one hand, it claims to have shown defiance insofar as industry stakeholders were not signatories to the 2010 Charter, whilst on the other hand it trumpets the steps taken by its members in pursuance of the targets set out therein.

445. As I have set out above, I submit that the 2010 Charter is legally enforceable and binding, and through conduct has been recognised as such by the Chamber.

446. In respect of the Chamber's 2015 Application, there can be no basis on which the Chamber could reasonably have expected for the transformation imperatives

to be held in abeyance pending its litigation. First, the Chamber only sought to launch its application in 2015 against the 2010 Charter, five years after the 2010 Charter had been in force. It has since been more than two years since the application was launched, before the matter will be heard by a court. This does not include any appeal processes that may arise.

447. Such delays are untenable and impermissible. The Chamber has nevertheless sought to persist with its litigation in respect of the 2010 Charter, notwithstanding the publication of the 2017 Charter. Whilst this stance by the Chamber is unfortunate, it would have been unacceptable to permit this to delay the ongoing work of the Department.

448. Save as aforesaid, the contents of these paragraphs are noted.

AD PARAGRAPHS 57 TO 58

449. The contents of these paragraphs are noted.

AD PARAGRAPHS 59 TO 70

450. I deny that the Chamber had made out a case for the grant of an interim interdict in Part A of the present application. The Chamber's application was stridently opposed, and as I set out in detail in my answering affidavit in Part A, the Chamber was not entitled to the relief sought.

451. In particular, I deny that there are no transitional provisions contained in the 2017 Charter. This has been dealt with above. Again, the Chamber engages in speculation and conjecture regarding the possible outcomes that the 2017 Charter may have – characteristically proffering that which appears to present the most dire consequences, without a factual underpinning to substantiate the allegations.

452. Save as aforesaid, the contents of these paragraphs are noted.

AD PARAGRAPH 278 TO 280

453. The contents of these paragraphs have been dealt with above. I deny that the Chamber has established a case in support of any of the contentions listed herein, or that it is entitled to the relief that it seeks. Accordingly, I submit that the application falls to be dismissed in its entirety.

AD PARAGRAPH 281

454. The contents of this paragraph are noted.

AD CONFIRMATORY AFFIDAVIT OF MAGWENA

AD PARAGRAPHS 1 TO 2

455. The contents of these paragraphs are noted.

AD CONFIRMATORY AFFIDAVIT OF BAXTER

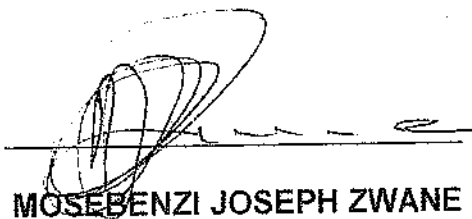
456. The contents of these paragraphs are noted.

457. I note that at paragraph 17 of the Chamber's founding affidavit, the Chamber refers to the confirmatory affidavit of Baxter "who has personal knowledge" in respect of the Original Charter.⁷ However, neither in the subsequent paragraphs in the founding affidavit relating to the Original Charter, nor in Baxter's confirmatory affidavit, is it made clear which averments are attributable to Baxter and which fall within the purview of the personal knowledge of Chabana.

CONCLUSION

458. The Chamber's approach to this litigation -- including in raising 58 grounds of review, many of which are only blithely raised and without any real substantiation -- borne out of commercial interests, has resulted in costly and unnecessary litigation. Accordingly, I am advised that I am entitled to seek an order that the Chamber be liable for the costs of this litigation in the event that it is either wholly or substantially unsuccessful.

⁷ FA at p 27, para 17.

403

MOSEBENZI JOSEPH ZWANE

The Deponent has acknowledged that he knows and understands the contents of this affidavit which was signed and sworn to or solemnly affirmed before me at *Pretoria* on *10th* November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.


COMMISSIONER OF OATHS

Full names:

Business address: *Mabumetja Klaas Mabote*

Designation: PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS

Capacity: PRACTISING ATTORNEYS, R.S.A

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA1

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

SIBONGILE JANE MALIE

state under oath that:

1. I am the Director Mineral Policy Development in the Department of Mineral Resources ("the Department").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

M5-2

MB

S-5

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
- 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
- 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.

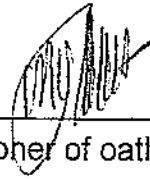


SIBONGILE JANE MALIE

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.







Commissioner of oaths

Full names:
Business address:
Designation:
Capacity:

Mabumetja Klaas Mabote
PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

W.J.Z

S.J.

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA2

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

BONGIWE MABUSELA

state under oath that:

1. I am the Director Empowerment Transactions Assessment in the Department of Mineral Resources ("the Department").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.
3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.

M-J-Z B.M. Mb

4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:

4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and

4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.

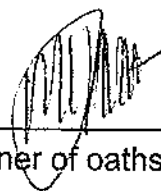


BONGIWE MABUSELA

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

M.K

M.S.2



Commissioner of oaths

Full names:
Business address:
Designation:
Capacity:

Mabumetja Klaas Mabote
PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

B.U

1M-5-2

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

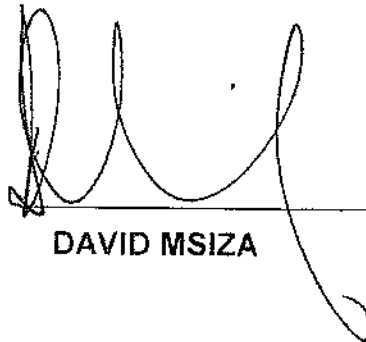
DAVID MSIZA

state under oath that:

1. I am the Chief Inspector of Mines currently the Acting CEO of MINTEK.
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

M.K. DM
M.S.Z

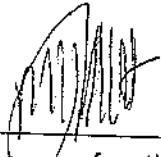
3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
- 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
- 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.



DAVID MSIZA

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

M.F.2 M.K.



Commissioner of oaths

Full names:
Business address: *Mabumetja Klaas Mabote*
Designation: PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
Capacity: PRACTISING ATTORNEYS, R.S.A

MS-2 AM

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA4

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

MOSA MABUZA

state under oath that:

1. I am the Chief Executive Officer of the Council for Geoscience, I was the Deputy Director General in the Department of Mineral Resources ("the Department").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

M.T.2

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
- 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
- 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.

MOSA MABUZA

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at _____ on _____ 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

M.J.Z

Commissioner of oaths

Full names:

Business address:

Designation:

Capacity:

11/15/2

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AAS

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

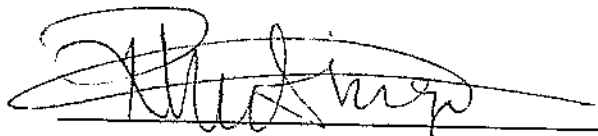
R.
RENDANI MUTHENGE- MUTHIGE

state under oath that:

1. I am the Deputy Director Mineral Policy Development in the Department of Mineral Resources ("the Department").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

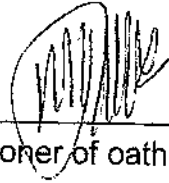
M.S. 2
R. MK

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
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- 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.


RENDANI MUTHENGE- MUTHIGE
R.

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at PRETORIA on 10th NOVEMBER 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

 
M. S. Z.



Commissioner of oaths

Full names:
Business address: *Mabumetja Klaas Mabote*
Designation: PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
Capacity: PRACTISING ATTORNEYS, R.S.A

R

MAFZ

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA6

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

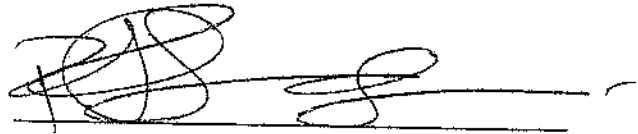
ROFHIWA IRENE SINGO

state under oath that:

1. I am the Chief Financial Officer in the Department of Mineral Resources ("the Deaprtment").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.


11.5.2

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
- 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
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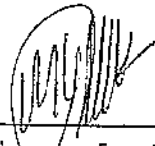


ROFHIWA IRENE SINGO

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

M.K

M.J.2



Commissioner of oaths

Full names:

Business address:

Designation:

Capacity:

Mabumetja Klaas Mabote

PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

MEZ

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA7

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent


CONFIRMATORY AFFIDAVIT

I, the undersigned,


SETEPANE MOHALE

state under oath that:

1. I am the Chief Director Mineral Promotion and International Coordination in the Department of Mineral Resources ("the Department").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

M J-2  MK

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
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- 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.


SETEPANE MOHALE

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MK

MJ2



Commissioner of oaths

Full names:

Business address:

Designation:

Capacity:

Mabumetja Klaas Mabote

PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

MJ2



IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

A A 8

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

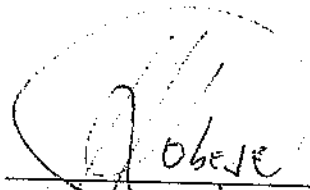
SIBUSISO KOBESE

state under oath that:

1. I am the Deputy Director Mineral Policy Development in the Department of Mineral Resources ("the Department").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

MB
MJZ JK

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
- 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
- 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.


SIBUSISO KOBESE

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

MJZ ^{mk}



Commissioner of oaths

Full names:
Business address:
Designation:
Capacity:

Mabumetja Klaas Mabote
PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

WA. Fr 2



IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA9

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

AYANDA SHEZI

state under oath that:

1. I am the Chief Director Communications in the Department of Mineral Resources ("**the Department**").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.
3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.

11/11/17 M.K.

4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:

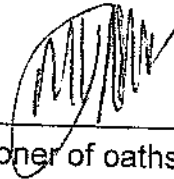
4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and

4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.



AYANDA SHEZI

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.



Commissioner of oaths

Full names:
Business address:
Designation:
Capacity:

Mabumetja Klaas Mabote
PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

MTOHOKOZISI LETHUKUTHULA MTSHALI

state under oath that:

1. I am the Deputy Director, Mineral Policy Development in the Department of Mineral Resources ("**the Department**").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

M. J. 2

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
 - 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
 - 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.

MTOHOKOZISI LETHUKUTHULA MTSHALI

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at _____ on _____ 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

M.J.Z

Commissioner of oaths

Full names:

Business address:

Designation:

Capacity:

M. T. Z

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

MANDELA LUMUMBA MARTIN MADLALA

state under oath that:

1. I am the Acting Director in the Office of the Deputy Director General in the Department of Mineral Resources ("**the Department**").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

M. T. S.)

11/11/17

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
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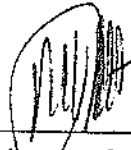


MANDELA LUMUMBA MARTIN MADLALA

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

M.K

M.SZ



Commissioner of oaths

Full names:
Business address:
Designation:
Capacity:

Mabumetja Klaas Mabote
PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

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IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA12

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

PIETER ALBERTS

state under oath that:

1. I am the Chief Director Legal Services in the Department of Mineral Resources ("**the Department**").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.
3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.

M. J. 2 ^{mk}

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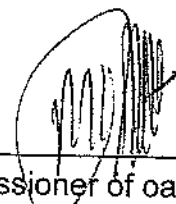
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:

4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and

4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.


PIETER ALBERTS

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.


Commissioner of oaths

Full names:
Business address:
Designation:
Capacity:

Mabumetja Klaas Mabote
PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

M.T.Z

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA13

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

SEIPATI DHLAMINI

state under oath that:

1. I am the Acting Deputy Director General Mineral Regulation in the Department of Mineral Resources ("the Department").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

M.A.T.D. MK

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
- 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
- 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.

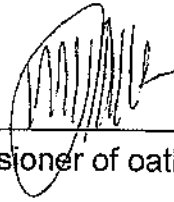


SEIPATI DHLAMINI

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 10th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

MJR

M.J.Z



Commissioner of oaths

Full names:
Business address: *Mabumetja Klaas Mabote*
Designation: PREMIUM TOWERS, PRETORIA
Capacity: COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

M.F.D

000

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA 14

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

JEANIFFER NTOME

state under oath that:

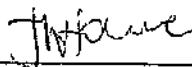
1. I am the Assistant Director Mineral Policy Development in the Department of Mineral Resources ("the Department").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

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Mk

J.N

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
- 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
- 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.

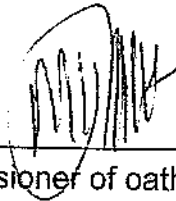


JEANIFFER NTOME

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at Pretoria on 16th November 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

mk

M.F.2



Commissioner of oaths

Full names:
Business address:
Designation:
Capacity:

Mabumetja Klaas Mabote
PREMIUM TOWERS, PRETORIA
COMMISSIONER OF OATHS
PRACTISING ATTORNEYS, R.S.A

N1 E1

TUN

IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

AA15

CASE NO 71147/17

In the matter between:

CHAMBER OF MINES OF SOUTH AFRICA

Applicant

and

MINISTER OF MINERAL RESOURCES

Respondent

CONFIRMATORY AFFIDAVIT

I, the undersigned,

KAGISO MENOE

state under oath that:

1. I am the Acting Chief Executive Officer of the State Diamond Trader, I was the Director Mineral Beneficiation Economics in the Department of Mineral Resources ("**the Department**").
2. The facts contained in this affidavit are within my personal knowledge and are, to the best of my knowledge and belief, both true and correct.

MJ-2

3. I have read the Answering Affidavit of Mosebenzi Joseph Zwane the Respondent in this judicial review application, and confirm its correctness insofar as it relates to the Department and me.
4. In particular, I confirm the contents of the Answering Affidavit in so far as it deals with:
 - 4.1 the history, nature, purpose, scope and development of the charters from inception until the 2017 charter; and
 - 4.2 the consultation between the Respondent and the Department on the one hand, and the Applicant and the other stakeholders on the other hand.

KAGISO MENOE

The Deponent has acknowledged that the Deponent knows and understands the contents of this affidavit, which was signed and sworn to or solemnly affirmed before me at _____ on _____ 2017, the regulations contained in Government Notice No. R1258 of 21 July 1972, as amended, and Government Notice No. R1648 of 19 August 1977, as amended, having been complied with.

MJZ

Commissioner of oaths

Full names:

Business address:

Designation:

Capacity:

M. J. Z

iii) Research on occupational health in the mining industry will, as recommended by the Leon Commission, receive due attention as part of the mine health and safety research programme.

iv) A system of matching grants will be considered for funding research and development projects.

v) Focussed and co-ordinated research on economic geology will be supported by Government and industry to attract exploration investment to South Africa.

vi) Co-operation between the various mining and mineral processing research and development institutions will be encouraged to make best use of existing facilities, to promote collaborative research efforts, to promote technology transfer and to ensure that minerals-related research and development is conducted in accordance with the country's science and technology policy and national objectives for the minerals industry. The results of the technology foresight exercise being conducted by the Department of Arts, Science, Culture and Technology will contribute to this endeavour.

Chapter Two:

PARTICIPATION IN OWNERSHIP AND MANAGEMENT

Past legislation and practices have inhibited black ownership of assets, in mining as in other of the country's principal producing sectors. While various initiatives are under way to introduce black investors into the industry, ownership of the main mining companies remains as yet essentially unchanged. A long-term perspective is needed because of the difficulties of raising the large capital sums involved.

Similarly, workplace discrimination (legislated in some cases) obstructed the advancement of black people into middle and senior management positions in the mining industry. Progress has been made in recent years, both on the mines (notably via apprenticeship and other training programmes) and in head offices. But the impact will take some years to start being really visible because of the long periods needed for employees to acquire the practical experience required for promotion.

Black participation in ownership and management of the mining industry will have special political significance for South Africa's development as a market-based democracy.

2.1 Background

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White Paper

A

Minerals and Mining Policy

for

South Africa

October 1998

Pretoria

Department of Minerals and Energy Tel: (012) 317-9000
Private Bag X59 Fax: (012) 322-3416
Pretoria
0001

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Introduction

South Africa's mining industry is supported by an extensive and diversified resource base, and has since its inception been a cornerstone of South Africa's economy. The changes which have come about in our country make it necessary to prepare the industry for the challenges which are facing all South Africans as we approach the twenty-first century.

The review process has taken account of the problems and opportunities confronting the mining industry against the backdrop of changes in the country's policy and institutional environment. In particular, the passage to the Mine Health and Safety Act of 1996 will have far-reaching impacts on the industry in the areas of health and safety and human resource development. Changes in labour legislation and the introduction of employment equity legislation, as well as the reform of the environmental regulatory system, create a dynamic context for this policy review. Beyond our borders increasing competition, both in commodity markets and for investment, from mineral-rich countries that have liberalised their economic and political systems to attract investment are significant influences on the policy reform process.

The policy review process took account of problems and opportunities facing the mining industry. The gold mining sector, particularly, is re-examining its production techniques in the light of a static gold price, deep levels of working and higher operating costs. Undoubtedly some of the older mines are reaching the end of their lives, leading to job losses and the other attendant negative effects of downscaling, but these problems are being tackled energetically within the sector, through restructuring of mining groups, technological advances and innovative methods of improving productivity. Apart from gold mining, there are many other minerals being produced, for some of which South Africa is the leading producer and holder of reserves. The White Paper also has a chapter on small-scale mining which is intended to encourage the small and medium sized operator, to the benefit of employment and the overall economy. Government mineral policy had to take account of the international nature of the mining industry in order to ensure the continuing prosperity of our own mines.

In September 1995, the Mineral Policy Process Steering Committee was formed consisting of representatives from both the executive and legislative branches of Government, as well as organised business and organised labour. The mandate given to the Steering Committee was to conduct an extensive consultative process to canvass stakeholder opinion for the preparation of a new minerals and mining policy for South Africa. In November 1995, a *Discussion Document on Minerals and Mining Policy for South Africa* was published and extensive written comments were received. Four hundred people attended public mineral policy workshops held in March 1996, at which a wide range of issues were debated. Bilateral meetings were held with *inter alia* provincial governments, ministries, departments, investment analysts, foreign-owned mining companies and environmental interest groups. In addition, written submissions were

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received from several interested parties during the consultative process. The end result of this, the most comprehensive consultative process yet conducted for a review of a minerals and mining policy in South Africa, was a document containing proposals that have been drafted after careful consideration of a very broad range of views. The submission of the document to the Minister of Minerals and Energy concluded the task of the Steering Committee.

The Minister requested the Department of Minerals and Energy to consider certain adjustments to the document in line with his budget speech in the National Assembly on 21 May 1997. The views of stakeholders, such as small-scale miners, environmental groupings and communities, who felt that they were not properly consulted by the Steering Committee, as well as the outcomes of other policy processes, were also considered in the final editing of the document. The document was then ratified by the Minister of Minerals and Energy and Cabinet as a Green Paper on Minerals and Mining Policy for South Africa.

The Green Paper was published on 3 February 1998 and the public was invited to respond not later than 31 March 1998. The Department of Minerals and Energy received more than a hundred written submissions from the public, and in addition, submissions were received from interested parties during public hearings held by the Parliamentary Portfolio Committee on Minerals and Energy.

The Department of Minerals and Energy established working groups to consider the various inputs and to effect appropriate amendments. The document was then ratified by the Minister of Minerals and Energy as a Draft White Paper. The Cabinet Committee for Economic Affairs requested further amendments, whereafter Cabinet on 23 September 1998 approved the document as a White Paper on Minerals and Mining Policy for South Africa.

The Draft White Paper is organised into six main themes:

- Business Climate and Mineral Development, which looks at the continuation of policy conducive to investment and includes a section on Mineral Rights and Prospecting Information which presents changes to the system of access to, and mobility of, mineral rights;
- Participation in Ownership and Management, which examines racial and other imbalances in the industry;
- People Issues, which looks at health and safety, housing needs, migrant labour, industrial relations and downscaling;
- Environmental Management;
- Regional co-operation; and
- Governance.

Each chapter and subchapter contains a general background to the particular issue, a statement of intent (policy objective), the views of the different stakeholders and, finally, the policy statements by Government.

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Policy making occurs in a dynamic setting, and minerals and mining policy, which is necessarily broad in its scope, needs to be co-ordinated with other policies which properly fall within the remit of other forums and spheres of government. Reference is therefore made in the document to matters that are being considered by other policy forums, and policies developed by other spheres of government.

Chapter One:

BUSINESS CLIMATE AND MINERAL DEVELOPMENT

This chapter covers seven topics relevant to the climate for mining business and mineral development.

Section 1.1 stresses the importance of a stable macro environment for economic growth in which measures that encourage investment in mining, as in other industries, are adopted.

Section 1.2 is concerned with fiscal policy as an integral part of mining and minerals policy. Several aspects of exploration and mining which have a major bearing on fiscal policy are raised together with policy statements that are prerequisites for minerals development. The Commission of Inquiry into Certain Aspects of the Tax Structure of South Africa (Katz Commission) is currently considering mining taxation and the taxation of mineral rights. In due course the Commission's findings should be considered in conjunction with the broad objectives of minerals and mining policy. The topics of taxation of mineral rights and allocations from national revenue collection to provinces in which mining takes place are raised in section 1.3 and in chapter 6, respectively.

Section 1.3 deals with mineral rights and prospecting information. The nature, scope and content of rights to prospect and mine are central to any policy on minerals and mining. It has been contended that the system of mining and mineral rights currently in place in South Africa has frustrated new investment. Equally, however, others have argued that the legislative framework has helped materially in the exploration and mining of South Africa's unique mineral deposits. In reaching policy conclusions Government weighed these and other contending views. In order to improve current arrangements, Government seeks changes and adjustments that are conducive to increased minerals investment and address past racial inequity without disturbing investor confidence in the mining industry in South Africa. Several new policy statements are made.

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Section 1.4 focuses on small-scale mining and a number of policy statements are made directed at encouraging and facilitating the development of the small-scale exploration and mining sectors.

Section 1.5 looks at mineral beneficiation in broad outline. Several policies aimed at the development of South Africa's mineral wealth where this is economically justifiable are given.

Section 1.6 lists policy that endorses market principles and a supportive role for Government in the area of mineral marketing.

The last section focuses on research and development infrastructure conducive to the optimal development of the country's resources. A number of policies directed at stimulating such development and ensuring the continuing competitiveness of the minerals industry are given.

1.1 Investment and Regulatory Climate

1.1.1 Background

- i. The South African mining industry, one of the country's few world-class industries, has the capacity to continue to generate wealth and employment opportunities on a large scale.
- ii. Mining is an international business and South Africa has to compete against developed and developing countries to attract both foreign and local investment. Many mining projects in South Africa have tended to be unusually large and long term, requiring massive capital and entailing a high degree of risk.
- iii. South Africa has an exceptional minerals endowment, and in several major commodities has the potential to supply far more than the world markets can consume.
- iv. As articulated in its macroeconomic strategy, Government has committed itself to a continuing process of economic liberalisation, thus strengthening the competitive capacity of the economy, fiscal and tariff reform and bureaucratic deregulation. These are essential steps towards enhancing the country's competitiveness, attracting foreign direct and portfolio investment and creating a climate conducive to business expansion. The mining industry among others will benefit in the long term from these developments.
- v. By its very nature the mining industry has the potential to endanger human health and safety as well as the physical environment. It is the responsibility of Government to establish a regulatory framework that minimises such dangers without imposing excessive cost burdens on the industry and thereby jeopardising its economic viability.

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1.1.2 Intent

Government will create a stable macro-environment that supports economic development at national, provincial and local level and in which business, subject to appropriate regulation, can operate profitably, be internationally competitive and satisfy their shareholders' and employees' expectations. In this way Government will encourage investment in mining as in other industries.

In addition, Government will facilitate access to business opportunities and resources to those previously excluded, including helping equip such individuals/groups with the necessary skills to enable them to compete effectively in the market-place.

1.1.3 Policy Requirements

1.1.3.1 Views of the investment community and mining companies

- i. The distinctive characteristics of the mining industry need to be recognised in the formulation of the policy and regulatory framework. The framework must be consistent and stable so that investors can be confident in their financing decisions and the industry can be confident about its continuing ability to do business profitably.
- ii. Investors place a high premium on macro-economic, political and social stability, as well as smoothly functioning labour relations.
- iii. Foreign investors need the freedom to repatriate profits and capital.
- iv. South African-based mining companies wish to see a speeding-up in the comprehensive dismantling of foreign exchange controls.
- v. Investors need security that they will be allowed to exercise their rights to exploit minerals, subject to statutory requirements.
- vi. Non-confidential and publicly available information about the minerals sector needs to be well organised so that it is readily accessible to investors.
- vii. New investors need opportunities for access to mineral rights.
- viii. The cornerstones of any policy to promote investment must be market principles and economic efficiency.
- ix. The nature of international mineral markets and of South Africa's mineral resources must be taken into consideration when promoting investment, including the effect of increased supplies on prices.

1.1.3.2 Other views

- i. Equitable access to all natural resources is required, based on economic efficiency and sustainability.
- ii. The creation of wealth and employment is required for the economic empowerment of communities, both directly and through the multiplier effect. This is especially relevant in the underdeveloped regions of the country.

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- iii. Investment incentives and promotional activities should be cost-effective and should not lead to inequitable demands on the fiscus.

1.1.4 Government Policy

- i) Government will seek to create a macro and regulatory environment conducive to economic growth and development, in which the mining industry can make effective use of its human and capital resources.
- ii) Government will seek to create an enabling environment for municipalities to maximise the positive role the mining sector can play in promoting Local Economic Development and Integrated Development Planning.
- iii) Government will encourage municipalities to capitalise on the comparative advantage associated with mining activity in their area of jurisdiction and will support mutually beneficial partnership between the mining industry and municipalities.
- iv) Through the new Labour Relations Act and the specific industry-level and workplace structures it creates, Government will facilitate improved industrial relations in the industry.
- v) Government will seek to ensure, within the constraints of its available resources, the efficient provision and functioning of the physical, social and institutional infrastructure necessary for the competitiveness of the mining industry.
- vi) Government will ensure the effective organisation and accessibility of public information about the minerals sector.
- vii) Government will aim to lower barriers to entry to prospective new investors in the industry.

1.2 Taxation

1.2.1 Background

1.2.1.1 The current system of mining tax

- i. The taxation of mining activities follows the normal rules of taxation, subject to the following particular features:
 - a) Income

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A mining company may derive income from mining operations and non-mining operations. Different rules and tax rates are applied according to the nature of such income. Differences also apply according to whether the mining income is derived from gold or other operations.

b) Deduction of expenditure

A mining company incurs a wide range of expenditure. Some of this is in the nature of current expenditure (deductible in terms of the general deduction formula), and some in the nature of capital expenditure. The capital expenditure provisions of the Income Tax Act provide for the immediate deduction of capital expenditure and of expenditure on prospecting and incidental operations. Capital expenditure includes expenditure on shaft sinking, mine equipment, development, general administration and management. Some assets such as housing for residential accommodation, motor vehicles for private use of employees, and some railway lines and pipelines qualify only for a partial annual redemption.

c) Ring-fencing

The Income Tax Act applies a ring-fence to the taxable income of a mine, by restricting the deduction of its capital expenditure to the taxable income from mining on that mine. In certain circumstances the ring-fence may be breached by up to 25% of taxable income to allow a company to apply a portion of its expenditure on one mine against the taxable income of another of its mines.

d) Capital allowance

To encourage high capital investment during times of inflation, the Income Tax Act provides, in the case of gold and natural oil, for a capital allowance, calculated as a percentage per annum of total expenditure, which is transformed into a deduction against current capital expenditure.

e) Environmental funds

Mining companies are required by law to make financial provision for mining-related environmental rehabilitation. If in the form of a trust fund, the Income Tax Act permits the deduction of this provision from income, and exempts from tax the receipts and accruals of registered environmental funds established to hold these provisions.

f) Tax rate and formula tax

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Non-mining income, as well as mining income not derived from gold mining is taxed at the flat company rate. Income from gold mining is taxed on a formula basis. The effect of the formula is that gold mines which are marginally profitable pay tax at a lower rate than the normal company rate, or no tax at all, and more profitable gold mines pay tax at a rate greater than the normal company rate. The intention of this is to encourage the mining of marginal orebodies, while retaining an overall tax rate for the gold industry at approximately the same rate as the standard company rate. The formula tax, therefore, has the effect that a gold mine can continue to operate at marginal profit levels without paying tax until it regains profitability sufficient to attract tax. In this way it preserves employment in an industry which has a large number of employees and is prone to fluctuations in profitability.

g) Royalties

For purposes of this chapter, royalties are not regarded as a tax and are discussed in section 1.3.

h) Other

No severance tax is imposed. Mining companies are liable, in certain circumstances, to the secondary tax on companies. Indirect taxes paid by mining companies include value-added tax, regional services levies, transfer duties, customs and excise duties and donations tax. (In the case of value-added tax, a mining company does not pay the tax on its export sales, since all exports are zero-rated, and the mine is entitled to a refund in respect of all input taxes paid by it.)

1.2.1.2 Aspects of exploration and mining which have a bearing on mining tax

- i. Any mining taxation system needs to recognise the following aspects:
 - a. The risk to reward ratio in exploration is high, and mining itself is attended by a high degree of geological, project and market risks.
 - b. Particularly in big-scale and deep-level operations large amounts of capital are required. This capital is at high risk over long periods.
 - c. Mining companies are usually required to provide their own infrastructures because of the remote location of mineral deposits.
 - d. Mining involves the realisation of a wasting asset and the mine has little or no residual value. Continuing investment is therefore necessary in exploration, the acquisition of rights to mine and the development of new mines. All these activities form an essential part of the mining business cycle.
 - e. Increasing the cost of mining from whatever sources, has the effect of increasing the cut-off grade of ore, thus reducing the life of a mine and sterilising mineral resources.

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- f. Legitimate expenses should be treated in an appropriate way, the efficient use of resources should be encouraged and not retarded, and the system should not be subject to frequent change, change at short notice or change with retrospective effect.
- g. In view of international competition for investment funds, the tax system should be designed to assist in attracting and retaining investment in South Africa.

1.2.2 Intent

Government will maintain and promote a stable legal and fiscal climate that does not inhibit the mining industry from making the fullest possible contribution to the national, provincial and local economy.

1.2.3 Policy Requirements

1.2.3.1 Views of the investment community and mining companies

- i. There must be a consistent and stable fiscal regime that compares favourably with those in other jurisdictions.
- ii. The tax system should be such as to allow for attractive returns on capital.
- iii. The tax system should recognise, through appropriate measures, the risks inherent in mining, such as high capital commitment, long lead times, geological uncertainty and cyclical and volatile markets.
- iv. Mineral beneficiation projects share many of the risks referred to above.
- v. Mines should be taxed on profits and not in a way which increases costs.
- vi. The total tax burden is highly relevant to investment decisions so the levels and structures of national, provincial and local taxes, levies and imposts should be assessed in their entirety. The industry should be consulted when decisions regarding mining taxation are to be made.
- vii. The tax system should not discourage, in particular through ring-fencing, the use of the financial strengths of an existing company to invest in the establishment of new mines.
- viii. Severance taxes should not be imposed.

1.2.3.2 Other views

- i. The mineral industry should make its rightful contribution to tax revenues, both through taxes and royalties.
- ii. The tax system should encourage the adding of value to raw materials.
- iii. Levies and taxes should be used to fund environmental rehabilitation of land affected by past and current mining activities.
- iv. Inter-sectoral equity in terms of taxation should be achieved.
- v. Consideration should be given to using tax measures to improve access to mineral rights.

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- vi. The tax system should promote the optimal utilisation of South Africa's mineral resources.
- vii. The tax system should be used to empower the provinces to influence the economic development process and to deal with the effects of downscaling.

1.2.4 Government Policy

i) In developing mining tax policy, Government is committed to ensuring that the tax regime will be consistent and stable and that the aggregate rate of tax will be internationally competitive.

ii) The Katz Commission is investigating mining tax in South Africa. The Commission's recommendations will need to be considered in conjunction with the policy options set out here. It is understood that the Commission will be considering a number of tax issues, for example:

- a. redemption of capital expenditure in mining;
- b. capital allowances for gold mining;
- c. ring-fencing;
- d. tax deductions for exploration;
- e. a tax on mineral rights; and
- f. the extension of the gold-mining formula taxation to other types of mining.

1.3 Mineral Rights and Prospecting Information

1.3.1 Background

1.3.1.1 Nature and content of mineral rights

i) The South African system of mineral rights has developed over many years to its present state under a dual system in which some mineral rights are owned by the State and some by private holders. The State controls the exercise of prospecting and mining rights under the administrative system of prospecting permits and mining authorisations referred to below.

ii) Under common law, ownership of the land includes ownership of the minerals in the land. The law developed in such a way that the right to minerals in respect of land can be separated from the title to the land, for example upon original grant of the land or by subsequent transactions. The owner of land from which mineral rights have not been separated may separate the mineral rights from the land ownership by ceding them to another person or by reserving them to himself or herself. The mineral rights are then held under separate title which may include all the minerals in the land concerned or only a particular mineral or minerals.

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- iii) Mineral rights constitute rights in land. They are officially registered by the State, and are a form of property protected under the Constitution.
- iv) Mineral rights are tradeable. They have been and continue to be the subject of considerable financial investment that has resulted in the acquisition and registration of rights by prospectors and miners over relevant areas of interest.
- v) Mineral rights represent a parcel of rights including the rights to prospect and mine together with ancillary rights to do what is reasonably necessary in order to effectively carry on prospecting or mining operations. The holder of mineral rights may grant subordinate rights to prospect under a prospecting contract or grant subordinate rights to mine under a mineral lease or may sell or otherwise dispose of the rights.
- vi) The mineral rights owner is compensated by the exploiter of the minerals for the depletion of the non-renewable resource through the payment of royalties. It is generally accepted that in principle royalties are charged on production or revenue.

1.3.1.2 Ownership of mineral rights

- i) The two main categories of owners of mineral rights are the State and private holders. Unfortunately, the current deeds registry system does not provide reliable overall figures indicating what percentage of the mineral rights is owned by each of these categories of holders. Statistics kept by the Department of Minerals and Energy since 1993 indicate that with the exclusion of the coastal zone and sea areas, the mineral rights in respect of which prospecting permits and mining authorisations have been issued are divided in the proportion 1/3 state-owned and 2/3 privately owned. This does not necessarily imply that for the country as a whole, including the coastal zone and sea areas, mineral rights are held in these proportions, but illustrates that the private sector is a substantial holder of mineral rights. A distinguishing feature of the South African mining industry at present is that almost all privately-owned mineral rights are in white hands.
- ii) In the former TBVC states and self-governing territories mineral rights were largely owned by those states and territories but, for the purposes of prospecting and mining legislation, administered as if they were privately owned. It has been estimated that mineral rights in respect of some 19 million hectares, which represent 15% of the land area of the Republic, fall into this category, including mineral rights held by Government in trust for specific tribes and communities. This category also includes those mineral rights which vest in the Lebowa Minerals Trust under the Lebowa Minerals Trust Act, 1987, and the Ngonyama Trust under the Kwa-Zulu Ngonyama Trust Act, 1994. In terms of the present Constitution, mineral rights in this category vest in the State except for those held by the abovementioned two trusts as well as mineral rights held in trust for specific tribes.

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iii) The acquisition of mineral rights by the governments of the TBVC states and the self-governing territories was a result of the implementation of the South African Development and Trust Act, 1936, which provided for the vesting of these rights in the SA Development Trust (SADT) on behalf of Blacks. In terms of the Constitution of Self-governing Territories Act, 1971 and various statutes, these rights were transferred to the governments concerned.

Provision was also made for the vesting of trusteeship in the South African Government in cases where land together with mineral rights held by communities was incorporated into the jurisdictional areas of the governments of the TBVC states and the self-governing territories as well as land together with mineral rights which fell outside the jurisdictional areas of the aforementioned governments.

iv) The State is the owner of mineral rights in various areas of surveyed and unsurveyed State land as well as in privately-owned land where mineral rights have specifically been reserved to the State. Under prior legislation the latter class of land was known as "alienated State land" in respect of which prospecting rights together with the exclusive right to obtain mining rights were vested in the landowners or their nominees. According to section 43 of the Minerals Act, such rights were replaced with similar rights for a period of only five years which ended on 31 December 1996.

v) Mineral rights in certain rural areas, situated mainly in Namaqualand and in the Northern Cape (governed by the Rural Areas Act, 1974), are regarded as state-owned for the purposes of the minerals legislation. However, management boards in those areas exercised through the years extensive authority in respect of the granting of prospecting and mining rights. These management boards have after April 1994 been replaced by transitional local councils.

vi) Provision has been made in the Constitution read with the Restitution of Land Rights Act, for relief to persons or communities who were dispossessed of rights in land under any racially discriminatory law after 19 June 1913. Mineral rights are rights in land and can therefore be subject to the Act.

vii) There is an active market and continual movement in mineral rights, some 6 000 mineral cessions and prospecting contracts having been registered in deeds offices in South Africa for the five year period from 1991 to 1996.

1.3.1.3 Provisions for intervention by the State

In addition to the modes of acquisition of mineral rights referred to in paragraph 1.3.1.1 iv) above, the State can intervene under section 17 of the Minerals Act to grant prospecting rights in circumstances where an intending prospector cannot trace the holder of the mineral rights or where an heir has not taken cession of the mineral rights in an estate. According to section 24 of the Minerals Act, mineral

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rights and other rights in land may be expropriated in the public interest against compensation payable by the person requesting expropriation. It is therefore possible to expropriate the right to prospect and the right to mine. Under the current law, the State may, by virtue of section 18 of the Minerals Act, conduct an investigation on any land to establish the presence, nature and extent of minerals in or on that land, provided that such an investigation is in the national interest.

1.3.1.4 Other jurisdictions

- i. South Africa and the USA are two of the few major mining countries which have a dual system of public and private ownership of mineral rights. In most other countries the right to minerals is vested in the State. However, in some countries, of which Chile and Australia are good examples, the state system is such as to allow a mining company *de facto* permanent title to such rights.
- ii. In jurisdictions where mineral rights are publicly owned, a system of licensing is usually applied which provides security of tenure sufficient to attract exploration and mining. Many countries, notably in South America but increasingly elsewhere, which employ licensing systems for publicly-owned mineral rights, have successfully attracted large and continuing investment in exploration and mining.

1.3.1.5 The exercise of prospecting and mining rights in South Africa

- i. In South Africa, the mineral right owner is not permitted to prospect or mine for minerals without having obtained a prospecting permit or mining authorisation from the State. These licences are not transferable. They are aimed at controlling prospecting and mining, having regard to considerations of health and safety, environmental rehabilitation and responsible extraction of the ore. Conversely, a prospecting permit or mining authorisation cannot be granted unless the applicant is the holder of the relevant mineral right or has acquired the holder's consent to prospect or mine.
- ii. Reconnaissance work can and does take place without the necessity to hold a permit, provided the work does not fall within the definition of 'prospecting' in the Minerals Act.

1.3.1.6 Records of prospecting work

- i. According to section 19 of the Minerals Act, the holder of any prospecting permit or mining authorisation is obliged to furnish certain prospecting information to the State within one year after completing the digging of any excavation or drilling a borehole for the purpose of prospecting. The information must be kept confidential by the State. When 15 years have elapsed from the date of the completion of the excavation or borehole concerned, the State may disclose the information unless any person with a pecuniary interest in the excavation or borehole satisfies the State that his or her interest will be prejudiced by such disclosure.

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- ii. In most other jurisdictions confidentiality against disclosure to third parties of basic prospecting information furnished to the State is afforded during the currency of the prospecting licence or for very short periods. In such jurisdictions, where public ownership of mineral rights prevails, the policy is directed at assembling a public record of exploration work as a resource for future exploration.

1.3.2 Intent

Government will:

- i) promote exploration and investment leading to increased mining output and employment;
- ii) ensure security of tenure in respect of prospecting and mining operations;
 - iii) prevent hoarding of mineral rights and sterilisation of mineral resources;
 - iv) address past racial inequities by ensuring that those previously excluded from participating in the mining industry gain access to mineral resources or benefit from the exploitation thereof;
 - v) recognise the State as custodian of the nation's mineral resources for the benefit of all;
 - vi) take reasonable legislative and other measures, to foster conditions conducive to mining which will enable entrepreneurs to gain access to mineral resources on an equitable basis; and
 - vii) bring about changes in the current system of mineral rights ownership with as little disruption to the mining industry as possible.

1.3.3 The Present System: Views For and Against

Many differing views have been expressed in support of or against the current arrangements in respect of mineral rights and prospecting information.

1.3.3.1 Private ownership

- i. Proponents of private ownership maintain that:
 - a. It has been and remains ideally suited to effective utilisation of South Africa's distinctive ore bodies, for example, by providing the absolute security of tenure necessary in the development of very deep gold mining along the West Wits line. The capacity to retain mineral rights securely for

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the development of new mining ventures when these become possible is a positive feature of private ownership.

- b. Holding of mineral rights is a critical parameter in the valuation of a mining company by international investors. The company is valued according to its future potential ("blue sky") which depends on an ongoing flow of new projects derived from such mineral holdings.
 - c. Private ownership of mineral rights based in the law of property is preferable to a pure licensing system of rights based in administrative law and involving administrative discretion. Private ownership affords the absolute long-term security of tenure that attracts investment in exploration, mining and marketing.
 - d. South Africa has the ability to produce at a level far exceeding the world's ability to consume several commodities such as manganese, chrome, platinum and vanadium. Mineral rights in such commodities are held as part of long-term mining plans. Owners have a record of having expanded production in line with growth in demand and have also invested substantial funds in new product development and other forms of promotion to foster market growth.
 - e. Private ownership is consistent with a market economy and with an international trend towards reducing the direct role of Government in the mining industry.
 - f. Private ownership encourages trade in and utilisation of mineral rights, as is evident from the figures referred to in paragraph 1.3.1.2 above.
- ii. Critics of private ownership of mineral rights argue that:
- a. Minerals are part of the nation's endowment so that the State is the rightful custodian of this endowment.
 - b. South Africa (along with the USA) is out of step with other major mining countries, where public ownership of mineral rights has led to successful exploration and mining industries.
 - c. Private ownership of mineral rights suppresses exploration activity as well as the opportunity for alternative views to be taken of the economics of mining an unexploited ore body.

d) It allows hoarding of mineral rights. As such, the system is a barrier to entry against potential investors.

e) Complex and fragmented mineral right holdings and the multiplicity of owners in South Africa militate against new investment by prospective new entrants who encounter difficulty and cost in identifying holders of mineral rights and obtaining mineral rights.

f) The system is inaccessible to small-scale miners, and inhibits the development of a vibrant junior mining sector.

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g) Private ownership of mineral rights limits equal and equitable access to mineral rights and resources.

1.3.3.2 State ownership

i) Those in support of the transfer of privately-held mineral rights to the State contend that:

a) Transfer of mineral rights to the State will release mineral terrains for new entrants, which will stimulate private sector activity.

b) State control of mineral rights will remove difficulties in cost and delays surrounding fragmented mineral right holdings.

c) A system of state-owned mineral rights would enable the State to enforce the submission and release of exploration information, thereby avoiding duplication of exploration activities.

d) State ownership of mineral rights is more prevalent in the world than is private ownership of mineral rights.

e) State ownership will prevent the hoarding of mineral rights and allow equal and equitable access to potential investors, in particular small-scale miners.

ii) Contentions raised against a transfer of mineral rights to the State are that:

- a. Transfer of mineral rights to the State will require the payment of compensation, which would be an inappropriate use of the State's limited financial resources.
- b. The blanket transfer of mineral rights to the State could easily lead to administrative difficulties in a system not geared to the management of mineral rights, extensive delays and hence a loss of investor confidence that could seriously damage the South African mining industry.
- c. There is no indication that the transfer of mineral rights to the State will automatically result in more successful exploration and mining. It is argued that in South Africa there is evidence to the contrary in that state ownership of mineral rights has made these rights subject to policies that have impeded rather than promoted mineral development. As indicated above, it has been estimated that two-thirds of the mineral rights in respect of which prospecting and mining activities are conducted are privately held. Management of deposits that will be brought to account in the future requires a long-term perspective attuned to changes in technology and markets that is more likely to be found in the private sector.

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- d. State ownership based in a system of administrative law offers less security than a system of private ownership based in the law of property, and is susceptible to inefficiency and corruption.
- e. A bias towards state ownership would run counter to the Government's philosophy and policy on competition and privatisation.
- f. Prospecting information and mineral rights are separate forms of property. Ownership of the latter does not automatically confer title to the former.

1.3.3.3 Disclosure of prospecting information

In relation to prospecting information there are broadly two contending views. On the one hand, it is argued that more data on prospecting results should be made publicly available as a resource for future exploration efforts by new prospectors and prospectors with new techniques. Against this it is held that prospecting data are the product of effort and investment by prospecting companies, the data constitute property that can be bought and sold and an incentive should be provided for the prospecting effort to be undertaken by protecting the confidentiality of the data for a reasonable period. As a further complication, contentions in support of the public release of prospecting data after fixed periods ignore the nature of prospecting programmes that do not have a readily determinable point of completion.

1.3.4 Tax on Mineral Rights

i) One view is that a tax should be imposed on privately held mineral rights to open access to such rights. Such a tax would not be payable by operating mines or where the retention of mineral rights is part of a long-term mining strategy that is in the national interest, or where there is active exploration taking place. If the owner of the mineral rights is unable or unwilling to pay a mineral rights tax, the rights may either be sold to a willing purchaser or at no cost to the owner be transferred to the State.

ii) Opponents of such a tax reject the view that the rights would be better utilised if transferred to the State. They have also contended that it would be contrary to the Constitution to use a tax to induce taxpayers to surrender assets to the State without payment for these assets. In addition to questions about the constitutionality of such a tax, and whether it will achieve its objective, opponents of such a tax contend that there are practical difficulties in applying such a tax; for example, how could this be done equitably across a range of mineral rights where commercial values may differ greatly and which may be held by a multiplicity of holders? They argue that the tax would be contentious, wrongly burden the holding of rights intended for future use, raise the investment threshold, delay investment decisions, generate uncertainty about mineral right holdings and require considerable administrative effort. It could become a source of litigation, for example in so far as its application to property held in trust is concerned. In addition, such a tax directed at a policy purpose, as opposed to revenue

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generation, would be inconsistent with the guiding principles articulated by the Katz Commission and hence detract from the evolving coherence of the country's fiscal policy.

iii) It is also contended that, if a tax on mineral rights were introduced, expenditure on market development (such as R & D on possible new products and promotion of long-term growth in the market) incurred by the taxpayer should be allowed as a credit against the tax liability, in addition to the current value of past prospecting-related expenditures. Proponents of this view observe that ownership of mineral rights affords the long-term predictability of security of tenure on which major commitment to future development depends.

1.3.5 The Need and Capacity for Change

Whilst the Government recognises that the system currently in place has some positive features, it concludes that the *status quo* must be changed with a view to achieving the policy objectives set forth in paragraph 1.3.2 above. Government believes that changes will be implemented on an incremental basis. Notwithstanding changes to the current mineral rights dispensation, the State shall guarantee security of tenure.

1.3.6 Government Policy

1.3.6.1 Ownership of mineral rights

i) Government recognises the inherent constitutional constraints of changing the current mineral rights system. However, in terms of the Constitution the State is bound to take legislative and other measures to enable citizens to gain access to rights in land on an equitable basis. In addition, it empowers the State to bring about land rights (including mineral rights) and other related reforms to redress the results of past racial discrimination. Furthermore, article 2(1) of the UN Charter of Economic Rights and Duties of the State grants to States full permanent sovereignty, including possession and disposal, over all its natural resources. Government therefore does not accept South Africa's current system of dual state and private ownership of mineral rights.

ii) Government's long-term objective is for all mineral rights to vest in the State for the benefit of and on behalf of all the people of South Africa.

iii) State-owned mineral rights will not be alienated.

iv) Government will promote minerals development by applying the "use-it or lose-it"/"use-it and keep-it" principle.

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v) Government will take transfer of mineral rights in cases where a holder(s) of mineral rights cannot be traced or where mineral rights have not been taken cession of and are still registered in the name of a deceased person(s).

1.3.6.2 A new system for granting access to mineral rights

As a transitional arrangement in pursuance of the objective stated in section 1.3.6.1 ii above, the following new system for granting access to mineral rights will apply:

- i) The right to prospect and to mine for all minerals will vest in the State.
- ii) Government will develop detailed legislative proposals for the introduction of the new system of access to all mineral rights. In developing such proposals provision will be made for:
 - a) guaranteeing the continuation of current prospecting and mining operations in accordance with the "use-it and keep-it" principle;
 - b) a transitional period to allow holders of prospecting, mining and mineral rights to licence the operations referred to in (a) above, as well as extensions which are necessary to provide for the continuation of such operations;
 - c) a transitional period to allow holders of prospecting, mining and mineral rights to licence *bona fide* intended prospecting and mining operations in cases where (a) and (b) above do not apply;
 - d) a general notification to allow holders of prospecting, mining and mineral rights to substantiate in respect of areas other than those contemplated in (a), (b) and (c) above, why licences for prospecting and mining should not be granted to another party in accordance with the "use-it and keep-it" principle;
 - e) granting of prospecting and mining licences to applicants without the consent of the holders of prospecting, mining or mineral rights who have not been licensed in terms of (b), (c) and (d) above;
 - f) security of tenure by granting prospecting and mining licences for specified periods which are capable of cancellation or revocation only for material breach of the terms and conditions of the licence;
 - g) registerable prospecting and mining licences which will be transferable with the consent of the State;

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- h) the holder of a prospecting licence to be entitled to progress to a mining licence on compliance with prescribed criteria;
- i) annual minimum work and investment requirements to discourage the unproductive holding of prospecting and mining licences;
- j) a retention licence which may, upon written application, be granted to an applicant in cases where the applicant, having explored the area and established the existence of an ore reserve which is, at the time of completion of the exploration programme, considered to be uneconomical due to prevailing commodity prices (market conditions) or where the exploitation thereof might lead to market disruption not in the national interest. Such licence will enable the holder thereof to retain the reserve without the commitment to minimum work and investment requirements. The licence will be granted for a limited period in respect of the property concerned;
- k) precluding the granting of a prospecting or mining licence over an area in respect of which a currently valid prospecting retention or mining licence is held for the same mineral;
- l) predetermined standard terms and conditions, for all prospecting and mining licences;
- m) the reduction, as far as possible, of discretionary powers by applying standard requirements or objective criteria;
- n) payment of prospecting fees or royalties by the holder of the prospecting or mining licence to the registered holder of mineral rights. Such prospecting fees or royalties will be determined by the State after consultation with the registered holder of the mineral rights. In determining such fees and royalties, prospecting fees and royalties payable to the State will be used as a guide. The quantum of prospecting fees and royalties will be internationally competitive and will not inhibit the initiation of new projects;
- o) payment of a surface rental, determined by the State after consultation with the landowner, by the holder of a prospecting or mining licence to the registered land owner; and
- p) the processes of considering the granting of a prospecting or mining licence and the approval of an environmental management programme to run concurrently and to grant the prospecting or mining licence and approve the environmental management programme simultaneously.

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iii) Persons, including their successors in title, or assigns or nominees, who could lay claim, under section 43 of the Minerals Act, 1991, to the exclusive right to prospect for a mineral to which the right was reserved to the State, shall after the lapsing of the period that ended on 31 December 1996, or the approved longer period, no longer be deemed to be the holder of such right.

1.3.6.3 Reconnaissance work

A non-exclusive permission for broad-based, non-destructive exploration will be implemented. Such permissions will be for a limited period in respect of the area required. A reconnaissance permission will not entitle the holder thereof to a prospecting or mining licence.

1.3.6.4 Disclosure of prospecting information

It will be a condition of any prospecting licence or reconnaissance permission that all information and data from prospecting shall be submitted to the State after completion or abandonment of any particular prospecting activity. The State will release such information to the public at any time from the date of submission of such information unless the prospector retains a prospecting retention or mining licence in respect of the land concerned or an application therefor is pending. Such information submitted to the State will be used to create a national exploration data base.

1.3.6.5 Data base of mineral rights holdings

Government will through the Departments of Land Affairs and Minerals and Energy seek to obtain the additional resources which will be necessary in order to compile a readily-accessible data base.

1.3.6.6 Disincentive for non-utilisation of mineral rights

Government will investigate the feasibility of imposing disincentives which would be intended to discourage the non-utilisation of privately-owned mineral rights. Such disincentives will not apply in respect of areas where currently valid prospecting, retention or mining licences are held. Such investigation, which will be undertaken by the Department of Minerals and Energy in association with the Department of Finance, will take into account the findings of the Katz Commission.

1.4 Small-scale Mining

1.4.1 Background

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- i) A flourishing small-business sector usually increases competitiveness in an economy and is an efficient vehicle for the creation of jobs. The fall in the real price of minerals has led to the closure of numerous large-scale operations. Well-managed small-scale mining has the potential to take over and mine economically where large-scale mining is unable to operate profitably. In this way small-scale mining can make a meaningful contribution to the total global production.
- ii) The development of small-scale mining alongside mining in underdeveloped regions would also increase the portfolio of minerals being produced and could lead to the exploitation of resources that would otherwise be sterilised. In addition, it could provide a channel for increased access to the mining industry.
- iii) For the sake of clarity, the concept of small-scale and artisanal mining needs to be defined. There are significant potential environmental and health and safety problems associated with artisanal mining, which is often the only means of subsistence available to individuals. By artisanal mining is meant small-scale mining involving the extraction of minerals with the simplest of tools, on a subsistence level. There is no generally agreed definition of the term small-scale mining - although it is often defined with regard to mine's output, capital investment, numbers employed or managerial structure. Small-scale mining is a relative term; thus the choice of limiting criteria to distinguish between small and larger-scale mining (such as production rate, capital and labour employed) will differ from commodity to commodity and from country to country. In South Africa, small-scale mining ranges from very small operations that provide subsistence living (artisanal mining), to the "junior" companies for which revenue is such that subsistence living is not the prime motivator.
- iv) In many countries with large mining industries, both small and large exploration and mining companies compete aggressively and successfully side by side. This allows for the exploitation of small (low capital) and large (high capital) projects and provides opportunities for more entrepreneurial operators.
- v) Worldwide, it is apparent that many new and major ore deposits have been located by small and lean exploration companies, who make decisions efficiently and rapidly. Typically these companies locate deposits and either sell them off to larger companies or, because they wish to be involved in the mining phase, enter into joint ventures with larger companies which provide expertise and/or capital to develop the project. This provides a healthy synergy between large and small operators.
- vi) The interests of the country and the community demand that all forms of mining, whether large, small or artisanal, should be subject to the same requirements in respect of licensing, safety, health and the environment.
- vii) Small-scale mining already takes place on a sizeable scale in South Africa. Opportunities for small-scale mining projects are found mainly in gold, diamonds,

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coal, industrial minerals and in minerals derived from pegmatites. These opportunities are often confronted by problems, such as:

- a) access to mineral rights - the present South African mineral rights ownership system is seen by many as a major blockage in the development of small-scale mining.
- b) access to finance - financiers are seldom willing to participate in small-scale mining ventures which often provide limited security and financial returns.
- c) incoherent structure - there is a lack of appropriate structures that assist small-scale mining development.
- d) location of operations far from major markets.
- e) lack of management, marketing and technical skills - new small-scale mine operators face technical barriers to participate in mining, including lack of skills in dealing with aspects such as complex metallurgical processes, practical mining problems and business skills.

1.4.2 Intent

Government will encourage and facilitate the sustainable development of small-scale mining in order to ensure the optimal exploitation of small mineral deposits and to enable this sector to make a positive contribution to the national, provincial and local economy.

1.4.3 Policy Requirements

1.4.3.1 Views of small-scale miners

- i. Small-scale miners require information on the availability of mineral rights and mineral deposits.
- ii. Access is required to mineral rights and to the surface areas necessary to exploit these rights.
- iii. Unfragmented and adequate information is required on mineral regulations, geology, mining and environmental aspects and mineral marketing.
- iv. Technical assistance and training is required for small-scale miners in the broad spectrum of mineral-related activities.
- v. Access to investment financing is required.

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- vi. Regulations in respect of mining should be relevant, understandable and affordable to the small-scale miner and should be enforced in a site-specific manner.
- vii. Administrative procedures should be simplified and speeded up.
- viii. Institutional research and development in respect of all the aspects of mineral development and exploitation relevant to small-scale mining is required, as well as the transfer of this technology to small-scale miners.
- ix. Tax and royalties rates, levies and financial guarantees for rehabilitation should not constrain the development of small-scale operations.
- x. An integrated and co-ordinated approach is required from all the government departments and other agencies to promote and develop small-scale mining activities.
- xi. A co-operative and supportive approach towards the small-scale mining sector is required from the other sectors of the mining industry.

1.4.3.2 Other views

- i) Minimum standards in respect of the environment should be maintained for all mining operations.
- ii) Other land-use options should not be curtailed by small-scale mining activities.
- iii) Health and safety standards and the rights of workers should be maintained in small-scale mining operations.
- iv) Development of the mineral potential of especially the underdeveloped regions of the country is required.
- v) Communities should be consulted regarding mineral development and should enjoy lasting benefits from such developments.
- vi) Government should promote and encourage small-scale miners to operate within sound business principles.
- vii) The deleterious effects of artisanal or subsistence mining on the environment and on safety and health elsewhere in the world, dictates the necessity for research in this area. Meanwhile, resources need to be employed by the State to control artisanal mining as effectively as possible.

1.4.4 Government Policy

1.4.4.1 Mineral rights

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Information on mineral rights and mineral deposits available for development will be made accessible, particularly for the benefit of small-scale miners.

1.4.4.2 Access to finance and technology

- i) Access to funding for small-scale mining will be encouraged and facilitated through appropriate and targeted institutions.
- ii) The costs of state advice and support for the small-scale mining sector will be weighed against the benefits of the application of such support to other mining or non-mining activities.
- iii) The Department of Minerals and Energy (DME) will co-ordinate needs-driven research by the Science Councils and ensure that this information and technology is accessible to the small-scale mining sector.
- iv) The DME, in consultation with private industry, organised labour, non-governmental organisations, tertiary institutions, research organisations and foreign aid agencies, will investigate the establishment of training facilities for small-scale miners, not only in South Africa, but in the region as a whole.
- v) Information on all aspects relating to mineral development and exploitation will be made available by the DME by means of a "one-stop shop" approach.
- vi) All spheres of government and development agencies will work towards co-ordinating their activities in respect of the promotion of small-scale mining activities. Municipalities in particular will be encouraged to support the development and emergence of small-scale mining through appropriate Local Economic Development strategies.
- vii) The capacity of the DME will be enhanced to efficiently facilitate small-scale mining support on the broad spectrum of activities involved in such endeavours. The DME will further facilitate the establishment of a self-sustaining institutional support mechanism for small-scale mining.
- viii) Government will facilitate the mutually beneficial co-existence of big and small-scale mining operations.

1.4.4.3 Regulation and administration

- i) Mining regulations will be administered consistently, while adopting an approach of guidance and advice towards small-scale miners.
- ii) The DME, in conjunction with other relevant Government departments, will streamline the regulatory and administrative procedures in respect of mineral exploration and exploitation.

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iii) Health and safety standards will be maintained in small-scale mining operations.

1.4.4.4 Environmental management

i) Small-scale mining, like the rest of the mining industry, will be required to adopt measures that will promote environmental sustainability by means of the application of consistent standards and acceptance of the "polluter pays" concept. All the policy principals contained in Chapter four (Environmental Management) will also apply in the case of small-scale mining.

ii) Government will support the provision of training and skills development for small-scale miners in environmental management.

iii) Intensive environmental management guidance will be provided in areas where there is a high concentration of small-scale miners.

iv) Financial guarantees for rehabilitation will be flexible and site specific.

1.5 Mineral Beneficiation

1.5.1 Background

- i. The term beneficiation, used broadly to describe the successive processes of adding value to raw materials from their extraction through to the sale of finished products to consumers, covers a wide range of very different activities. These include large-scale and capital-intensive operations like smelting and technologically sophisticated refining as well as labour-intensive activities such as craft jewellery.
- ii. Through adding value or beneficiating mineral resources a country can maximise the rent it derives from exploitation of its natural resource base and have it serve as a foundation for further industrial development.
- iii. For many decades, where there have been viable opportunities, the mining industry has invested in mineral beneficiation. However, South Africa has the potential to increase the proportion of mineral output that is beneficiated by virtue of its large reserves, technological skills and low energy costs.
- iv. That South Africa has an abundance of raw materials available for beneficiation is not sufficient, or even necessary, for beneficiation to take place economically here. Other factors on the demand side need to be taken into account too, of which proximity and access to markets are the most weighty.
- v. Economic and fiscal certainty is required for the long-term planning needed for developments of the magnitude of mineral beneficiation projects.

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- vi. Raw materials prices paid by local beneficiators should not place them at a disadvantage in relation to overseas competitors.
- vii. Stable and competitive tariffs for electricity and the transport of beneficiated products are required.
- viii. Hurdles to beneficiation include a limited local market for beneficiated products, high capital costs and a lack of technology in certain fields.
- ix. Due to a combination of factors, the real prices of numerous minerals have declined over the past four decades, leading to a general deterioration in the terms of trade for raw material exporting countries, as well as appreciable volatility in export revenues.

1.5.2 Intent

The aim of the policy will be to develop South Africa's mineral wealth to its full potential and to the maximum benefit of the entire population. Government, therefore, will promote the establishment of secondary and tertiary mineral-based industries aimed at adding maximum value to raw materials.

1.5.3 Policy Requirements

1.5.3.1 Views of the mining industry and minerals industry

- i. Beneficiation projects should be initiated on the basis of market forces and decisions taken by individual companies pursuing well-considered business objectives.
- ii. Demand-side factors, such as relationships with existing customers, should be taken into account in respect of mineral beneficiation.
- iii. Measures instituted to promote mineral beneficiation should not be detrimental to the international competitiveness of the mining industry in respect of unbeneficiated mineral exports.
- iv. Raw materials prices should be determined by the market and not by Government.

1.5.3.2 Other views

- i. Due to the risks inherent in large-scale mineral beneficiation projects, supply-side incentive measures should be instituted by Government to promote value-adding activities.
- ii. Policies and regulations that constrain the acquisition and ownership of precious metals and minerals by jewellery manufacturers should be reviewed.

1.5.4 Government Policy

- i) A greater degree of co-operation and co-ordination will be established between the Departments of Minerals and Energy and Trade and Industry in respect of mineral beneficiation.

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- ii) In order to promote mineral beneficiation, efficient supply-side measures will be introduced, such as lower royalty rates for projects that include beneficiation. Qualification for such incentives will, however, require a commitment to promote further local downstream beneficiation through, inter alia, export parity pricing of products.
- iii) Government is committed to promote investment in mineral beneficiation activities through ensuring competitive and stable costs of public services and goods, such as electricity and transport.
- iv) The State will continue to support research with a view to developing new or improved beneficiation techniques and to developing new applications for locally produced mineral products.
- v) Non-confidential information that could promote the beneficiation of South Africa's minerals held by Government departments and parastatal research organisations will be effectively disseminated to the private sector.
- vi) Science Councils and Government departments will endeavour to establish joint-venture research and training programmes with universities and the private sector in order to produce the necessary skilled and productive manpower required for mineral beneficiation developments.
- vii) Decisions regarding beneficiation projects will be based on sound economic and market principles, monitored by the Department of Minerals and Energy (DME).
- viii) Prices for minerals and processed mineral products will be determined by the market.
- ix) Policies and regulations that constrain the downstream development, for example in the local jewellery manufacturing industry, will be reviewed by the DME and other departments and institutions involved.

1.6 Minerals Marketing

1.6.1 Background

- i. South Africa possesses an exceptional mineral endowment. The role that mining plays in the economy and the share that minerals contribute to exports, define South Africa as a minerals-based economy.
- ii. The minerals industry energetically promotes, markets and sells its products domestically and internationally on competitive markets.

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1.6.2 Intent

Mineral marketing policy will be based on market principles. Government's role will be supportive, and intervention will generally be limited to addressing market failures.

1.6.3 Policy Requirements

1.6.3.1 Views in favour of state intervention in marketing

- i. Government intervention in respect of minerals marketing should be limited to protecting the national interest.
- ii. Transfer pricing should be dealt with by law enforcement.
- iii. There may be merit in researching co-ordinated marketing of certain commodities as a means to increase foreign exchange earnings.
- iv. The potential role of a mineral marketing audit office should be researched.
- v. Consideration should be given to a small levy on sales to fund market development efforts.

1.6.3.2 Views against state intervention in marketing

- i. The view that the State could match the marketing and sales performance of the private sector is contradicted by experience elsewhere in the world.
- ii. Government intervention in minerals marketing is unwarranted and harmful and is emphatically opposed by mining companies.
- iii. The establishment of a minerals marketing audit office is not necessary. The Reserve Bank has sufficient statutory power to regulate the flow of funds into and out of the country.
- iv. The imposition of a levy on sales is opposed as an unnecessary additional form of taxation.
- v. Minerals marketing is a private sector activity that is best handled by the producers themselves as has been done successfully throughout the years. There is no necessity for nor benefit in the establishment of a statutory minerals promotion body.

1.6.4 Government Policy

- i) The marketing of South African minerals will be determined by market forces. State intervention will generally be limited to addressing market failures.
- ii) Barriers, economic and otherwise, to mineral exports will be identified and appropriate strategies for their removal will be devised. All measures which restrict the sale of South African minerals on foreign markets will be opposed.

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iii) Transfer pricing will be dealt with by the application and enforcement of laws. To this end co-operation and co-ordination will be established between the Department of Finance and the Department of Minerals and Energy.

iv) Government will encourage and support market development by producers.

1.7 Research and Development

1.7.1 Background

- i. South Africa's diversity of mineral deposits poses a spectrum of technological challenges for the country's mining industry. World leadership has been achieved in the technology and practices to exploit the deep, complex and difficult mineralogy of many of South Africa's unique resources. Innovative solutions have been developed by the established mining houses and research institutions.
- ii. Research and development in the mineral industry needs to conform to the development of a comprehensive science and technology policy that will address the country's needs. Policy in this regard is set out in the Science and Technology White Paper and tackles issues such as directing the country's research and development effort towards addressing the needs of its citizens, the balance between applied and fundamental work, redressing past discrimination in access to training related to research and development and the methods of funding these activities.
- iii. A relatively large number of stakeholders representing a variety of disciplines perform research and development activities for the minerals and mining industry and these efforts need to be synergistic and complementary.
- iv. The State is involved in research and development both as part of the national scientific and technological effort and on behalf of the industry through the CSIR, Mintek and the Council for Geoscience as well as at universities and technikons.
- v. The Science Councils form part of the technology bridge between mining operations and available science, engineering and technology. It is here that the State's contribution is greatest.
- vi. Co-operative research on health and safety is essential. The Leon Commission has commented on the role of the Safety in Mines Research Advisory Committee (SIMRAC) that the selection of research fields reflects a failure to apply a rigorous needs-based assessment and to carry out research related to occupational health.
- vii. In instances where mining houses have identified advantages they have co-operated on research and development activities.
- viii. Mining companies remain committed to research and development on process cost reduction and customer satisfaction, which serves their own interests and is funded by themselves, whilst recognising the potential contribution of user-influenced public sector research for common interests.

1.7.2 Intent

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Government will undertake and promote research, technology development and technology transfer that will stimulate the optimal development of the country's resources in the longer term and ensure that the industry remains competitive.

1.7.3 Policy Requirements

1.7.3.1 Views of the minerals industry

- i. Research and development undertaken by the State should be user influenced and complement private sector activity.
- ii. Funding for the work of SIMRAC is provided exclusively by the mining industry. However, the Chief Inspector of Mines has control over the allocation of such funds and no limit exists on the funding for SIMRAC that the Inspector may demand of the industry. Such research should be funded in good part by Government. The costs of administering SIMRAC are to be borne by the public in terms of the Mine Health and Safety Act.

1.7.3.2 Other views

- i) Appropriate fiscal incentives for research and development need to be developed.
- ii) Focused and co-ordinated research on applied economic geology should be supported by Government and industry to attract new exploration companies to South Africa and locate new ore deposits.
- iii) There should be a provision within the Mine Health and Safety Act to make levy funds available for the administration of SIMRAC activities.
- iv) Capacity relating to the minerals and mining industry within various research institutions should be developed.

1.7.4 Government Policy

- i) Research and development efforts will be needs-driven and directed to develop solutions in exploration, mining, processing, beneficiation and environmental conservation and rehabilitation of the environment as well as to satisfy the needs of global customers and to exploit the value adding potential of the country's minerals. This applies to large and small-scale mining.
- ii) The recommendations of the Leon Commission on the restructuring of SIMRAC, ie the need for competent research management and overseeing of its programmes, will be implemented.

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iii) Research on occupational health in the mining industry will, as recommended by the Leon Commission, receive due attention as part of the mine health and safety research programme.

iv) A system of matching grants will be considered for funding research and development projects.

v) Focussed and co-ordinated research on economic geology will be supported by Government and industry to attract exploration investment to South Africa.

vi) Co-operation between the various mining and mineral processing research and development institutions will be encouraged to make best use of existing facilities, to promote collaborative research efforts, to promote technology transfer and to ensure that minerals-related research and development is conducted in accordance with the country's science and technology policy and national objectives for the minerals industry. The results of the technology foresight exercise being conducted by the Department of Arts, Science, Culture and Technology will contribute to this endeavour.

Chapter Two:

PARTICIPATION IN OWNERSHIP AND MANAGEMENT

Past legislation and practices have inhibited black ownership of assets, in mining as in other of the country's principal producing sectors. While various initiatives are under way to introduce black investors into the industry, ownership of the main mining companies remains as yet essentially unchanged. A long-term perspective is needed because of the difficulties of raising the large capital sums involved.

Similarly, workplace discrimination (legislated in some cases) obstructed the advancement of black people into middle and senior management positions in the mining industry. Progress has been made in recent years, both on the mines (notably via apprenticeship and other training programmes) and in head offices. But the impact will take some years to start being really visible because of the long periods needed for employees to acquire the practical experience required for promotion.

Black participation in ownership and management of the mining industry will have special political significance for South Africa's development as a market-based democracy.

2.1 Background

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- i) Government is unshakeable in its commitment to removal of racial discrimination in the workplace, in mining and elsewhere, through the bill of rights entrenched in the Constitution, as well as other supportive legislation.
- ii) In similar spirit, Government believes that it will be profoundly in the interests of the economy for the mining industry to have a wider spread of ownership and to be regarded with pride by South African society in general.
- iii) The Labour Relations Act (LRA) and other relevant legislation will assist in eliminating racially discriminatory practices at all levels within the mining industry. Mining companies have also taken steps to remove barriers to the advancement of black people and women in the industry. It will, nevertheless, require a considerable period of time before previously excluded groups can gain the technical and academic qualifications and experience that are required for the exercise of high level management and technical responsibilities in the mining industry. Government will continually monitor progress in addressing the racial and other imbalances and review whether intervention targeted at the mining industry is required.
- iv) The Government has decided not to embark upon a programme of nationalisation to reverse ownership patterns in the mining sector.
- v) The Labour Market Commission has recommended that steps be taken to facilitate worker participation in the organisation of work, as provided for in the LRA. These measures should create smooth industrial relations and facilitate workplace efficiency.
- vi) The Mine Health and Safety Act, 1996 embodies a commitment to building a culture of co-operation in the workplace by establishing a range of tripartite structures. At mine level, health and safety committees consisting of employee and management representatives will promote workplace democracy as well as mine health and safety.

2.2 Intent

Government will encourage changes leading to equity of opportunity in respect of access to ownership and management of the mining industry.

2.3 Policy Requirements

2.3.1 Views concerning previously disadvantaged groups

- i. The State should take a constructive interventionist role in altering the patterns of ownership in the industry and promoting black ownership at all levels.

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- ii. There should be a Workplace Anti-Discrimination Act that provides for an official audit of the extent of racial discrimination at every mine and puts in place a procedure, backed by law, to remove racial discrimination.
- iii. The South African mining industry is heavily dominated by a small number of mining houses, all of which are white owned. Business ownership and control in the country in general, and particularly in the mining industry given its complexion should be deracialised. The mining industry needs to demonstrate rapid, visible and significant transformation in line with the rest of South African society.
- iv. By virtue of their contribution to insurance and pension funds, mine employees and black people in general already have significant financial interests in the industry. Such financial interests should be used to secure significant participation in the control of mining companies through exercising governance rights of shareholders.
- v. Changes in ownership to achieve a broader spread as well as greater participation in managing mining companies on the basis of ownership should be promoted through the development of Employee Share Ownership Participation Schemes (ESOPS). Criteria used in developing ESOPS in the mining industry need to provide for genuine participation in managing operations, be of sustained value rather than linked to operations with a short life and be tailored for low income workers. Corporate initiatives around ESOPS are hampered by Income Tax laws and the Companies Act which should be amended so as to remove obstacles to such schemes.
- vi. Due to the concentrated ownership that characterises the mining industry and in recognition of the long time that will be required for deracialisation of ownership to occur through market forces, specific initiatives are required to achieve effective deracialisation. A new form of corporate governance is required that will create conditions for effective employee participation through a system of co-determination.
- vii. Development of the small-scale mining sector resulting from companies disposing of unwanted properties to black-owned companies or through the State purposefully allocating its mineral rights to black-owned companies will not produce genuine economic empowerment as this will be confined to small deposits or to future mining and will not address the inequity in the present distribution of mining industry ownership.

2.3.2 Views of the investment community and mining companies

- i. Participation and ownership issues are of general application and should not be at the core of mining and minerals policy.
- ii. Market forces dictate ownership of mining companies. Investment in public companies is open to everyone. Principally via insurance and pension funds, people of all races already have significant financial interests in the industry.
- iii. The evolution of a wider spread of ownership will take place through market processes. Over the past few years a number of black-led financial companies have emerged with the resources to get involved in the large-scale sector, and

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various transactions are under consideration in the small-scale sector too. Some large corporations are actively facilitating these processes. It is only a matter of time before such developments come to fruition on a meaningful scale.

- iv. Removal of discrimination is already well advanced via legislative and regulatory change supplemented by education, training, work reorganisation and other corporate initiatives.
- v. In general, especially given the country's demographics, effective participation by blacks in ownership and management will be far better achieved by encouraging investment and growth rather than by directives and controls.
- vi. Consequently, while greater such participation is both essential and welcome, there is no case for government intervention to achieve it. Radical changes to the system of corporate governance are similarly unwarranted: generic reforms are already well under way in the light of the 1995 report of the King Committee on Corporate Governance.

2.4 Government Policy

- i. Government will continuously promote a wider spread of ownership and seek to facilitate acceleration of the changes that are already under way.
 - ii. Consequently Government will consider the introduction of specific initiatives such as those set out below:
 - a) Government will facilitate steps to deracialise business ownership and control by means of focused policies of black economic empowerment. In the mining sector, State intervention through parastatal development finance institutions (including the Industrial Development Corporation and the Development Bank of SA) to finance investment in new and existing mining ventures in partnership with black companies will be encouraged.
 - b) Employee Share Ownership Participation Schemes are a practical vehicle to promote a broader spread of ownership and participation in industry. Government will facilitate such changes by adjusting the administration of tax and company law to reduce obstacles to establishing ESOPS for low income workers. (The third Interim Report of the Katz Commission "very much supports the objective of greater employee share ownership in South Africa, " and states that ESOPS should include "the entire labour complement of a company ... particularly employees at the lower level of the organisation").
 - iii) Government will encourage real worker participation in the management of all mines.
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Chapter Three:

PEOPLE ISSUES

The mining industry provides jobs for over half a million people directly, and for many more when both up- and down-stream multiplier effects are taken into account. The industry has created towns and nodes of economic development throughout the country. Because of the nature of the work, especially in the very deep mines, the industry has provided large numbers of employment opportunities for less skilled workers, from South Africa itself and from the region.

The labour situation in mining has been associated with the most controversial aspects of colonial and apartheid rule. These include pass laws, compounds, the migrant labour system, the reservation of skilled work for white people, and the denial of trade union rights to black workers up until 1982. The special control of mine labour and application of racial domination in the industry pre-dates the apartheid era by three-quarters of a century.

Reform began, slowly at first, in the early 1980s. While the process of change has accelerated in the past few years, the legacy of decades of discriminatory practice cannot be eradicated overnight - indeed the impact of some reforms will take a good many years to be fully visible.

Across the labour market as a whole, Government has embarked upon a programme of legislation that will ensure that the momentum of change is maintained. The tripartite approach embodied in the National Economic Development and Labour Council (NEDLAC) and other relevant statutory bodies should help underpin the process of constructive engagement among the concerned parties.

Improving relationships between people in the industry, allowing opportunities for human development and addressing the need for a safer and more healthy working environment are essential if the mineral wealth of the country is to be used to its greatest potential. At the same time, the industry has shed almost a third of its jobs in the last eight years and this trend of shrinking employment levels, in the gold sector in particular, is likely to continue, although its timing and scale cannot be accurately anticipated. A major challenge lies ahead in managing the social consequences of downscaling in the industry - which extends to linked industries and to urban and rural communities all over [S]outhern Africa.

3.1 Mine Health and Safety

3.1.1 Background

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- i. The current fatality, injury and disease rates in the South African mining industry are unacceptably high.
- ii. Following the 1995 report of the Leon Commission of Inquiry into Health and Safety in Mines, Parliament has passed the Mine Health and Safety Act, 1996. It is hoped that this will lead to a significant improvement in the health and safety profile of the South African mining industry.
- iii. At national level, tripartite institutions have been established in terms of the Act. These institutions will continually influence policy development and law on matters relating to health and safety in line with the provisions of the Mine Health and Safety Act:

a) The Mine Health and Safety Council will advise the Minister of Minerals and Energy on health and safety at mines.

b) The Mining Qualifications Authority will advise the Minister of Minerals and Energy on education and training policy in the mining industry, in line with the Mine Health and Safety Act of 1996 and the South African Qualification Act of 1995.

iv) The Mine Health and Safety Inspectorate has been restructured as a separate branch under the Chief Inspector, within the Department of Minerals and Energy.

v) At mine level, the manager is required by the Act to develop and implement a health and safety policy, based on the officially approved policies set at national level and in consultation with health and safety committees at the mine which include management and employee representatives.

vi) The health and safety policies that are developed at national level and mine level are implemented within a context that is laid down by the Act:

a) In pursuance of a health and safety culture each mine must establish a policy that will incorporate the employees' rights set out in the Mine Health and Safety Act:

1. the right to representation and participation;
2. the right to education and training;
3. the right to health and safety information;
4. the right to leave a dangerous working place.

b) All employees have the responsibility to:

- take care of their own health and safety and safety of others who may be affected by their activities;
- use and take proper care of protective clothing, and other health and safety facilities and equipment provided for that purpose;
- report any situation which presents a risk to the health or safety of persons;

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- comply with the provisions of the act.
- vii) Previous legislation did not, in practice, address the occupational health care and compensation problems of mineworkers.
- viii) The spread of HIV/AIDS through the workforce is likely to be a feature of the mining and other industries over the next decade and beyond.
- ix) There are health and safety problems associated with small-scale mining which the current legislation and government policies do not adequately address.

3.1.2 Intent

Government will promote healthy and safe working conditions at all mines and, in accordance with national health policies, ensure that mines deal humanely with the health consequences of work in the mining industry.

3.1.3 Policy Requirements

3.1.3.1 Views of the employers

- i. Policy should have as its objective the creation of an affordable, equitable and sustainable health-care system for employees.
- ii. It is imperative that regulations governing safety in mines should be realistic and practically enforceable and are focused on areas where they are most needed.
- iii. Health and safety in mines should be regulated by Acts of Parliament.
- iv. Employees must accept the obligation to comply with safety standards.
- v. Government should develop a national HIV/AIDS plan in consultation with all stakeholders.

3.1.3.2 Views of labour

- i. Trade union representatives should be included in decision making on health and safety matters.
- ii. Health and safety training for employees should take a priority position in the training programmes of the mines.
- iii. The capacity of the Department of Minerals and Energy to deal effectively with health and safety issues needs to be upgraded urgently.

3.1.3.3 Other views

- i) The State must recognise the cost to society and especially to rural communities of disabled and ill mineworkers and ex-mineworkers. It must be recognised that

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these persons have little or no chance of re-employment and must rely on disability payments or pensions.

ii) The State must recognise the health and safety aspects associated with small-scale mining.

3.1.4 Government Policy

- i. Government will expedite the full implementation of the Mine Health and Safety Act which makes the employer primarily responsible for the protection of the health and safety of employees.
- ii. Government will, in consultation with employers and labour, develop a programme in the mining industry that ensures the physical, psychological and vocational rehabilitation of disabled workers to enable them to earn a living.
- iii. A national database on occupational health will be developed by the Department of Minerals and Energy in collaboration with the Department of Health that reflects the prevalence and incidence of occupational disease among mineworkers and ex-mineworkers. (Policy in regard to currently employed mineworkers will be developed by the Mine Health and Safety Council (MHSC) in terms of the Mine Health and Safety Act. Policy for ex-mineworkers will be developed by the Department of Health in consultation with the MHSC).
- iv. Government will, in consultation with employers and labour, review the system of compensation payouts to mineworkers and ex-mineworkers in the light of increases in the cost of living.
- v. The system of implementing proper medical care for disabled and diseased ex-mineworkers will be reviewed
- vi. A coherent and comprehensive policy towards HIV/AIDS will be developed by the State in consultation with the stakeholders as part of a national policy. Government will address the manner in which epidemiological research into HIV/AIDS is conducted; the manner in which mineworkers are tested, and counselled, educated and treated; and specifically ensure that no pre-employment testing for HIV/Aids is conducted and that workers with HIV/AIDS are not discriminated against.
- vii. The International Labour Organisation Safety and Health in Mines Convention will be referred for consideration to the National Economic Development and Labour Council and the MHSC before ratification by Government.

viii) Whilst maintaining health and safety standards in the small-scale mining sector, Government will review current legislation to ensure that the relevant provisions are practically applicable.

ix) Government has accepted that a properly structured system of administrative penalties could be more effective than a system of criminal enforcement in achieving the ultimate goal of the Mine Health and Safety Act, which is to improve health and safety in the mining industry. In this regard, Government will, in consultation with employers and labour, introduce an appropriate system of

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administrative penalties into the Act to replace, in respect of certain offences, the current system of criminal sanctions.

3.2 Human Resource Development

3.2.1 Background

- i) The mineral industry has been characterised by racism in past practices of job reservation and in restricted access to training and advancement. Problems that are present, but not confined to the minerals industry, are a poorly developed human resource base and a concentration of skills and positions of responsibility in the hands of whites.
- ii) The advancement of black workers and professionals into positions of seniority and into management in the mining industry has been limited.
- iii) The majority of mineworkers have not had access to education and training opportunities and, as a result, the majority are functionally illiterate. This situation has a negative impact on safety and health standards and on productivity.
- iv) In recent years, many mining companies have made efforts to redress past discrimination and to ensure that individuals with potential have the opportunity to reach higher levels of responsibility in the industry. Although aggregate statistical evidence is not yet to hand, individual mining houses report that a good majority of their apprentice artisans, learner-miners and other trainees are black and that, given the country's demography, this situation will continue into the foreseeable future. Over and above expenditure on training for purposes of ensuring a more productive and safer workforce, individual mining companies have invested in the education of communities connected to their activities. Up until now, training provided by mining companies has been, perforce, fragmented and lacks national standardisation. This situation is being addressed by the South African Qualifications Authority Act.
- v) The Mine Health and Safety Act provides for the establishment of a Mining Qualifications Authority (MQA) which will advise the Minister of Minerals and Energy on education and training policy in the mining industry.
- vi) A more comprehensive concept of human resource development which aims to have a more efficient, productive and better paid workforce through education and training is being adopted by all role players. This will upgrade the quality of life of the entire workforce.
- vii) The Leon Commission has found that it is unsatisfactory to use Fanagalo as the language of the mines, because the language has a very limited vocabulary. While it may be satisfactory for giving simple commands it is quite inadequate to

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convey the nature and extent of the dangers that lurk beneath the surface, the source of such dangers, and how best to avoid them.

3.2.2 Intent

Government will encourage, support and facilitate human resource development in the mining and mineral industry.

3.2.3 Policy Requirements

3.2.3.1 Views of the employers

- i. Primary responsibility for education from the basic to the advanced level lies with the State through the academic and vocational education system.
- ii. For a competitive industry, South Africa needs an education and training system which provides a high quality secondary and tertiary education to meet the industry's operational and strategic needs in a cost-effective manner. The learning system should provide employees with flexible skills and attitudes to contribute to the profitability and safety of the enterprise.

3.2.3.2 Views of labour

- i. Full union participation in structures dealing with education and training issues, from mine level to industry level, is essential.
- ii. Education and training needs to incorporate a new set of values reflecting democratic change in the country.
- iii. Education and training programmes provided by the unions should be recognised by the State and by mine employers. Union committees should have access to proper facilities from which to conduct their duties in the workplace. They should have access to training venues and equipment in order to conduct steward and membership education and training.
- iv. Educational subsidies, including contributions from the mining industry, should be made available for the study of disciplines related to mining in line with general policies on support for technical and vocational training.
- v. An industry training fund should be established via a small training levy on the mining industry wage bill. Mining companies providing or funding recognised training should be refunded from the training fund.
- vi. In line with the National Qualifications Framework, on-mine training programmes and capacity building should be adapted to incorporate life-long skills and to provide flexibility in workers' career paths to assist miners to find post-mining employment in the context of downscaling and mine closure.

3.2.3.3 Other views

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- i. Entry of black students to minerals-related fields of study needs to be promoted to overcome the legacy of past discriminatory practices.
- ii. Hardships caused by job losses due to retrenchments and mine closures need to be ameliorated through appropriate education and training programmes to provide affected workers with enhanced employment possibilities, whether within the mining industry or elsewhere.

3.2.4 Government Policy

- i. Government will support and promote provision of appropriate education and training in the mining industry. Particular emphasis will be placed on Adult Basic Education and Training (ABET), and health and safety training at all levels.
 - ii) ABET will be aimed at the following:
 - a. to provide workers with an education and training base for further learning and career path advancement;
 - b. to enhance health and safety in the workplace;
 - c. to develop workers' skills and understanding to enable them to participate more actively in the process of change within the workplace and the community;
 - d. to contribute to the removal of all discriminatory barriers within the industry, particularly those of a racial nature.
 - iii) The Department of Minerals and Energy will continue to promote representivity and redress past imbalances in selection of staff and in its support for internal education and training.
 - iv) Government will discourage the use of Fanagalo as a medium of communication in the minerals and mining industry. The language policy of the mining industry will be guided by the multi-lingual reality of South Africa, and constitutional rights regarding language.
 - v) Government will require that all learning achievements in the minerals and mining industry are registered on the National Qualifications Framework, to enable people to progress through various learning pathways, across levels of learning, and throughout their lives.
 - vi) Funds of the Mining Qualifications Authority will consist of monies appropriated by Parliament; monies collected in terms of the Mine Health and Safety Regulations and other applicable laws; fees obtained from services provided by the MQA; and any other monies received from any other source.
 - vii) The MQA will also be established as a sectoral Education and Training Authority in terms of the Skills Development Initiative by the Department of Labour with added functions as contemplated in that initiative.

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viii Government will ensure that people in the minerals and mining industry have access to quality education and training so that they can gain the knowledge and skills they need for work and to improve their lives.

3.3 Housing and Living Conditions

3.3.1 Background

- i. Hostels have been a significant feature of the system of labour on the mines since the birth of the modern mining industry in the late nineteenth century. Workers were often forced to live in austere, regimented single-sex hostels, subject to strict legal and extra-legal controls.
- ii. The housing and living conditions for many workers in the mining industry are sub-standard. These conditions impact adversely on their health, productivity and well-being.
- iii. The hostel system for black workers has been run on racial and ethnic lines and has been discriminatory.
- iv. Progress has been made in upgrading hostel accommodation which has, in some instances, included the provision of married quarters.
- v. Since mining operations are frequently located far from existing settlements, the provision of housing has been undertaken by employers as part of the infrastructure required to develop the mine. South Africa is unusual among the world's major mining countries in the provision of accommodation by employers.
- vi. There is merit both in continuing to provide accommodation (and to upgrade accommodation), within the constraints of costs, and in encouraging and facilitating home ownership/rental by employees within nearby communities.
- vii. The large number of workers housed in hostels and the costs of converting such accommodation requires a planned and phased approach to improving mineworkers' living conditions. The principles of choice and full consultation with key stakeholders should apply to the planning and implementation of upgrading of accommodation and living conditions.
- viii. The whole structure of mining towns and settlements must be altered to integrate mineworkers into the local economy and to end the racially discriminatory provisions that apply to housing for black mineworkers.

3.3.2 Intent

To seek to ensure that all employees have a choice in their pursuit of suitable housing and living conditions.

3.3.3 Policy Requirements

3.3.3.1 Views of the employers

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- i. Accommodation should be affordable and sustainable.
- ii. Financing schemes used to improve mineworkers' living conditions should be based on payment for services rendered.
- iii. Housing is part of remuneration and is settled by collective bargaining.

3.3.3.2 Views of labour

- i. A range of tenure types should be offered to workers including rental accommodation, home ownership and social housing. Housing options should include single and family accommodation, accommodation in nearby settlements where feasible, and accommodation in mineworkers' home areas. The principle of choice for mineworkers over a wide range of flexible housing options should apply.
- ii. Existing hostels on mines should be converted over time into family units and into single units for miners without families, or who elect not to live with their families. Included in the provision of family housing should be community and education services and facilities.
- iii. Every mine should, in conjunction with representative trade unions, be required to draw up a five-year plan for the improvement of living conditions for workers, incorporating specific targets.
- iv. The management of hostels must be democratised so that residents participate jointly with mine management in all areas of decision making around running the hostels.

3.3.3.3 Other views

The provision of family housing should be associated with expanded community services and facilities, including education.

3.3.4 Government Policy

- i) Government will, in consultation with the Mine Health and Safety Council, propose measures regarding the standard of housing and nutrition of employees who are accommodated at mines. These measures should include the monitoring of compliance.
- ii) Government will investigate the improvement of housing and accommodation for mineworkers and their families, with due regard to the sustainability of communities involved. The mining industry will be encouraged to plan their housing needs in support of compact, integrated, liveable and mixed land use environments.
- iii) State assistance for both the upgrading of hostels to single accommodation and the conversion of hostels to family housing will be investigated.

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3.4 Migrant Labour

3.4.1 Background

- i. The system of migrant labour for black workers in the mining industry is deeply entrenched in the industry and within communities that have supplied labour for the mines, in some cases for over 120 years.
- ii. The system was used by the mining industry to provide labour at low wages and low cost for the labour-intensive work on the mines. At the same time political, economic and social factors affecting rural communities throughout southern Africa made migrant labour in many instances the only option to generate income.
- iii. Migrant labour is associated with a range of negative consequences including the denial of normal family life to migrant workers, poor living conditions in single-sex hostels, and social disruptions including the break-up of marriages.
- iv. The underdevelopment of parts of South Africa and of foreign countries supplying labour has created a situation of dependence on migrant labour for jobs and mineworkers' remittances. Approximately half the Gross National Product of Mozambique and Lesotho comprises mineworkers' remittances. As a result, individuals, communities and foreign countries have an interest in preserving the current system.
- v. Mine employment patterns show a trend towards stabilisation of the workforce and a greater reliance on local recruitment. Despite such trends, migrant labour from rural areas within South Africa and from neighbouring countries will be a feature of mine employment for a long time to come.
- vi. Migrant labour is an important topic that affects the mining industry. It is a complex issue that is under consideration by the Chamber of Mines, the Employment Bureau of Africa, the National Union of Mineworkers and the South African and foreign governments.
- vii. The Labour Market Commission of 1996 considered a new approach for dealing with access to the SA labour market by non-South African nationals. The Commission:
 - a. believes that the migrant labour system should be phased out, but that in the process the terms of access of citizens of the southern African region should be easier than for citizens of other countries;
 - b. finds that compulsory deferred pay arrangements constitute a human rights violation;
 - c. recommends that the current migration policy be thoroughly reviewed. Policy should be informed by a coherent set of non-discriminatory principles based on international norms. The revised policy will be effected by a single immigration statute governing the entry of all foreigners into the country.

3.4.2 Intent

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The system of circulating migrant labour will be regularly reviewed with the intention of minimising the adverse social consequences. In the longer term, Government will seek to phase out the migrant labour system.

3.4.3 Policy Requirements

3.4.3.1 Views of the employers

- i. The principle of choice for employees and for employers over the offering and the engaging of labour should apply.
- ii. Mining companies should have the right to hire workers from anywhere they choose without restraint, including all the countries in the region.
- iii. Employers and employees should have the right to agree upon conditions of employment suited to their mutual needs.

3.4.3.2 Views of labour

- i. There should be no discrimination against mineworkers on the basis of their geographical origin.
- ii. Workers on South African mines should be granted the same rights and freedoms as all other workers in the country. Employers and foreign states should be prohibited from treating migrant workers as a special category as they have in the past.
- iii. Employment contracts for mineworkers should be identical to those for all other workers. Workers and their trade union representatives should be entitled to re-negotiate their employment contracts directly with their employers and not be compelled to return home to do so.
- iv. As the mining industry cuts its labour requirements through the increased use of technology and stabilises its workforce, it is likely that foreign and less-skilled migrant mineworkers will suffer most as they are the least equipped to deal with the consequences of job loss and have fewer job opportunities. It is important that the interest of these workers are safeguarded.
- v. Use of foreign labour should be regulated. The regulation should be aimed at keeping the volume of labour from outside at acceptable levels so that the region is supported in the process of addressing the endemic unemployment without unleashing anger in South Africa. However, people already working in the mining industry should have a right to retain those jobs.

3.4.4 Government Policy

- i. The migrant labour system as it applies to the mining industry in its present form will be reformed.
- ii. Government will convene a South African regional forum for multi-party consultation on changes to the migrant labour system in order to protect the

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- interests of migrant mineworkers and to manage the effects on neighbouring countries and on labour-supplying regions within South Africa.
- iii. Government will continue to permit citizens of the South African Customs Union countries and Mozambique access to the mining labour market on an acceptable basis.
 - iv. Government will instigate a review of the system of compulsory deferred pay with a view to it being phased out after consultations with affected parties. Voluntary deferred pay schemes will be permitted.
 - v. Foreign miners will have the right to be treated as any other potential immigrant to South Africa or temporary resident. Employers will be required to observe the regulations and protocols of immigration law in their hiring practices. All the rights and benefits of a particular category of employment will be enjoyed by foreign miners, including the right of temporary residents to bring accompanying dependants into the country. Migrants will be eligible for permanent residence or citizenship once they have worked in South Africa for the required period. Years worked will be deemed continuous notwithstanding the annual end-of-contract breaks.
 - vi. South Africa will subscribe to the International Labour Organisation conventions on migrant labour where relevant to the country's situation. Government will refer these conventions to the National Economic Development and Labour Council prior to their ratification.

3.5 Industrial Relations and Employment Conditions

3.5.1 Background

i) It is the duty of the State to create a framework that will facilitate a healthy and productive relationship between employers and employees.

ii) The Labour Relations Act provides a framework for industrial relations in the mining industry to take a less adversarial and more productive approach than has existed hitherto. This should underpin workplace efficiency and national economic growth.

iii) The Labour Market Commission has recommended that the Department of Labour establish a Section for Mining within the Chief Directorate: Labour Relations. This directorate would be responsible for facilitating smooth industrial relations in this industry and, in particular, for facilitating the establishment of workplace forums and councils and putting in place the necessary training and guidance infrastructure.

iv) In terms of the Mines and Works Act, mining on Sunday is prohibited. Essential maintenance work is allowed on Sundays. Additional work may be permitted by the Minister of Minerals and Energy "in the national interest". Extended operating times, not only in mines but in other sectors of the economy,

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has important employment creation potential. The prohibition on Sunday work in general and the regulation of working hours in the mining industry in particular, were seen by the Labour Market Commission as detrimental to the productivity of labour and capital.

3.5.2 Intent

Government will create a framework to facilitate a productive and non-adversarial approach to industrial relations and ensure that minimum standards apply to work in mining.

3.5.3 Policy Requirements

3.5.3.1 Views of the employers

- i. All the necessary institutional arrangements are in place for meaningful discussions between employers and employees on all issues of mutual interest in the workplace. Any Government attempt to influence the balance between employers and employees could have serious implications, not only for the workplace partners, but also for Government itself.
- ii. In the new approach to industrial relations and improvement in workplace conditions, relationships should encourage rather than inhibit workplace efficiency and flexibility in a balanced and performance-based system.
- iii. Industrial relations matters are best left to arrangements agreed between employers and employees. Government should commit itself to ensuring a legislative and regulatory environment which secures opportunity for the workplace parties to settle their affairs without intervention.

3.5.3.2 Views of labour

- i. The same basic conditions applicable to other workers should be extended to mineworkers.
- ii. There should be a national job grading system, linked to a national minimum wage safety net. Profit sharing across the industry should be facilitated by new tax laws and tax paybacks to ensure that the "same job, same pay" principle can be implemented across the industry. This system should be developed by a commission of inquiry under Government guidance. This will necessitate the formation of a National Bargaining Council for the mining industry, which should be encouraged by Government policy.

3.5.4 Government Policy

- i) Government will encourage the formation of workplace participation at every mine.

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ii) Government will facilitate a process to establish a Bargaining Council for the mining industry.

iii) Government will review the current restriction of Sunday work. It will be guided in this regard by the provisions of labour legislation.

3.6 Downscaling

3.6.1 Background

- i. Since 1987, the South African mining industry has shed over 250 000 jobs. A substantial number of jobs have also been lost in the industries supplying mines and providing goods for mineworkers and mining communities. The social costs of this process have been huge. The remoteness of many mines and their dominance in local economies make mine downscaling a particularly destructive process. A disproportionate burden of suffering has been and is being borne by workers and their families in rural areas, which have, for generations, supplied labour to the mines and in mining towns.
- ii. Mining involves the extraction of finite resources and there inevitably comes a time when a mine must close. Up until 1987, mine closures were more than compensated for by the expansion of existing mines and the establishment of new operations. This pattern has now been broken. The depletion of ore reserves, combined with labour-saving technology required to improve competitiveness, will ensure a contraction of mining employment for the foreseeable future. A decline in a long-established mining centre has enormous knock-on effects for regions and for provinces, particularly when volatile economic events dictate the pace of contraction.
- iii. Government policy on the national management of the social consequences of industrial restructuring is currently under review within the National Economic Development and Labour Council.
- iv. The Labour Market Commission has recommended the adoption of a social plan approach to structural job losses such as those which are at present a feature of significant parts of the mining industry.
- v. The social plan may encompass a wide range of interventions, some in the traditional areas of "active labour market policy", others in the areas of regional/local economic development and rural development. It is an attempt to ameliorate the significant social disruption generated by structural employment loss and, more ambitiously, to create a formulation for future development both of individuals and of communities and localities. Social plans must be stakeholder driven, and firmly rooted in collective agreements and social accords. The following is proposed by the Commission:
 - a. an amendment to the Labour Relations Act to include specific reference to the negotiation of a social plan;

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- b. the development of a capacity within Government to advise on the structuring of a social plan and, in partnership with relevant industry training bodies, to facilitate training programmes;
- c. the establishment of a Social Plan Fund to support strategies and programmes negotiated between employers and workers facing structural employment decline. State funding should only be provided to augment financial contributions negotiated between employers, unions, municipalities and provincial governments in a partnership to deal with the consequences of employment loss in a community.

vi) Substantial benefits would accrue to the country if mines could continue to operate profitably until their reserves have been fully exploited. It may be in the national interest to provide some form of temporary assistance to those mines which have the potential to bring to account their remaining orebodies profitably. These considerations obviously apply particularly in local areas dependent on the mining industry and therefore vulnerable to its contraction.

3.6.2 Intent

Government will endeavour to ameliorate the social consequences of sizeable downscaling and mine closure.

3.6.3 Policy Requirements

3.6.3.1 Views of the employers

- i. Existing laws already require extensive consultation with the workforce in the event of significant down-sizing. The downscaling process, in all its aspects, is most appropriately dealt with by collective bargaining.
- ii. Employers need to be fully informed of existing government programmes that may be of assistance to retrenched workers.
- iii. Because of the general level of unemployment and because of the remoteness of many mines, retrenched mineworkers often experience difficulty in finding alternative employment. Government has an important role to play, firstly, in co-ordinating counselling, training and other initiatives targeted at the retrenched through existing government programmes, and secondly, in providing an environment that encourages companies to equip retrenched employees with skills to enhance their prospects of finding jobs outside the mining industry.
- iv. In addition, Government should facilitate the involvement of affected communities (including municipalities) in any process intended to deal with the consequences of mine downscaling and closure.

3.6.3.2 Views of labour

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- i. Employers have an obligation to keep the workforce informed of developments that may impact on employment security and to plan, jointly with government and labour, measures to preserve employment or mitigate the consequences of retrenchment.
- ii. Labour proposes active state intervention to prolong the lives of mines and to protect the interests of workers and communities affected by forces that lead to mine downscaling. Proposals include:
 - a. targeted assistance from the State to prolong the lives of marginal mines;
 - b. a Government agency that will manage and co-ordinate processes related to mine downscaling;
 - c. State stewardship of mines that are scheduled for closure within five years.

3.6.3.3 Other views

- i. All spheres of government need to be fully aware of the likely pace, scope and effects of mine downscaling and to co-ordinate activities in this respect.
- ii. Government needs to ensure that the requirements for environmental rehabilitation are properly met in the case of unplanned downscaling.
- iii. Alternative economic uses for mine assets and the infrastructure of mining regions need to be investigated and promoted.

3.6.4 Government Policy

- i. Government has an obligation to assist employers, employees, industry suppliers and mine-linked communities in anticipating and managing the consequences of large-scale job losses.
- ii. Preserving mining employment
 - a) Because unemployment in South Africa is so high, every effort will be made to preserve employment in mining for as long as is economically viable and socially desirable. This goal should recognise the benefits of maximum output and foreign exchange generated by the mining industry.
 - b) Employment will be best protected and promoted by creation of a business climate that recognises the fundamental importance of long-term profitability and hence that encourages investment.
 - c) Government will investigate whether public assistance should be available for mines and regions faced with downscaling and, if appropriate, to formulate guidelines for such assistance.
- iii. Dealing with retrenchments and restructuring
 - a) Government strongly endorses the proposal that social plans capable of cushioning the impact of structural job loss be drawn up.

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b) Urgent action towards drawing up social plans is required in those mining sectors and geographical areas where large-scale restructuring is underway or imminent. Institutional support for the drawing-up of social plans is required.

c) Municipalities will be encouraged to take proactive steps, through their Integrated Development Planning, and Local Economic Development strategy, to ameliorate the negative impacts of downscaling and job losses in the mining sector.

d) In the short term:

1. Government will develop specific capacity to monitor and forecast trends in employment and output in the mining sector. The implications of this information will be reviewed on a regular basis by a tripartite meeting convened by Government.
2. Government will facilitate the establishment of forums at all mines. A tri-partite forum in the industry will review the trends identified by these forums on a regular basis. The tri-partite forum will outline agreed procedures for the process.
3. Government will draw up guidelines for mine downscaling and closure to provide all parties with a check-list and a time frame that can be adapted to their specific needs.
4. Government will assist mines to manage the retrenchment process. This assistance will include; assistance with information, unemployment insurance fund claims, counselling and skills development - on condition that the industry makes the agreed level of matching support.
5. Communities which are severely affected by large-scale retrenchments will be supported to identify alternative areas of economic activity.

e) In the medium term:

- Government will introduce a provision that requires mining companies to notify Government in the case of retrenchments that cumulatively exceed 10% of the workforce in any twelve-month period.
- Government will entrust the Advisory Board contemplated in 6.3.4 below with the task of monitoring restructuring in the mining industry and providing recommendations and options for the Minister of Minerals and Energy.
- Government will encourage mines to establish social plan funds.

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Chapter Four:

ENVIRONMENTAL MANAGEMENT

The Constitution provides that everyone has the right to an environment that is not harmful to their health or well-being and to have the environment protected for the benefit of present and future generations. This must be done through reasonable legislative and other measures that will prevent pollution and ecological degradation, promote conservation and secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

To be able to meet the development needs of the people while ensuring that the integrity of the environment remains unimpaired, it is essential to integrate environmental impact management into all economic development activities. This is in the interest of Government's overarching goal of sustainable development.

4.1 Background

i) Mining activities impact on the environment to varying degrees. Three important areas identify themselves for policy and regulation:

- a) the environmental impact of exploration;
- b) the environmental impact over the life of a mine including mine closure and financial assurances for mine site rehabilitation;
- c) maintaining rehabilitation measures where mining activity has ceased.

ii) South African society and the economy are characterised by the inequitable distribution of wealth and resources. This has resulted in the basic needs of the majority of South Africans not being met. To satisfy the needs of all South Africans, the utilisation of the mineral resources of the country, within a framework of responsible environmental management, is essential.

iii) Development in South Africa requires the optimum and environmentally sustainable use of all the natural resources of the country. A balance must therefore be attained between a cost-effective and competitive mining industry and the imperative to protect the environment.

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iv) The complex nature, both underground and above ground, of on- and offshore mining operations requires a dedicated approach and specific skills from controlling authorities. Adequate personnel who are qualified in the earth, biological and environmental sciences and who have been subjected to specialist training relevant to environmental management and mineral extraction are therefore required by the controlling authority.

v) Government will have to ensure that the costs of environmental impacts of the mining industry are not passed over to the community. This calls for:

a) a co-ordinated and integrated environmental management approach to the planning, management and use of all natural resources;

b) an increased public involvement to ensure pro-active and informed decision-making;

c) the implementation of effective and affordable measures and standards for environmental impact management, the prevention or efficient management of water, soil and atmospheric pollution, and the rehabilitation of areas affected by past mining operations; and

d) ongoing research with a view to improving and strengthening the measures, standards and practice applied to managing the impacts on the environment and to control pollution.

vi) Under the Minerals Act, prospecting and mining operations may not be conducted without an environmental management programme (EMP) having been approved by the authorities. To assist prospecting and mining companies to comply with this requirement, the Environmental Management Programme Report (EMPR) process was developed and has been approved for use in the mining industry. The EMPR covers a description of the pre-mining environment, a motivation for and detailed description of the proposed project, an environmental impact assessment, and an indication of how the impacts will be managed. Adequate consideration must be given to alternative methods of mining. The EMP, furthermore, requires adequate provision for financial guarantees for rehabilitation and arrangements for monitoring and auditing.

4.2 Intent

Government, in recognition of the responsibility of the State as custodian of the nation's natural resources, will ensure that the essential development of the country's mineral resources will take place within a framework of sustainable development and in accordance with national environmental policy, norms and standards.

4.3 Policy Requirements

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4.3.1 Views of employers

- i. A balance should be maintained between encouraging economic development and preserving high standards of environmental management.
- ii. Subject to the site-specific nature of the operation, uniform standards of environmental management should be applied across mining operations of varying scale so that all mining is conducted in an environmentally responsible manner. Artisanal mining, which has frequently caused severe environmental damage in other countries, should not be treated more leniently.
- iii. In principle, there should be no area, other possibly than those which have been sterilised by proclaimed townships, where prospecting and mining are prohibited, but the degree of sensitivity of the area must affect the standards of environmental control exercised by the mining operation. Should an economically viable ore body be discovered in a sensitive area, approval to mine should be subject to the full assessment of environmental impacts provided for in the Minerals Act, in which the "no project" option can be considered.
- iv. Cognisance should be taken of the stage of economic development of the country in framing environmental regulations. Environmental protection legislation that follows the example of highly developed countries should be adopted with caution. Prospecting and investment in mining have on occasion been substantially diminished as a direct result of ever-higher standards.
- v. Mining should be granted precedence in land use, while taking cognisance of environmental factors.
- vi. Appropriate environmental standards should be set for different stages of mining so that low impact activities, such as prospecting, are not burdened with cumbersome regulations.
- vii. The interdepartmental consultation required for approval of environmental management programmes should be facilitated and expedited through a "one-stop shop" approach in which the Department of Minerals and Energy acts as a lead agent and liaises with other departments, provincial authorities and interested and affected parties.
- viii. Delays in obtaining environmental approvals should be eliminated through improved administration.

4.3.2 Views of small-scale miners

- i. Government support should be provided for the education of small-scale miners on environmental management.
- ii. Intensive environmental management services should be provided in areas where there is a high concentration of small-scale miners. Measures should include providing technical and environmental management assistance and simplifying the procedures for complying with environmental management regulations. Explicit budgetary allocations should be made for this purpose.
- iii. Rehabilitation procedures should be made more affordable by devising a more flexible system for providing the necessary rehabilitation moneys.

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4.3.3 Other views

- i. Conservation areas including parks, reserves, wilderness areas, and cultural and archaeological sites should be protected.
- ii. The rehabilitation of defunct and derelict mines which are a risk to the environment, public safety and human health should be provided for by appropriate regulation.
- iii. The environmental damage caused by the mining industry should be managed and contained irrespective of the size of the mine.
- iv. It should be ensured that the rehabilitation of land for post-mine use is carried out to standards that permit its use for the purpose set out in the EMPR and that closure be granted only after satisfying that there are no foreseeable residual impacts that will be inherited by parties acquiring such land.
- v. Communities directly affected by mining should be enabled to participate in environmental impact assessments studies at the planning stage.
- vi. South Africa should comply with international environmental standards to meet international obligations.
- vii. Concerns that the DME lacks capacity to enforce existing environmental provisions should be addressed.
- viii. Environmental management for the minerals industry should be improved by expanding the scope of EMPRs, which presently address the physical environment, to include assessment of the impact on the social environment.
- ix. A conflict of interest between the promotion of the minerals industry and the enforcement of environmental standards within the DME should be prevented by providing a clear separation of powers.
- x. Land-use decisions should be based on economic efficiency and mining should not enjoy a claim to precedence.

4.4 Government Policy

Government will ensure that the following principles are adhered to:

i) In order to achieve integrated and holistic environmental management throughout South Africa, Government requires compliance with a single national environmental policy and governance within a framework of co-operative governance. While Government has appointed the national Department of Environmental Affairs and Tourism as its lead agent for this role, the DME will, in support of the lead agent and in accordance with national principles, norms and standards, develop and apply the necessary policies and measures to ensure the mining industry's compliance with the national policy on environmental management and other relevant policies such as the national water policy.

Similarly, due recognition will be given to the Department of Water Affairs and Forestry as lead agent for the national water resource.

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The processes of considering the granting of a prospecting or mining licence and the approval of an environmental management programme will run concurrently and the granting of the prospecting or mining licence and approval of the environmental management programme will take place simultaneously. The DME, in consultation with the relevant State Departments, will develop procedures to accommodate their requirements. These procedures will provide for decisionmaking in consultation with such Departments.

ii) During decision-making, a risk-averse and cautious approach that recognises the limits of current environmental management expertise will be adopted. Where there is uncertainty, action is required to be taken to limit the risk. This will include consideration of the "no go" option.

iii) The polluter-pays principle will be applied in the regulation and enforcement of environmental management. The mining entrepreneur will be responsible for all costs pertaining to the impact of the operation on the environment. Where for reasons such as the demise or incapacity of a mining entrepreneur, no responsible person exists or can be identified to address pollution emanating from past mining operations, the State may accept responsibility or co-responsibility for the rehabilitation required. Government may require that any person benefiting from such rehabilitation should contribute to the cost involved in such proportions as may be negotiated.

iv) A consistent standard of environmental impact management will be applied and maintained irrespective of the scale of the mining operation. Special attention will be afforded to the education and the provision of guidelines for mining entrepreneurs concerning environmental management, especially for small-scale miners. Furthermore, intensified attention and guidance will be provided in areas where a high concentration of small mining activities occur.

v) Equitable and effective consultation with interested and affected parties will be undertaken pro-actively to ensure public participation in the decision-making process and the *audi alteram partem* (hear the other side) rule shall apply to all decision-making. The decision-making process shall provide for the right to appeal. Access to information shall be in accordance with the requirements of the Constitution.

vi) Mining companies will be required to comply with the local Development Objectives, spatial development framework and Integrated Development Planning of the municipalities within which they operate and will be encouraged to promote social participation by conducting their operations in such a manner that the needs of local communities are taken

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into consideration. On closure of a mine, every opportunity must be taken to ensure the continued availability of useful infrastructure.

vii) Clear guidelines on the process and sequence of events for implementation of environmental management procedures and decision-making will be provided.

viii) The principles of Integrated Environmental Management (IEM) will be applied to environmental management in the mining industry. These must be amplified to include cradle-to-grave management of environmental impacts in all phases of a mine's life, effective monitoring and auditing procedures, financial guarantees for total environmental rehabilitation responsibilities, controlled decommissioning and closure procedures, procedures for the determination of possible latent environmental risks after mine closure and the retention of responsibility by a mine until an exonerating certificate is granted.

ix) The building of capacity to -

- a) effectively implement environmental management measures;
- b) monitor occurrences of pollution; and
- c) monitor compliance with the requirements of the national environmental management policy.

x) The principle of multiple land use will be adhered to in planning decisions, and contending options will be assessed and prioritised on economic, social and environmental grounds.

xi) The mining industry will be required to reduce pollution and encouraged to promote a culture of waste minimisation and creative recycling and re-use of waste products.

xii) Problem areas in environmental management will be identified proactively with a view to the co-ordination of research thereanent.

Chapter Five:

REGIONAL CO-OPERATION

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Sustainable development in South Africa depends in good part on sustainable reconstruction and development in southern Africa as a whole. An element of Government's long-term thinking is the gradual integration of the economies of southern Africa through the trade and investment protocols of the Southern African Development Community (SADC). The region has considerable mineral potential and therefore the mining sector has a particularly significant contribution to make to the economic development of the region. Mutually beneficial programmes have the potential in the short as well as longer term to yield benefits for the region as a whole.

5.1 Background

- i. International economic relations are increasingly influenced by the formation of regional trade blocks, such as those in Europe and North America, offering the advantage of co-ordinated policies, large markets and the free flow of goods and services.
- ii. Southern Africa has immense mineral wealth and the region produces over a third of the world's supply of gold, diamonds, platinum-group metals, vanadium, chrome and cobalt as well as over a tenth of other important minerals such as copper, manganese, granite and zircon.
- iii. Since its inception, the South African mining industry has had extensive involvement and interests in the region, recruiting labour, prospecting and conducting mining operations. Historically, mining has played a role in integrating the economies of southern African countries. The industry can provide the foundation for renewed economic growth in southern Africa.
- iv. With the demise of apartheid and the normalisation of relations with our neighbours, South African companies are re-entering the region with vigour. Care will need to be taken to manage South Africa's integration into the region's economy to prevent it unduly dominating and attracting resources away from smaller countries.
- v. A protocol on co-operation and integration of the mining sector in the SADC has been adopted which should result in economic development, alleviation of poverty and the improvement of the standard and quality of life throughout the region.

5.2 Intent

Government will encourage co-operation on mineral and mining matters amongst the countries of the southern African region and base that co-operation on the principle of mutual benefit. It will devise policies to enhance South Africa's capacity to contribute to the development of the region. The objective will be to achieve an equitable, balanced and mutually beneficial order in southern Africa.

5.3 Policy Requirements

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5.3.1 Views of employers

South African mining companies, equipment suppliers and consultancies have technologies, expertise and services potentially in great demand in the region and the rest of the continent. South Africa's economy stands to gain from increased regional, continental and international co-operation. For profound and enduring economic benefits of co-operation to be realised, a phased removal of barriers to the free movement of labour, capital, goods and services needs to take place, without destabilising any of the countries involved.

5.4 Government Policy

- i. South African mining and related companies will be encouraged to apply their expertise to tap business opportunities in the region and across the continent.
- ii. Government will participate in the co-ordination of the policies of southern African countries so that the region can benefit optimally from its mineral wealth by taking specific steps to:
 - a. remove barriers to the movement of labour, capital, goods and services, but in a phased manner that will avoid destabilising the countries involved;
 - b. co-operate in the harmonisation of the minerals and related legislation in the region, including the harmonisation of mineral-related industrial and technical standards;
 - c. encourage cross-border mineral processing, which optimises capacity utilisation and increases value adding in the region;
 - d. foster regional co-operation in technology development; this should be facilitated through the exchange of geoscience and mineral processing information, technology, facilities and expertise;
 - e. encourage co-operation in the development of human resources in the region by facilitating the upgrading of the institutional capacity of southern African mining and geology departments at tertiary institutions, and by pooling resources in the form of laboratory facilities, research centres and institutions;
 - f. disseminate investment and exploration information among member countries.
- iii) Government will work co-operatively with other governments, private industry and international agencies to address environmental concerns, as well as mine health and safety standards in respect of mining and minerals.

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Chapter Six:

GOVERNANCE

In order to contribute to a competitive and sustainable minerals industry in South Africa, Government involvement should be focused on efficient and cost-effective resource management. This includes the mineral, human, and environmental resources of the country. Such governance will require both regulatory and developmental dimensions, but with a clear separation of powers in order to maintain transparency and equity.

The activities of the Department of Minerals and Energy (DME) must be responsive to the needs of stakeholders and transformation within the industry. In this respect a special duty rests on the Department, being charged with a national function with wide impacts throughout the country, to co-operate with all spheres of government. Furthermore, the principle of tripartitism and consultation, which is necessary for open and inclusive governance, should be accommodated. This should include the opportunity for other parties and individuals to constructively engage Government and the main stakeholders on matters of common concern.

6.1 Regulation and Promotion

6.1.1 Background

- i. In order to promote, support and regulate minerals and mining it is essential that Government institutions are competent and efficient. Exploration and mining are high risk businesses and consequently it is important that individuals and companies are confident in their dealings with state institutions, and that decisions are made timeously and efficiently. If contracts are to be negotiated and investment mobilised it will be important that institutions respond rapidly and professionally.
- ii. The governance of the mining industry involves a number of players, including specialised government agencies, such as the Council for Nuclear Safety and the Council for Geoscience and Mintek, that have a significant influence on the industry. At the level of central Government - in which a number of departments have an interest in the industry - it is the DME which has the primary role in governance.
- iii. The Leon Commission proposals regarding restructuring in the DME in order to address safety and health issues, have been incorporated in the Mine Health and Safety Act of 1996. These will, therefore, not be discussed in this chapter, other than to note that certain provisions of the Act remain to be implemented.

6.1.2 Intent

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The regulatory and promotional activities of Government will be conducted in a transparent and efficient manner in carrying out its brief to manage the development of South Africa's mineral resources, and to regulate the mineral industry to meet national objectives and bring optimum benefit to the nation.

6.1.3 Policy Requirements

6.1.3.1 Views of the minerals industry

- i. Sensible regulation requires an understanding of the nature and interrelated technical complexities of mining, making the existence of a single, central regulatory agency highly desirable. That agency should be the DME, working as necessary through its own regional offices.
- ii. The Department should serve as the pivotal link between the industry and other government departments and regulatory agencies.
- iii. Subject to any obligations to maintain confidentiality of private information, the DME should make adequate information available on all the aspects involved in mineral investment and exploitation.
- iv. Mineral regulation and administration should be conducted efficiently and expeditiously.
- v. The DME must be adequately staffed by skilled personnel.
- vi. The structure of the DME must be such that it is accessible and responsive to all sectors of the mineral industry in all parts of the country, and that the span of control is not stretched.
- vii. In order to improve access to and investment in the mineral industry, relevant government institutions should not only assume a regulatory role but should actively pursue a promotional role as well.
- viii. Interdepartmental communications, particularly between the DME and the Departments of Environmental Affairs, Water Affairs, and Trade and Industry, should be improved in order to decrease the potential for cross-cutting legislation.
- ix. An overall review is needed of which organisations of government will best serve the industry. The review should focus, in particular, on efficiency and competence in the administration and functioning of government agencies whose activities have a direct bearing on the mining industry. Regulatory and service agencies of the government should be attuned and responsive to the needs of and constraints upon the industry.

6.1.3.2 Other views

- i. The DME should look after the interests not only of the minerals industry, but also of the communities in the areas where mineral exploitation activities take place.
- ii. The racial and cultural make-up of the DME should better reflect that of the community.

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- iii. The DME should cultivate a culture of development and promotion of the industry and people associated with it as well as functioning as a regulatory body.
- iv. No intermediate institutions such as minerals trusts, should be involved in the process of mineral regulation and administration.

6.1.4 Government Policy

- i. The DME will be the lead agent for governance of the minerals industry.
- ii) The structure of the DME will, amongst others, provide for:
 - a) separate intra-departmental components and mechanisms to handle mineral resource management and the promotion of the industry on the one hand and mineral resource administration and regulation on the other;
 - b) a separate structure, within the regulatory component, to control environmental management in the mining industry;
 - c) a separate mine, health and safety inspectorate;
 - d) the improvement of administrative procedures in respect of the granting of prospecting and mining rights;
 - e) the provision of a cost-effective "one-stop shop" information and advice service to the minerals industry; and
 - f) ongoing research, co-ordination and review of minerals and mining policy.
- iii) Government will ensure that all associated institutions concerned with the minerals industry will be guided in terms of national objectives and priorities. To this end it will be a statutory requirement that representatives from the DME serve on the boards of such institutions.
- iv) In particular, the Council for Geoscience should focus on serving as a national resource for South Africa that can make data available at nominal cost. This may require a review of the Council's mission and Government's funding policy towards this institution.
- v) The staff composition of the DME will reflect the demographics of South Africa.
- vi) In the process of establishing mining operations, the relevant mining company will consult the affected community, taking due cognisance of the local economic development needs and local integrated development plans.

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vii) Intermediate statutory regulatory institutions, such as minerals trusts, will be phased out.

6.2 National and Provincial Governments and Municipalities

6.2.1 Background

- i. Mineral affairs are allocated to the national level. In the Constitution mineral affairs are not mentioned in schedule 4 stipulating functional areas of concurrent national and provincial legislative competence, nor in schedule 5 stipulating functional areas of exclusive provincial legislative competence.
- ii. The Minerals Act provides for the Department of Minerals and Energy to regulate prospecting, the exploitation of minerals, utilisation of land and environmental impact studies whilst health and safety issues are regulated in terms of the Mine Health and Safety Act.
- iii. Irrespective of the emphasis in the Constitution on national responsibility for mineral affairs, in practice the provinces, due to the wide range of functions they have, also impact on mineral affairs, and vice versa. Several provinces are keen to promote mining in their areas.
- iv. Mineral affairs interact with the following functions referred to in schedule 4 or 5 of the Constitution: agriculture, environment, health services, local government, nature conservation, regional planning and development, soil conservation, industrial promotion, urban and rural development, and public works.
- v. In view of the Constitution, it is important to ensure that uniform mineral management and regulatory standards be maintained throughout South Africa and that services provided by Government be rendered in an equitable manner.
- vi. Constitutional provision is made for the equitable division of revenue raised nationally among the national and provincial governments and municipalities. This sharing of a national pool of revenue, which includes revenue from mining taxation, involves intricate considerations which fall within the functions of the Financial and Fiscal Commission.

6.2.2 Intent

Government will ensure equal treatment and standards in respect of the management and regulation of the mineral industry in all the provinces of South Africa.

6.2.3 Policy Requirements

6.2.3.1 Views of the minerals industry and investors

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- i. Sensible regulation requires an understanding of the nature and interrelated technical complexities of mining, making the existence of a single, central regulatory agency highly desirable.
- ii. Because of the way the industry has evolved, as well as the need for consistency of policy and practice across provincial and local boundaries, there should be minimal devolution of authority to separate provincial or lower level bodies. Such bodies should not be empowered to create laws or regulations which impact on mining.
- iii. In cases where there is a need for issues to be dealt with at sub-national level, a consultative process with all affected parties is essential.
- iv. The relationship between a mine and its provincial authority and municipality has many dimensions but the basic criterion should be that the authorities avoid undue involvement in the operations of a mine.
- v. Where a mine uses services provided by a municipality such services should be charged for on an economic and equitable basis, governed by the costs of provision; mines should not be burdened with inflated prices designed to improve the financial position of the municipality.
- vi. Where a mine supplies its own services or can obtain them competitively from a supplier other than the municipality, it should not be obliged either to pay rates in respect of such services or to acquire them from the municipality.

6.2.3.3 Views of provincial governments and municipalities

- i. In order to guide or affect the economic growth and development process, some influence is required in the minerals arena, be it at legislative, executive or operational level.
- ii. Mechanisms are required whereby the negative social and economic consequences of mine closures can be planned for and ameliorated.
- iii. There is a clear need for integration of regional/local, DME and Department of Trade and Industry attempts to stimulate small-scale entrepreneurial activities.

6.2.4 Government Policy

- i. The minerals and mining industry will be governed at national level through a single lead department, but will obviously be required to comply with all national, provincial and municipal legislation.
- ii. Services provided to a mine by provincial governments or municipalities will be charged for on an equitable basis.
- iii) A formal mechanism will be established whereby provinces can engage with national government on mineral industry issues where these relate to agriculture, the environment, economic affairs and other relevant provincial and local government competencies.
- iv) Provincial governments and municipalities will have access to the expertise and information available in the DME and associated institutions.

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6.3 Stakeholder Consultation

6.3.1 Background

- i. The mineral industry has been an important factor in the development of South Africa's infrastructure and much of its secondary industry. It is a major provider of employment and other business opportunities, both directly and through backward and forward linkages. In order for the mineral industry to play its required role in respect of economic growth and the earning of foreign exchange, good co-operation will be required between Government, labour and the industry. This can only be achieved when policy formulation, management and regulation are conducted in an atmosphere of openness and in close consultation with stakeholders in the industry.
- ii. South Africans recognise that there are large and complicated issues involved in mineral development activities. Development decisions affect the public in more ways than just providing employment opportunities. The stakeholders and affected communities should be involved in discussing all the issues surrounding mineral development activities and should participate in the decision-making process.
- iii. The Mine Health and Safety Act includes a variety of provisions relating to tripartite consultation and co-operation in respect of different health, safety, education and training issues; these will, therefore, not be addressed in this section.

6.3.2 Intent

The management and regulatory activities of Government will be conducted in a transparent manner and will take into account the views and interests of all the stakeholders in the minerals industry.

6.3.3. Policy Requirements

6.3.3.1 Views of the minerals industry

- i. An ongoing opportunity to debate all issues pertinent to mining and minerals policy, that would also provide a forum in which the views of other interested parties could be canvassed, is required. Such a structure and process are essential in order to achieve a collaborative approach to policy formulation, as well as to give coherence and focus to what could otherwise be a fragmented and insufficiently consultative approach to policy.
- ii. The minerals industry will be promoted through information and education programmes relating to the contribution of the industry to the economy, the role

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of minerals in everyday life, and mineral-related issues such as the environment and safety and health.

6.3.3.2 Other views

- i. A forum should be established where the views of communities affected by mining could be heard.
- ii. A greater degree of co-operation and co-ordination between government departments is required, as well as between Government and the private sector.
- iii. A tripartite forum is required to advise the Minister of Minerals and Energy on issues related to mining, such as the environment.

6.3.4 Government Policy

A statutory board will be established that will advise the Minister of Minerals and Energy on mining and mineral matters that fall outside the Mine Health and Safety Act. It will provide a forum in which government departments, representatives of the principal stakeholders, viz. business and labour, as well as other interested parties, can debate issues that bear upon existing or new policies. The board will *inter alia* be required by law to advise the Minister on whether, when and how to intervene in cases where a dispute arises in the granting of prospecting, mining and retention licences.

List of Abbreviations and Names

ABET - Adult Basic Education and Training (see ABET National Interim Guidelines, Department of Education, September 1995)

Council for Science - Council responsible for geological mapping, State earth science

Geoscience research and a repository of geological information

DME - Department of Minerals and Energy

EMP - Environmental Management Programme

EMPR - Environmental Management Programme Report

ESOPS - Employee Share Ownership Participation Schemes

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Fanagalo - Dialect of commands combining various languages developed on mines early this century

ILO - International Labour Organisation

LRA - Labour Relations Act

MHSC - Mine Health and Safety Council

MQA - Mining Qualifications Authority

NEDLAC - National Economic Development and Labour Council

NQF - National Qualifications Framework

SADC - Southern African Development Community

SIMRAC - Safety in Mines Research Advisory Committee

TBVC - Transkei, Bophuthatswana, Venda and Ciskei

Legislation Cited

Companies Act no. 61 of 1973

Constitution of Self-governing Territories Act 21 of 1971

Income Tax Act no. 58 of 1962

KwaZulu Ngonyama Trust Act of 1994

Labour Relations Act no. 66 of 1995

Lebowa Minerals Trust Act of 1987

Mine Health and Safety Act no. 29 of 1996

Minerals Act no. 50 of 1991

Mines and Works Act no. 27 of 1956

Restitution of Land Rights Act no. 22 of 1994

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Rural Areas Act, 1974

South African Development Trust Act no 18 of 1936

South African Qualifications Authority Act no. 58 of 1995

Commissions Cited

Katz Commission: Commission of Inquiry into Certain Aspects of the Tax Structure of South Africa

King Committee: The King Report on Corporate Governance, 1994

Labour Market Commission: Restructuring of the South African Labour Market: Report of the Commission of Inquiry into the Development of a Comprehensive Labour Market Policy RP83/1996

Leon Commission: Commission of Inquiry into Safety and Health in the Mining Industry, 1994

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Mining Charter minefield

By Allan Seccombe - March 2, 2009

[miningmx.com] — THE one sure thing that can be said about the South African mining industry – apart from taxes and death – is that executives in this critical sector of the economy never have a dull moment as regards the operating environment.

This is not a reference to the gut-churning rollercoaster ride commodity prices are providing, but the legislative environment in which executives have to feel their way.

Arguably the single biggest change to the sector in the past 50 years or more is the agreement to put in place legal requirements for black equity participation, among a host of other obligations to secure new-order mining rights.

A leaked government draft of the mining charter on empowerment in 2002, proposing half of mining companies' equity should be held in black hands, spooked the market and caused a stampede of R54bn out of mining stocks.

The precipitous decline in mining shares was eventually soothed by an agreement between the state and private sector that 26% of equity should be held by black South Africans by 2014, with the process to be reviewed after five years.

The new Minerals and Petroleum Resources Development Act (MPRDA) was enacted in 2004, which means this is the year for review.

Concerns are regularly raised that the government might look to increase the black ownership component or make changes that will make operating in the country – already perceived as investor-unfriendly – more difficult.

Charter leak damage

Given that this is an election year in which the left-leaning, labour-friendly faction of the African National Congress has taken the upper hand in the ruling party, it will be interesting to see what comes out of the review process.

While much progress has been made in redressing the ills wrought on society under apartheid rule, the vast majority of the country's population still lives in poverty.

Jacinto Rocha, the deputy director-general of the department of minerals and energy (DME), has said the government has to take cognisance that the majority of the country's population is black and agitating for reform. At the same time, government wants to attract and retain mining investment.

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"We have informed them (the government) of our international reputation. We constantly remind them of how much value was destroyed with the last charter leak," says Siphso Nkosi, president of the Chamber of Mines.

The problem with black economic empowerment is that it started with a bang, enriching a few. Criticisms quickly rose from within and outside government that the same old faces kept cropping up in these multi-billion rand deals.

There have been stinging rebukes from high-powered government officials, notably DME director general Sandile Nogxina, about those empowered individuals who turned over their stake or newly-acquired rights for a quick profit.

BEE in a commodities slump

There is a drive to broaden the base of beneficiaries, which brings its own complications with finding suitable partners and implementing funding mechanisms as well as the time it takes for benefits to trickle down to those involved.

A further unwelcome twist is the downturn in commodity markets and the subsequent fall in share prices, which have left the majority of empowerment deals under water.

If empowerment deals haven't really worked for the majority of intended beneficiaries in the good times, how are they going to work now with the markets on their knees?

This is something that's going to have to be very carefully thought out during the review process.

Just how pragmatic parties, including organised labour, will be during the process remains to be seen. It bodes well that the government decided to hold off on imposing a royalty on the sector this year because of the state of the markets.

"I was made more comfortable with the review two weeks ago when we met with the DME to look at the review process," says Nkosi.

"The first point is that South Africa did not really benefit during the last commodity boom and we as a country had to focus on taking advantage of the next upswing," he says.

"Secondly, in that meeting we agreed on a process to be followed. The mining charter was the result of a group effort involving business and unions, and we agreed that during the process of review all parties had to be involved. It won't just go government."

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mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

**MINING CHARTER IMPACT ASSESSMENT
REPORT**

OCTOBER 2009

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EXECUTIVE SUMMARY

On the 11th of October 2002, the erstwhile DME (now DMR) together with mining industry stakeholders, including the Chamber of Mines, South African Mining Development Association and the National Union of Mine Workers signed the Mining Charter. Stakeholders agreed to meet after five years to review the progress and to determine what steps, if any, need to be made to achieve the objectives of the Mining Charter.

The DMR has undertaken this assessment to determine the extent to which the objectives of the Mining Charter have been achieved. In particular, the report records progress made against each element of the Charter. Contrary to the good progress made in terms of compliance with HDSA participation in management, examination of other elements paints a gloomy picture.

Although the findings of the report indicate that the Mining Charter is a useful tool to effect transformation, they also illuminate challenges and opportunities in as far as the effective implementation of the Mining Charter is concerned. The shortcomings identified in the report necessitate an urgent need for review.

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1. PREAMBLE

This report presents the main findings of the assessment of the Mining Charter conducted by the DMR, with a view to strengthening the effectiveness of the Charter as a policy instrument to effect the transformation of the Mining sector in South Africa. The report provides a snapshot of the South African Mining Charter, details the impact of the Mining Charter or its lack thereof to address the challenges of transformation of the mining sector in South Africa.

In addition, the report delineates the historical background to the South African Mining Charter, spells out the relevant legislation for mining of mineral resources, outlines the statistical account of the progress made by the mining houses with regard to the nine elements of the Mining Charter intended to facilitate the transformation of the mining sector, teases out the contesting relationship between the State and the Mining Sector in South Africa and outlines the limitations or grey areas of the Mining Charter that often leads to different interpretations. In so doing, and while cognisant of what is in the general interest of South Africa and its people, the analysis of limitations provides a scope for solutions towards the transformation of the South African Mining sector.

2. THE MINING CHARTER IN CONTEXT

The South African government, like many other governments globally endowed with abundant mineral resources, has developed market-driven policies to accelerate the pace of the transformation of the mining Sector. Mineral resources are the common heritage of all the people of South Africa and the State is the custodian thereof for the benefit of all South Africans. Mining companies in South Africa have to apply for rights (and permits) to the State for exploration and exploitation of the mineral resources. As a result, the Mining Charter attaches

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cautiously thought-out conditions meant to accelerate the transformation of the mining sector, which right holders must comply with in order to continue participating in the country's mineral and mining sector. These conditions are imbued with the importance of operating in solid and tested policy directives aimed at avoiding the folly of potential harm through policies that have the propensity to freeze South Africa's economy into a catatonic state of zero progress.

The South African Mining Charter provides for the aspiration that for any meaningful transformation to be attained in the mining industry, transformation should actually permeate through the ranks of the international market as well in the manner that it be a consequence of a broad based economic model for the benefit of all South Africans and for the continued sustenance of the international investor confidence. Therefore, the South African Mining Industry does not operate as an island in isolation from the South African economic landscape.

Recognising that mining was used as a tool to perpetuate the inequalities in favour of a select group in a manner that precluded HDSA's from participating in a meaningful way within the broader South African economic pie in mineral resources, the South African Mining Charter was developed and adopted as a tool to effect broader transformation of the mining sector.

The creation of the Mining Charter in the main is intended to avert the status quo where HDSA's are generally considered as a repository for cheap labour. On the other hand, management and company ownership was a reserved privilege benchmarked along racial lines in South Africa, and to be precise in favour of the minority white South Africans. Therefore, the Mining Charter is derived from the same values of the supreme law of the country, which is, the Constitution of the Republic of South Africa as it is more vociferous on the subject of equality, in inter alia section 9 on equality and discrimination (in the Bill of rights) that talks to redressing historical and social inequalities.

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Section 100(2)(a) of the Mineral and Petroleum Resources Development Act [MPRDA] provides that the Minister, inter alia, *"must within six months from the date on which this Act take effect develop a broad based socio economic empowerment charter that will set the framework, targets and time-table for effecting the entry of Historically Disadvantaged South Africans into the mining industry, and allow such South Africans to benefit from the exploitation of mining and mineral resources"*.

To give effect to section 100 (2) (a) and thus promote transformation in the mining sector, stakeholders have developed the Mining Charter which seeks to achieve the following six objectives:

- Promote equitable access to the nation's mineral resources to all the people of South Africa;
- Substantially and meaningfully expand opportunities for HDSA's including women, to enter the mining and minerals industry and to benefit from the exploitation of the nation's mineral resources;
- Utilize the existing skills base for the empowerment HDSA's;
- Expand the skills base of HDSAs in order to serve the community;
- Promote employment and advance the social and economic welfare of mining community and the major sending areas; and
- Promote beneficiation of South Africa's mineral commodities;

The Mining Charter introduced nine (9) elements (incorporating relevant legislation) aimed at redressing past racially discriminatory practices that were perpetuated during the apartheid era to exclude the HDSA's from actively participating in the ownership and management of the mining sector. Stakeholders have agreed to create an enabling environment for the empowerment of the HDSA's by adhering to the following:

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- Human resource development (*Skills Development Act 97 of 1998*)
- Employment equity (*Employment Equity Act 55 of 1998*)
- Migrant labour (*Immigration Act 13 of 2002*)
- Mine Community development
- Housing and living conditions
- Procurement (*Preferential Procurement Policy Framework Act 5 of 2000*)
- Ownership and joint venture (*Competition Act 89 of 1998*)
- Beneficiation
- Reporting

Stakeholders recognised that the achievement of the objectives set out in the Charter entails continuous engagement on reporting, monitoring and evaluation and further agreed to review the Charter if required.

3. ANALYSIS OF PROGRESS AGAINST CHARTER ELEMENTS

As a vehicle to redress the socio-economic imbalances of the past, the Mining Charter, as a negotiated instrument, identified nine basic elements to effect the transformation of the South African mining industry. The analysis is informed by the DMRs internal inspection processes and findings from an independent assessment conducted by a consultancy group appointed by the Department. The question that this section answers is as follows: What progress has been made towards the attainment of the objectives of the Charter?

3.1 Human Resource Development

The mining industry is knowledge based, thus requiring greater emphasis placed on skills development. The Charter recognised that the South African labour market does not produce enough requisite skills for the mining industry. Consequently, stakeholders agreed to work together in addressing the inherent skills deficit and adopted measures to effect skills development which would be measured as follows:

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- (i) Has the company offered every employee the opportunity to be functionally literate and numerate by the year 2005 and are employees being trained?
- (ii) Has the company implemented career paths for HDSA employees including skills development plans?
- (iii) Has the company developed systems through which empowerment groups can be mentored?

In respect of the abovementioned measures, the assessment yielded the following results:

Functional Literacy: An average of 17.1 percent was achieved.

Career Pathing: An average of 17.1 percent was achieved.

Mentoring of empowerment groups: An average of 11.4 percent was achieved.

The assessment of this Charter element further indicates innate inhibitions against progress on skills development, which include, albeit not limited to lack of management support for staff participating in Adult Basic Education and Training (ABET), as evidenced by recalling of staff from classes to accelerate production, loss of bonuses for ABET attendees and classes arranged after working hours, typically non-proximal to employees residences. Consequently, the prevailing conditions are less attractive for employees to enrol on the programs of skills development. The findings further indicate that the bulk of ABET training beneficiaries are mostly characterised by non-South Africans.

Additionally, investigations of the career pathing and mentoring of empowerment groups measures indicate a disconnect between the plans submitted to the Department of Mineral Resources and actual implementation. The bulk of interviewed mentors and protégés of these programs purport to be oblivious to the plans, as a result of which their participation is limited. Additionally, career plans are typically focussed on development of senior managers at the exclusion of lower level employees.

The companies that are succeeding in the implementation of agreed measures of the HRD element tend to provide sufficient resources and incentives for training.

The continuing paucity of skills in the industry, coinciding with the longest commodity boom, as corroborated by perpetual utterances by the industry captains, bears testimony to the lack of investment in critical skills development. While the original intent of the Charter was to use and expand the existing skills base to contribute to sustainable development of the mining industry, it appears that the implementation of this element has focussed on basic skills development at the expense of developing the requisite skills to effect meaningful transformation of the industry.

Government created the Mining Qualification Authority (MQA) to drive skills development in the mining sector, in terms of the Skills Development Act No. 97 of 1998. Furthermore, the MQA gives credence to the objectives of the Charter by executing Government's undertaking to provide training in mining and entrepreneurial skills. The MQA is also mandated to conduct skills audits, in partnership with the stakeholders, on the basis of which comprehensive skills development strategies were to be developed. The apparent lack of skills resulted in South Africa's mining industry not benefiting nearly as optimally from the commodity super-cycle, owing to poor investment in the development of core skills.

3.2 Employment Equity

As cornerstone of apartheid discriminatory employment practices, the mining industry remained, to a large extent, unreformed at the time of the promulgation of the Charter. Consequently, stakeholders deemed it appropriate to include Employment Equity as an element of the Charter to effect a demographically representative workforce in the mining sector, consistent with the central tenets of

the Employment Equity Act No. 55 of 1998 and the Basic Conditions of Employment Act No. 75 of 1997, as amended.

Stakeholders agreed to cooperate in facilitating the achievement of a representative workforce, and adopted the following measures:

- (i) Has the company published its employment equity plan and reported on its annual progress in meeting that plan?
- (ii) Has the company established a plan to achieve a target for HDSA participation in management of 40percent within five years and is implementing the plan?

Has the company identified a talent pool and is it fast tracking it?

- (iv) Has the company established a plan to achieve the target for women participation in mining of 10percent within the five years and is implementing the plan?

Employment Equity Plans and reports

Only 37 percent of mining companies have developed Employment Equity (EE) plans, while a lesser number of companies have published these plans. There is no evidence of EE reports (either audited or unaudited) submitted to the Department of Mineral Resources. These findings demonstrate the intransigence and lack of commitment by the industry to transform.

HDSA participation in management

An average of 26 percent of mining companies achieved a threshold of 40 percent of HDSA participation at management level, while the average achievement for the industry is 33 percent. It has to be noted that HDSA participation includes white women participation, which currently stands at 10 percent. However, it was further established that a large number of HDSA's occupy middle management

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positions while an insignificant number of HDSA's are in key decision making positions.

Women participation in mining

The results reveal that only 26 percent of mining companies have complied with the 10 percent women (inclusive of white women) participation in mining. However, the average rate of women participation is 6 percent, the bulk of whom are represented in support functions with less than 1 percent in core management positions, a large proportion of which represents a preserve for white women.

Talent pool identification and fast tracking

An average of 83 percent of mining companies have not identified talent pool, while only 17 percent are in the process of fast tracking those identified for management positions.

Employment patterns in the mining industry reflect that the majority of HDSA still occupy lower levels of employment and the targeted 40 percent of HDSA participation in management, as espoused in the Charter, has not yet been achieved.

The Human Rights Commission report dated 4th November 2008 confirms the afore-mentioned findings relating to the lack of compliance with the employment equity targets in the mining companies, in terms of race and gender representations. This observation is corroborated by the findings of the 9th Employment Equity Commission report, which highlight that white South Africans (female and male) continue to occupy top management positions and earn more than blacks regardless of skills and experience.

The assessment further revealed the prevalence of racially discriminatory practices in the mining industry, which impacted negatively on the progress towards attainment of equitably transformed workplace.

The lack of investment in HDSA skills development by the industry has created a limited pool of expertise required to effect meaningful gender and racial representation. As a result, retention of a few skilled HDSAs in companies has proven to be a challenge. There is evidence that progress on employment equity remains minimal, with most mining companies developing equity plans for regulatory compliance purposes.

3.3 Migrant Labour

Since the mining industry was developed on the blood and sweat of both South African and migrant labourers, the signatories to the Charter deemed it necessary to make special provision to ensure non discrimination of migrant labourers.

The following measure was adopted to assess progress made in regard to this element:

Has the company subscribed to government and industry agreements to ensure non-discrimination against foreign migrant labour?

This element appears to have been significantly complied with, consistent with the objects of the Immigration Act No. 13 of 2002. This is illustrated by the benefits enjoyed by immigrant workers in terms of skills development. However, evidence of agreements to promote non-discrimination entered into between companies and government was not readily available.

3.4 Mine Community Development

Minerals exploration and mining activities are located in remote and under-developed areas of the country. Mining activities in South Africa, which extend

beyond a century, have led to the proliferation of mining ghost towns, due to poor mining practices of the past' which were inconsistent with sustainable development principles. To ensure the achievement of the triple bottom line, particularly the socio-economic dimension, stakeholders agreed to pursue community upliftment programmes to support communities within which mining takes place as well as labour sending areas. It was agreed that this element would be measured as follows:

Has the company cooperated in the formulation of integrated development plans and is the company cooperating with government in the implementation of these plans for communities where mining takes place and for major labour sending areas?

Has there been an effort on the side of the company to engage local mine community and labour sending area communities? (Companies will be required to cite a pattern of consultation, indicate money expenditure and show a plan)

The assessment indicates that 63 percent of companies engaged in consultation processes with communities, while 49 percent of companies participated in the formulation of Integrated Development Plans (IDP) in mine communities. However, only 14 percent of companies extended their participation in the development of IDPs for labour-sending areas. A mere 37 percent of companies showed proof of expenditure in accordance with commitments set out in approved Social Labour Plans (SLP). The rest of the companies implement corporate social responsibility projects and report these as part of their contribution to IDPs.

Despite seemingly high compliance levels in terms of community consultation, there is no evidence of a direct link between the proposed and implemented community development projects as far as the needs of affected communities are concerned. This is a result of inefficient consultation process, poor or lack of collaboration with communities and lack of alignment to established Local Economic Development (LED) frameworks. The disjuncture between consultation and collaboration with affected communities minimises the developmental impact

of the mining industry on communities, as corroborated by the poor correlation between SLP commitments and related expenditure.

The assessment further identified the narrow empowerment approach of handpicked individual disguised as representing the broader interest of host communities.

The industry expressed a need for a uniform approach to SLP models countrywide, contrary to the unique development requirements of every community. This proposal contradicts international best practice of the same mining companies operating in developed countries where significant investments are made towards community development projects, which address specific needs of those communities prior to the commencement of mining activities.

A model of integrated resource management, which is characterised by mining companies intending to develop projects within the same proximity through pooling of their respective resources in pursuit of high impact development within the host communities, has been proven successful.

3.5 Housing and Living conditions

The appalling living conditions under which black mine workers were made to live before the advent of democracy led to a myriad of social ills, including the destruction of the social fabric of communities, substance abuse, as well as the contraction and spread of diseases, particularly HIV/AIDS. These conditions necessitated stakeholders' intervention to promote humane living conditions for affected workers. To address the situation, stakeholders agreed to implement redress mechanisms which would be measured as follows:

For company provided housing has the mine, in consultation with stakeholders established measures for improving the standard of housing including the

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upgrading of hostels, conversion of hostels to family units and promoted home ownership options for mine employees? Companies will be required to indicate what they have done to improve housing and show a plan to progress the issue overtime and is implementing the plan?

For company provided nutrition has the mine established measures for improving the nutrition of mine employees? Companies will be required to indicate what they have done to improve nutrition and to show a plan to progress the plan over time and is implementing the plan?

The assessment indicates that 26 percent of the mining companies have provided housing for the employees, while 29 percent have improved the existing standards of housing. The results further indicate that 34 percent of companies have facilitated employees' access to home ownership through various schemes. In addition, 29 percent of companies have offered nutrition to employees or have established plans to effect improved nutrition. The majority of mines have moved away from the hostel systems, as a result of which 9 and 6 percent of companies have achieved upgrading of hostels as well as conversion of hostels to family units, respectively. The mining industry has made reasonable progress towards the creation of descent housing and living conditions for mine workers through the various schemes. However, despite the reduction of the number of occupants from 16 to 4 persons per unit, this occupancy rate remains unacceptably high. Accordingly, inspection of most hostels further revealed unhygienic living conditions that hostel dwellers are subjected to. The upgrading as well as the conversion of existing hostels into family units remains unacceptably low.

Less than a third of the mining companies make nutritional provision for their employees. Inspections have revealed that nutrition is typically outsourced to service providers with inadequate expertise, characterised by former employees of the mining companies. The assessment also revealed a conspicuous absence of adequate facilities for employees to prepare their own meals.

Further, the assessment found that most mining companies have resorted to giving workers "living out allowances". The unintended consequence of the aforementioned is the proliferation of informal settlements. It is common knowledge that informal settlements in South Africa often provide a conduit or cesspool of crime, substance and alcohol abuse, and the spread of diseases.

The housing and living conditions standard gazetted in April 2009 was developed by the Department of Mineral Resources (DMR) in consultation with industry stakeholders and the Department of Housing (Housing Act No. 107 of 1997). This policy sets out various standards and guidelines to enable industry to accelerate the attainment of requisite levels of humane living conditions for mining sector employees, consistent with international best practices.

3.6 Procurement

While political freedom has been achieved in South Africa, economic freedom remains elusive to the majority of its citizens. South Africa continues to display two economies that are divided along racial lines. Procurement of capital goods involving huge sums of capital funds managed and dispensed by the mining industry continues to be dominated by non HDSA companies. The procurement element of the Charter is a deliberate intervention by stakeholders to create new avenues for HDSA supplier participation in the mainstream economy, to bridge the divide between the two economies, as espoused in the Broad Based Black Economic Empowerment Act No. 53 of 2003. The mining stakeholders adopted this element of the Charter and agreed to the following measures:

Has the mining company given HDSA's preferred supplier status?

Has the mining company identified current level of procurement from HDSA companies in terms of capital goods, consumables and services?

Has the mining company indicated commitment to a progression of procurement from HDSA company over a three (3) to five (5) year time frame in terms of capital

goods, consumables and services and to what extent has the commitment been implemented?

The assessment illustrates that 89 percent of companies have not given HDSA companies preferred supplier status, while 80percent have not indicated commitment to the progression of procurement from HDSA companies over a 3-5 year time-frame. The current reported level of procurement from HDSA companies averages a mere 37 percent of companies, although companies could not always ascertain the ownership and management control status of their HDSA suppliers.

Procurement of capital goods, consumables and services managed and dispensed by the mining companies continues to be skewed in favour of their preferred untransformed suppliers to the detriment of HDSA companies.

HDSA companies largely benefit from procurement contracts for the provision of consumables and non-core services such as providing cleaning facilities, toilet paper and other trivial activities.

The value of HDSA procurement expenditure as a percentage of total procurement remains below 3 percent, consistent with the insignificant provisions of preferred supplier status to HDSA companies. There is no evidence that stakeholders have identified levels of procurement from the HDSA companies and developing HDSA procurement capacity as per their undertaking at the time of adopting the Charter. This demonstrates lack of commitment by mining companies to advance the procurement element of the Mining Charter. The pervasive resistance by the industry to meaningfully engage the services of HDSA companies continues to delay the achievement of broader economic freedom.

3.7 Beneficiation

Mineral value addition is a deliberate government intervention to facilitate a paradigm shift from a resource based to knowledge based economy. This intervention is premised on the comparative advantage assumed by the country from its mere endowment with mineral resources to developing a competitive advantage which should meaningfully contribute to the accelerated economic

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growth. Recognising the significant opportunity presented to South Africa by introducing mineral beneficiation programmes, stakeholders embraced the introduction of this element and agreed on the following measures:

Has the mining company identified its current level of beneficiation?

Has the mining company established its baseline level of beneficiation and indicated the extent that this will have to be grown in order to qualify for an offset?

Although the above measures have not been achieved, there has been pockets of local beneficiation of the country's mineral resources, albeit in an uncoordinated manner. To create an enabling environment to effect coordinated beneficiation in South Africa, Government has introduced the Precious Metals Act No. 37 of 2005 and the Diamonds Amendment Act No.29 of 2005, which led to the establishment of the South African Diamond and Precious Metals Regulator (SADPMR) and the State Diamond Trader (SDT). Further, the development of the beneficiation strategy has sought to create a broader framework to promote increased local value addition, consistent with other programmes of government such as the National Industrial Policy Framework.

The review of the Mining Charter presents an ideal opportunity to strengthen the beneficiation element of the Charter, which should be aligned to the country's mineral beneficiation strategy. South Africa should not permit continued exportation of mineral resources for beneficiation elsewhere, to the detriment of local skills development, creation of decent jobs, increased Gross Domestic Product (GDP) value addition per capita and contribution to economic growth.

3.8 Consultation, Monitoring, Evaluation and Reporting

Recognising that the achievement of the objectives of the Charter requires an ongoing process of consultation, monitoring, evaluation and reporting, stakeholders agreed on mechanisms to ensure that the objectives of the Charter are achieved. Mining companies further undertook to report on an annual basis, as

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per the provisions of section 28(2)(c) and section 29 of the MPDRA. The following measure was agreed upon by stakeholders:

Has the company reported on an annual basis its progress towards achieving its commitments in its annual report?

Assessment shows that 37 percent of companies have audited reports, while only 11 percent purport to have submitted their annual progress report to the DMR.

It is apparent that a large proportion of mining companies with audit reports has not subjected the Mining Charter compliance data to an independent audit framework. Accordingly, there is absence of coordinated mechanisms within the Department of Mineral Resources (DMR) to effectively monitor and evaluate progress against the Mining Charter targets on an annual basis. There is also lack of adherence by stakeholders to the provisions of section 28(2)(c) and section 29 of the MPRDA, as well as stringent enforcement systems.

The amount provided for in section 99 of the MPRDA as a penalty for non compliance with the provisions of section 28(2)(c) and section 29 of the MPRDA is preposterously inadequate.

3.9 Ownership and Joint Ventures

The perpetual marginalisation of the majority of South Africans, facilitated by the exclusionary policies of the apartheid regime, prevented black people from owning the means of production and from meaningful participation in the mainstream economy. As a result, the majority of South Africans still provide a source of cheap labour. This necessitated a deliberate intervention to redress this situation, in line with clause (3) of the Freedom Charter, which states that: "*The National wealth of our country, the heritage of South Africans shall be restored to the people. The mineral wealth beneath the soil... shall be transferred to the ownership of the people as a whole*". It is through the prism of this perennial document that the ownership element of the Mining Charter was adopted by all stakeholders to

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facilitate the transfer of ownership to HDSAs. Stakeholders adopted the following to measure compliance with this element:

Has the mining company achieved HDSA participation in terms of ownership for equity or attributable units of production of 15percent in HDSA hands within 5 years and 26percent in 10 years?

Upon the adoption of the Mining Charter, stakeholders made the following undertaking: *"The industry agreed to assist HDSA companies in securing finance to fund participation in an amount of R100 billion within the first 5 years. Participants agreed that beyond R100 billion - industry commitment in pursuance of the 26 percent target, on a willing seller willing buyer basis, at fair market value, where the mining companies are not at risk, HDSA participation will be increased".*

The assessment revealed that the current net asset value of the South African mining industry averages R2 trillion, indicating that the 15 percent HDSA ownership threshold requires no less than R300 billion to accomplish (in 2009 terms). The industry's stated commitment of R100 billion to facilitate HDSA ownership represents 5 percent of the current net asset value of the mining industry, which falls far short of the agreed 15 percent empowerment target envisaged within 5 years. However, the assessment further recognises the limitations of the absolute value of commitment as well as the compounded annual growth of the industry's net value, which ought to have been factored in at the time of the commitment.

Analysis of the available data shows that aggregated BEE ownership of the mining industry has, at best, reached 9 percent. There are several empowerment vehicles that constitute BEE ownership, viz.: Women in Mining, Employee Share Ownership Schemes (ESOPS), Community Trusts, Anchor Partners and Special Purpose Vehicles (SPV). Regrettably, the reported level of BEE ownership is concentrated in the hands of anchor partners and SPV's, representing a handful of black beneficiaries, contrary to the spirit and aspiration of both the Freedom Charter and the Mining Charter.

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Despite the noble intention of the empowerment vehicles (ESOPS and Community Trust) to effect the broad ownership transformation envisaged in the Mining Charter, a closer examination of these vehicles highlights the pervasive constraints presented in the form of non equitable distribution of benefits inherent in their implementation and such benefits being extended to non HDSA, which remains proverbially problematic.

The underlying empowerment funding model has resulted in the actual ownership of mining assets intended for transformation purposes being tied in loan agreements. Accordingly, the net value of a large proportion of empowerment deals is negative, due to high interest rates on the loan and moderate dividend flows, compounded by the recent implosion of the global financial markets. The rapacious tendencies of the capital markets have consistently thwarted the intended progress towards attaining the goals of transformation, as embedded in the Charter.

The assessment shows that the structure of most empowerment deals is insidiously effected at operational (mining rights) levels, which allows for ring-fencing of transformation at holding company level. Such undesirable practices perpetuate a culture and focus on regulatory compliance at the expense of fundamental transformation of the mining industry, including albeit not limited to deracialising the corporate profiles and ownership of mining companies.

The assessment also points to a structural malaise in BEE deals focussed solely on economic interest, which is not representative of the true ownership transfer of mining assets to HDSA's. As a result of these structural weaknesses, the BEE companies end up in an invidious financial position, as evidenced by the swift mass exodus of these companies, which coincided with the global financial crisis.

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The realisation of the benefits of BEE deal-flows to HDSA beneficiaries is delayed by elusive structuring of these deals. The nature of most BEE deals is such that the repayment terms for the HDSA continue beyond the Life of Mine (LOM). There are often onerous conditions attached to agreements to discourage HDSA participation. A majority of empowerment deals are structured with a lifespan ending 2014, contrary to the object of this element, which sought to achieve these targets as a baseline of transformation. Some companies have used what they call the “**pool and share**” method, which is their own creation and features nowhere in the Charter. Through this method, established mining companies enter into joint ventures with black owned companies and each party brings resources into the deal based on the close proximity of their operations “geographically”.

The profits are shared on the basis of who has what percentage of the reserves brought into the deal. Effectively, the BBBEE ownership in such an arrangement is based on how much reserves each party brings into the deal. In essence such companies are not empowered and should not claim credit on the basis of attributable units of production since they did not give up any of their reserves for the benefit of black owned company and their racial profile remains unaltered.

Lack of HDSA representation at empowering companies' boards limits their decision making authority and leaves them at the mercy of empowering companies. Consequently, HDSA companies are generally excluded from major decisions relating to investment/divestment and key policies that determine the future direction of the company.

The prevalence of fronting is both an insult and an indictment to the broader objectives of the Mining Charter. This unscrupulous practice sets back the transformation agenda of South Africa and must be condemned in the strongest terms possible. The surreptitious nature of fronting remains a scourge to South Africa's transformation agenda.

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4. IMPACT OF THE MINING CHARTER ON ECONOMIC GROWTH AND EMPLOYMENT

The promulgation of the MPRDA and the implementation the Mining Charter in 2004, replaced the preceding mining regulatory framework which had locked mineral rights in private individuals (including juristic persons). The private individuals were characterized by the previously advantaged minority of South Africans and thwarted momentous prospects of foreign investment flows into the sector. The new regulatory framework vested the custodianship of mineral rights to the State.

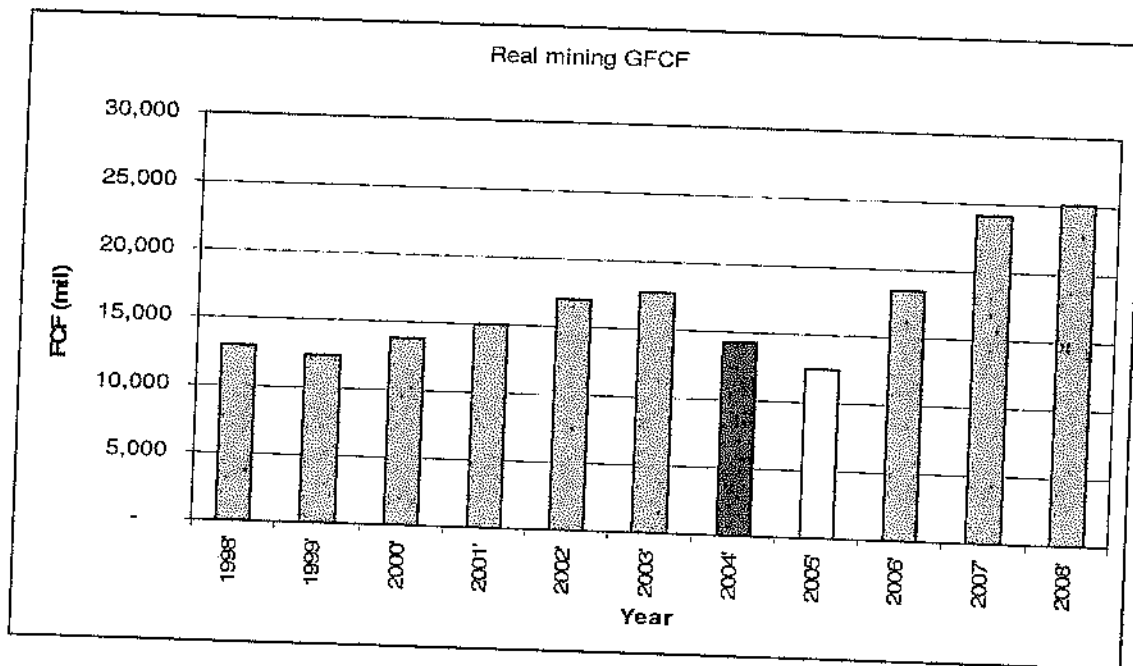
The implementation of the Charter also coincided with a protracted declining trend in employment, which tracked the contraction in gold output. The 1986 official statistics of employment in the mining sector was 829 000, marking the beginning of the contraction in employment, which reached a trough of 449 000 in 2004, indicative of a cumulative job losses of 46 percent over this period. The implementation of the Mining Charter enabled diversification of the mining industry in South Africa in terms of a number of commodities mined, volumes produced, revenue generation for the country, especially export earnings which kept the country's balance of payment relatively stable and job creation. Currently, the sector employs 6% of the country's total labour force, with steady growth in employment under the new regulatory regime peaking at 519 000 by 2008 (annual employment growth averaged 4% from 2005 to 2008). However, this number decreased to 494 000 by June 2009, due to the current global financial climate, representing a cumulative loss of 25 000 (Quarterly Employment Statistics, June 2009, StatsSA).

The Gross Fixed Capital Formation (GFCF) in the mining industry declined by respective 20 percent and 12 percent in 2004 and 2005, due to uncertainty of the introduction of the Mining Charter, regional geo-political stability presenting new

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prospects for mining in competition with South Africa and the recovery of the Rand. The GFCF grew at a much faster pace averaging 24 percent between 2005 and 2008, once the confidence in the regulatory regime was attained.

Figure 1



During the first five years of the implementation of the Mining Charter (i.e. between 2004 and June 2009), the Department of Mineral Resources received over 22 000 applications for new mining rights, mining right conversions, reconnaissance permits and prospecting/prospecting rights, corroborative of the continued investor confidence in the mining sector, created by the new regulatory framework.

The contribution of the South African mining sector to the National Gross Domestic Product (GDP) correspondingly grew from R89 Billions in 2004, to R196 Billions in 2008.

The economic and employment statistics suggest that the new South African mining regulatory framework (the MPRDA and the Mining charter) has reinforced

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investor confidence in mining sector, contributory to systematic growth in economic performance and opportunities for creation of decent employment for South Africans.

5. CONCLUSIONS AND RECOMMENDATIONS

The first period of the implementation of the current Mining Charter coincided with the longest synchronised commodity boom ever experienced by the mining industry globally. The Charter was developed as a pre-cursor lever to effect sectoral transformation, aligned to the broader national transformation agenda. In developing the Mining Charter, the DME accommodated the diverse interests of various stakeholders, as they lobbied for the protection of their various constituencies.

As an agreement based on concessions by the various stakeholders, the Mining Charter is not without shortcomings. The ambiguity inherent in the current construct of the Charter elements has given rise to various interpretations, which afford the industry an opportunity to exploit intrinsic weaknesses. This has resulted in shocking levels of non compliance.

Consequently, the intended benefits flowing from the mining industry fall significantly below the expectations and aspirations of the majority of South Africans as intended by the Charter. To this extent, there is a degree of criticism levelled against the Mining Charter that in its current form, it is a blunt tool to address the broad based transformation agenda.

Although some of the elements of the Charter allude to the national objectives, there is a need to further align it to the developmental state agenda. However, this raises questions as to whether the state has utilised State Owned Enterprises for the maximum benefit of the nation and what needs to be done to ensure that such utilisation occurs.

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It is therefore imperative that the Mining Charter be reviewed to ensure that it remains relevant and true to its original intent, and aligned to the Broad Based Black Economic Empowerment (BBBEE) Act No.53 of 2003 and the Codes of Good Practice championed by the DTI.

While the assessment of the Mining Charter demonstrates a measure of cumulative progress towards the attainment of its objectives as embedded in the elements, it also illuminates some deficiencies in the construct and mechanisms of implementation thereof. The juxtaposition of interpretation of the Mining Charter aligned to the score-card (measures) is blurry. Accordingly, the intent of some elements of the Charter is not adequately articulated. What follows delineates the current limitations intrinsic in the Mining Charter:

Lack of a definition chapter in the Mining Charter:

The lack of a definition section in the Charter allows for various inconsistent interpretations of the provisions of the Charter by the mining sector stakeholders.

The current definition of HDSA:

The current definition of HDSA in the Mining Charter should be aligned to the definition of HDSA's in the Broad Based Black Economic Empowerment Act No.53 of 2003. In addition, the Charter should seek to be more inclusive of vulnerable groupings. For instance, the Mining Charter is silent on the role persons with disabilities, as part of HDSA's, can play within the mining Industry. Yet ironically mining companies have contributed significantly to the increasing number of people with disabilities. In other words, if transformation as espoused in the Mining Charter has to impact in a more meaningful way, the mining sector should create meaningful opportunities for people with disabilities.

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Ownership:

While the element captures the recognition by government and industry that one of the means of effecting entry of HDSA's into the mining industry and of allowing HDSA's to benefit from the exploitation of mining and mineral resources is by encouraging greater ownership of mining assets by HDSAs, it only provides the definition of participation in terms of active and passive involvement, the terms of which are not clearly defined. This provides room for ambiguity and different interpretations. For example, the DMR interpretation of ownership includes voting rights, economic interest and net value, while the industry obfuscates interpretation of ownership as HDSA's economic interest, and views net value as an additional ownership criterion. In addition, the absence of criteria for offsetting beneficiation against ownership, as well as lack of clarity on the continuing consequences of previous BEE transactions and the use of attributable units of production require specific attention.

HDSA's in Management (including Women in mining):

Mining companies often employ HDSA's in support services as opposed to core business positions. The core business positions within mining companies continue to be occupied by white South Africans (men and women) the exclusion of HDSA's. The definition of HDSA attribute requires specific attention.

Human Resources Development:

This element recognises that the South African labour market does not produce enough skills required by the mining industry for sustainable growth. However, the element currently places greater emphasis on offering opportunities to become functionally literate and numerate. The conspicuous lack Research and Development in the current Charter requires special attention.

Procurement:

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While the Charter identifies procurement as an area of opportunity to contribute to sustainable development of communities, it only identifies three variables of procurement and does not commit mining companies to effectively support the economic growth of HDSA supplier companies across all three levels of procurement.

Recommendations:

The assessment of the Mining Charter has demonstrated that the Charter and its constituent elements for effecting meaningful transformation remain relevant. However, the efficacy of the Charter as an instrument of promoting transformation is blunted to a large extent by the identified shortcomings. It is therefore recommended that the Charter be reviewed to strengthen and sharpen its effectiveness in driving transformation in the industry. It is further recommended that the MPRDA be amended to ensure that non-compliance with the provisions of both the Charter and the Act is severely penalised. In addition, there needs to be greater synergy between the procurement element of the Mining Charter and the procurement element of the DTI Codes of Good Practice.

The BBBEE Act makes provision for the establishment of the BEE Advisory Council to be chaired by the State President. DMR must, in partnership with the DTI and other relevant departments, expedite the establishment of the Council to ensure that transformation issues receive attention at that level. Further, capacity should be built and adequate resources allocated within the department to promote the effective and efficient monitoring and evaluation of compliance with the provisions of the Charter and the MPRDA.

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CHAMBER OF MINES OF SOUTH AFRICA

Putting South Africa First



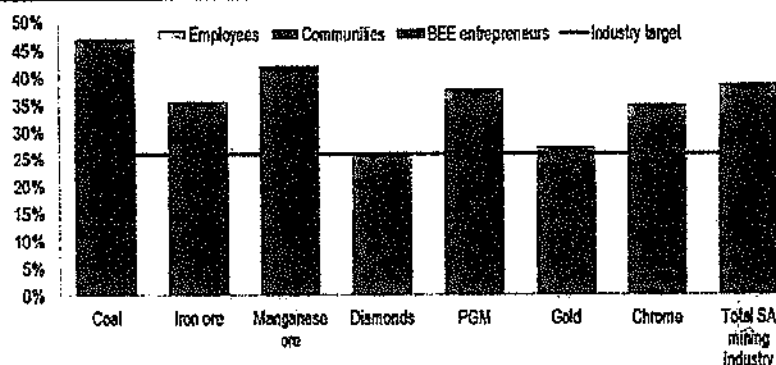
CHAMBER OF MINES CALCULATES BROAD BASED HDSA OWNERSHIP OF 38% and MEANINGFUL ECONOMIC VALUE TRANSFER OF >R159 BN

The Chamber of Mines (Chamber) and its members, release findings of a comprehensive report which demonstrates the meaningful economic participation of HDSAs in the South African mining industry as per the ownership element of the Mining Charter. It is an aggregation of company information based on DMR submissions as at 31 December 2014. Given the significance of this milestone which sets the 26% HDSA ownership target, the Chamber has engaged the services of industry experts Sizwe Ntsaluba Gobodo (SNG) auditing firm and Rand Merchant Bank (RMB) corporate finance. The analysis represents the majority of the Chamber membership and also captures a significant portion of the South African mining industry (80% – 90% based on BEE transactions, value and volumes).

Although it is a calculation at end 2014, the analysis has captured the ownership compliance in relation to asset level mining rights' compliance over the last 12 years. The results below demonstrate that the industry has met and exceeded the ownership target of 26% HDSA by 2014 and has transferred significant value to HDSAs despite the significant challenges posed by the 2008 World Financial Crisis and the subsequent bear market for commodities. In addition, meaningful economic participation of HDSAs has occurred with a broad based identifiable beneficiaries and cash flowing to HDSA beneficiaries. This demonstrates the industry's commitment to transformation and the spirit of the Mining Charter. The highlights are:

- Since the commencement of the process of transformation in the mining industry, meaningful economic empowerment participation by HDSA has been 38% on average, based on the Chamber of Mines collation. This is above the Mining Charter 26% HDSA ownership target by 2014.
- The various sectors of the South African mining industry have similarly all met or exceeded the HDSA ownership targets – PGM at 38.0%, Gold at 27.3%, Coal at 47.2%, Diamonds at 26.0%, Iron Ore at 35.7%, Manganese Ore at 42.2% and Chrome at 35.1%.
- The composition of identifiable HDSA beneficiaries in the industry that has benefited through ownership, both directly and indirectly, is 63% BEE entrepreneurs (46 BEE companies), 22% communities (6.9 million HDSAs) and 15% employees (210 thousand HDSAs).
- The DMR's interpretation of the Charter is that the definition of meaningful economic participation has to include all three beneficiary categories to be compliant (this interpretation is not shared by the Chamber). Based on the company information we have received, we found that the proportion of companies that have all three categories present, i.e. BEE entrepreneurs, communities and ESOPs in their HDSA empowerment structures represent a minimum of 41% of the SA Mining Industry.

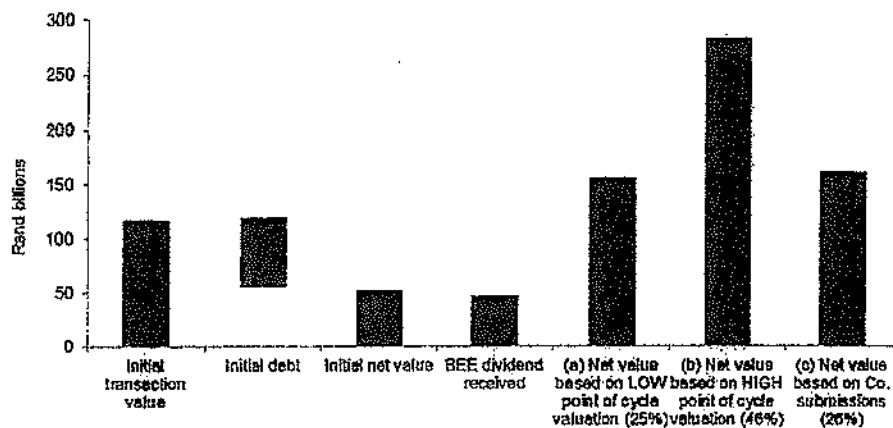
Figure 1: Portion of ownership of mining industry transferred to HDSA controlled entities up to 2014



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- Over the 12 year period, dividends of a minimum of R47 billion were paid to HDSA beneficiaries, representing 19.6% of the total 'company' dividends paid over the period. This is in line with the staged HDSA ownership target from 15% by 2009 to 26% by 2014 and fairly represents the average over the period. It also does not take into account profit from asset sales over the period and should be considered against a background where many shareholders during the period did not receive dividends.
- BEE transactions with an initial value of R116 billion were implemented over the period. These transactions created net value of around R159 billion (+207%) over the same period. The net value (after deducting debt from the asset values) created for HDSA controlled entities represented 26% of the value (EBITDA multiple basis) of the entire industry at December 2014.
- However, based on a through-the-cycle low and high valuation of assets, the net value created represents between R155bn (+200%) and R282bn (+444%) or 25% to 46% of the entire industry value (EBITDA multiple basis), respectively.

Figure 3: Estimation of value created (meaningful economic participation of HDSA)

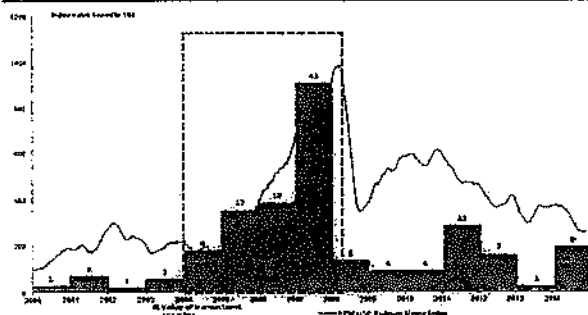


Source: SNG, RMB and Chamber of Mines analysis (Net value = Total asset value - debt outstanding + dividends; (a) and (b) valuation based on EBITDA multiple calculations)

These results have been achieved by the industry, despite the fact that measurement is occurring at a low point in the commodities cycle. Key lessons learnt include:

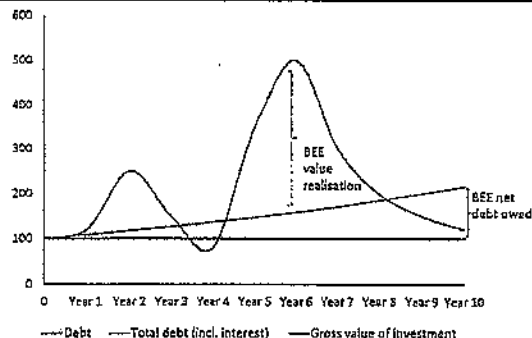
- Market volatility has impacted value creation. Underlying funding structures depended on rising commodity prices to result in value creation for beneficiaries.
- Lock-in provisions have prevented beneficiaries from unlocking value created during the peak of the cycle. Lack of diversification is an inherent risk in BEE transactions.
- Facilitation important in ensuring sustainable transaction e.g. vendor funding, free shares, minimum guaranteed cash flows. Implementing BEE transactions at the height of the commodities cycle resulted in unsustainable high debt levels.

Figure 1: Mining BEE transactions and Equity performance



Source: RMB and Dealmakers online

Figure 2: Illustrative impact of Commodity cycle on value



Source: RMB

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Summarised HDSA ownership results

The South African Mining Industry	The industry has achieved BEE ownership of 37.7% (22.8% BEE entrepreneurs, 10.8% communities and 4.2% ESOPs) weighted based on value of the assets. The ownership structure has benefited 60% BEE entrepreneurs, 29% communities and 11% ESOPs, and an estimated 7 million individuals. In terms of volumes weighting (Production and revenue), the industry has achieved BEE ownership level of 38.8% (24.3% BEE entrepreneurs, 9.1% communities and 5.4% ESOPs). The ownership has benefited 63% BEE entrepreneurs, 22% communities and 15% ESOPs. The industry has created net value of between R 155 320 million and R 282 018 million representing a return of between 200% and 444%. In addition, most of the sectors have not only met but also exceeded the 26% minimum compliance requirement.
PGM	The PGM sector has achieved BEE ownership of 39.5% (19.5% BEE entrepreneurs, 18.0% communities and 2.0% ESOPs) weighted based on value. The ownership structure has benefited 49% BEE entrepreneurs, 46% communities and 5% ESOPs, and an estimated 2 774 493 individuals. In terms of volumes weighted, the industry has achieved a BEE ownership of 38.0% (19.8% BEE entrepreneurs, 15.5% communities and 2.6% ESOPs). The ownership structure has benefited 52% BEE entrepreneurs, 41% communities and 7% ESOPs. The PGM sector has a total net value of between R 43 442 million and R 65 987 million representing a change of between 109% and 212%.
Gold	The Gold sector has achieved BEE ownership of 28.8% (18.6% BEE entrepreneurs, 0.9% communities and 9.2% ESOPs) weighted based on value. The ownership structure has benefited 65% BEE entrepreneurs, 3% communities and 32% ESOPs, and an estimated 135 109 individuals. In terms of volumes weighted, the industry has achieved a BEE ownership of 27.3% (18.3% BEE entrepreneurs, 1.6% communities and 7.5% ESOPs). The ownership structure has benefited 67% BEE entrepreneurs, 6% communities and 27% ESOPs. The Gold sector has a net value of between R 7 182 million and R 32 267 million representing a change of between -31% and 209%.
Coal	The Coal sector has achieved BEE ownership of 43.9% (32.0% BEE entrepreneurs, 5.3% communities and 6.3% ESOPs) weighted based on value. The ownership structure has benefited 74% BEE entrepreneurs, 12% communities and 14% ESOPs, and an estimated 1 753 087 individuals. In terms of volumes weighted, the industry has achieved a BEE ownership of 47.2% (32.0% BEE entrepreneurs, 6.2% communities and 9.0% ESOPs). The ownership structure has benefited 68% BEE entrepreneurs, 13% communities and 19% ESOPs. The Coal sector has a net value of between R24 000 million and R 49 512 million representing a change of between 189% and 497%.
Diamonds	The Diamond sector has achieved BEE ownership of 26.0% (4.4% BEE entrepreneurs, 11.6% communities and 10.0% ESOPs) weighted based on value. The ownership structure has benefited 17% BEE entrepreneurs, 45% communities and 38% ESOPs, and an estimated 114 653 individuals. In terms of volume weighted, the industry has achieved a BEE ownership of 26.0% (5.1% BEE entrepreneurs, 10.2% communities and 10.7% ESOPs). The ownership structure has benefited 20% BEE entrepreneurs, 39% communities and 41% ESOPs. The Diamond sector has a net value of between R 616 million and R 5 290 million representing a change of between -56% and 282%.
Iron ore	The Iron Ore sector has achieved BEE ownership of 38.2% (24.0% BEE entrepreneurs, 12.0% communities and 2.2% ESOPs) weighted based on value. The ownership structure has benefited 63% BEE entrepreneurs, 31% communities and 6% ESOPs, and an estimated 1 482 163 individuals. In terms of volume weighted, the industry has achieved a BEE ownership of 35.7% (22.9% BEE entrepreneurs, 10.3% communities and 2.5% ESOPs). The ownership structure has benefited 64% BEE entrepreneurs, 29% communities and 7% ESOPs. The Iron Ore sector has a net value of between R 53 220 million and R 115 330 million representing a change of between 433% and 1054%.
Manganese ore	The Manganese Ore sector has achieved BEE ownership of 50.1% (33.3% BEE Entrepreneurs, 16.3% Communities and 0.0% ESOPs) weighted based on value. The ownership structure has benefited 67% BEE entrepreneurs, 33% communities and 0% ESOPs, and an estimated 411 512 individuals. In terms of volume weighted, the industry has achieved a BEE ownership of 42.2% (31.2% BEE entrepreneurs, 11.0% communities and 0.0% ESOPs). The ownership structure has benefited 74% BEE entrepreneurs, 26% communities and 0% ESOPs. The Manganese Ore sector has a net value of between R -436 million and R 8 389 million representing a change of between -100% and 100%.
Chrome	The Chrome sector has achieved BEE ownership of 28.1% (15.9% BEE entrepreneurs, 7.0% communities and 5.2% ESOPs) weighted based on value. The ownership structure has benefited 57% BEE entrepreneurs, 25% communities and 18% ESOPs and an estimated 454 594 individuals. In terms of volume weighted, the industry has achieved a BEE ownership of 35.1% (20.3% BEE entrepreneurs, 10.6% communities and 4.2% ESOPs). The ownership structure has benefited 58% BEE entrepreneurs, 30% communities and 12% ESOPs. The Chrome sector has a net value of between R 1 824 million and R 5 242 million representing a change of between 204% and 774%.

AAL/

Chamber of Mines of South Africa - Assessment Mining Charter 2014 targets

Per the Mining Charter Scorecard			DMR published assessment		Chamber assessment		Brand alignment with DMR	
Element (Scorecard weighting)	Description	Target	Unweighted	Weighted ¹	Comparison to target	Assessment	(Yes/No)	
			(i) % of submissions that has met target	(ii) % of submissions that has met target	(i) % of submissions that has met target			
Ownership (7/14)	Min HDSA ownership %	26%	(i) 30.6%	(i) 32.5%	(i) 38%	Achieved well	No - significant differences in definitional interpretation	
	Percentage of companies achieving 26%	100%	(ii) 79%	(ii) 90%	(ii) 100%			
	Percentage of companies with BEE, community & ESOP (not agreed)		(iii) 6.3%	(iii) 20%	(iii) 41%			
Housing and living conditions (14/14)	Percentage reduction of occupancy rate towards 2014 target	100%			(i) -	Good progress made	No	
	Percentage conversion of hotels into family units	100%		(i) -	(i) 71%	Work to be done	No	
Procurement and enterprise development (15%)	Capital goods (5%)	40%	(i) -	(i) -	(i) 72%	Achieved well	Yes (on weighted data)	
	% of companies meeting the target		(ii) 39.6%	(ii) 82.1%	(ii) -			
	Services (5%)	70%	(i) -	(i) -	(i) 63%	Good progress made	Yes (on weighted data)	
	% of companies meeting the target		(ii) 33.2%	(ii) 64.9%	(ii) -			
	Consumable goods (2%)	50%	(i) -	(i) -	(i) 72%	Achieved well	Yes (on weighted data)	
	% of companies meeting the target		(ii) 60%	(ii) 85.2%	(ii) -			
Employment equity (16%)	Annual spend on procurement from MNCs (3%)	0.5% of procurement	(i) -	(i) -	(i) -	Work to be done	Yes (on weighted data)	
	% of companies meeting the target		(ii) 3.3%	(ii) 14.9%	(ii) 20%			
Top Management (Board) (3%)					(i) 50.4%	Achieved well		
Senior Management (Exco) (4%)					(i) 41.9%	Achieved		
Middle Management (3%)					(i) 50.9%	Achieved well	Yes - but DMR still critical of white matter dominating at strategic levels of industry	
Junior Management (1%)					(i) 54%	Achieved well		
Core skills (5%)					(i) 75.5%	Achieved well		
Human resource development (25%)	HRD expenditure as % of total annual payroll	5%	(i) -	(i) -	(i) 5.5%	Achieved well	No	
	% of companies achieving the target		(ii) 38.1%	(ii) 56.9%	(ii) 100%			
*Mining industry exceeded 40% target ²								
Mine community development (15%)	Implement approved community projects	Up to date implementation	(i) -	(i) -	(i) 70.6%	Work to be done	Yes - timing issues to be addressed	
	% of companies meeting target		(ii) 36%	(ii) -	(ii) -			
Sustainable development and growth (29%)	Implementation of approved EMPs (12%)	100%	(i) -	(i) -	(i) 89.6%	Good progress made	No	
	% of companies meeting target		(ii) 44.2%	(ii) 48.6%	(ii) -			
	Implementation of the tripartite action plan on health and safety (12%)	100%	(i) -	(i) -	(i) 86.2%	Achieved well	No - DMR wants occupational health elements to be improved	
	% of companies meeting the target		(ii) 2.8%	(ii) 1.6%	(ii) -			
Percentage of samples in SA facilities (5%)					(i) 84.6%	Achieved	Yes	
% of companies meeting the target					(i) -			

Source: Chamber of Mines, Department of Mineral Resources

Note 1: Weighting based on DMR employment figures

Note 2: Weighting based on Chamber employment figures, except for ownership which is based on volume and mineral sales

Note 3: Based on Independent Chamber Ownership Collation report

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STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY

Mining Stakeholders include:

1. The Department of Mineral Resources
2. National Union of Mineworkers
3. Chamber of Mines of South Africa
4. South African Mineral Development Association
5. Solidarity
6. UASA - The Union

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STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL
TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY

PREAMBLE

This declaration lays a foundation for a strategy to position South Africa's mining industry on a trajectory of sustainable growth and meaningful transformation. The strategy emphasises the complementary nature and interdependence of competitiveness and transformation. This declaration further acknowledges the vital contributory role of the mining industry to national socio-economic development as well as the necessity to use country's mineral base as a catalyst to enhance diversification of the economy that corresponds with the industrialisation priorities of government.

Considering the intrinsic value of mining which encompasses the sustainable development potential of the sector, stakeholders are fully cognisant of the constraints that limit the realisation of this potential and they therefore reaffirm their commitment to working together to successfully and holistically implement the provisions of the strategy. South Africa is a land endowed with incredible possibilities and through collaborative efforts of relevant stakeholders it is contended that much more can be achieved. In accordance with the harmony of the zebra colours, this declaration symbolises the spirit of common purpose by the stakeholders.

In order to ensure the sustainable growth and meaningful transformation of the mining industry, stakeholders acknowledge and commit to mitigate various constraints that are evident in infrastructure inadequacies, the paucity of requisite skills, the regulatory framework, as well as low levels of exploration and research and development. In addition, stakeholders recognise the transformation backlog in the industry, the unsatisfactory pace of which has fuelled socio-economic developmental disparities, influenced workplace inequity, and aggravated the plight of mining areas. Meaningful economic HDSA participation has also been detrimentally affected. In response, the stakeholders are committed to integrating transformation priorities with measures to promote the globally competitive growth of the sector. Having regard to the national government's order of priorities and inspired by the development potential of the mining industry, stakeholders further commit to develop the mining industry in resonance with government's socio-economic development priorities.

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STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL
TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY

COMMITMENT 1

Objectives

Inspired by the values associated with transparency and integrity, this declaration provides the basis for stakeholder commitment to creating an environment that is conducive to supporting the sustainable growth and meaningful transformation of South Africa's mining industry, with the following aims:

- To promote investment, enhance competitiveness and drive transformation objectives;
- To mitigate constraints limiting sustainable growth and meaningful transformation;
- To emphasise the mutual reinforcement of competitiveness and transformation;
- To commit to effective implementation of the strategy.

COMMITMENT 2

Infrastructure

Recognising that infrastructure is one of the key drivers of the competitiveness with a material impact on its potential growth, and further recognising that shortages of critical infrastructure such as rail, ports, electricity and water supply can act as constraints to growth, the parties commit to the following:

- Establishment of an "Integrated Long Term Infrastructure Planning Mechanism" for the mining sector;
- Evaluation of short to long-term infrastructure requirements underpinning the envisaged growth of mining industry through a process of engagement between industry and government;
- Identification of areas that are industry and/or government responsibilities, including shared responsibilities;
- Engagement with relevant national processes committed to long-term integrated planning process with specific emphasis on the mining industry's infrastructural needs.

COMMITMENT 3

Innovation in mining

Taking into account the importance of mining innovation through research and technology development, cost and management efficiency as well as productivity in driving meaningful growth and transformation, parties agree to work towards attainment of a research driven and technology based competitive edge, and henceforth commit to the following:

- Assess the current research and development landscape in the mining industry;
- Resuscitate a research and development culture in the mining industry;
- Strengthen partnerships with research institutions both locally and internationally.

STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL
TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY

COMMITMENT 4

Sustainable Development

Acknowledging the importance of balancing economic benefits with social and environmental concerns without compromising the ability of future generations to meet their needs, parties commit to:

- Develop and implement a National Action Plan for the management of acid mine drainage;
- Adopt a regional approach in dealing with integrated and cumulative environmental impacts resultant from mining;
- Embark on research and development initiatives directed towards the sustainability of mine closure and mining environmental legacies;
- Establish a multi-stakeholder forum on derelict and ownerless mines;
- Implement Mine Health and Safety Tripartite Action Plans;
- Establish a task team to develop mechanisms of accelerating exploration investment;
- Strengthen linkages of mining with other industries, such as infrastructure, upstream and downstream value addition, technology, services and manufacturing, to ensure sustainable mining 'beyond a hole in the ground';
- Work towards the development and effective implementation of a 'Mining Vision 2030' informed by sustainable development principles;
- Adopt an integrated development approach through pooling of resources.

COMMITMENT 5

Beneficiation

Recognizing the importance of translating our comparative advantage in mineral resources endowment into competitive advantage to fuel further industrialisation and the need to increase value addition to our minerals before they are exported, parties commit to:

- Support local beneficiation in order to unlock the intrinsic value of South Africa's minerals;
- Consider establishing a national beneficiation agency to drive downstream, upstream and side-stream beneficiation as well as all industries associated with mining;
- Enlist the support of strategic international partners to facilitate skills and technology transfer for the benefit of local beneficiation.

STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL
TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY

COMMITMENT 6

Regulatory Framework

Noting that an internationally competitive regulatory framework is a key instrument to promote sustainable growth and meaningful transformation of the mining industry and that negative perceptions about the regulatory framework have adverse impact on the promotion of foreign investment, parties commit to:

- Strengthen the MPRDA architecture to improve its efficiency and effectiveness by 2011;
- Strengthen enforcement, monitoring and evaluation of the regulatory framework;
- Streamline administrative processes to eliminate inconsistent application of the overall mineral regulatory regime;
- Harmonise the mineral regulatory regime with other related legislation impacting on the mining industry;
- Finalise the review of the Mining Charter by August 2010;
- Messaging of a positive regulatory framework to promote South Africa's ranking as an investment destination of choice;
- Explore an option of a single authority regulating all environmental issues;
- Transparent and results yielding compliance;
- Promote greater cooperation and coordination between the DMR, its agencies and other governing bodies.

COMMITMENT 7

Human Resources Development

Recognising the current shortage of requisite skills and that human resource development constitutes an integral part of competitiveness and social transformation of the workplace and knowledge based industry, parties commit to the following:

- Conduct at least two skills audits by 2014 and assess institutional and organisational absorptive capacity by no later than December 2010;
- Invest a percentage of annual payroll in all skills development activities, but excluding the mandatory skills levy, as follows:
 - Target for 2010 = 3%;
 - Target for 2011 = 3,5%;
 - Target for 2012 = 4%;
 - Target for 2013 = 4,5%;
 - Target for 2014 = 5%;
- Ensure that mechanisms for directing the mandatory skills levy are in place, efficient and effective.

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STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL
TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY

COMMITMENT 8

Employment Equity

Acknowledging that diversity and equitable representation in the workplace remain catalyst for social cohesion, parties commit to the following:

- Create a conducive environment that promotes and encourages diversity in order to increase and retain requisite skills;
- Demographic representation of HDSA with a minimum target of 40% by 2014 in each of the following occupational categories:
 - Top Management (Board);
 - Senior Management (Exco);
 - Core & Critical Skills;
 - Middle Management;
 - Junior Management.

COMMITMENT 9

Mine Community Development

Recognising that mine communities form an integral part of mining development, hence a realisation that there has to be meaningful contribution towards community development, both in terms of size and impact, in keeping with the principles of the social license to operate. Parties henceforth commit to attain the following:

- Develop guidelines and adhere to community consultation processes;
- Develop a partnership approach towards mine community¹ development and consider establishment of regional (social) development funds for effective implementation of social and labour plans;
- Implement and monitor social labour plan undertakings.

COMMITMENT 10

Housing and living conditions

Noting that mining operations are, in most cases, located in remote areas with often less-than salubrious facilities for the workforce, parties commit to restore human dignity of employees in line with the Constitution of the Republic of South Africa, as follows:

- Attain the occupancy rate of one person per room by 2014;
- Upgrade or convert hostels into family units by 2014;
- Promote home ownership options and provide balanced nutrition.

¹ Mine community includes both host community and major labour sending areas.

STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL
TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY

COMMITMENT 11

Procurement

Realising that procurement provides an important market opportunity for goods and services and that lack of access to market is a major impediment to growth and expansion of enterprises, parties commit to:

- Adhere to fundamental principles of enterprise development, irrespective of the mining company's turnover;
- Develop mechanisms for multinational suppliers of capital goods to the mining industry, which are operating in South Africa to contribute towards social development.

COMMITMENT 12

Ownership and funding

Realising that equity ownership provides an effective means of incorporating HDSAs into the mainstream economy and that ownership can afford HDSAs an opportunity to influence the direction of a business, parties commit to the following:

- A minimum target of 26% ownership by 2014 to enable meaningful economic participation of HDSA.
- Meaningful economic participation includes, inter alia, the following key attributes:
 - BEE transactions shall be concluded with clearly identifiable beneficiaries in the form of BEE entrepreneurs, workers and communities;
 - Barring any unfavourable market conditions, some of the cash flow should accrue to the BEE partner throughout the term of the investment, and for this purpose, stakeholders will engage the financing entities in order to structure the BEE financing in a manner where a percentage of the accrued cash-flow is used to service the funding of the structure, while the remaining amount is paid to the BEE beneficiaries. Accordingly, BEE entities are enabled to leverage equity in proportion to vested interest over the life of the transaction in order to facilitate sustainable growth of BEE entities.
 - BEE shall have full shareholder rights such as being entitled to full participation at annual general meetings and exercising of voting rights, regardless of the legal form of the instruments used;
 - Ownership shall vest within the agreed timeframes of the BEE structure, taking into account the prevailing market conditions.

STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL
TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY

COMMITMENT 13

Monitoring and Evaluation

Realising that monitoring and evaluation (M&E) plays a vital role in assessing the effectiveness of a strategy in terms of achieving its intended objectives and that M&E results can highlight existing gaps and inconsistencies, parties commit to:

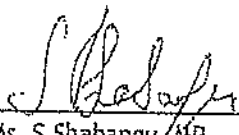
- Adhere to effective implementation of strategy;
- Comply with annual progress reporting requirements;
- Monitor and take into account the impact of constraints beyond the stakeholders' control which may result in not achieving set targets.


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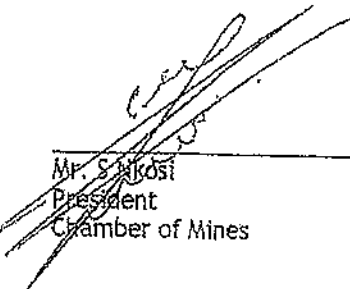
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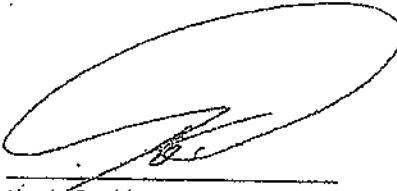
STAKEHOLDERS' DECLARATION ON STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL
TRANSFORMATION OF SOUTH AFRICA'S MINING INDUSTRY


Mining stakeholders, as represented by the Department of Mineral Resources (DMR); organised labour, including National Union of Mine Workers; Solidarity and UASA, as well as organised business, including Chamber of Mines and South African Mining Development Association, convene on 30th June 2010 to affirm their commitment towards attainment of sustainable growth and meaningful transformation of South Africa's mining industry.

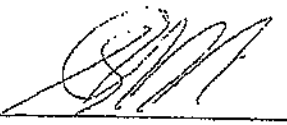

Ms. S Shabangu, MP
Minister
Department of Mineral Resources


Mr. S Zokwana
President
National Union of Mine Workers


Mr. S Mkhosi
President
Chamber of Mines


Mr. L Grobler
COO
UASA - The Union


Mr. N Moloi
Chairman
SAMDA

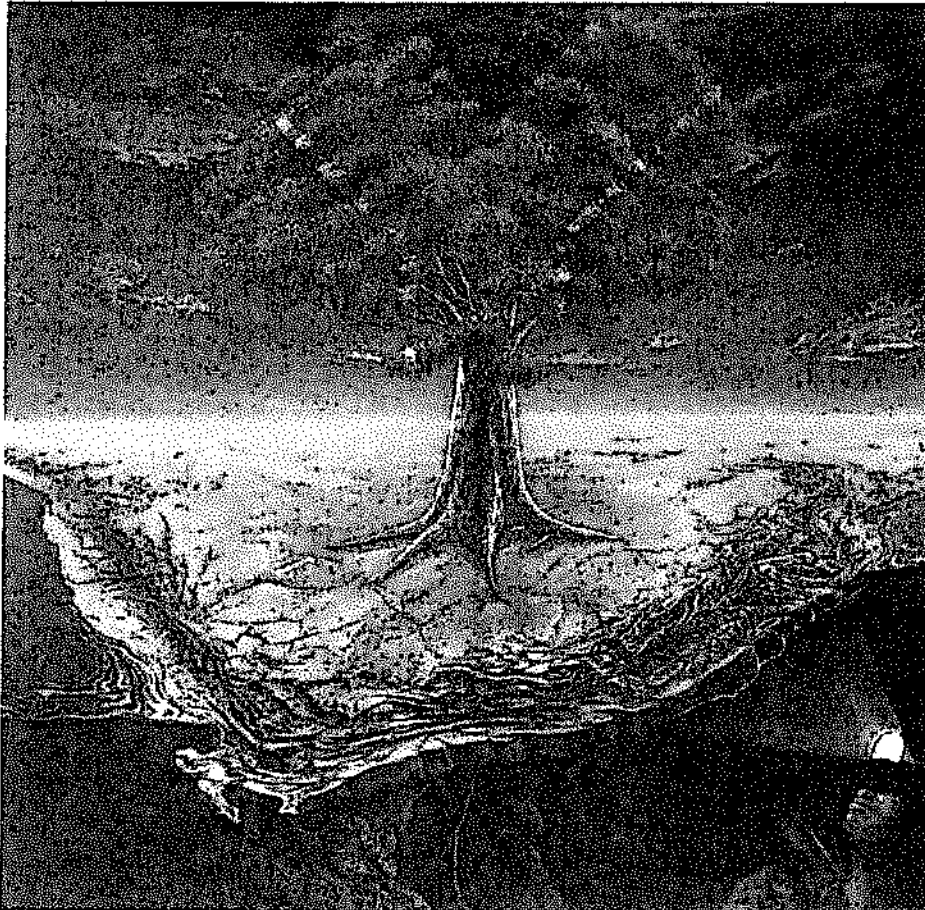

Mr. S Scott
President
Solidarity

Signed at PRETORIA on the 30th day of JUNE 2010.

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Towards sustainable growth and development



The ubiquitous Wikipedia defines sustainable development as 'a pattern of resource use that aims to meet human needs while preserving the environment so that these needs can be met not only in the present, but also for generations to come... The field of sustainable development can be conceptually broken into three constituent parts: environmental sustainability, economic sustainability and socio-political sustainability'.

The Chamber recognises a fourth pillar of sustainable development, in that it separates social equity and effective government.

If one were to relate the above quotation to the mining industry in general and to the Chamber in particular, one would find innumerable instances where the values and aims of sustainable development go hand in hand with the values and aims of the mining industry. The Chamber's decision to support government's white paper on mining rights ownership is a case in point as are the 16 priority issues that emanated from the Mbulwa meeting, which fundamentally changed the attitude and approach of the mining industry and the Chamber. Another example can be found in the Chamber's response to the economic crisis and the establishment, by the tripartite partners, of the Mining Industry Growth, Development and Employment Task Team (MIGDETT). The focus of which is to develop long-term strategies for the industry to again take up its historical role as the most valuable contributor to the country's growth and socio-economic development.

The Chamber and the mining industry are committed to promote the sustainable growth and development of mining and the entire economy of our country.

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chamber members

financial corporations

Anglo American Corporation plc.
Barrick Africa
Mvelaphanda Resources
Rio Tinto

base metals/minerals & exploration companies

ASA Metals (Pty) Limited
Delta Mining (Pty) Limited
G & W Base and Industrials (Pty) Limited
Imerys South Africa (Pty) Limited
Randgold and Exploration Limited
Richards Bay Minerals
Vametco Mineral Corporation (Pty) Limited

chrome mining

Samancor Chrome

coal mining

Anglo Operations Limited, Anglo Coal Division
BHP Billiton Energy Coal
Exxaro Resources Limited
Kangra Group (Pty) Limited
Kuyasa Mining (Pty) Limited
Optimum Coal
Sasol Mining (Pty) Limited
Siyanda Coal (Pty) Limited (t/a Koorfontein Mines)
Total Coal South Africa
Tweewaters Fuel (Pty) Limited
Umcebo Mining (Pty) Limited
Xstrata Coal South Africa

diamond mining

De Beers Consolidated Mines Limited
Namakwa Diamond Company
Trans Hex Group Limited

gold mining

African Rainbow Minerals (Gold) Limited
AngloGold Ashanti Limited
Gold Fields Limited
Harmony Gold Mining Company Limited
Pamodzi Gold

iron ore mining

Kumba Iron Ore Limited

platinum mining

Anglo American Platinum Corporation Limited
Impala Platinum Limited
Lonmin Platinum Limited
Ridge Mining

other members

Corobrick (Pty) Limited
Dellmann Haniel GmbH
Murray and Roberts (Cementation) (Pty) Limited
Shaft Sinkers (Pty) Limited

associations

Aggregate and Sand Producers Association of South Africa
Clay Brick Association Limited
SA Association of Mining Contracting Companies
South African Diamond Producers' Organisation

suspended operations

City Deep Limited
Consolidated Main Reef Mines and Estates Limited
Crown Mines Limited

chief executive's review



Zoli Diliza
Chief Executive

fascinating, yet challenging journey on which I have enjoyed many vigorous debates with stakeholders both locally and internationally on a wide variety of mining matters and other related topics, some of which have helped to shape the mining industry and elevated the profile of the Chamber to where it is today.

Our success and effectiveness as an organisation have largely been buoyed by the wisdom, support and encouragement of the Chamber's Executive Council, our stakeholders, government and labour. We have been able to overcome even the most vexing impasses faced by the industry over the last decade because of a common vision of prosperity for the industry and the country.

As I retire at the end of this year, this is my last review as Chief Executive of the Chamber of Mines. Given these circumstances, I thought it would be appropriate to highlight some of the events that have characterised my 12-year journey at the helm of this organisation.

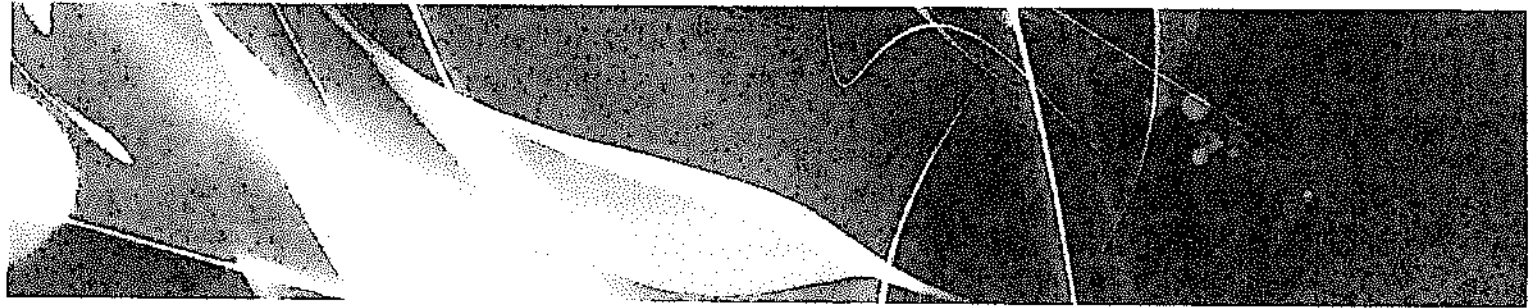
My journey at the Chamber of Mines of South Africa started in 1998, when I joined the organisation as chief executive. It has been a

During my tenure as chief executive, the Chamber was confronted with a number of difficult issues, but we managed to navigate these successfully and contribute effectively to the strategic direction of the industry. Looking back at some of these challenges and at the Chamber's interventions, I am exceedingly proud to have been associated with this organisation during these sometimes difficult times.

I joined the Chamber four years into South Africa's new democracy. The fledgling government was on the verge of changing certain legislation and introducing a number of policies in different sectors. It was, therefore, not a surprise when, in 1998, changes in mining and mineral policies were also proposed. The Chamber's decision to support government's white paper on mining rights ownership was a strategic one. The expectation was that the industry would resist change and object to the state being the custodian of the country's mineral resources. This expectation reflected the perceptions that the new government had of the mining industry. Supporting government on this ground-breaking issue indicated that the industry was committed and willing to change the profile of ownership in mining.

In the late 1990s, government, labour and business (represented by the Chamber) attended the Gold Crisis Summit at Mbulwa in Mpumalanga in an effort to resolve the adverse conditions in the gold sector. The gold price in 1998 had reached a 20-year low of US\$294.14, about 11% lower than the average of 1997. The threat of gold sales by central banks was a major contributor and cause of the persistent decline in the gold price. This,

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From left to right: Bobby Godsell, Zoli Diliza and Nick Segal


coupled with a number of upheavals in the financial markets put a strain on the gold mining industry and drastic steps had to be taken to keep the industry functioning. The conditions proposed at Mbulwa meant that the gold industry had to restructure and reorganise itself. While retrenchments, in relation to restructuring, meant that the industry had to deal with labour relations cases, the situation also presented an opportunity for companies to address work-place transformation.

The momentous Mbulwa meeting prompted the Chamber to propose 16 priority issues to stakeholders, most of which were accepted and later published as the *Mbulwa Minute*. Mbulwa was a defining moment for the Chamber, as it changed from being a service provider for the mining industry to an advocacy and lobbying agency dedicated to the promotion of the mining industry and management of its concerns.

This willingness of the Chamber to engage and

support government in its transformation agenda, led government to consult the Chamber on a number of important mining-related legislative issues. Some of the policies that the Chamber influenced included the Minerals Development Bill, on which the Chamber lobbied government on fundamental principles that were subsequently reflected in the Bill. From 1997 to 1998, the Chamber participated in Nediac's Private Sector Export Advisory Committee in a successful attempt to influence export and trade policy. The Chamber also gave substantial input into the drafting of the Mineral and Petroleum Resources Development Act, the Precious Metals and Diamond General Amendment Bill and many other pieces of legislation; and was instrumental in shaping the broad-based economic charter.

The Chamber's influence was also felt internationally. For example, in 1999 during the gold price crisis that was a result of the



announcements by the International Monetary Fund (IMF) and the British Treasury to dispose of some of their reserves, the Chamber successfully lobbied the Department of Finance not to support the IMF in this endeavour. The Chamber, together with the National Union of Mineworkers (NUM) marched to the British High Commission and the Swiss Embassy to persuade their governments to reverse their central bank decisions to dispose of their reserves. This was closely followed by an international road show by the tripartite partners to protest the proposed IMF sales and seek wider support for the suspension of future central bank sales.

In 2004, the Chamber lobbied vigorously against the World Bank extractive industries review, which sought to curtail World Bank investment support for mining projects. In 2006, the Chamber embarked on an advocacy and lobbying campaign against the proposed European Parliament's legislation known as the Registration, Evaluation and Authorisation of Chemicals (REACH). While the Chamber endorsed the objectives of REACH (to protect human health and the environment), it expressed its concerns that the scope included ores and concentrates of inorganic minerals, which regulations would have been disastrous to the sub-Saharan region, that exports mainly to countries that are members of the European Union.

The well-being of mining industry employees has always been a priority for the Chamber. In 2003, in an effort to reduce fatalities on the mines, the Chamber committed to specific safety targets and 10-year milestones at the Mine Health and Safety Summit. The mining industry committed to a target

of zero fatalities and injuries, to occupational safety, and the elimination of occupational silicosis and noise induced hearing loss. There has been a significant improvement in the safety performance of the industry since the mid-1990s and today the number of fatalities has declined by more than 50%. However, the Chamber and its members are still not satisfied with the industry's safety record and have embarked on a proactive health and safety programme and launched several important initiatives. One of which, in 2008, was when chief executives of Chamber member companies came together to strategise, share best practices and learn from each other on the best ways to improve the working environments on mines. These executives committed their companies to a policy of zero harm in the mining industry and the view that safety must come before profit.

On the economic front, 2008 was a very difficult year for the world economy, global industry and, closer to home, the mining industry. It was during the period of the worst global recession since the 1930s that Eskom imposed a 'force majeure', effectively closing the mining industry for almost a week; mines were reduced to an immediate 50% electricity usage level. The Chamber was involved in the task teams established to find solutions to the electricity crisis and to promote electricity conservation and efficiency.

In 2008, in response to the economic crisis, the Chamber partnered with government and labour in establishing the Mining Industry Growth, Development and Employment Task Team (MIGDETT). The focus of the task team was initially on short-term survival strategies, while striving

to develop a long-term strategy to reposition the mining industry as a valuable contributor to the country's growth and socio-economic development. MIGDETT also aimed to identify impediments to the growth of the sector since it was becoming clear to all stakeholders that the industry's reputation as a good investment sector was deteriorating. According to the *Strategy for Sustainable Growth and Meaningful Transformation of South Africa's Mining Industry* document compiled by MIGDETT for the summit, "a regression analysis over a period of 16 years to 2009 indicates that the aggregate performance of South Africa's mining industry has contracted by one per cent relative to a global average [growth] of five per cent".

MIGDETT participants agreed that higher levels of global competitiveness were needed in the sector

and the task team developed a mining industry strategy for sustainable growth and meaningful transformation. Existing hindrances were identified and the role players agreed that transformation and competitiveness issues were interdependent. The draft strategy was made public and further enhanced after the mining summit in March 2010.

The agreement reached at that summit culminated in the signing of a joint mining declaration by government, labour and business in June 2010. The joint declaration, over which the minister of mineral resources, Minister Susan Shabangu, presided, has the following 13 commitments:

- promote investment
- establish a long-term infrastructure planning mechanism
- innovate



From left to right: Senzeni Zokwana (NUM), Minister Susan Shabangu (DMR) and Sipho Nkosi (Chamber of Mines)

- accelerate exploration
- add value through beneficiation
- promote the country's ranking as an investment destination
- develop skills
- advance employment equity
- boost near-mine communities
- convert hostels into family units by 2014
- develop enterprises through procurement
- realise 26% equity ownership by 2014
- monitor and evaluate the implementation of the joint declaration.

The significance of this declaration is that it is a joint government, labour and business initiative. All the stakeholders agree that growth and transformation are interdependent and the achievement of these two vital objectives will ensure that South Africa is well positioned for the next global commodities boom. This is the reason our theme for this year's annual report is: "Sustainable growth and development in mining".

The commitments in the declaration were also contained and expanded upon in the revised Mining Charter, which was published on 20 September 2010. In the revised Charter, some of the targets were specified in more detail and new targets relating to the sustainability of the mining industry were added, and the scorecard was improved. Contrary to what some stakeholders have reportedly asserted, the Department of Mineral Resources (DMR) had in fact consulted with all stakeholders in the process of drafting the revised Charter. The Chamber is satisfied that the outcome is a reasonably balanced Charter. The views of no single stakeholder are fully accommodated, but

the Chamber and its members are fully committed to ensure that the revised Charter is implemented not only in the letter but also in the spirit.

In 2009, the Chamber celebrated 120 years of service to the mining industry. At an event to mark this important milestone, the country's deputy president, the Honourable Kgalema Motlante, remarked that, "the success of the next 120 years of South Africa's mining industry can be greatly facilitated by creating an environment that enables the industry to perform optimally and perpetuate its established role as a creator of jobs and a generator of wealth".

The role of the Chamber in creating such an environment cannot be underestimated. In the publication, *120 years... and counting*, produced to commemorate the event, I indicated that the Chamber has succeeded because of its unequivocal commitment to 'promote, serve and protect' the mining industry in South Africa. It is this dedication, together with its ability to embrace change, that has made it possible for it to succeed where other such affiliations have failed.

There were many other issues of concern for the Chamber during the year under review. The call for the nationalisation of mines by the youth league of the African National Congress reverberated around the media and in debates for most of the year. Although the Chamber has a position on the issue, the organisation feels that it is premature to engage in this debate, since it was made quite clear by government, (Minister Susan Shabangu and President Jacob Zuma) that it is not an ANC or government policy.



Bheki Sibiyi
Chief Executive Designate

Environmental matters, especially legacy issues continued to dominate media reports. The two most contentious issues during the year under review were derelict and ownerless mines and acid mine drainage. The Chamber joined the debate and made presentations to government portfolio committees on these issues. The Chamber emphasised the fact that most of the problems were legacy issues, and therefore government's responsibility. However, it must be stressed that mining companies and the industry in general are assisting in rehabilitating abandoned sites. The Chamber is also intimately involved in finding ways to manage acid mine drainage.

As I retire at the end of 2010, I am comfortable that, although there are still a number of unresolved challenges, the organisation I leave behind is equal to the task and has willing, capable and responsible officials and leadership to steer it forward. I now leave the Chamber in the most capable hands of Bhhekukhle "Bheki" Sibiyi, who takes over as chief executive on 1 January 2011.

Mr Sibiyi joined the Chamber in July 2010 as

chief executive designate and is working very closely with my team and me. I am confident that when he takes over in 2011, the transition will be seamless.

A highly respected member of the South African business community, he has considerable business experience and a well-developed management profile. The Chamber president, Siphon Nkosi, put it well in his media statement of 2 February 2010, which stated that: "he [Bheki Sibiyi] will be of great value to the Chamber in all of its strategic and operational activities. I have no doubt that he will be most effective in adding value to the well-structured and successful foundations of Chamber business activity".

In conclusion, I am cognisant of the fact that my journey would not have been possible if it were not for the support and willingness of the Chamber and its stakeholders to work together for the benefit of the sector. I have grown in the industry and am humbled that I was given an opportunity to steer this organisation through the economic, political, legal, social and other trials that threatened its existence. I am deeply aware that I would not have managed this demanding challenge were it not for the Chamber's workforce, government and union leadership.

I can only advise the Chamber's new chief executive to listen to the voices of the Chamber staff, who serve the Chamber with dedication and distinction. The Chamber members will support you, as they did me. They are unequivocally dedicated to the success of the sector and the upliftment and increased prosperity of all the people of South Africa.



communications

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In an effort to reposition the South African mining industry, the sector has developed strategies to address identified shortcomings, signed a joint mining declaration with 13 commitments, and reviewed and amended the Mining Charter. The recent policy changes have created

a great deal of expectation both nationally and internationally. In such circumstances, where strategic developments occur, communication is essential. Communications with stakeholders on such major developments and changes provides much needed information and helps to manage uncertainty and perceptions.

Understanding that clear, consistent and honest communication is vital to the successful implementation of strategies and policies, the Chamber's Communications Department has, in partnership with the Department of Mineral Resources (DMR), begun work on an industry-wide communication strategy. A communication strategy framework has already been developed and the task team is now working on an extensive communications, marketing and stakeholder engagement strategy.

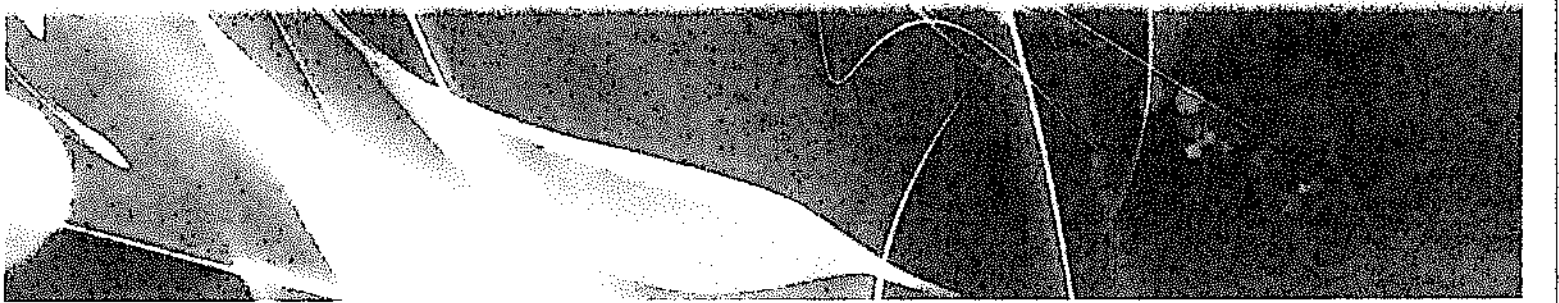
Key to the success of this strategy is awareness that strategic and continuous communication will lend credibility to the industry's endeavours to strategically reposition itself. However, it should also

be noted that disparity or lack of communication and poorly communicated or packaged information could lead to distrust, dissatisfaction, skepticism, cynicism and even resistance.

Media engagement

The Chamber procured the services of Media Tenor to conduct a media analysis on the Chamber's media coverage in an effort to establish whether or not there was an improvement in its engagement with the media during the year under review. The findings of the analysis and the comparison between the previous year and the current year indicate that the media's perception of the Chamber in the previous year fluctuated as the industry battled challenges such as power rationing, labour issues and political debates. However during the year under review, the media's perception of the Chamber was that it managed to navigate some of these as well as a host of other issues much more consistently.

The report further indicated that the Chamber's share of coverage improved by 35% during the reporting period, but showed there is a noticeable dearth of stakeholder support within the media. The analysis also revealed that the tone of journalistic input on the mining industry is greatly influenced by context, resulting in often 'sensational' coverage. However, one observable trend is that journalists displayed increased optimism when reporting on the measures mining's tripartite partners (government, labour and business) have taken during this period to lessen the impact of the economic recession and the strategic engagements undertaken by the sector.



During the year under review the Chamber intensified its media engagement strategy in both print and electronic media. Media coverage was mainly on environmental issues; processes around MIGDETT; safety in mining; the 120 year anniversary of the Chamber; the imminent retirement of the chief executive, Zoli Diliza and the appointment of the chief executive designate, Bheki Sibiyi. Besides the mainstream media, publications with a longer shelf life were also targeted. Coverage was received in publications like *Deep SA* where the focus was on health and safety, transformation in mining, *African Analyst Quarterly* and *Upper Reach*.

Publications

The Chamber continues to publish a range of books, reports and newsletters, which contain information related to its lobbying and advocacy role. Some of the publications are regular and some ad hoc and are used to inform and interact with the Chamber's different audiences:

Mining: the Chamber's flagship publication

After numerous requests from its stakeholders, the Chamber revived its flagship publication, *Mining*. This high quality, informative publication represents the best thinking on mining related issues and promotes greater global awareness of all facets of mining in South Africa. It covers a range of mining-related issues and impartially analyses on the state of the industry in South Africa.

The publication continues to be produced quarterly and targets a selected local and

international investment audience comprising analysts, financiers, and policy and decision-makers in government and elsewhere.

Mining News

The Chamber continues to recognise the information needs of the industry's workforce. This important Chamber stakeholder is kept informed of events taking place in the industry via *Mining News*, a widely distributed and interactive monthly newspaper.

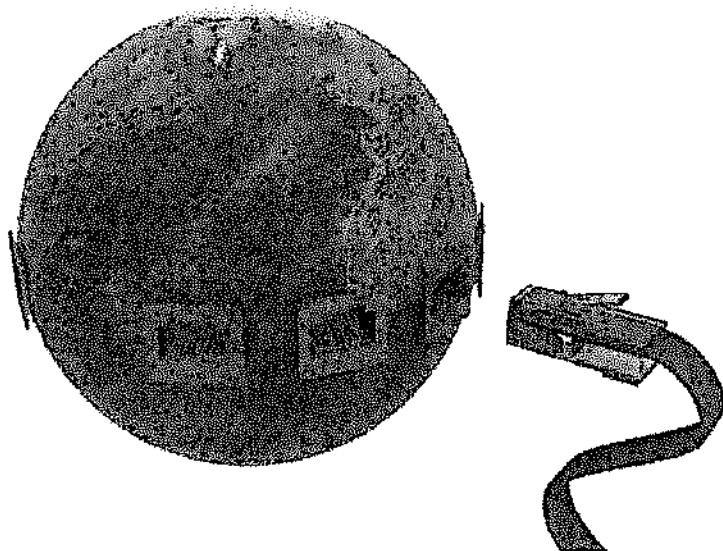
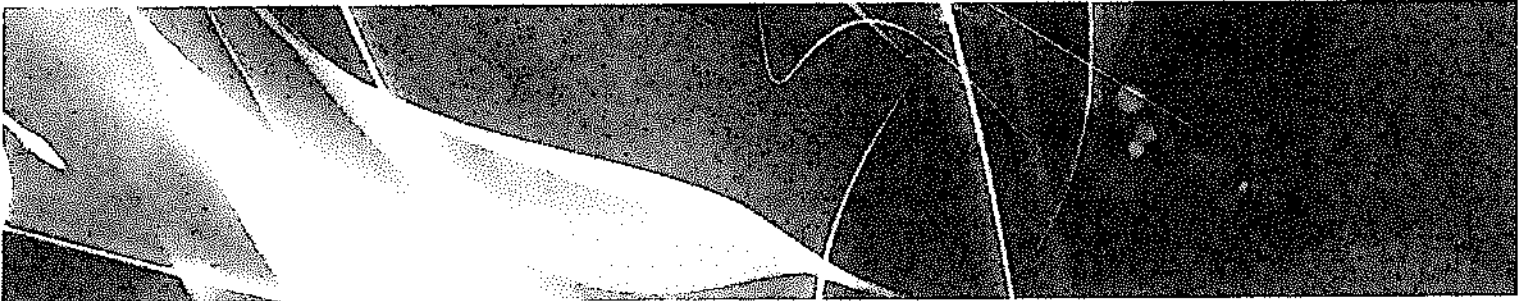
Mining News focuses on all levels of mine employees and their families. Miners are encouraged to contribute to the publication, since their perspective is vital to the success and future of the industry. The information contained in the newspaper empowers employees to become better informed and responsible partners in the economic prosperity of the mining sector in South Africa. The newspaper has also become a useful teaching tool in adult basic education and training (ABET) classes.

Website

The Chamber website (www.bullion.org.za or www.chamberofmines.org.za) is a highly informative, user-friendly communication tool. It also provides links to a host of important sources. The Chamber continues to extend the range of the website to provide up-to-date information for investors, market analysts, researchers and other interested parties. The information on the website is concise and well packaged; the pages are clearly differentiated and product focused.

Facts & Figures

Facts & Figures provides statistical mining sector



data as well as supporting information, comments and analyses. This is an annual publication, which highlights data that can be used to support decision-making. It is an invaluable source of mining information and statistics on the mining industry in South Africa, bringing together general mining industry information and product-specific data from a host of sources, including Statistics South Africa, the Minerals Bureau, the South African Reserve Bank, the mining houses and government departments.

Introduction to the Chamber

This is an annual publication that gives an overview of the Chamber and how this organisation functions. It is a useful publication for new members in the Executive Council, Gold Producers and Colleries committees as it gives insight into the Chamber committees; benefits of chamber membership; current projects and programmes; challenges, etc.

Ad hoc

During the year under review, the Chamber produced a publication "*120 years... and counting*", to commemorate 120 years of service to the mining industry. The publication highlighted the history of the Chamber, the role this organisation played in the development of the country's economy, the challenges it faced during its 120 year history and it also looked at the future of the organisation.

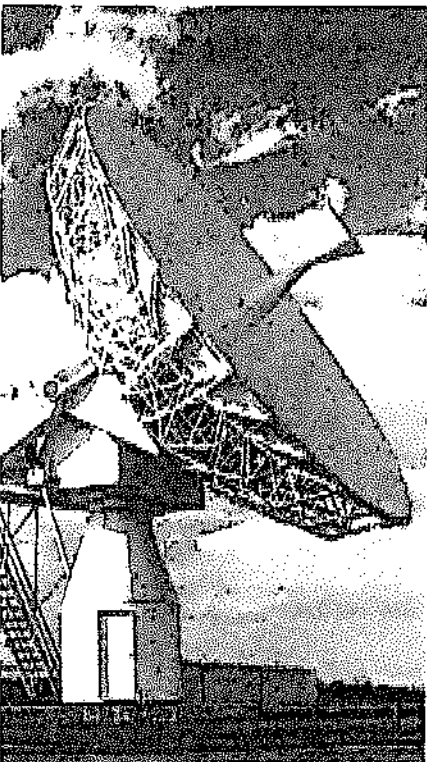
Stakeholder engagement

During the year under review, the Chamber celebrated its 120-year anniversary. Chamber stakeholders joined in the celebration and helped to ensure that the event that marked this milestone was a great success.

Some stakeholders, like the Johannesburg Museum, provided most of the material and props used for the exhibition. Government, labour and some Chamber members exhibited at the event while others provided sponsorships. Support was also received from the Presidency, as the deputy president, the Honourable Kgalema Motlanthe, graced the event as a guest speaker.

Some high-level meetings between the Chamber office bearers and the leadership of the DMR were organised by the Communications Department during the year. The discussions proved invaluable as they affirmed the critical role played by all stakeholders in the mining industry and the need for the alliance partners to continue working together.

Engagements with the Portfolio Committee of Mineral Resources and its chairperson, Fred Gono,



continue. The Chamber was also invited by this committee to introduce presentations on various issues. Several meetings were arranged between the Chamber's chief executive and the chairperson of the Portfolio Committee.

International Relations

In promoting the interests of the mining industry in South Africa, the Chamber participates in a number of forums that are active

in international debates and the development of policy positions on issues affecting the mining industry.

Mining Industry Association of Southern Africa

MIASA, an association of the six Chambers of Mines (Botswana, Namibia, South Africa, Tanzania, Zambia and Zimbabwe) operating in the Southern Africa Development Community (SADC), to play a significant role in the mining sector. The Chamber continues to provide secretarial services to this organisation.

During the period under review representatives of the members of MIASA met twice, in Zanzibar on 7 August 2009 and in Cape Town on 6 February 2010. Major policy issues considered included the harmonisation of mining policies in the SADC, the nationalisation of mines, government involvement

in mining operations and the declaration of strategic minerals. It was agreed that a position paper should be prepared on strategic minerals.

Members also adopted a strategy for MIASA based on the following principles:

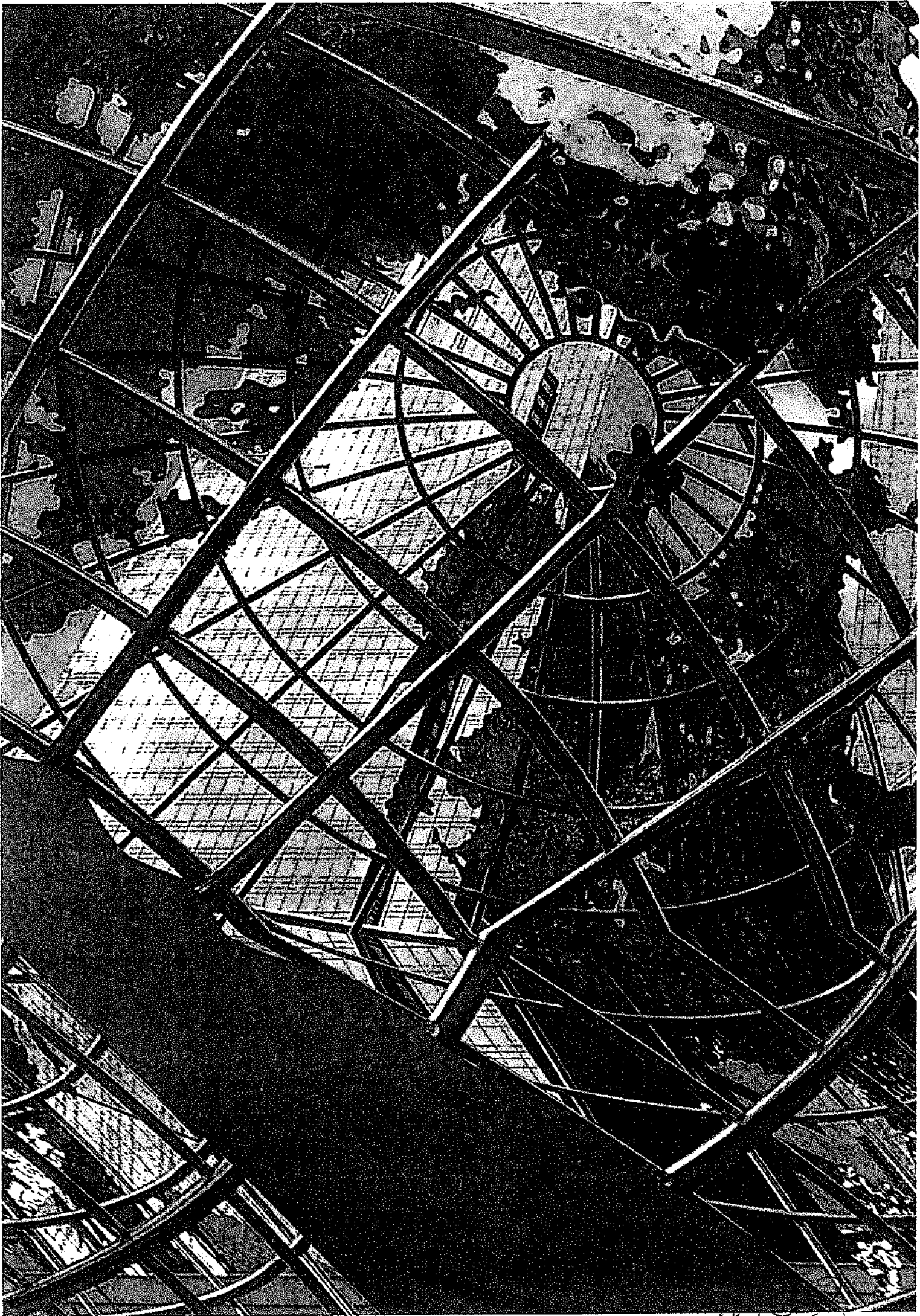
- MIASA is an independent organisation.
- MIASA represents the regional mining industry.
- MIASA will interact with any legitimate structure or organisation in Africa and elsewhere to advocate positions that will benefit the mining industry.
- MIASA will not compromise its independence by allowing itself to become subservient to any other regional or international structure.

An important aspect of the strategy was to maintain and strengthen the strategic alliance with the SADC.

Other

While the Chamber's presence continued to be maintained in bodies such as the African Mining Partnership and the Nepad Business Foundation, the Chamber's international relations activities were more focused on associations such as the International Council on Mining and Metals (ICMM). The issues addressed in these forums were perceived to be more pertinent to the needs of the Chamber during the year under review.

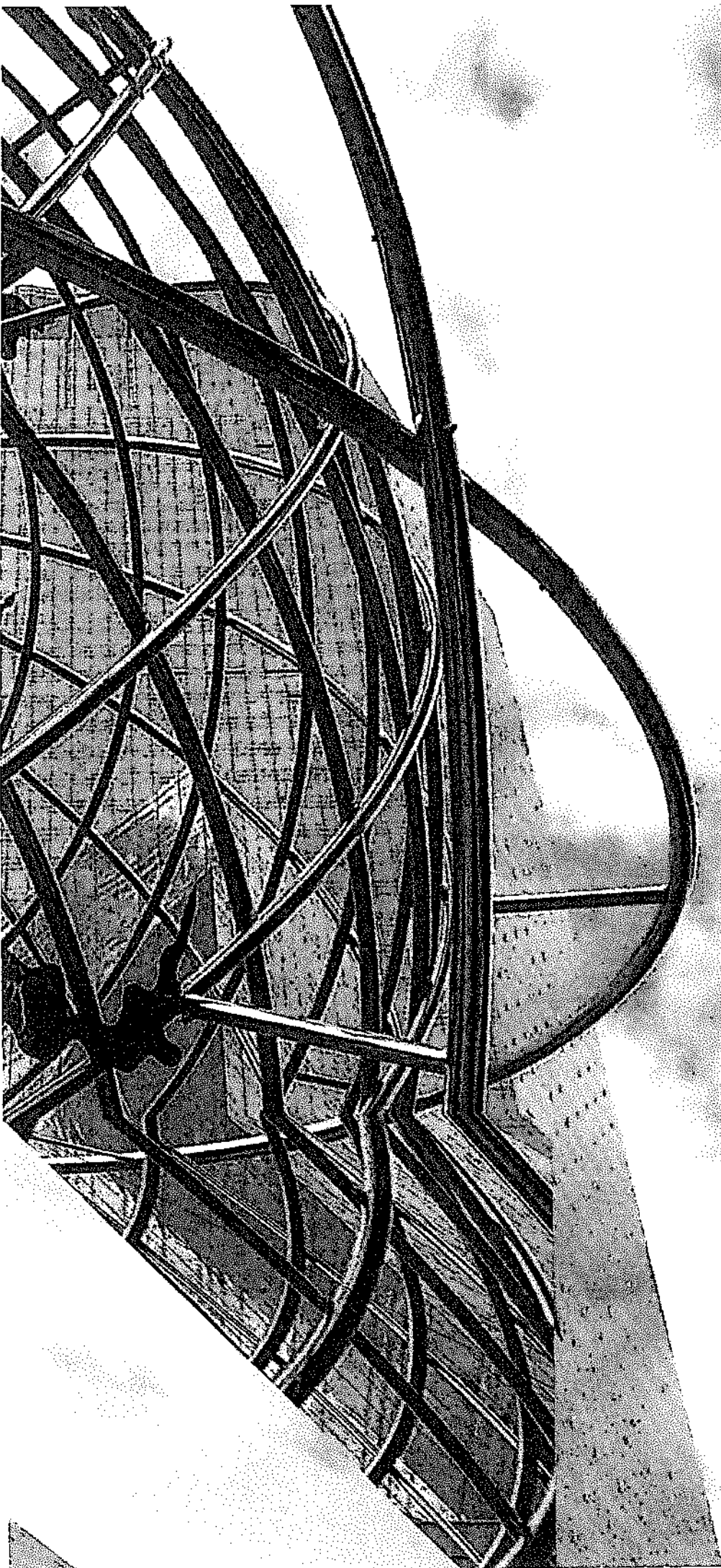
Through its membership in the ICMM, the Chamber participated in and drew on international experience on issues of sustainable development, environmental management, health and safety, mine closure, and relationships between large-scale and small-scale mining.



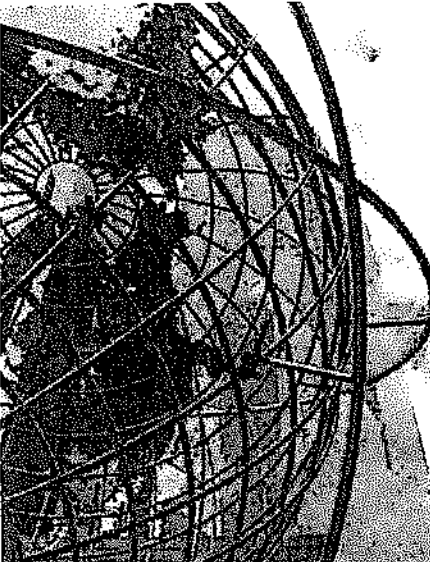
economic overview

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economic overview



The world economy experienced its first recession in over 60 years in early 2008 as global gross domestic product (GDP) contracted by 0.6% and global trade volumes plummeted by 10.9%. While the world economy began to recover in late 2009 and early 2010, the risk of further

financial market contagion spreading into the real economy continues to weigh on the impetus of the global recovery. Slow gains in advanced economies, which are weighed down by sluggish momentum and risks in the financial sector, the need to gradually withdraw fiscal stimulus, the modest improvement in consumer spending and high unemployment rates, means that growth in these regions is still performing below potential. However, developing countries, especially in East Asia, are providing a stimulus for growth and by 2014, based on a purchasing power parity basis, they will comprise over half of global GDP. The IMF expects developing countries to grow by 6.8% in 2010, with Asia growing by 9.2%. Overall, global economic improvement is expected to be higher than 4% in 2010, and represents a reasonable recovery from the global recession.

The mining industry was hard hit by the recession, especially in the first half of 2009 as concerns about stabilising the world economy and falling commodity prices impacted on the

sector. However, the global mining industry responded quickly and mining companies cut back on uneconomic production and restructured their balance sheets. The gradual recovery of the global economy and strong growth in key countries like China, helped stabilise commodity markets. By mid-2009, mineral commodity prices had bottomed and begun to recover. By the end of 2009, the market capitalisation of the world's top 40 mining countries had improved to nearly pre-crisis levels.

The PricewaterhouseCoopers (PwC) publication *Mine* called its 2010 edition "*Back to the Boom*". It states that the global economy, driven by materials' growth in developing countries, would provide a collar or underlying support to commodity markets.

By 2025, the McKinsey Materials Institute projects that the Chinese economy will have a billion urbanised people, which in turn requires the construction of another 86 mega cities, each with a population greater than 10 million people.

Despite having the world's largest in situ mineral resource deposits by value (Citibank: US\$2.5-trillion), the South African mining sector has underperformed. In the 2001 to 2008 commodities boom, the world's top 20 mining countries achieved an average mining GDP growth rate of 5% a year, while South Africa's mining sector GDP shrank by 1% a year.

South Africa, with its large mineral resource base, established minerals clusters and world-class companies should be achieving much higher growth rates. The potential of the industry

is recognised by government and industry, which led to the formation of the MIGDETT.

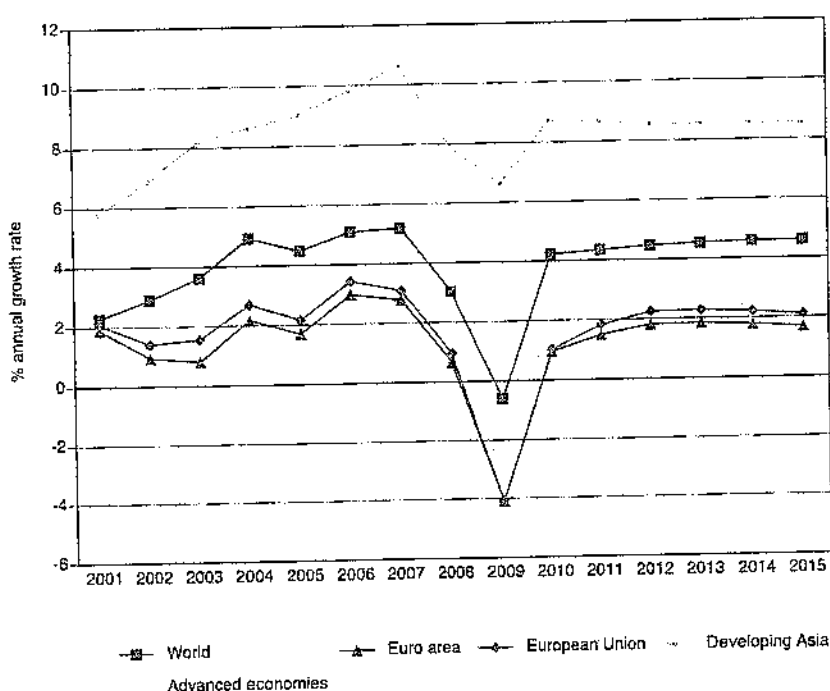
The MIGDETT task team recognised the importance of competitiveness and transformation and conducted detailed research into the factors inhibiting sustainable growth and meaningful transformation. This culminated in a stakeholder declaration signed at the end of June 2010, setting out a range of issues that must be undertaken to overcome growth and transformation constraints. The prognosis is promising, and MIGDETT has already achieved success by getting the mining sector back onto government's list of priorities.

The global economy

The world's economy weathered the global financial storm and in early 2010 moved out of recession and back to an above 4% growth rate.

Global trade and industrial production climbed to higher levels, consumer confidence continued to improve in early 2010 and economic developments confirmed the expected gradual recovery from the worst of the recession. However, confidence in the recovery fell in mid-2010 as the unfolding Greek sovereign debt crisis sent further shockwaves through the world's financial system, especially in the Euro region. The relatively weak initial policy response in Europe further fuelled concern over the strength of the recovery, resulting in a scaling back in the risk appetite of investors and sell offs in various equity markets. The implementation of the Euro Stabilisation Mechanism and the policies aimed at restoring confidence in the banking sector, should result in financial conditions improving in the Euro zone, which in turn will diminish the risks of further financial market contagion. Overall, the

IMF outlook for world economic growth for key regions
(source: IMF WEO April 2010 and July 2010)



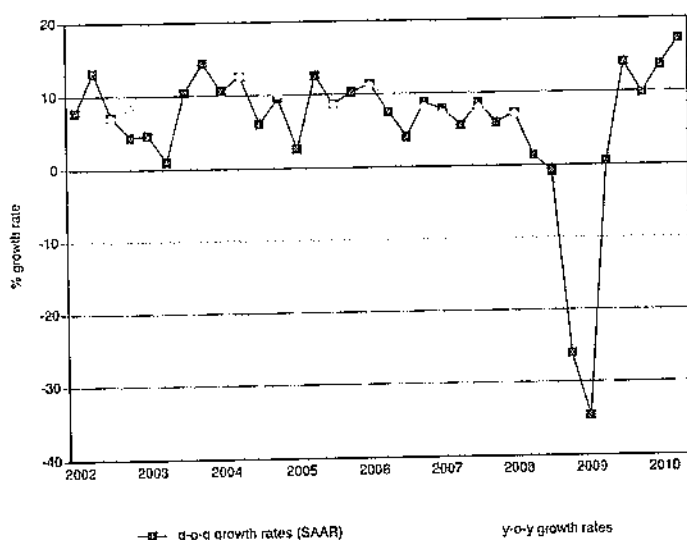
developing countries, driven by China and India, will achieve high growth rates over the next two years while advanced economies recover, but with growth rates less than half that of developing countries.

In the first quarter of 2010, global growth on an annualised basis reached 5% and this forced many economists to upgrade growth prospects for 2010. The IMF World Economic Outlook (WEO) upgraded its growth forecast for 2010 from 4% to 4.5% in the July 2010 WEO update. The global recovery is becoming more entrenched and the pace of the recovery into 2011 will depend on credible consolidation of fiscal support measures and the gradual restoration of consumer and business confidence.

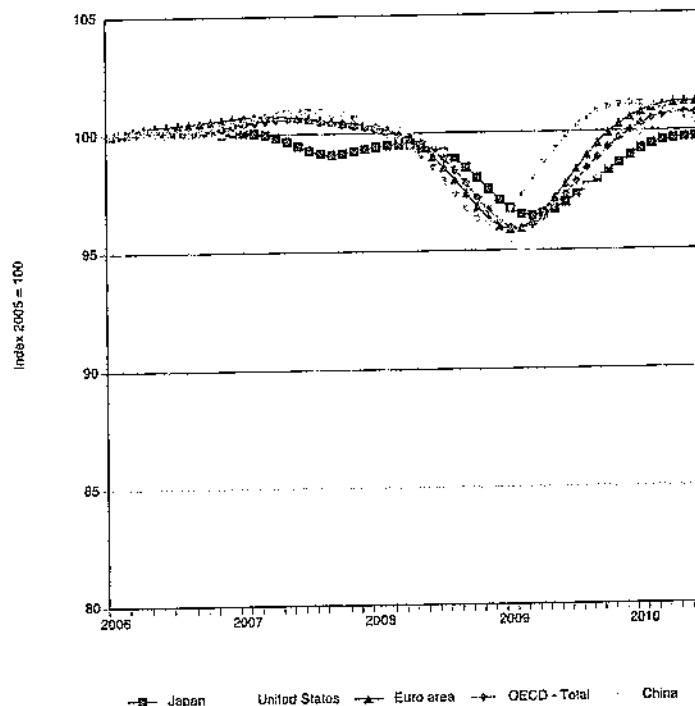
At the global level there are a number of indicators that show the pace of the recovery:

- The volume of global trade was 9.8% in the first quarter of 2010 and 14.3% in the second

Growth rate in world trade in goods and services (volume), both y-o-y and q-o-q (source: SAAR)

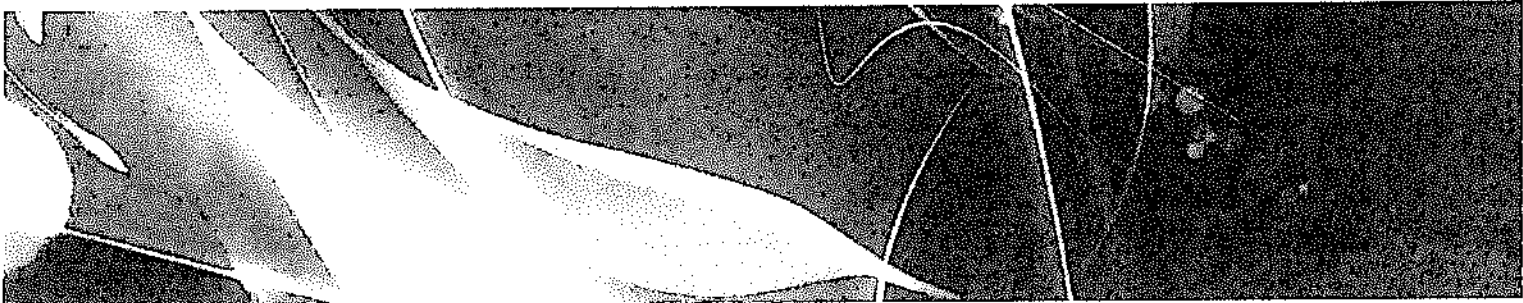


Composite leading indicator for key economies (source: OECD)

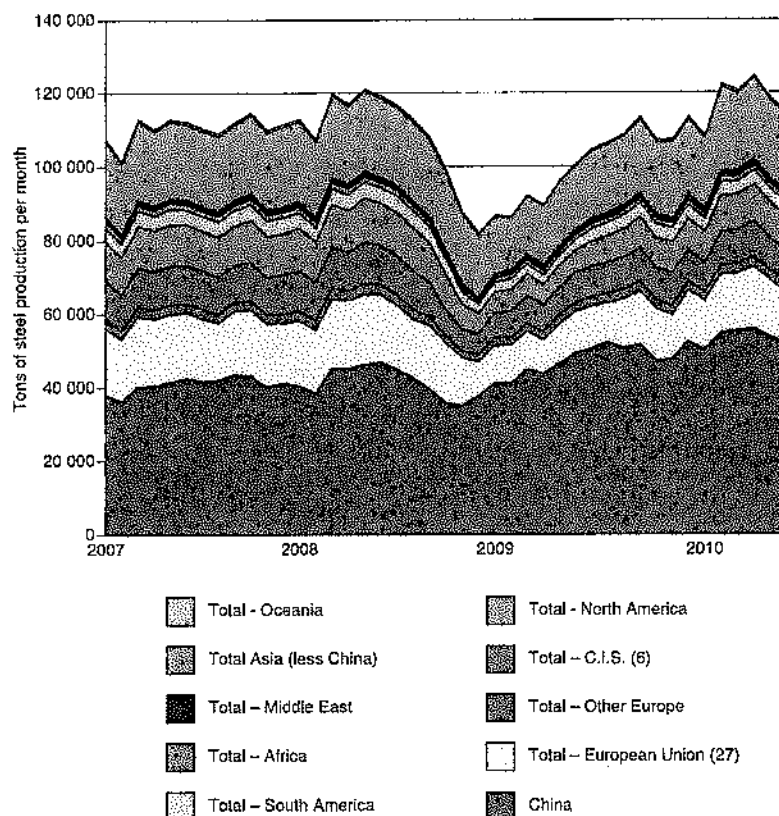


quarter. The World Trade Organisation suggests that global trade could grow by 13.5% in 2010, the fastest ever expansion in global trade since records were first kept in the 1950s.

- The composite leading indicators of all advanced economies and China improved markedly. Composite leading indicators provide indicators of turning points in an economy in relation to that country's potential economic growth rate (and so touch on output gaps), which assist in providing an indication of prospects for future economic growth.
- The global manufacturing purchasing managers index (PMI) reached 50 in July



Global steel production has recovered to pre-crisis levels (source: IISI)



2009, the so-called neutral point for the first time since May 2008. The speed of the recovery in the PMI, combined with its sustainability above pre-crisis levels, is a sign that recovery in the global manufacturing sector is taking hold. While the global manufacturing PMI appears to have come off its recent early 2010 highs, it remains in strong positive territory.

- Global steel production recovered to above pre-crisis levels, despite continuing weak recovery in key production areas like Europe. The pressure of the global economic crisis on steel production was mostly felt in the advanced economies in late 2008,

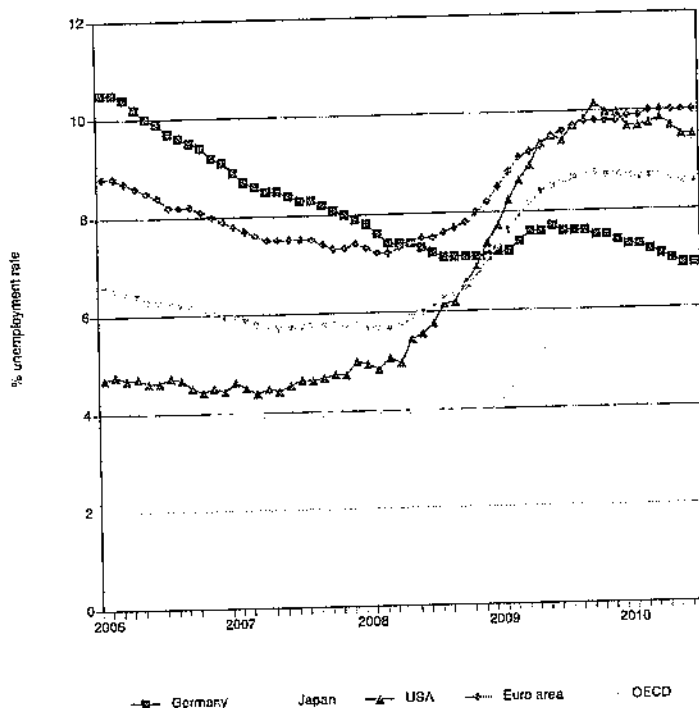
although China's production also slowed. However, annualised global production of steel in 2010 (based on the first six months) at 1.4 billion tons, is the same as the peak production recorded in 2008. China is currently producing 45% of global steel, driven by its own substantial industrialisation and urbanisation requirements.

- Most metal and commodity prices recovered to pre-crisis levels, despite some inventory overhang.

There are risks that could temper the global recovery, for example:

- Financial contagion of the sovereign debt crisis in certain European countries slowed

Unemployment rates in the industrialised countries (source: OECD)



Euro zone recovery and weakened Europe's growth prospects. However, the weakening of the Euro exchange rate coupled with the European Stabilisation Package, should cushion the impact, boost exports and help compensate for the impact of the sovereign debt.

- Unemployment rates in advanced economies remain high, which could continue to dampen consumer confidence and affect the pace of recovery.
- There is also concern that the fiscal stimulus and support provided by the advanced economies to their financial sectors to avoid a prolonged recession, may negatively affect the advanced economies through

continued high fiscal deficits and rising debt levels. A key risk factor to the global recovery is the pace of withdrawal of fiscal support measures by advanced economies in the face of continued weak consumer confidence.

Impact of the global recovery on commodity prices

Demand and prices for most minerals experienced sharp declines in late 2008 and early 2009. Traditionally, commodity prices remain weak at the end of a recession as the impact of over investment in mine supply and weak demand caps commodity price movements. However, at the end of this recession, commodity prices rebounded relatively quickly in the second quarter of 2009, despite high inventory levels for many commodities. The change in sentiment, once the global economic crisis was over and the demand drivers in emerging economies were again in play, pushed up prices. By 2010, the prices of most minerals had returned to pre-recession levels and most composite commodity indexes were on the road to recovery. In July 2010, the recovery in commodity prices appeared to stutter, but by the beginning of August 2010 had resumed their upward trajectory.

There is a growing body of evidence that suggests that the global financial crisis temporarily paused the structurally driven commodity boom that had been in play from 2001 to 2008. According to the United Nations, an additional three billion people are expected to move to urban areas between 2010 and 2050. This has important implications for the demand for industrial and steel

Economists All Metals Index, US\$ terms, base indexed to October 2001 to August 2010



making minerals such as iron ore, manganese, chrome, zinc, copper, aluminium and platinum group metals.

China dominates the demand for a wide range of commodities and this is likely to continue over the course of the next decade.

By 2014, developing economies, including fast growing China and India, will comprise over half of global GDP and more than 82% of the world's population.

Fixed investment rates in developing countries will remain high to accommodate new cities and associated infrastructure. The IMF expects that gross fixed capital formation rates in developing countries will remain above the 30% of GDP for the foreseeable future.

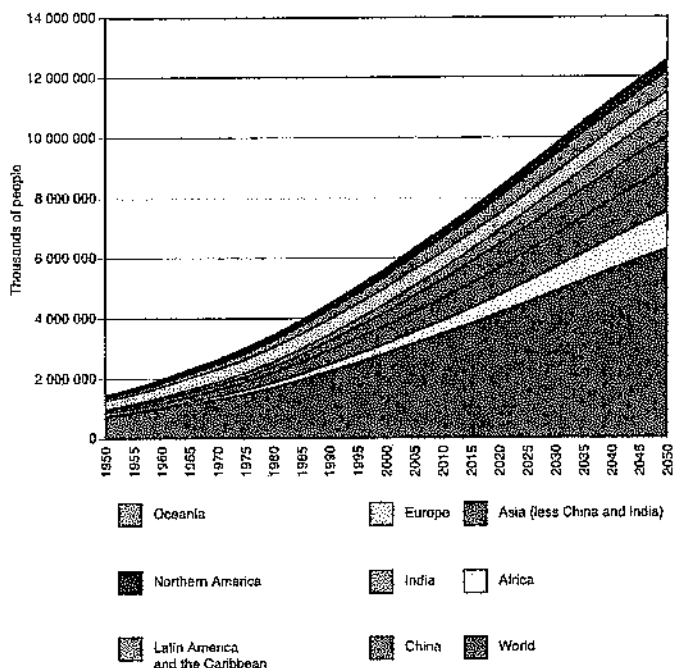
Impact of the economic crisis on the mining industry

Investment and exploration in mining peaked at US\$116-billion in 2008. To sustain this investment, mining companies increased their exposure to debt gearing to an average of 32% in 2008 from a low of 12.5% in 2005. As a result of the recession and the retraction in demand and prices of minerals, mining companies began to cut costs. They reviewed their expenditure on capital investment and exploration, with the result that global mining investment and exploration declined to about half the 2008 peak in 2009.

According to the Metals Economics Group, global non-ferrous metals exploration budgets fell by 45% in 2009 to US\$7.3-billion, when



World's urbanised population, 1950 to 2050
(source: UN 2009 revision)



compared to US\$13.2-billion spent in 2008. Grassroots exploration was hit hard as established mining companies concentrated on core projects. Similarly, exploration by junior resource companies fell sharply. Cutbacks in exploration expenditure at the greenfields level may have implications for the number of new projects available to be developed in the next five to 10 years.

Not only did mining companies cut back on discretionary exploration expenditures, they also cut back on uneconomic production and set about restructuring their debt. By 2009, the gearing ratio for the top 40 mining companies had fallen to 17%, making the companies much more robust.

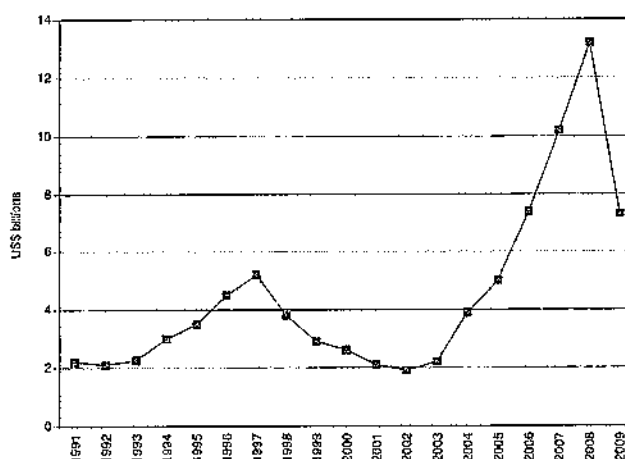
In its 2010 publication, PwC highlights the performance of the top 40 mining companies. 2009 was a tough year for them as revenues declined by 15%, profit was down 26% and cash

flow from operations declined by 27%. The market capitalisation of the mining companies has now returned to pre-crisis levels.

A key factor for the top 40 mining companies is that they managed to sustain capital investment on long-term, low-cost projects during the recession, which should assist their recovery. The level of capital investment for the top 10 minerals by the top 40 mining companies did not fall precipitously and US\$64-billion was spent on capital investment in 2009. The confidence of the large mining companies should feed through into growing production in 2010 and 2011. The minerals with good long-term prospects attracted the most investment, with iron ore getting US\$9.5-billion, gold US\$7.5-billion, copper US\$7-billion and coal US\$5.9-billion.

The introduction of an EBIT profit-based royalty in South Africa, which is a subset of the country's minerals policy reform process, illustrates the adoption of cutting-edge global practice, as opposed to a tax grab. This royalty provides a

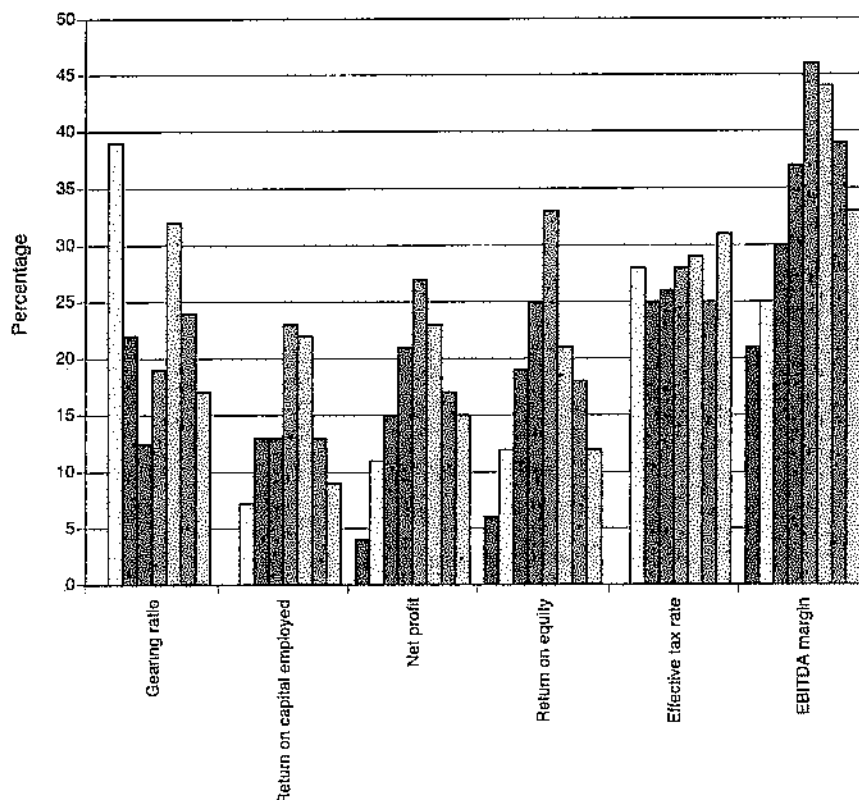
Large-scale non-ferrous global exploration
(source: MEG)



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PwC survey of top 40 mining companies *Mine: back to the boom* key indicators, 2009



smooth mechanism for government to share in the upside and downside of mining. The royalty recognises and encourages capital investment and obviates or neutralises any proposal for a super profits tax.

The recession and the South African mining industry

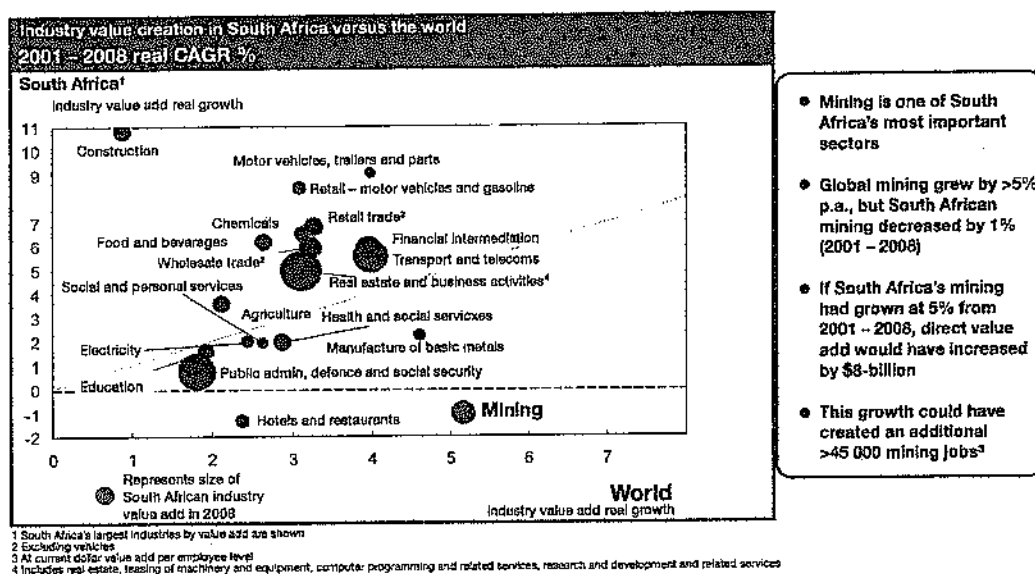
South Africa, with the world's fifth largest mining sector by GDP value, experienced a decline in commodity prices and demand in late 2008 and early 2009. This prompted companies to cut production to match lower global demand. The South African mining industry's total production index fell by 6.6% and mining GDP declined by 7.2%. Employment levels fell by over 20 000 people and the industry cut back on capital expenditure,

exploration and also restructured balance sheets.

If one compares the performance of the country's mining sector to other sectors of the economy, the underperformance of the sector is noteworthy. For example, at the global level (on the x-axis in the chart on page 26) the average annual growth rate for construction value added was weak. However, the South African construction sector achieved growth rates of 11% (shown on the y-axis) in the 2002 to 2008 period, mostly because of an increase in domestic infrastructure in preparation for the 2010 Soccer World Cup. The top 20 global mining countries averaged 5% real growth rates, while South African mining shrank by nearly 1% a year during that period.

While it is correct to apportion some of the blame

Relative to other South African industries and global trends, South African mining is lagging in terms of real growth (source: *Global Insight*, DMR and McKinsey & Company analysis)



for the country's poor mining sector performance on the decline in production of the mature gold mining sector, most of the rest of the minerals also performed poorly. In the two decades up to 2009, total South African mining production fell by 0.4% a year, mostly driven by the 5.3% annual decline in gold production and the 0.4% decline in diamond production. Platinum group metals

(pgms) production increased by 4.8%, iron ore by 3.3% and manganese by 2.3% in the same period. The rate of decline in gold production over the last decade increased to 7.7% a year and diamond production fell by 2% a year. Pgm production between 2000 and 2009 increased by 2.6% a year, coal production by only 1.2% a year and iron ore by 6.5% a year.

Table: South African mineral production growth rates (source: StatsSA)

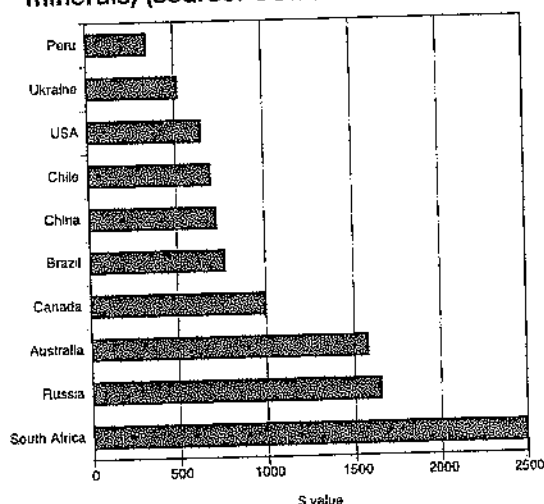
	Total mining	Iron ore	Manganese	PGMs	Coal	Chrome	Diamonds	Gold
1990 – 1999	-0.4	0.1	-0.3	7.1	2.3	5.4	1.3	-2.0
2000 – 2009	-0.5	6.5	4.9	2.6	1.2	-0.1	-2.0	-7.7
1990 – 2009	-0.5	3.3	2.3	4.8	1.8	2.6	-0.4	-5.3
2001 – 2009	-0.4	5.7	3.7	3.4	1.2	0.1	-3.1	-8.0

The non-gold mining sector grew production by 1.8% a year between 1993 and 2009.

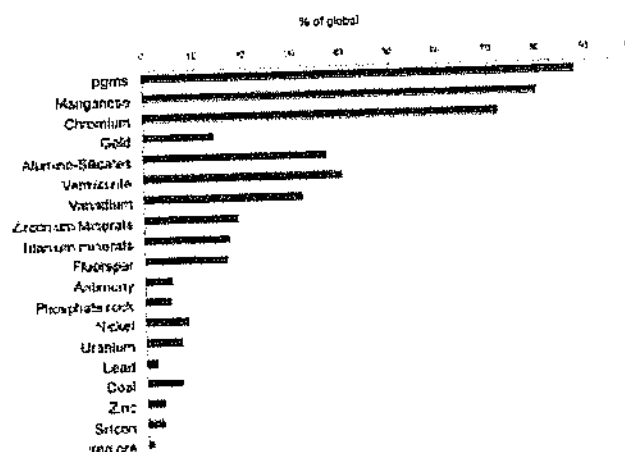
While certain detractors may have painted the South African mining sector as a mature declining industry with limited potential, the reality is somewhat different. In the 26 April 2010 report by Citibank, *Metals and Mining Strategy*, the richest country in the world is defined as the country with the largest in situ value of mineral resources (excluding energy minerals), which, according to the report, is South Africa, with a current value of US\$2.5-trillion.

While this mineral wealth below the ground does not actually represent wealth unless it can be profitably mined in a safe and environmentally sustainable way, the report illustrates the huge potential of the minerals industry for the country. South Africa is the world's largest reserve holder of pgms, manganese, chrome, gold and alumina-silicates and is a major reserve holder of vermiculite, vanadium, zirconium minerals, titanium minerals, coal and iron ore. The country is not only

Citibank survey of the richest 'in situ' mineral resource holders in the world (excluding energy minerals) (source: COM/DMR/USGS)



South African reserves for key minerals, 2008



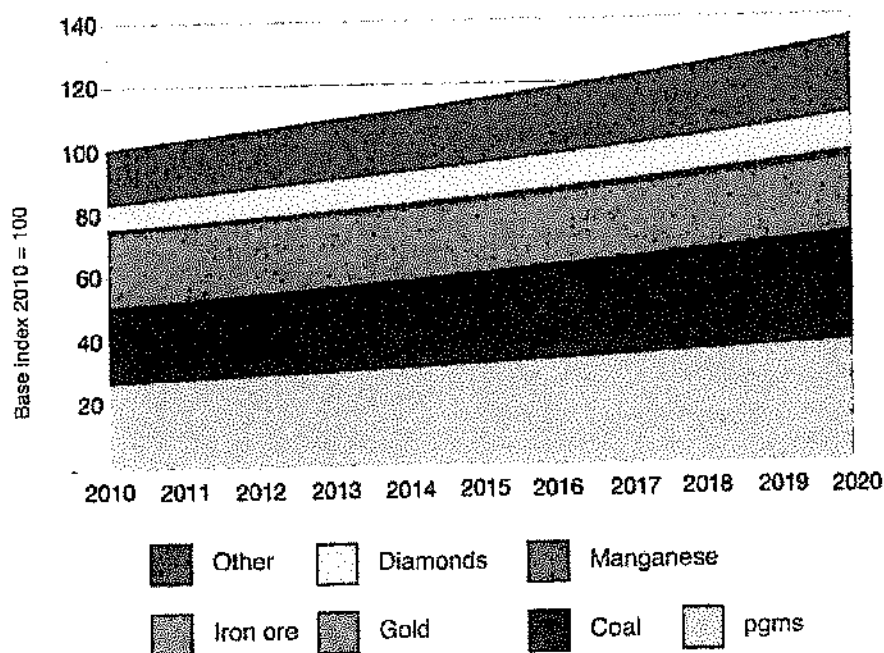
an important player in terms of global mineral reserves, but is also a major producer of minerals with the world's fifth largest mining industry by GDP value.

MIGDETT

The MIGDETT task team has two specific mandates: one is to manage the impact of the global economic crisis on the mining sector and to reduce the number of retrenchments, and the second is to help position the South African mining industry to take better advantage of the next commodity cycle.

In February 2010, the MIGDETT task team agreed that MIGDETT should develop a tripartite Strategy for the Sustainable Growth and Meaningful Transformation of the South African Mining Sector. Two work streams were established. The first would concentrate on the competitiveness and growth of the mining sector, while the second would focus on transformation in the sector and the Mining Charter review.

Projected trends in the mineral weighted production profile of South Africa's mining sector, 2010 to 2020 (source: MIGDETT/Chamber of Mines)



The tripartite stakeholders recognised that growth and transformation are mutually inclusive and reinforcing concepts and they have worked to shape a strategy for growth and transformation.

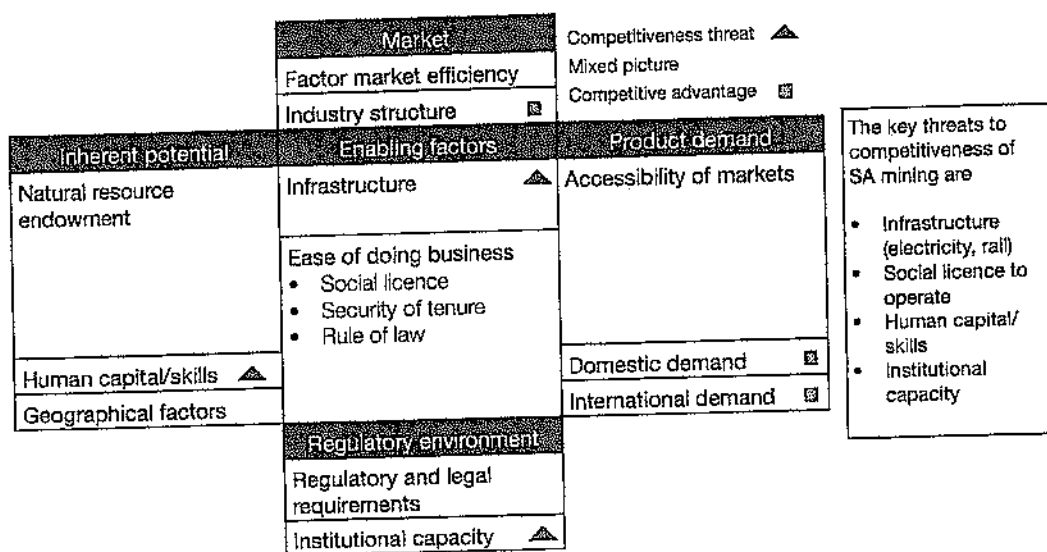
The MIGDETT Competitiveness Task Team developed a set of simulations on what would constitute a realistic growth potential of the South African mining industry in a scenario if the constraints hindering growth and competitiveness were lifted. For example, to satisfy domestic energy coal requirements for electricity generation, another 100 million tons of coal production would be required by 2020. This implies a growth rate in coal production of 3.5% a year for the next decade. The simulations and scenarios run for each mineral, when aggregated, provided a perspective for the

MIGDETT stakeholders on what sort of economic growth rate was achievable by the local mining sector between 2010 and 2020. The total mining sector can achieve an overall growth rate of about 3% a year from 2010 to 2020. If gold were excluded from the equation, the non-gold mining growth rate would average 3.9% a year over that period. About another 100 000 jobs could be created by 2020, based on the above estimate and using correlations of labour intensity in the production process with modest technology improvements. The graph above illustrates the likely weighted production growth of South Africa's minerals over the next decade, based on this conservative growth rate scenario.

The estimates for potential growth for the minerals

Lack of growth is as a result of a combination of drivers eroding the sector's competitiveness

Competitiveness drivers

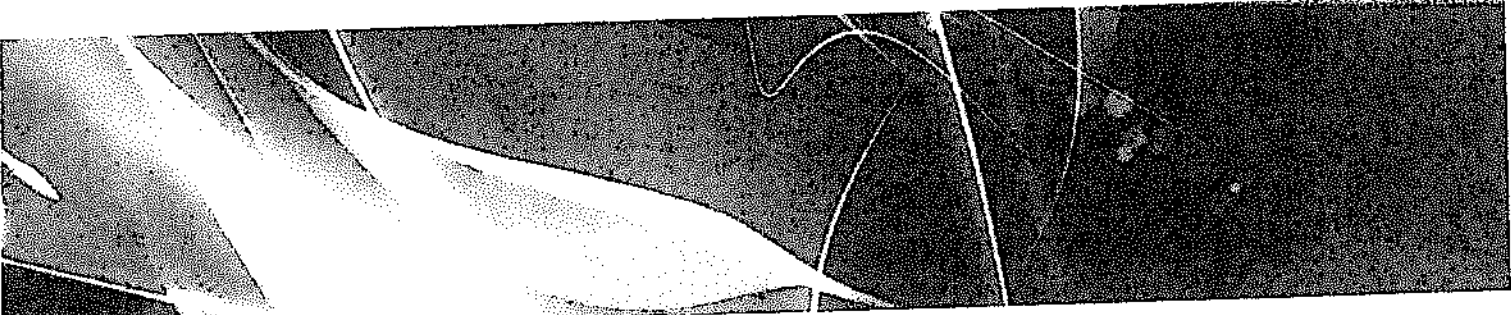


listed above are deliberately conservative, and a higher growth rate is possible. Running the same forward-looking scenario with gold production declining by 2% a year, platinum growing at 4%, coal by 4%, and diamonds at an average of 5.8%, then the overall mining sector's growth rate would be 3.5% a year. If gold is excluded the mining sector's growth rate could be 4.3% a year in the period from 2010 to 2020. This is a very respectable growth rate and would be a major fillip for exports, employment and local economic activity. According the McKinsey's Mining Competitiveness Benchmarking study done for the Chamber in November 2009, simulations and scenarios for the industry based on the most favourable outlook, another 200 000 jobs are possible by 2020.

The non-gold mining sector could more than offset the declines in gold production. The overall

sector could achieve a considerably higher annual growth rate in production. The critical issue is to create the enabling foundation for the industry to enhance its competitiveness and growth and to enable the mature components of the sector to extend their life cycles with all the associated economic benefits.

The task team also conducted an in-depth analysis of the factors affecting the competitiveness of the local mining sector. This included using a competitiveness framework traditionally used by Michael Porter, but adapted specifically for the mining sector. Twelve other mining countries were then used in a competitiveness benchmarking exercise. The results were mixed. The country showed significant mineral potential, well-developed capital markets, world-class financial services, a well-developed and capable mining



sector, good support services, well-developed supplier markets and infrastructure, but struggled with problems in the regulatory framework, institutional capacity, infrastructure and human capital constraints, a volatile exchange rate and a perceived weak social licence to operate. Most of the factors holding back the sector are within the control of stakeholders.

In the post-problem identification exercise, the next critical issue was how to fix the constraints while building on the country's competitiveness strengths. The MIGDETT process then developed a declaration that was signed by the stakeholders on 30 June 2010 and contained the following 13 commitments:


1. Promoting growth and transformation (as mutually reinforcing and inclusive concepts).
2. Resolving infrastructure constraints
3. Promoting innovation, productivity and cost competitiveness (including promoting exploration)
4. Committing to sustainable development in mining (improving health and safety, environmental management, etc.)
5. Encouraging greater beneficiation
6. Improving the regulatory framework (including mining and environmental permitting)
7. Promoting human resource development
8. Promoting employment equity
9. Facilitating mine community development
10. Improving housing and living conditions for workers

11. Facilitating greater transformation through industry procurement
12. Achieving greater transformation in ownership in mining
13. Improving monitoring of both transformation and competitiveness.

There are industry representatives involved in many of the national debates on infrastructure. For example, industry representatives are involved in the National Stakeholder Advisory Council on Electricity, the National Electricity Response Team and in the expert group advising the Department of Energy on the Integrated Resource Plan 2. The challenge for mining is the lack of a comprehensive needs analysis and plan that could be used as a basis on which to engage the country's leadership.

The MIGDETT stakeholders agreed to establish a long-term Integrated Infrastructure Planning Mechanism to unpack the needs of the mining industry and serve as a conduit through which the industry's requirements could be properly communicated. The stakeholders are developing terms of reference for the establishment of the mechanism.

The stakeholders recognise that, despite the good intentions of the 2004 legislation, the outcomes of the mineral policy reform process and the implementation of the laws, improvements are necessary. Thus the DMR has begun a comprehensive review of the Mineral and Petroleum Resources Development Act, in an attempt to resolve any grey areas and reduce licensing times and create a more conducive framework for dealing with licensing issues, including environmental



permits. Stakeholders are invited to provide input. A collaborative problem solving approach would help resolve the issues. Mining and prospecting companies have a role to play in improving applications and helping the process. The minister of the DMR, Ms Susan Shabangu, introduced a six-month moratorium on applications for new prospecting rights and the DMR is undertaking a comprehensive audit of prospecting rights to overcome recent problems in this area.

Contribution of mining to the South African economy

The mining sector remains a pillar of the South African economy. In 2009, the sector contributed:

- About 19% of GDP (8.8% directly)
- Over 50% of merchandise exports (if secondary beneficiated mineral exports are added)
- About one million jobs (about 500 000 jobs indirectly)
- About 18% of gross investment (10% directly)
- Approximately 30% of capital inflows into the economy via the financial account of the balance of payments
- About a third of the market capitalisation of the JSE
- 93% of the country's electricity generating capacity
- About 30% of the country's liquid fuel supply
- The largest contributor by value to black economic empowerment (BEE) in the

economy (in terms of the value of BEE transactions completed)

- R10.5-billion of direct corporate tax receipts.

The mining sector provides the critical mass for the development of a number of industries that either supply the mining sector or use its products. This cluster of industries includes energy, financial services, water services, engineering services, and specialist seismic, geological and metallurgical services.

In 2009, the total income of the South African mining sector was R332-billion, down by 8.8% on 2008 (StatsSA). The industry's total expenditure, excluding dividends, taxes and capital expenditure, was R312-billion, implying a small gross surplus of R20-billion. However, if taxes, dividends and capital expenditure were included, the total expenditure of the mining industry was R399-billion in 2009, implying that a deficit of R67-billion was incurred.

Only a small portion of the expenditure in the form of capital equipment and dividends was acquired or paid for from offshore. A high percentage of the procurement of timber, steel, cement and explosives, for example, was sourced locally, while all the industry's electricity, rail, port and road transport and water were procured locally. In essence, a very high percentage of the industry's expenditure feeds through into the domestic economy.

Contribution to investment and GDP

The rate of growth in real mining fixed investment

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dropped from 27.7% in 2007, 13.2% in 2008 to only 2.7% growth in 2009. In the first quarter of 2010, real fixed investment spending by mining was down 15.2% year-on-year, indicating that the industry has some way to go before real fixed investment spending recovers.

In 2009, mining GDP fell by 7.2% as the industry was hit by the recession and domestic constraints. In the past two years, mining GDP, in real terms, fell by 12.2% and the sector is effectively smaller in real GDP terms than it was in 1994. The MIGDETT process should help reverse this trend.

Mining production fell by 6.6% in 2009, following the 5.7% decline in 2008. Key reasons for the decline in 2009 include a production decrease of 52.6% in diamonds, 32.8% in manganese, 29.1% in chrome, 7.1% in gold and 1.6% in pgms. The only substantive production increase was iron ore, which grew by 12.9% to 55.3 million tons. Between 2006 and 2009, mining sector GDP shrank on average by 3.3% a year, against an overall South

African average economic growth rate of 3.2% in the same period.

In the first half of 2010, mining production staged a modest recovery of 3.8% year-on-year, as a recovery in diamond production and continued double digit growth in iron ore production were able to offset the decline in gold production and the decline in pgm production.

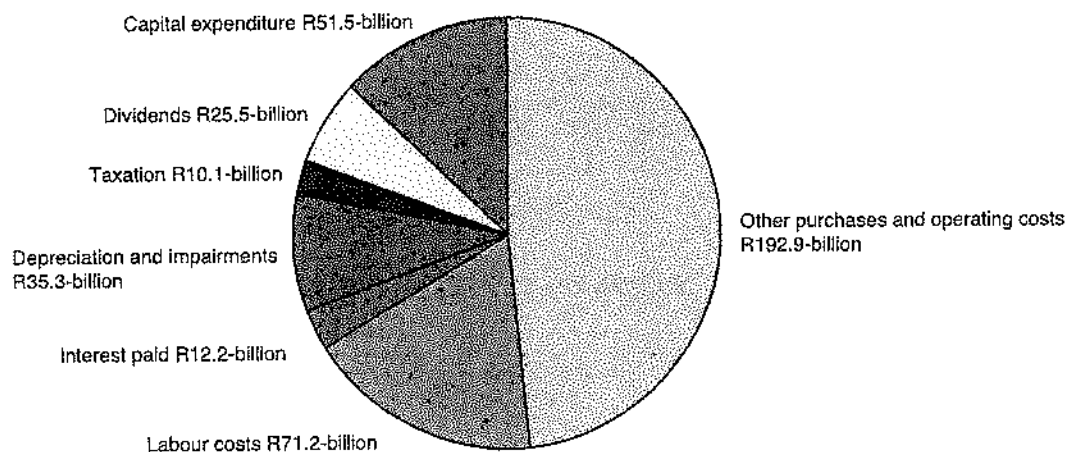
Mining accounted for 10% of total fixed investment in the economy and 16.9% of total private sector fixed investment. The sector continued to be a key component of the JSE.

South African mineral sales and exports

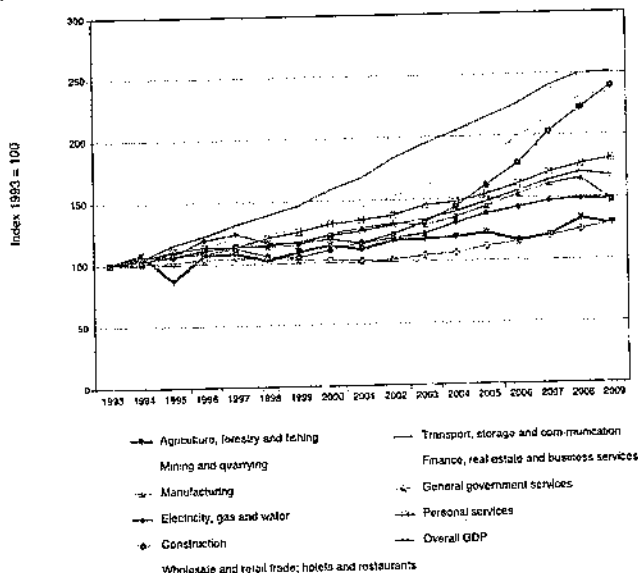
In 2009, the depreciation in the rand exchange rate to R8.44/dollar, was not enough to offset the decline in most commodity prices, which resulted in the value of local mineral sales falling by 19.6% to R241.3-billion.

The decline in mineral sales was driven by the

Income and expenditure of the SA mining industry, 2009 (source: StatsSA)
Total expenditures: R399-billion; total income: R332-billion



South Africa: trends in real GDP (real 2005 rand terms) per sector, base indexed to 1993 (source: StatsSA)



decline in sales of manganese (down 67.8%), pgms (down 36.7%) and coal (down 9.8%). Coal is the largest component of the South African mining industry by sales value, with total sales of R65.4-billion, followed by pgms at R58-billion and gold at R49-billion. These top three minerals accounted for 71.2% of South Africa's total mineral sales in 2009.

In the first half of 2010, total primary mineral sales were at an annualised R274-billion, an improvement of 13.7% on the 2009 figure of R241-billion. This was because of a modest recovery on overall mining production and the recovery in the prices of most minerals.

Total primary mineral exports sales fell by 19.7% to R176.4-billion in 2009. Primary mineral exports accounted for 31.7% of South Africa's total merchandise exports. The addition of secondary beneficiated minerals to primary exports, such as pgm catalytic converters, ferro-alloys, steel,

chemicals, plastics, raised the exports of the mineral complex to about R280-billion or about 50% of total merchandise exports.

Employment and wages

The local mining sector employed 491 922 people in 2009 compared to 518 519 in 2008, a decline of 5.1%. Mining accounted for 6% of total non-agricultural formal employment and 7.8% of total private sector non-agricultural employment. If the indirect and induced effects of mining are included, then another 500 000 jobs are believed to exist in addition to the direct mining jobs. In 2009, R71-billion was paid to workers in the form of salaries and wages. This contributed substantially to the economy and to the purchasing power of workers.

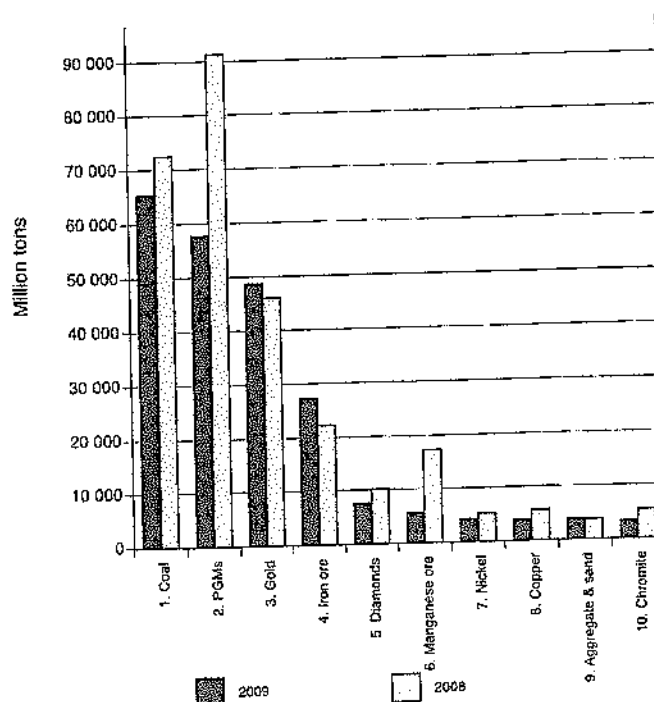
Chrome

Chromium production and reserves

World chromite resources are estimated at more than 12 billion tons of export grade ore, which would be sufficient to meet demand for centuries. Almost 95% of the world's chromium resources are concentrated in southern Africa and Kazakhstan, with about 70% of world resources in South Africa. Kazakhstan has 51% of the world's total shipping grade reserves, followed by South Africa with 37%.

South African chrome ore is mined primarily in the UG2, LG and MG chromitite seams in the North West and Limpopo provinces. The UG2 seam also contains significant amounts of pgms, thus several platinum mines produce chrome ore as a

South African mineral sales for the top 10 minerals, 2008 and 2009 (source: DMR/StatsSA)



by-product. The primary chrome mines provide chrome ore feed-stock to the large ferrochrome industry. Most of South Africa's chrome mines are developed along the Eastern Bushveld Complex in the Steelpoort Valley in the Limpopo Province.

South Africa's production of chrome ore declined by 29.1% in 2009 to 6.9 million tons, from a 2008

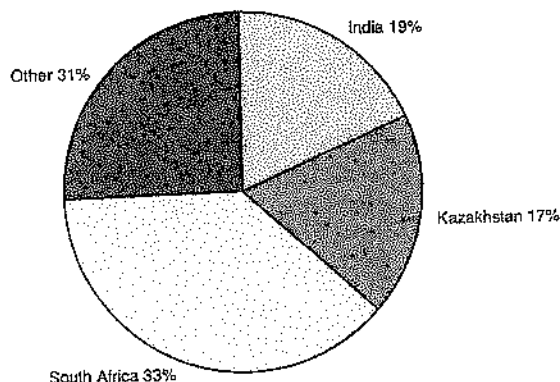
figure of 9.7 million tons. South Africa's total sales volume of chrome ore fell by 25.2% to 5.9 million tons valued at R3.3-billion. Local sales realised R2.1-billion, while export sales generated income of R1.2-billion.

Ferrochrome and stainless steel production

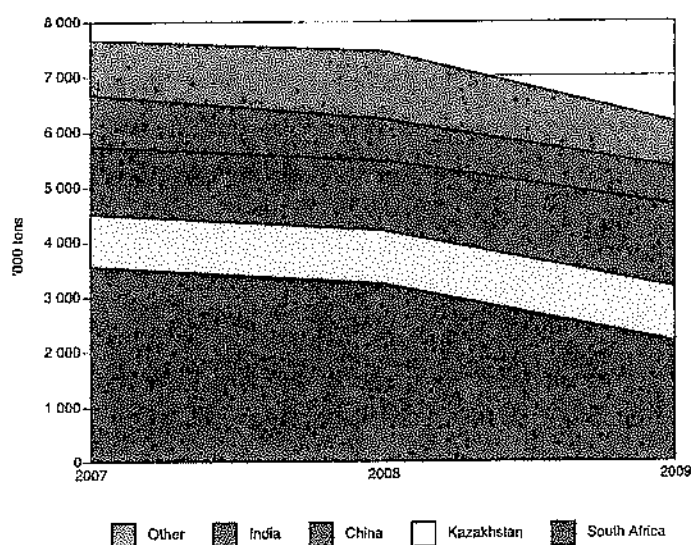
About 90% of chrome ore is used in the production of ferroalloys for stainless steel.

In 2009, global ferrochrome production declined by 17.5% to 6.2 million tons, with a large 32.7% decline in production by the world's largest producer, South Africa. The decline in production was attributable to the impact of the global economic crisis on prices and demand as producers cut back on production. South African producers placed furnaces on maintenance during the electricity crisis and economic recession, which

World production of chrome ore, 2009 (source: USGS/DMR), total 20.7 million tons



Global ferrochrome production (kt), 2007 to 2009
(source: Pariser/Merafe Resources)



helped Eskom maintain the electricity grid.

Around 70% of world ferrochrome production capacity was suspended in the first quarter of 2009, with the Xstrata-Merafe joint venture operating at 20% of capacity and Samancor Chrome suspending all production. Despite the drop in production in other key producing centres, China's ferrochrome production increased by 17.6% to 1.5 million tons. This supplemented continued strong demand for ferrochrome in China for its growing stainless steel production.

The fall in global ferrochrome production is related to the decline in global stainless steel production, which fell by 1.7% to 26 million tons in 2009. However, the aggregate global statistic hides the major differences between China and the rest of the world. Based on China's continued high level of economic growth, stainless steel production in that country grew by 32.8% to 9.8 million tons in

2009, while stainless steel production in the rest of the world shrank by 15% to 16.2 million tons.

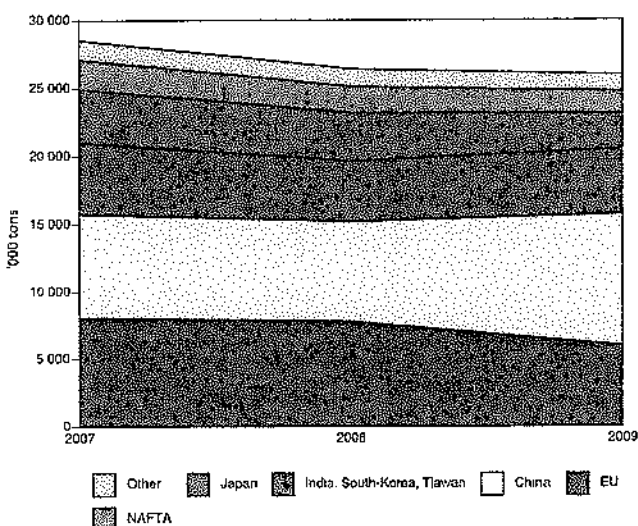
The global stainless steel industry consumed 7.3 million tons of ferrochrome in 2009, up by 7.7% on a year-on-year basis, although this can be attributed to continued stainless steel production growth in China, and higher Chinese ferrochrome production.


The roughly 19.9% increase in global stainless steel production in the first half of 2010, on an annualised basis, bodes well for the recovery in chrome ore and ferrochrome production in 2010.

Markets

The outlook for chrome is relatively favourable because, unlike nickel, ferrochrome cannot be substituted in the stainless steel production. Ferrochrome is cheaper than nickel, which lends it an advantage in terms of consumption and the cost of inputs.

Global stainless steel production (kt), 2007 to 2009
(source: Pariser/Merafe Resources)





Demand for chromium chemicals declined in recent years, as environmental concerns brought tightening legislation that limited its use in two other main end-uses: leather tanning and metal finishing. Strong growth in the aerospace industry in recent years meant that the demand for chromium metal increased sharply, albeit off a low base. World consumption of chromium metal increased by around 13% in 2008 to 40 kilo tons, with demand for super alloys, the primary end-use market for chromium metal, driving the market. The gradual recovery in the global economy should support demand in the aerospace industry.

Prices

The average price received for chrome ore per ton in 2009 was R554. Local chromium prices decreased by 26.6% in 2009, when compared to prices obtained in 2008. Export prices decreased by 30.6% in 2009, from a 2008 figure of R1 664 per ton. In March 2009, European importers paid around US\$86/lb for South African ferrochrome, about 60% lower than prices paid in September 2008. Demand for chromium during this period fell sharply, as it did for stainless steel, the primary end-use for chromium.

However, demand recovered and prices started to rise and ferrochrome smelters were reopened in the final months of 2009. In the first quarter of 2010, ferrochrome prices settled at about US\$101/lb and recovered to US\$136/lb by the second quarter of 2010, before a slight softening in the third quarter.

Labour

The South African chrome mining industry employed 10 893 people in 2009, a downturn of

11.3% when compared to 2008 figures. Even with the lower employment numbers, the total salaries paid in 2009 were higher. Salaries increased by 13.3% to R1.5-billion in 2009, from a 2008 figure of R1.3-billion. The total labour force in the chrome sector represents about 2.2% of the total South African mining labour force.

Developing the South African economy through chrome

Chromium is an important metal in the development of industry in a country. Commercial sources of chrome are limited to a few countries and the current and projected demand for the metal is growing. As with other important minerals, the country has an opportunity, through the structurally driven commodities boom, to expand production of chrome with all the associated economic benefits for the country.

Coal

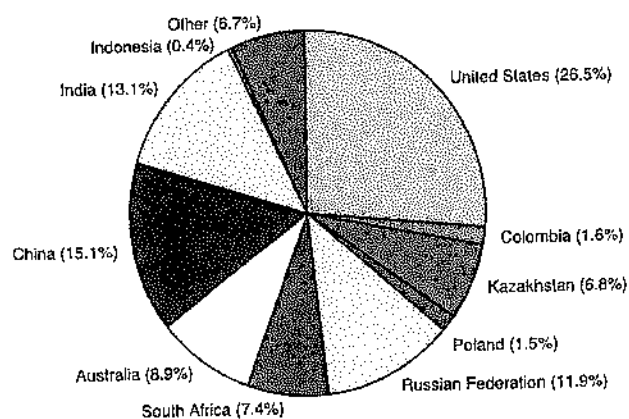
Despite the impact of the global economic crisis, which reduced electricity and steel production in many advanced countries, overall global hard coal production rose by 2.5% to six billion metric tons in 2009. There were large regional variations in coal production, with Asia, led by China, growing phenomenally and most advanced economies experiencing demand and production downturns. China's hard coal production rose by 7.6% to three billion tons, which is half the total global production, whereas North American production fell by 8.7% to 919 million tons. The rapid increase in electricity production in China and India also resulted in these countries becoming large net importers, which contributed to a rise of 4.7% to 830 million tons. The

improvement in global economic growth to about 4% in 2010, the stabilisation in electricity demand in advanced economies and the strong growth in electricity production in China and India, continue to support a structurally driven higher demand profile for hard coal. However, it is the pace of production and limited reserves in certain countries that pose sustainability questions and the ability of certain countries to maintain high production rates over an extended period of time. The introduction of carbon taxes over the next decade will challenge the coal mining and energy industries.

The key issue in the South African industry is the need for sustained growth in production to meet increasing domestic power generation and export growth requirements, which will necessitate an extra 100 million tons of production by 2020. This will require about R100-billion worth of investments in the existing large coal fields (Witbank), as well as in the northern coal fields (Limpopo and Waterberg) and investment in associated infrastructure. To achieve an extra 100 million ton capacity by 2020 will require the South African coal mining industry to grow by more than 3.5% a year.

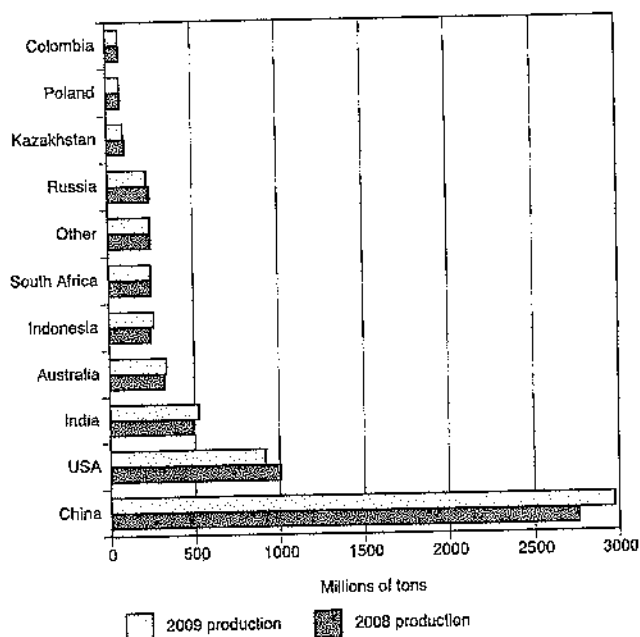
In 2009, South Africa's coal mining industry became the largest component of the local mining industry by sales value, with total sales of R65.3-billion, ahead of platinum at R58-billion and gold at R49-billion. During 2009, South Africa's coal production fell by 0.6% to 250.5 million tons, export volumes increased by 4.4% to 60.5 million tons and domestic sales volumes fell by 6.3% to 184.7 million tons. The coal mining sector employed 70 703 people and paid R12.8-billion in wages. The industry accounted for 5.6% of total merchandise

Global hard coal reserves, 2009 (source: BP)



exports and continued to play a major role in the domestic economy as the key source of primary energy for electricity and the production of, for example, liquid fuels, fertilisers, plastics, polymers and lubricants.

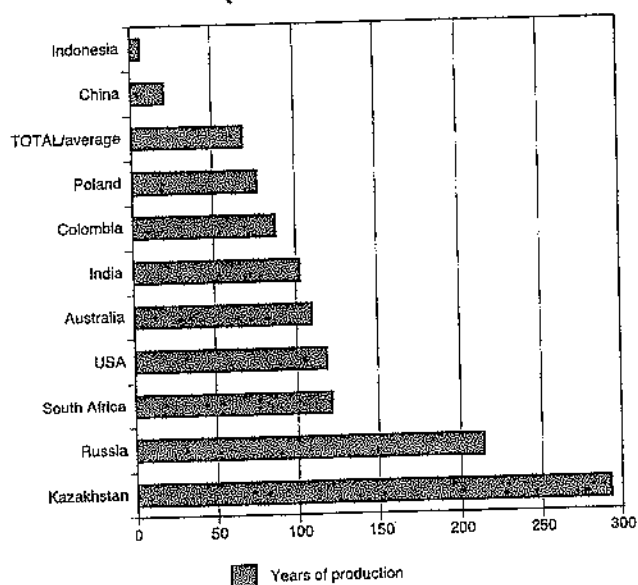
Global hard coal production, 2008 and 2009 (source: IEA)



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Hard coal: years of production left at current production rates and known reserves (source: IEA)



World hard coal reserves and production

Total world hard coal reserves (i.e. anthracite and bituminous) was 411 billion tons in 2009, with the United States holding the largest reserves of 26.4%, followed by China (15.1%), India (13.1%), Russia (11.9%) Australia (8.9%) and South Africa (7.3%).

In response to continued high economic and electricity production growth rates in the developing Asian region, there were large increases in hard coal production by India (up 7.6%), Indonesia (up 6.9%) and Australia (up 3.1%).

An interesting aspect of the global minerals industry is the pace of mineral extraction versus the known local reserve base that can support future production. Based on known global reserves of coal and current production rates, the world has 69 years of production left. There are large

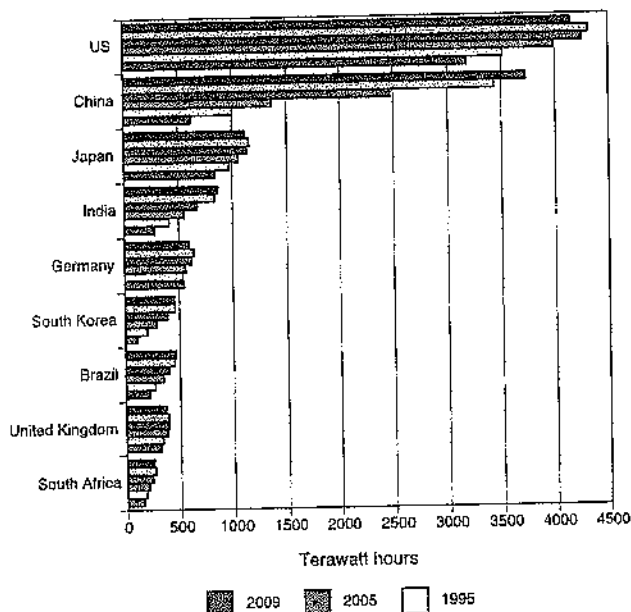
variations, with Kazakhstan, Russia, South Africa, the United States, Australia and India having over 100 years of production, while countries like China and Indonesia have reserve to production profiles that imply only 21 and seven years respectively. This is not an accurate assessment of reserves, as much of the resource base and extra reserves tend to be added to those countries on an annual basis (i.e. reserves tend to be added as brownfield exploration around existing mines shows more reserves). Nevertheless, it does appear to have implications for countries with high economic and electricity production growth.

World coal consumption was essentially flat in 2009, the weakest year since 1999. For the first time since 2002, coal was not the fastest growing fuel in the world. In North America and Europe/Eurasia, consumption fell by 11.5% and 11.4% respectively, while consumption in the Asia-Pacific region increased by 6.6%.

Global primary energy

Global primary energy consumption fell in 2009 by 1.1%, driven by a 0.9% decrease in electricity demand. Again there were regional variations, with OECD electricity production falling by 4%, while the Asia-Pacific region (excluding Japan) grew by 4.7%. Although the United States comprises nearly 21% of total global electricity production, the country is rapidly being reeled in by the growth rate of China. By 2010, China is expected to overtake the United States as the largest generator of electricity in the world. The expanding urbanisation and industrialisation trends in China and other key developing countries, means that

Electricity generation per key country



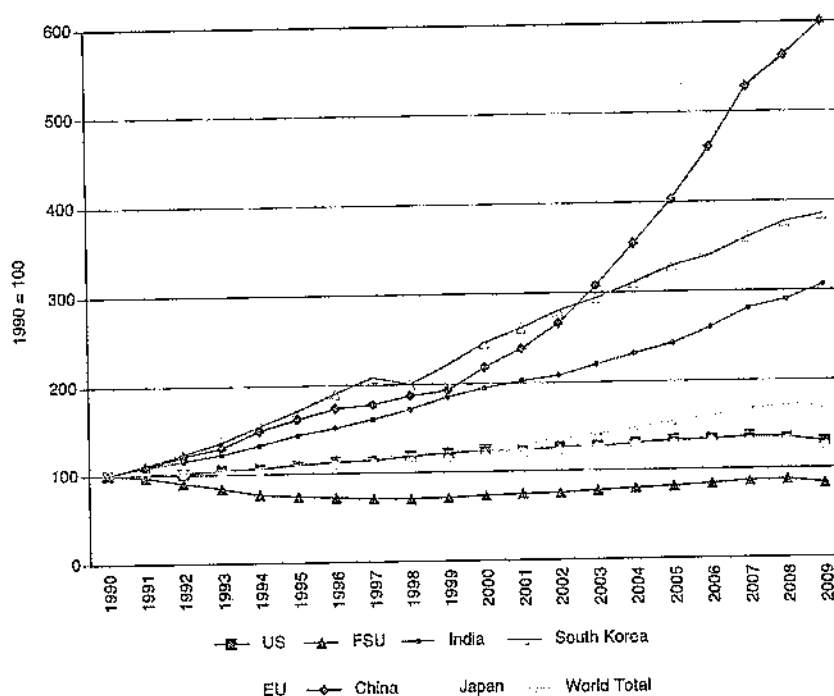
electricity production growth will continue to be high. China grew its 2009 electricity production by 6.9% to 3 721.5 terawatt hours and now has an 18.5% share of total global electricity production. India's electricity production increased by 5.8% to 869.8 terawatt hours, making it the world's fifth largest electricity producer.

China's electricity production has increased by 500% from 1990 to 2009. South Korea's electricity production grew by 284% and India's production by 206% during that period, while South Africa's electricity production grew by only 57%.

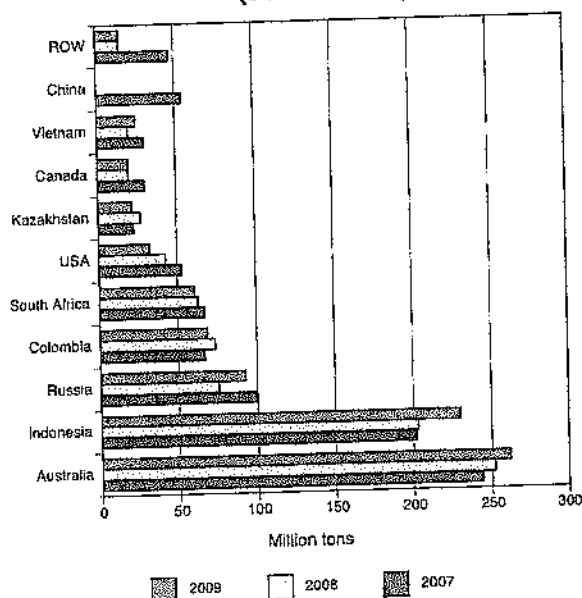
World hard coal export market

According to IEA, hard coal exports, which include thermal coals and coking coals, increased by 4.7% to 830 million tons in 2009. Australia is the largest hard coal exporter, with a share of 31% followed

Electricity produced in terawatt hours, base indexed to 1990 (source: BP energy statistics)



World hard coal exports, 2007 to 2009 (source: IEA)



by Indonesia (27.7%), Russia (11.2%), Colombia (8.3%) and South Africa (7.3%). Russia grew its hard coal exports by 22.4% to 93 million tons in 2009, followed by Indonesia, which increased hard coal exports by 13.3% to 230 million tons.

World thermal coal market

A substantial portion (89%) of the world hard coal export market is thermal coal, which is mostly used for electricity and heat generation. In 2009, the world thermal coal trade grew by 4.7% to 737.3 million tons, owing to strong import demand from developing economies like China and India and large export growth from the Russian Federation and Indonesia. Thermal coal imports in China grew 160% to 92.1 million tons in 2009, driven by high domestic production costs, low international shipping freight rates and geographic factors, which prompted Chinese power producers to acquire increasing levels of foreign supplied coal.

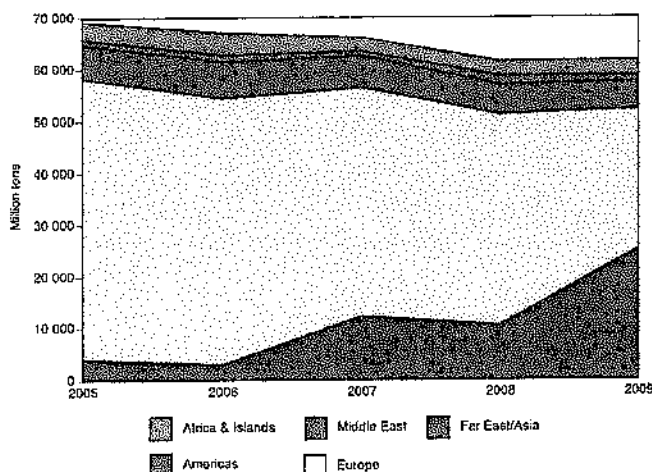
China's thermal coal imports reached record levels of 34 million tons in the first quarter of 2010, which, on an annualised basis, implies imports of over 100 million tons. India's rising electricity demand led to an increase in thermal coal demand by 59% to 54 million tons in 2009. According to the Australian Bureau of Agricultural and Resource Economics (ABARE), China's thermal coal imports will reach 98 million tons in 2010 and India is expected to increase its imports to 68 million tons in 2010. The impact of the global economic crisis on Europe meant that that region's production of electricity fell by 5.1% in 2009. As a result, demand for thermal coal decreased from 222.5 million tons in 2008 to 211.4 million tons in 2009. ABARE expects European Union demand for thermal coal to increase to 220 million tons in 2010.

Indonesia is the largest thermal coal exporter, with 233.5 million tons of exports in 2009, followed by 139.1 million tons from Australia, 91.7 million tons from Russia, 63.4 million tons from Colombia and 61 million tons from South Africa.

Local production and sales

South African coal production fell by 0.6% to 250.5 million tons in 2009. Export volumes increased by 4.4% to 60.5 million tons, albeit off a low base, and domestic sales volumes fell by 6.3% to 184.7 million tons. Domestic sales volumes decreased because of the local economic recession and the high base effect created in 2008 by the replenishment of coal stockpiles by Eskom. The 22.1% increase in domestic coal prices meant that local sales rose 14.4% to R34.5-billion. The increase in local sales was sufficient to offset a 27% decline in export

SA thermal coal exports by destination
(source: SACR, 2009)



sales that fell by 27% to R30.9-billion. Total coal sales were R65.4-billion, down by 9.8% on the 2008 sales figures, but still making coal the largest component of the South African mining industry by sales value.

South African coal exports

The country's coal export ralling was 12 million tons below export capacity, however, the industry is expected to boost future performance. Problems in the Richards Bay Coal Terminal (RBCT) computerised terminal management system, mine production challenges and inefficiencies on the Coalink heavy haul coal line, must be addressed. The export industry is faced with changing markets as declines in coal sales to the weak European market are offset by growth to the Indian and Chinese markets.

Coal exports to Europe slowed in the aftermath of the global recession, large stockpiles and the fall in the price of natural gas. In 2005, Europe accounted for 78% of South Africa's coal exports

and Far East/Asia less than 6%, but by 2009, Europe's share had declined to 43.5% and Far East/Asia's share had risen to 41%. This helped sustain South African exports over the past few years and mitigated the worst effects of the recession. Exports to India have risen since early February 2009 and amounted to 18.6 million tons, accounting for 30% of total coal exports in 2009. India imports coal because of the geographic location of its power plants, vis-à-vis the internal coal mine production plants, which make it easier for the coastal power plants to import coal. Lower freight rates and spot prices also boosted Indian imports. India's state owned mining companies have struggled with permitting issues and production delays. India is expected to continue growing thermal coal imports to match increasing electricity production. According to ABARE, India should import 77 million tons by 2011, up from 54 million tons in 2009. South Africa's coal exports to the America's and Middle East fell by 40.8% and 6.7% respectively. Exports to Africa and Islands increased by 10.5%, but off a low base.

Local and export coal prices

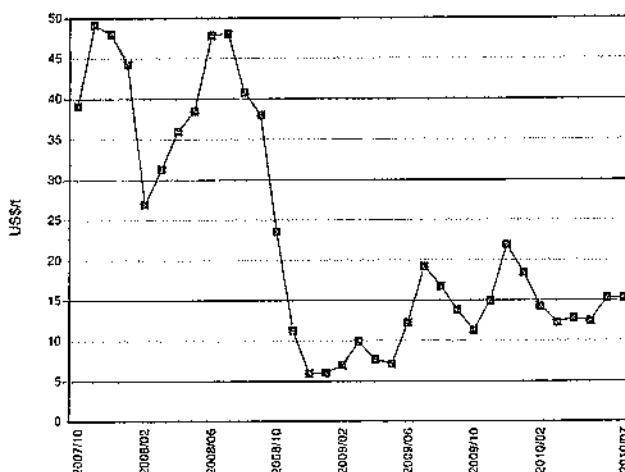
Local coal price per ton on a free on rail (FOR) basis averaged R187 in 2009, up by 22.2% on 2008's figure. The average price received for exports on a free on board (FOB) basis averaged R512 a ton. Average export prices fell sharply from the middle of 2008 as the global economic crisis unfolded, from highs of R836 a ton FOB in June 2008, to a low of R465 a ton in June 2009. The average export price gradually recovered to around R570 a ton in the first quarter of 2010.

International shipping freight rates followed a similar trend to coal export prices. Freight rates from the RBCT to the Amsterdam, Rotterdam, Antwerp market fell precipitously in late 2008 as the global economic crisis curtailed trade volumes and an oversupply of freight capacity hit the freight market. Freight rates reached a low in early 2009 and have since been gradually recovering, as world trade volumes recover.

Export facilities

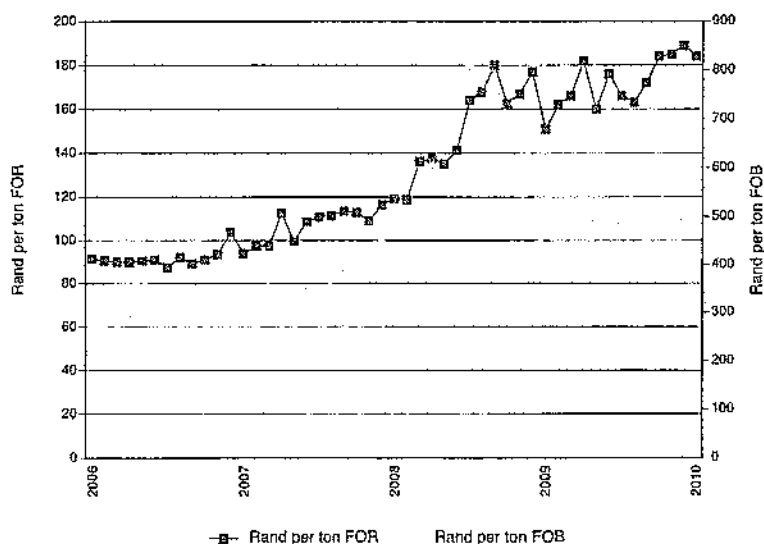
Export capacity at RBCT was increased to 91 million tons a year, with its phase V expansion completed in early 2010. BEE companies have a dedicated allocation of 29 million tons. However, total exports through RBCT at 60 million tons was far short of the expected export capacity of 72 million to 74 million tons a year, implying a deficit of more than 12 million tons. Limited rail capacity and integration problems in the new computerised terminal management system, led to the fall in export capacity.

RBCT to Rotterdam, Capesize freight rates
(source: SACR)

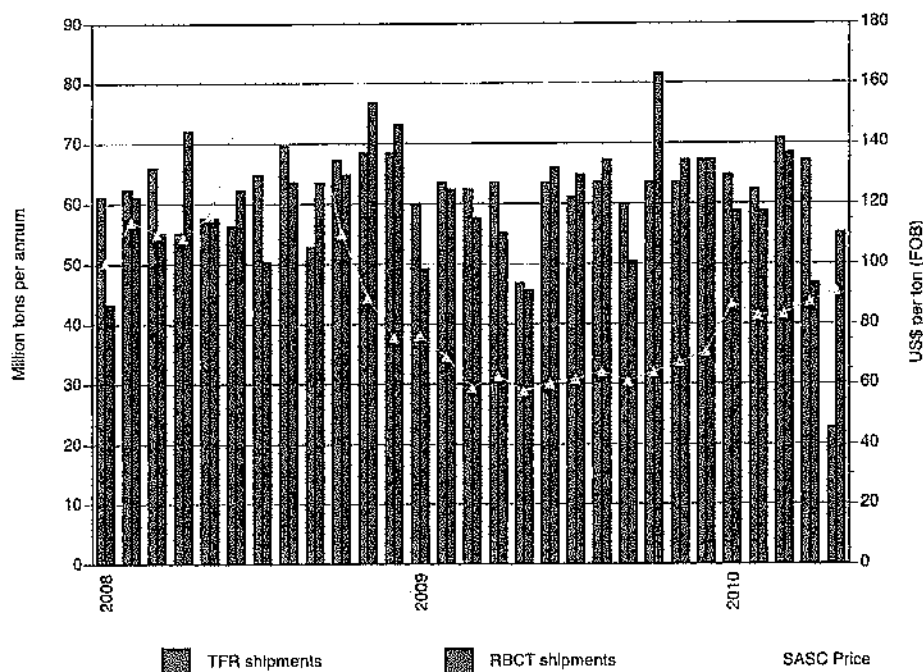


Transnet Freight Rail (TFR) has bottleneck problems in its rail transport system. Currently TFR's capacity to the port is 72 million tons of coal a year, but plans are in the pipeline to increase this to 81 million tons a year by 2014. Further upgrades are expected beyond 2014. The strike by Transnet employees during the first half of 2010, did not

SA coal prices average for export and domestic markets, actual revenues received (source: SACR)



Comparison of shipments by TRF and RBCT (annualised) versus South African spot coal price



materially affect export volumes as coal stocks at the RBCT were used to buffer the drop in Transnet railings.

Durban's Bulk Connection Terminal exported 0.9 million tons of coal in 2009. Coal exports decreased by 6.4% from 0.93 million tons in 2008. The Matola Coal Terminal's exports increased in 2009 by 19.2% to 1.2 million tons, compared to one million tons in 2008. Work is underway to increase the terminal's capacity to six million tons a year by September 2010, of which 4.5 million tons will be committed to coal exports and 1.5 million tons to magnetite exports.

South African coal mining growth

A key issue in the South African coal mining industry is the need for production growth to meet domestic power generation expansion and increased export requirements. This will necessitate an extra 100 million tons of production by 2020.

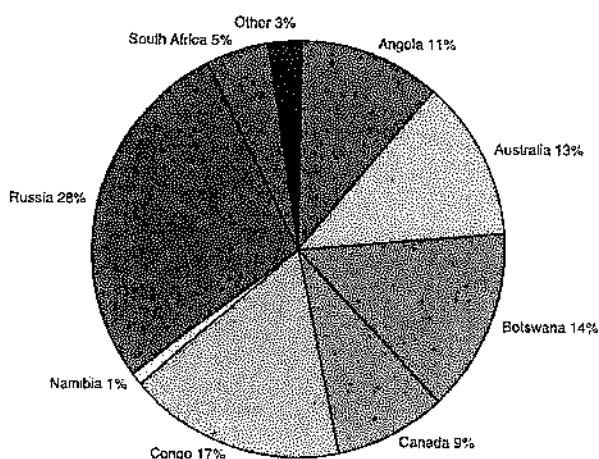
Eskom consumes about 125 million tons of coal a year and this is expected to increase by between 80 million to 100 million tons over the next decade. The construction of the Madupi and Kusile power stations will increase Eskom's demand. The first generating unit of the Medupi power station is expected to come on stream in 2012 and the final generating unit should be commissioned by 2016. Eskom's Kusile power station will begin operating in 2014 and should be completed by the end of 2018.

To achieve an extra 100 million tons capacity by 2020, will require the local coal mining industry to grow by more than 3.5% annually to 350 million tons. This impacts on investment, the number of mining engineers trained and infrastructure development to support the industry.

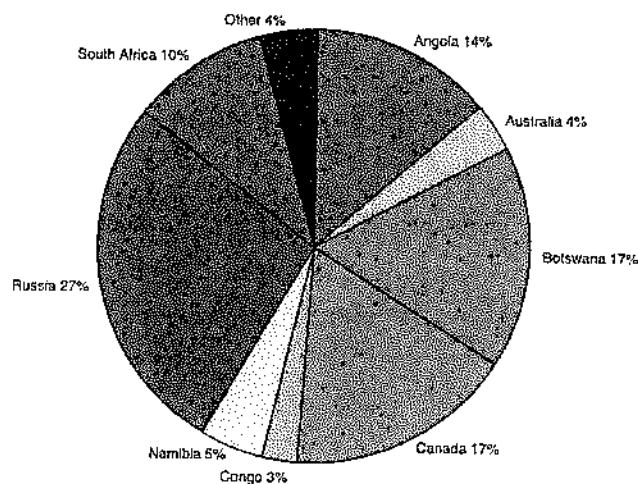
Diamonds

In line with most other products in the luxury

**Global diamond production per country by volume, 2009 (source: KPCS)
(total carats 124.8 million)**



Global diamond production per country by value, 2009 (source: KPCS) (total value \$8.6-billion)



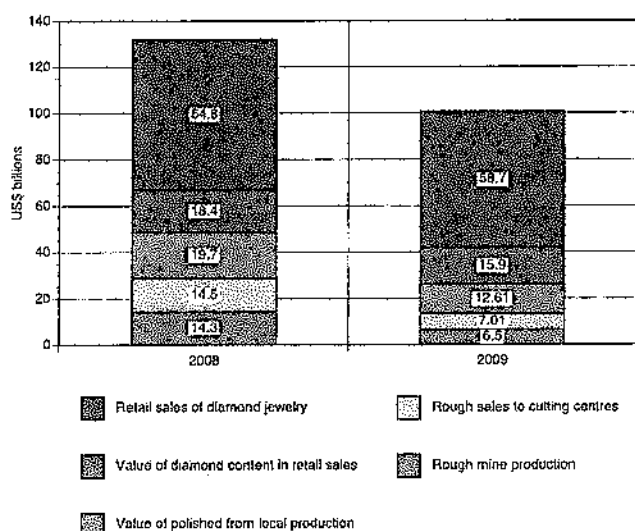
market, the diamond industry was severely affected by the global economic crisis in 2009. Significant retraction in demand in the key consumer centres of the United States, Europe and Japan, which traditionally account for 75% of total demand for polished diamonds, had a negative impact on the entire diamond pipeline. There were country and regional differences as the large growing markets of China and India sustained growth in diamond demand despite the weak global economy.

The curtailment in demand for cut diamonds, combined with the high levels of stockpiles of diamonds, resulted in diamond mining companies being faced with a fall in consumer demand and a virtual collapse in demand for rough diamonds as the downstream sectors tried to reduce inventories. Mining companies were forced to curtail production and the entire value chain entered the worst recession in the diamonds business in the past half century. The downstream diamond pipeline was then faced with a liquidity crisis as high diamond stock levels and the high cost (or non-availability) of debt impacted negatively on the pipeline.

In 2009, global diamond mine production fell by 23.4% to 124 million carats and the value of rough diamond production dropped by 32% to US\$8.6-billion. The sales of rough to the diamond cutting centres fell by 51.1% to US\$7-billion, the value of polished diamonds decreased by 35.9% to US\$12.6-billion and the retail sales of diamond jewellery fell by 9.4% to US\$58.7-billion.

The South African diamond mining industry was not spared the impact of the recession. Domestic production shrank by 52% to 6.1 million carats, as the industry responded to the collapse in demand

Recession in the diamonds pipeline, 2009 vs 2008



and prices. The local industry faced further challenges because of the activities of the State Diamond Trader and the Precious Metals and Diamonds Regulator. Nevertheless, all indications point to a recovery in production in 2010. The global economy has rebounded, the prices of polished diamonds are recovering and South African diamond production was up by 82.9% in the first half of 2010 on a year-on-year basis, indicating that production of about 11 million carats is possible.

The pressure faced by the local diamond mining industry resulted in the number of employees in the sector falling to an average of 12 046. These workers earned R1.8-billion in wages and salaries.

Global production

According to the Kimberley Process Certification Scheme (KPCS), the global production of rough diamonds decreased in 2009 by 23% to 124 million carats. Mining companies had to use innovative ways of curtailing supply, including

production holidays, the extension of maintenance shifts and the closure of some high-cost facilities. The countries that bore the biggest brunt of the production cuts were South Africa (down 52%), Namibia (down 51%) and Botswana (down 45%). The physical volume of mine production in Congo fell by 36% and Canadian production dropped by 26%. Production in Angola increased by 55% and production in Russia fell by only 5.8%, which implies that these countries did not necessarily play their role in helping restructure production to match the lower global demand. The lack of production cut-backs in Russia meant that the country remained the largest diamond producer by volume in 2009 at 28%, followed by Botswana at 14% of the total.

Global demand

According to the International Diamond Exchange, 2009 reflects the most severe single year contraction of the diamond pipeline since World War II. The downstream diamond industry (cutting, jewellery fabrication and retail) all held high diamond stocks before the downturn. The economic recession also severely affected the availability and cost of debt funding, which is a crucial part of the diamond business. The entire downstream pipeline was forced to restructure and reduce stock levels. Despite these challenges, most bankruptcies in the downstream businesses were avoided.

In 2009, rough sales to the cutting centres was down by 51.1% to US\$7-billion, while the value of polished diamond content in retail sales fell by 13.5% to US\$15.9-billion. The retail sales of diamond jewellery contracted by 9.4% to

Index Global Polished Diamond Price Index (source: IDEX)



US\$58.7-billion. Retail consumer demand in the United States contracted by 16%, followed by Japan with a 10% drop. In the Asian and Middle Eastern markets the decline in demand was smaller at around 2%.

The prognosis for 2010 is more promising. Cutting centre demand improved, excess inventories were eliminated and consumer demand stabilised in the worst affected markets.


Polished diamond prices

The collapse in demand in key diamond markets such as the United States and Europe, combined with high stocks of diamonds in the inventory pipeline of the diamond fabrication industries, also resulted in a material fall in the global polished diamond price index. Polished diamond price index averaged 109 in 2009 compared to 2008's 122.8. Accordingly, retail sales in diamond jewellery fell by

9.4% in 2009 to \$58.7-billion. By the beginning of 2010, the inventory overhang had been eliminated and a small deficit in supply helped push up prices. There are further signs of increasing momentum in the recovery of global polished diamond prices as demand is improving. The index of polished diamonds prices averaged 114.1 in the first half of 2010, which was 7.7% higher than June 2009 prices. As demand increases, the diamond pipeline will begin restocking in 2010.

South African production

South Africa's diamond industry was hit hard by the recession. In the first half of 2009, diamond production fell by over 60% as producers tried to cut back on supply in the face of falling demand and lower rough diamond prices. South African diamond production fell by 52% to 6.1 million carats in 2009, and the value of that production fell



by 28% to US\$885-million. Unfortunately, in late 2008, diamond mining companies were negatively affected by the implementation of the Diamonds Amendment Act, which resulted in these companies experiencing difficulties in accessing mined stocks for sale in the face of declining prices. Industry and government worked hard to reduce the legislative impacts, but the problems surfaced again in the first half of 2010. It is vital that the stakeholders work together to resolve these issues and grow the entire diamonds value chain – which includes diamond mining.

The total number of people employed in South African diamond mining operations fell by 33% from an average of 18 169 people in 2008 to 12 046 employees in 2009, with salaries and wages paid to these workers at R1.8-billion.

Gold

2009 will be defined as a year where the safe haven status of gold was reconfirmed as investment demand for the metal rose to record levels and even exceeded jewellery demand. Global investors at both the institutional and private levels, bought unprecedented levels of gold in the face of global concerns about the fragility of the economic recovery. In 2009, the quantum of net central bank selling of gold fell to negligible levels, continued bar hoarding and producer de-hedging and investment demand outweighed the slight increase in new mine supply and rising levels of sales of gold scrap. Not surprising, the price reached a new average annual record in 2009 of US\$972 an ounce, 11.5% higher than in 2008.

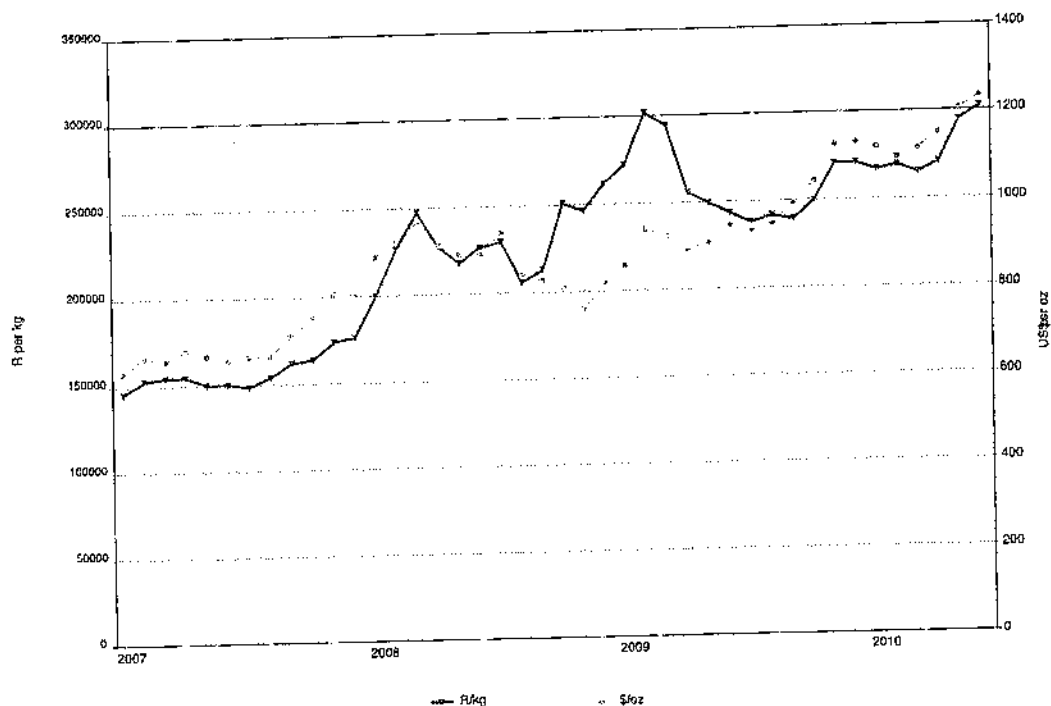
Unfortunately, the higher gold price and the

economic crisis led to jewellery demand falling by 19.8% to 1 759 tons, the lowest level of demand in over two decades. Other fabrication demand declined by 5.5% in 2009 to 658 tons. However, the surge in investment demand to 1 429 tons more than compensated for the poor performance in the other traditional categories.

According to GFMS, global primary mine production increased in 2009 for the first time since 2005, and this was by 6.8% to 2 571 tons. However, production continued to fall in the more mature producer countries such as South Africa and the United States. Continued high prices and the benefits of strong exploration expenditure in the preceding five years, fed through into higher production in most areas. China reaffirmed its status as the world's largest producer, with an increase in production of 11% to 324 tons, while Australia was second at 222.8 and South Africa third with 219.8 tons (a decrease of 6%). The GFMS figure for South Africa at 219.8 tons, is slightly more than the 204.9 tons recorded by the Chamber, as GFMS' figure includes an estimate for the production of illicit gold from the country. In addition, scrap supply surged in 2009 by 27.2% to 1 674 tons, as various gold consumers took advantage of the high gold price and the difficult global economic environment.

Nevertheless, the gold mining sector remained a key contributor to the South African economy in 2009 and early 2010. In 2009, gold mining accounted for R49-billion in foreign currency earnings (SARB), 8.8% of total merchandise exports, and about 2.4% of GDP (if the multipliers and induced effect are included). The sector employed

Gold price in rand and US dollar terms



159 925 people and the wage bill was R17.4-billion. Gold is the second largest export earner after pgms. The local industry invested R10.3-billion in capital expenditure, paid an estimated R1.4-billion in direct taxation and R506-million in dividends. Gold still accounts for 19.3% of total fixed investment in the mining sector and for 32.5% of all the people employed in the sector.

Prices

In 2009, the gold price rose to a record average of US\$972.35 an ounce, an 11.5% increase on 2008 and the eighth year of consecutive gain. During the fourth quarter of 2009, the price breached the US\$1 000 an ounce level, reaching a high of US\$1 218 an ounce in early December 2009. The average price was US\$1 100 an ounce in the

fourth quarter of 2009, driven by a combination of the purchase of 200 tons of gold by the Bank of India, unemployment reaching a 26 year high in the United States plus the suspension of the Dubai World debt repayment. According to GFMS, while the nominal price of gold continued to break records, in real terms the inflation adjusted record gold price belongs to 1980 when the price averaged over US\$1 600 an ounce in 2009 real dollar terms.

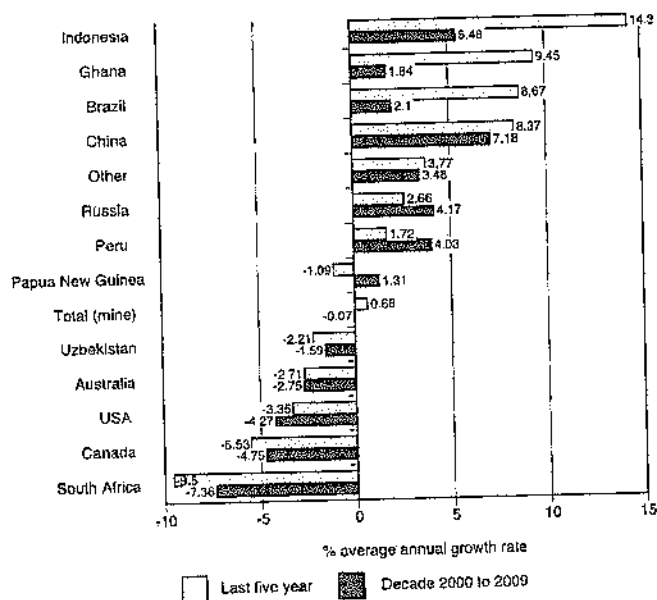
While there were variances in the factors driving the gold price during 2009, on average positive demand and supply-side features provided upward momentum to the price. Gains in the demand for gold for investment more than offset the declines in jewellery and other fabrication demand. Mining companies continued to remain a source of demand

for gold in terms of closing out hedge positions, and net central bank sales fell to the lowest level since 1988, where central banks were the last net buyers of gold. In particular, the increase in implied investment demand, which was up by 333% to 1 429 tons, was the key driver.

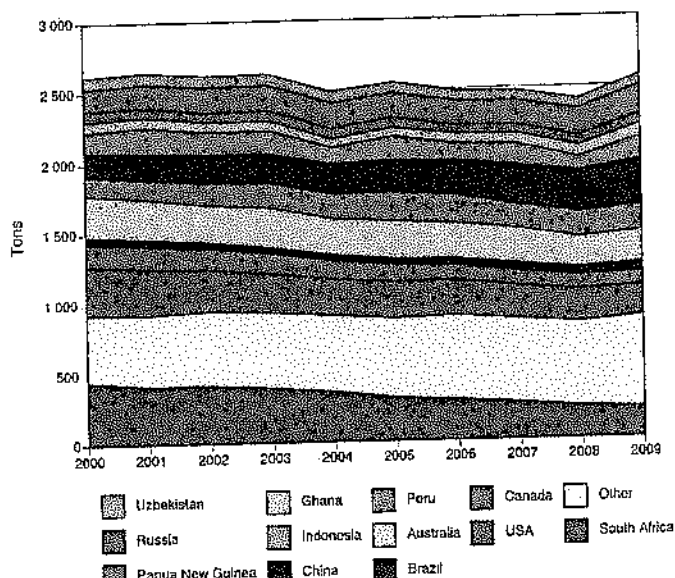
In the first half of 2010, the gold price continued to consolidate above US\$1 000 an ounce and averaged US\$1 152 an ounce during that period. The gold price improved on the back of continued positive supply and demand factors, the weakening dollar exchange rate and the official sector emerging as net buyers of gold supported the price rise. Virtual Metals predicts central bank sales of 161 tons (mostly driven by 144 tons of sales by the IMF) and 223 tons of purchases, which means positive net central bank purchases for the first time in 22 years.

The rand exchange fell to over R10.20/dollar at the start of 2009, which, combined with

Annual growth rate (decline) in gold production from key countries (source: GFMS)



World gold mine production by source country (source: GFMS)



the stronger dollar price of gold, sent the rand price to an average of R301 581 a kilogram in February 2009. The rand exchange rate then appreciated by about 27% to R7.40/dollar by September that year, and despite the US\$996 an ounce gold price, the rand price fell to R239 496 a kilogram. During the last quarter of 2009 and first quarter of 2010, the rand exchange rate stayed at below R7.50/dollar and the rising dollar gold price resulted in the rand price increasing to R270 000 a kilogram. In the second quarter of 2010, a slightly weaker rand exchange rate combined with higher dollar price, sent the rand price back to just below R300 000 a kilogram.

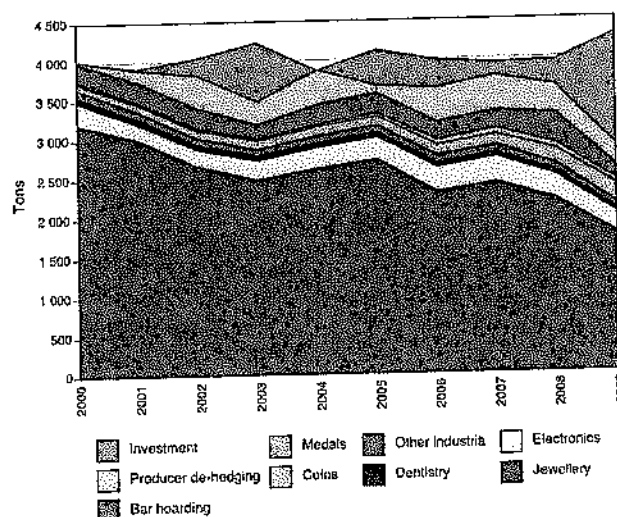
Global reserves and production

The world has an estimated known gold reserve of about 47 000 tons (USGS) of which South Africa is the largest holder with a 12.8% share, followed closely by Australia and Russia with shares of

12.3% and 10.6% respectively. Despite the global economic crisis and the fall in global exploration expenditures of 44.5% to US\$7.2-billion (MEG) in 2009, the rise in gold prices to record average levels in 2009 and then further in 2010, resulted in the portion of global exploration expenditures attributable to gold rising 48% in 2009. However, aggregate expenditures on gold fell from about US\$5.1-billion in 2008 to US\$3.5-billion in 2009 as grassroots projects were cut at the expense of more mature or brownfield exploration.

In 2009, total world gold production increased by 6.8% to 2 571 tons, the first such increase since 2005. Large production increases were recorded in Indonesia (up 66%), Ghana (up 12.3%), China (up 11%), Brazil (up 10.4%), Russia (up 8.7%) and Australia (up 3.6%), which more than offset the 6% plus production declines in South Africa and the United States. Over the past five years, production has declined mostly in the established producer regions (the United States, Australia, Canada

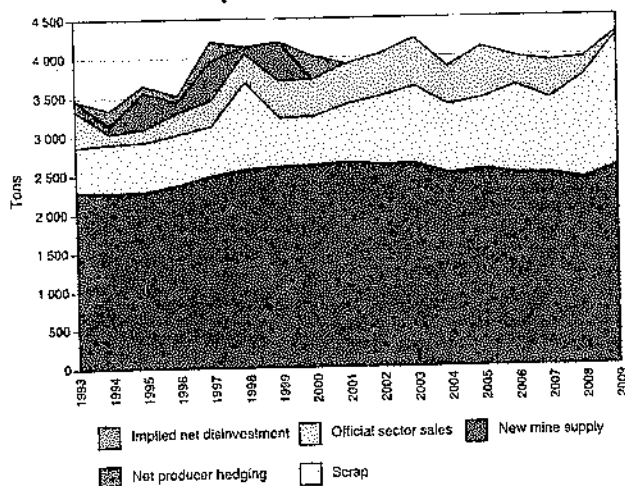
Gold demand by application (source: GFMS)



and South Africa) while production has increased in China, Russia, Peru, Indonesia, Papua New Guinea, Ghana and Brazil.

China consolidated its position as the world's largest producer, with a 12.6% share of global production followed by Australia at 8.7%, South Africa at 8.5% and the United States at 8.5% (GFMS).

World gold supply by main source (source: GFMS)



The global gold market

Over the past five years, total supply to the gold market increased by an average of 2.2% a year, driven by the rise in mine supply of 0.7% a year and the increase in gold scrap, which grew by 15.5% a year over the past five years. In 2009, mine supply rebounded by 6.8% to 2 572 tons making it responsible for 63.1% of total gold supply. By 2009, scrap recovery was 1 674 tons, which comprised 24.9% of total supply. Central bank sales, which in the four years up to 2008 contributed an average annual 436 tons of gold to

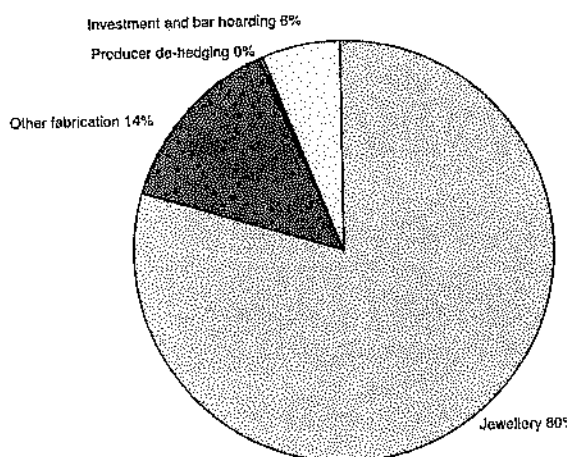
supply, was reduced to only 41 tons in 2009 as central bank purchases of gold nearly matched sales. Central bank net sales, as a source of gold, declined by an average of 21.7% over the period 2005 to 2009. Scrap recovery was influenced by price, with higher prices inducing some gold jewellery holders to liquidate holdings as scrap. Net producer hedging and implied disinvestment, were not features of the gold market during the past five years.

At the macro level, the total demand for gold rose by 8.3% to 4 287 tons in 2009, as the 333% rise in investment demand fully compensated for the declines across the other demand areas. The impact of high gold prices, the effect of the global economic crisis and the retraction in world-wide consumer expenditure, all impacted negatively on jewellery and other fabrication demand. The rush by many investors into the gold market during 2009 and 2010, gave rise to concerns about the

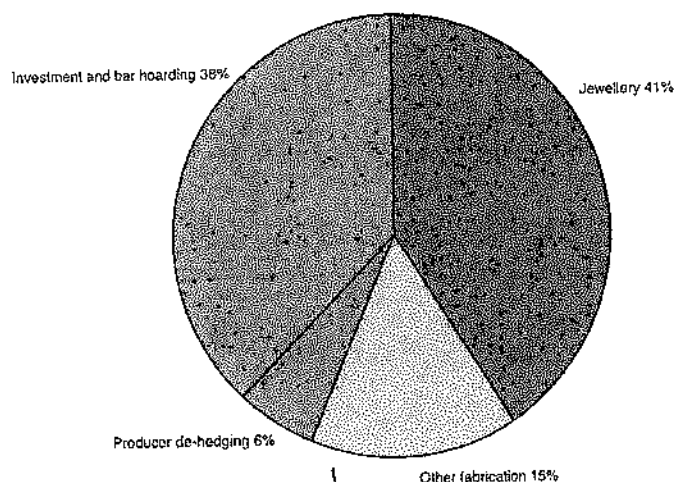
volatility in currency and equity markets. The uncertain world economic outlook encouraged traders to diversify investments and to use gold as a safe haven. While by the first half of 2010 the world economy appeared to be back on track for a sustained recovery, certain investors remain concerned about the possible large inflationary effects of the massive fiscal and monetary policy stimulus provided by most governments and the dampening impact of the withdrawal of this stimulus on the economic recovery.

In 2000, jewellery accounted for 80% of demand, with other fabrication making up 14% of the total and implied investment and bar hoarding making up 6% of the total. In that year, there was no producer demand in the form of de-hedging. By 2009, jewellery demand had fallen to 41% of the total, while fabrication demand had risen to 15%, investment demand had risen to 38% and demand for gold by mining companies for de-hedging

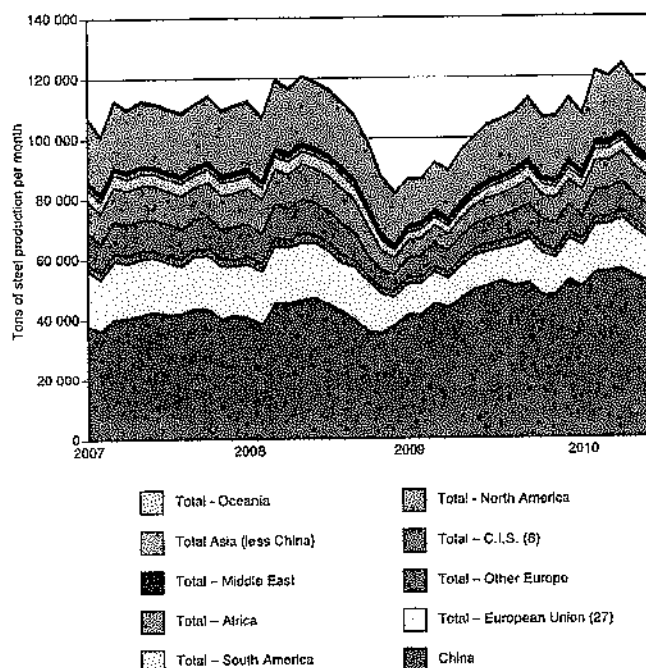
Structure of demand for gold, 2000
(source: GFMS)



Structure of demand for gold, 2009 (4287 tons)
(source: GFMS)



Structure of demand for gold, 2009 (4287 tons) (source: GFMS)



purposes increased to 6% of total demand.

Central banks are expected to emerge as net buyers of gold in 2010, which will further change the gold market. Expectations are that continued high levels of investment demand and a modest recovery in jewellery and other fabrication areas will provide a further collar to the gold market. This will offset the likely decline in gold demand from mining companies that have reduced their hedge positions over the past five years.

Costs of production

Despite the global economic crisis and falling capacity utilisation rates in the manufacturing sectors of most countries, mining companies continue to face rising cost pressures, although these pressures in 2009 were not as exaggerated

as in 2008. Total production costs for Australia, South Africa, Canada and the United States in 2009 increased by 7% to an average US\$672 an ounce. This compares to the 19% increase in costs experienced by these countries in 2008. In 2009, South Africa's average production costs in dollar terms rose by 19%, which is much higher than the other mature gold mining countries.

South African production

South African gold production, as recorded by the Chamber, fell by 5.8% in 2009. This is the lowest level of production since 1907. This slower rate of decline in total production was an improvement on the 14.5% decline recorded in 2008, which can be ascribed to closure of gold mines during the electricity crisis.

In 2009, Chamber member gold production declined by 6.7% to 170.3 tons. This was mostly because of an 8.1% decline in the average grade processed through the mills that fell to 3.29 g/ton. In the first half of 2010, total South African gold production fell by 7.2% to 93.4 tons when compared to the first half of 2008.

Revenues and costs

In 2009, the 11% rise in the dollar gold price combined with the 2% depreciation in the rand exchange rate meant that the rand gold price increased by 13.6% to an average of R260 644 a kilogram. The 5.8% decline in overall gold production, combined with the 13.6% rise in the price, meant that total revenue for the gold mining sector rose by 5.9% to R49-billion.

Total revenue for Chamber members was

R42.2-billion in 2009, an increase of 6.6% year-on-year. Most of the benefits of the marginally higher price were eroded by the combination of lower production and higher input costs, which resulted in total production costs before capital expenditure rising by 16.5% to R33.4-billion in 2009. The high rate of increase in electricity costs was a major concern for the industry. Chamber member gold companies then spent R10.3-billion on capital expenditure, which meant that total production costs, including capital expenditure, rose to R43.7-billion, before taxation and dividends.

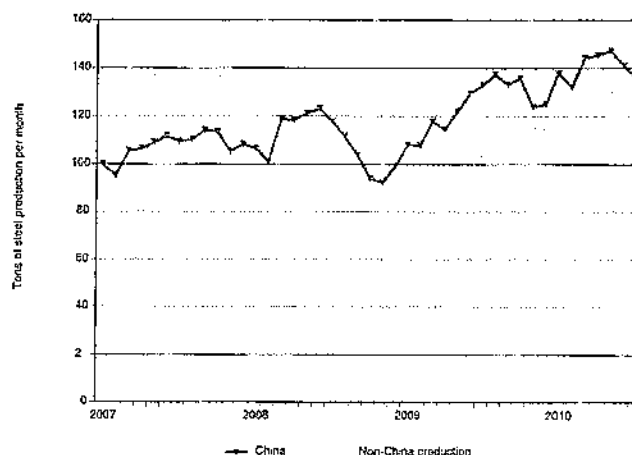
In the first half of 2010, revenue rose by 3.1% to an annualised R41.9-billion, as higher prices offset any further fall in production. The industry received an average of R278 029 a kilogram, which cost R229 227 a kilogram (excluding capex) to produce.

Iron ore

Given the interconnectedness of the iron ore and steel fabrication to the health of global infrastructure investment, consumer markets, the transport industry and GDP growth, it is not surprising that iron ore mining and the steel fabrication industries were hard hit by the global economic crisis. In 2009, global steel production fell by 15.2% to 1.2 million tons, despite the 13.7% increase in production from China. Non-Chinese global steel production plunged by 31% as most other steel producers in the advanced economies cut back on production in response to the recession. Global pig iron production fell by 7.7% to 860 million tons, despite China's production rising by 14.6%.

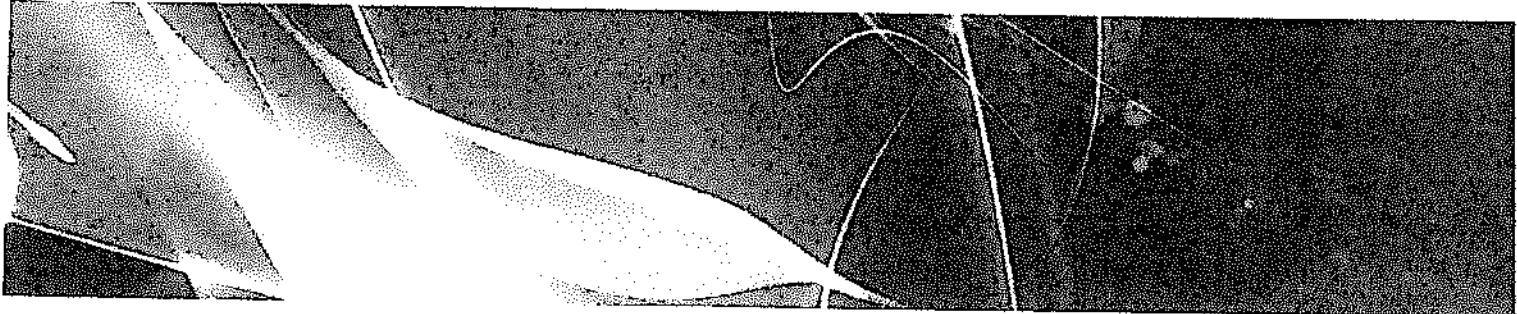
Iron ore, which is the key ingredient of pig iron and

Global steel production trends, China versus non-China (source: IISI)



directly reduced iron, both used in the production of crude steel along with coke, were also materially affected by the global slowdown in 2009. In response to the decreases in pig iron and steel production, global iron ore production decreased by 7.6% to 1.6 billion tons in 2009. However, the global trade in iron ore increased by 6.3% to 951 million tons, as import demand from China surged. As a result Australia, India and South Africa were still able to grow exports of iron ore.

South African iron ore production increased by 12.5% to 55 million tons in 2009, with total sales amounting to R27.1-billion. Export sales grew by 36.4% to 44.6 million tons in 2009, because of the improved export facilities between Sishen and Saldanha being increased to a capacity of 47 million tons. In the first quarter of 2010, South Africa produced 15.1 million tons of iron ore, which implies an annualized rate of 60 million tons for 2010. Iron ore is the fourth largest component of the South African mining sector and continues



to grow its contribution to the economy. Large capital projects such as the mine developments at Kolomela and Khumani, combined with further upgrades to the Sishen-Saldanha heavy haul railway line, will continue to support growth in this sector.

The local iron ore sector employed 13 722 people in 2009, which is an increase of 3.5% when compared to 13 256 people employed in 2008. R2.2-billion in salaries and wages were paid in 2009.

The global steel market

Historically the steel industry has been cyclical and is influenced by general economic conditions. After a period of continuous growth between 2004 and 2008, the sharp fall in demand for steel resulting from the 2008/2009 recession led to a correction in global steel production, especially in the most hard hit advanced economy markets. Steel is a key input in the construction, mechanical engineering and transport industries, sectors that were among the worst affected by the worldwide recession.

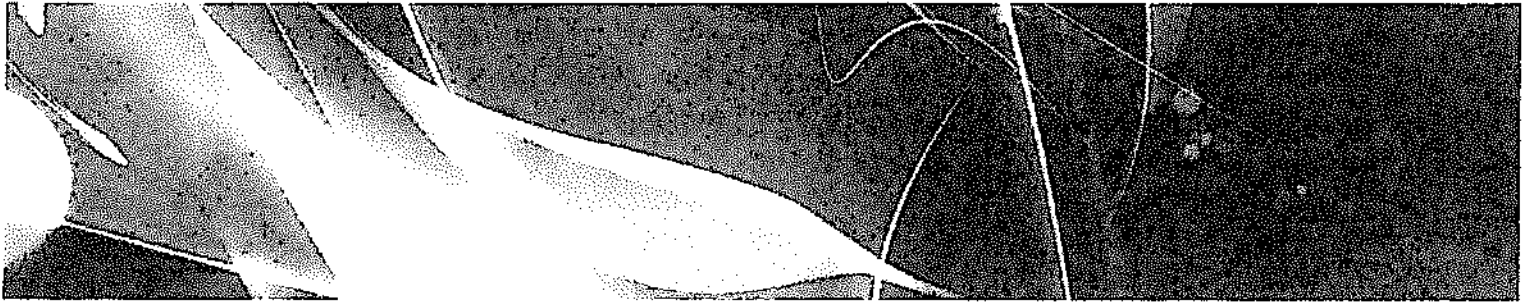
The impact of the economic downturn on the global steel industry in 2009 was significant. Total world steel output was down 15.2% to 1.2 billion tons, according to the World Steel Association, but this masked vast differences between developed and developing markets. Whereas production in the European Union, North America and Japan fell by over 25% on average, China's production was up 13.7% to 567 million tons. China accounted for 47% of total global steel output in 2009 and while most non-Chinese steel companies were cutting back on capacity, Chinese steel mills raised

production and added capacity to cater for the resilient domestic economy.

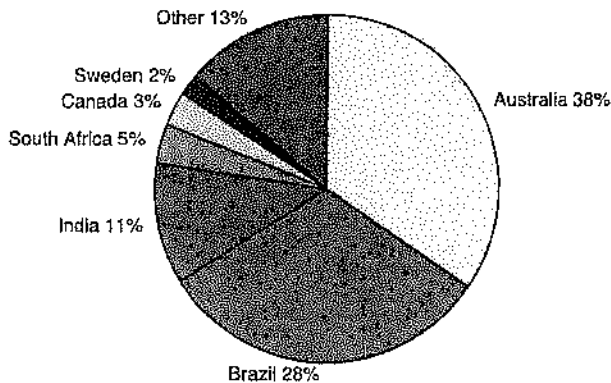
The overall steel market started to recover gradually in the second half of 2009, and by the first half of 2010 demand for steel had risen to pre-crisis levels. Based on the first six months of 2010, on an annualized basis, global steel production is set to rise by 17.9% to 1.4 billion tons, led by continued growth in China, which is expected to grow production by 14% to 646 million tons. Non-Chinese steel production is set to increase by about 21% to 764 million tons, based on the gradual economic recovery in advanced economies. This is still some way below the record 917 million tons produced by non-Chinese producers in 2008.

The growing influence of the so-called BRIC countries (Brazil, Russia, India and China) and other emerging economies, has been evident for some years. Nevertheless, their resilience in the face of the financial downturn and the speed at which they have resumed growing, has taken many by surprise – evidence of the important role they now occupy in the global economy. Whilst per capita GDP in these economies still lags behind that of the more developed economies, there is little doubt that they will play an even larger role in the world economy in the future. The IMF predicts that by 2014 developing countries will comprise over half of global GDP. The continued materials intensive growth in these countries will support a structurally higher level of demand for steel and iron ore into the future.

South Africa unfortunately has not shared in the fortunes of the BRIC countries. The economy shrank by 1.8% in 2009 and almost one million



World iron ore exports, 2009 (source: ABARE)



jobs were lost during the recession. The two industrial sectors that make up almost 80% of steel sales, namely manufacturing and building, and construction were all affected, despite government's capital investment programme in the build-up to the 2010 Soccer World Cup. The South African Iron and Steel Institute (SAISI) estimates that local steel consumption in 2009 declined by 13% overall to 4.6 million tons from 5.3 million tons in 2008. The decreases were more pronounced among long steel product sales in the construction sector, which plunged by 28% to 1.8 million tons. Flat product volumes slipped by 1% to 2.8 million tons.

Global production and exports of iron ore

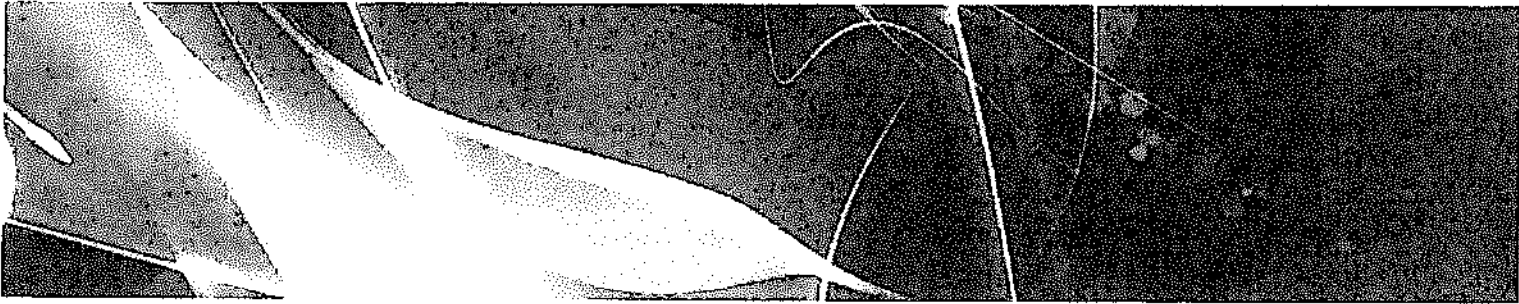
According to the United Nations Conference on Trade and Development (Unctad), world production of iron ore fell by 6.2% in 2009 to 1.6 billion tons, while demand, driven by China, increased. Output of iron ore decreased in most producing countries, except for South Africa and Australia. China, which had been the world's largest producer of

iron ore for years, dropped to fourth place behind Australia, Brazil and India. Chinese production for 2009 amounted to 234 million tons, while Australia produced 394-million tons during the year.

Notwithstanding the decline in global iron ore production in 2009, the iron ore trade climbed to a record level of 951 million tons in 2009, up 6.3% on the comparable 2008 figure. The global trade in iron ore traditionally represents about half of global production. The increase in the global trade in iron ore can mostly be attributed to the closure of high cost Chinese production, which in turn resulted in the need for increased iron ore imports to fuel continued growth in steel production in that country. China is by far the largest importer of iron-ore, accounting for two-thirds of world imports. Australia grew iron ore exports by 17.2% to 362 million tons, Brazilian exports fell by 5.7% to 266 million tons, India's exports grew by 4% to 105 million tons and South African exports increased by 36.4% to 45 million tons.

Prices

Benchmark iron ore prices are normally set in annual negotiations between steel producers and major ore suppliers such as Rio Tinto, BHP Billiton and Vale SA of Brazil. However, in 2010 there was a departure in the traditional pricing process with agreement being reached between Chinese buyers and the large iron ore exporters on a new quarterly pricing mechanism. Between the beginning of 2008 and June 2009 spot prices for 63.5% Fe content iron ore fell from over US\$150 per ton FOB to just above US\$50 per ton. By June 2010, spot prices for this quality of ore had risen



to pre-downturn levels. The 2008 contract prices of about US\$90 per ton FOB, fell to about US\$60 per ton in 2009. Contract prices in the June and September quarters of 2009, indicated a 90% and further 23% increase in contract prices (ABARE).

The average sale price of iron ore for South African produced iron ore was R225 per ton FOB in 2009 and the export price averaged R566 per ton FOB. In 2009, local iron ore prices increased by 28.5% and the export market sales price decreased by 8.6%.

South African iron ore production and exports

South African iron ore production increased by 12.5% to 55 million tons in 2009. Total sales were valued at R27.1-billion, an increase of 23% year-on-year. Local iron ore sales decreased by 25% to 8.4 million tons and export sales increased by 36.4% to 44.6 million tons in 2009. Export Sales revenue increased by 24% year-on-year to R25.2-billion and local sales revenue decreased by 4.4% to R1.9-billion, reflecting poor domestic economic conditions. In the first quarter of 2010, 15.1 million tons of iron ore were produced, giving an annualized production rate of 60 million tons.

Infrastructure

In December 2009, the heavy haul Sishen to Saldanha iron ore railway line achieved a new throughput record of one million tons railed in a week, which would translate to an annualized 52 million tons if the same efficiencies were maintained and demand matched production. Transnet rail has 152 locomotives, 4 505 wagons and a network

of 861 km on this line. Ageing locomotives and wagons, some iron ore mine delivery cancellations, cable theft and internal operational issues affected the efficiency of this heavy haul line. Nevertheless, Transnet and the mining companies are trying to address the various problems that continue to inhibit further growth and performance.

The Transnet expansion plan for the Sishen-Saldanha line has a target of 50 million tons by 2011 and 61 million tons by 2014. Additional locomotives and wagons will be added to the system. A combination of diesel and electric motors will be used to optimise operations and to achieve 61 million tons. The Postmansberg iron ore corridor is being used to transport iron ore to the domestic market and possible capacity upgrades are being investigated.

Manganese

The manganese mining industry was severely affected by the recession, as poor demand conditions and destocking of inventories by customers forced mining companies to cut back on production to match both lower demand and lower prices. Both the manganese ore and manganese alloy markets reflected the decline in world crude steel production. In 2009, global steel production fell by 15.2% to 1.2 million tons. Mine production of manganese fell by 22% to 35 million tons, while the actual production of manganese units amounted to 11 million tons, a decrease of 23% (IMI). The price of manganese ore declined in the first half of 2009 and then gradually recovered in the second half of the year as market conditions improved.

South Africa, traditionally the world's largest producer of manganese, cut back production by 32.8% to 4.6 million tons in response to the collapse in demand and prices in the first half of 2009. The country's ore production was down by over 41% in the first half of 2009, but the rate of year-on-year production decline slowly eased during the remainder of the year as market conditions gradually improved. South African manganese ore sales dropped by 67% to R5.6-billion in 2009, with export sales falling by 67% to R5-billion. Local manganese production was up by about 67% in the first half of 2010, on a year-on-year basis.

In 2009, the manganese mining sector employed 4 988 people, up 21% on the previous year's figure. These workers were paid R666-million in salaries and wages.

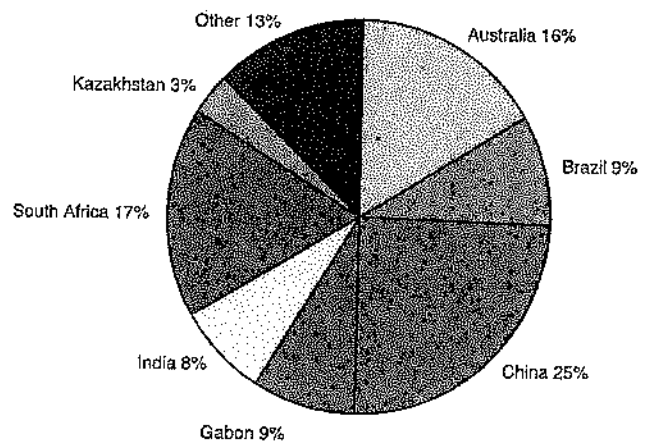
Global reserves and production

South Africa accounts for about 80% of the world's identified manganese resources, while the Ukraine accounts for 10% of the ore deposits. In terms of identified mineral reserves according to metal content, the world has about 540 million tons of which South Africa has a 25% share, while the Ukraine has the largest reserve at 26%.

The first half of 2009 was particularly challenging as ferroalloy production and steel production, mostly in the advanced economies, experienced reductions in production. During the remainder of 2009, market conditions continued to recover in line with a recovering global economy and improvements in worldwide steel production.

China, with its burgeoning steel industry, increased manganese metal production to 2.7

Manganese metal production by region/country, 2009 (source: IMI)




million tons and became the largest global producer ahead of South Africa at 1.9 million tons.

Global ferromanganese production

Alloy smelters cut capacity utilisation to match the drop in consumer demand and total ferromanganese production declined by almost 18% in 2009 to 11.7 million tons. This is roughly equivalent to production levels last seen in 2006. Towards the end of 2009, as steel production began rising incrementally month-on-month, alloy smelters were slowly brought back on stream. Each of the three main manganese alloys experienced negative growth in 2009, as the global recession greatly reduced the demand for ferroalloys.

Global unit consumption of manganese ferroalloys continued to vary from region to region, owing to different steel production processes, the quality of the raw materials used (such as iron ore grades) and types of steel products produced. The overall average continued to be around 10 kilograms of manganese alloy per ton of steel produced



in 2009. China remained the largest producer of ferromanganese in 2009, producing 6.6 million tons and accounted for 57% of global production.

The world market for ores

In 2009, about 15 million tons of the 35 million tons of mine production of manganese ore was declared as imports. China accounted for 60% of imports, with Australia, South Africa and Brazil were the largest exporters.

Prices

The manganese ore contract price followed the decrease in the average international price for metallurgical-grade ore that was set between Japanese consumers and major suppliers in 2009. The average weekly spot market price for 48% manganese ore, CNF China, also decreased by 28% to US\$5.84 per metric ton unit through the first 10 months in 2009, owing to high levels of manganese ore stocks in China and pricing competition between major manganese ore producers. However, the United States' average weekly spot prices for high-carbon ferromanganese and silicomanganese through October 2009 were 4% higher and 44% higher, respectively, than those at the start of the year, owing to lower inventory levels caused by production cutbacks, by one major domestic producer, and reduced imports.

South African production

Local sales of manganese produced revenue of R583-million with exports amounting to R5-billion and total sales amounting to R5.6-billion. This meant that 89.6% of manganese revenue was generated from export and 10.4% of the revenue

was generated from local sales. In the first half of 2009, the production of manganese in South Africa declined by 41% and ultimately the country achieved primary production of 4.6 million tons for 2009. This represents a drop of 32.8% in production when compared to 2008's production of 6.8 million tons. The actual manganese metal produced for 2009 was estimated at 1.9 million tons, which is a drop of more than 34% from the figure of 2.9 million tons achieved in 2008. four million tons of manganese ore was exported and 0.6 million tons was consumed locally.

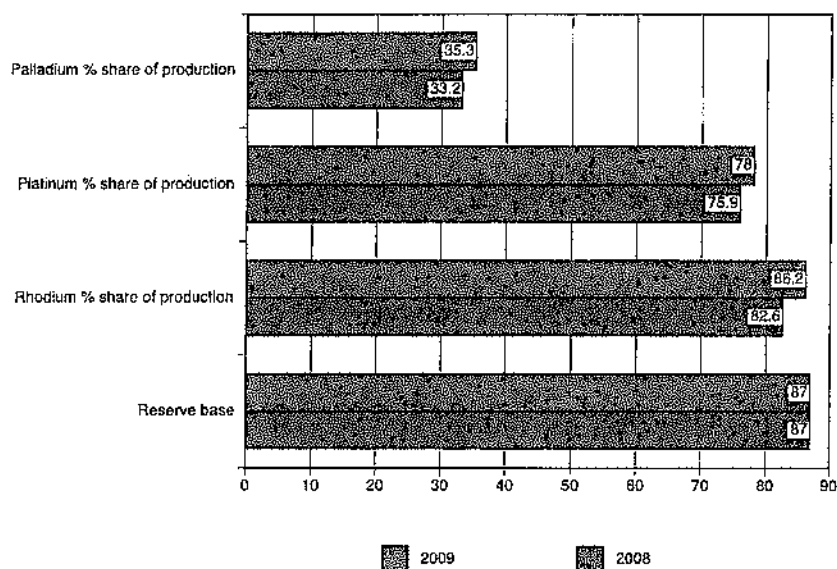
Infrastructure

Rail capacity to Port Elizabeth is not sufficient to transport manganese, thus an alternative means of transport in the form of road trucks is now being used. But road trucking has cost and distance problems. The preferred mode is rail, but delivery is not guaranteed owing to limited availability of slots as a result of a shortage of wagons and capacity constraints on the Transnet general freight line from Hotazel to Port Elizabeth. Even though export capacity on the Port Elizabeth line could rise to six million tons a year by 2012/13, this general freight line remains relatively expensive versus the heavy haul long-distance lines such as the Sishen-Saldanha Orex line. While the Department of Transport and Transnet envisage that the Ngqura Port will be the port of choice for manganese ore in the future, it may be preferable to raise export capacity on the Orex line to provide cost competitive transport for the manganese industry.

Platinum group metals

Pgms have a wide range of industrial and high

SA share of pgm reserves and production, 2008 and 2009



technology applications and are also used extensively in the jewellery and investment markets. With 63% of the demand for the three main pgms – platinum, palladium and rhodium – used in catalytic converter and industrial applications, it is not surprising that the global economic crisis had a negative impact on the pgm markets and pgm mining sector as global car production and industrial production plummeted. Global demand for the three main pgms fell by 9.6% to 482.9 tons as the 25.6% increase in pgm jewellery demand and 31.8% rise in investment demand were not sufficient to offset large falls in demand for pgms for catalytic converters (down 22%) and industrial applications (down 20.4%). In late 2008 and early 2009, the automotive and industrial centres cut back on pgm demand from primary sources as they tried to reduce inventories. Total supply of the three main pgms, including scrap recovery, fell by 4.6% to 522.9 tons, meaning that about seven

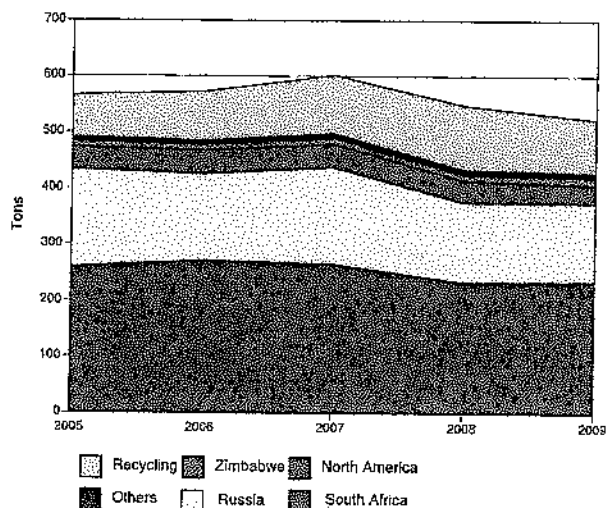
tons of pgms were added to stocks in 2009.

Overall, the platinum price was 24% lower, at US\$1 199 an ounce in 2009 versus the previous year. Given the sharp declines in palladium and rhodium prices, the overall production weighted basket price for South African production for the main three pgms fell by 42.5% to US\$948 per 3E ounce. In the first half of 2010, the platinum price rose 44.9% to an average of US\$1 600 an ounce and the production weighted pgm price rose by 58.5% to US\$1 377 per 3E ounce, when compared to the first half of 2009.

In 2009, South Africa accounted for 86.1% of primary rhodium production, 75.5% of primary platinum production and 33.4% of primary palladium production.

Most of the correction to pgm production by South Africa in response to the recession occurred in 2008, when the country's total pgm production was down by 9.3% to 275.8 tons. In

Global pgm supply (platinum, palladium and rhodium)



2009, total South Africa pgm production fell by 1.6% to 271.4 tons as production from higher cost mines was constrained. Total South African sales of pgms with slightly lower production volumes and much lower prices, fell by 36.7% to R57.8-billion, a significant decline in the overall revenue of the sector, which resulted in the pgm mining sector falling to position two after coal in terms of total sales value. Nevertheless, the pgm mining industry employed the largest number of workers at 184 613 people and paid R24.9-billion in salaries and wages. The industry accounted for 9.6% of the country's merchandise exports. In the first six months of 2010, total South Africa pgm production was down 2.1% on a year-on-year basis.

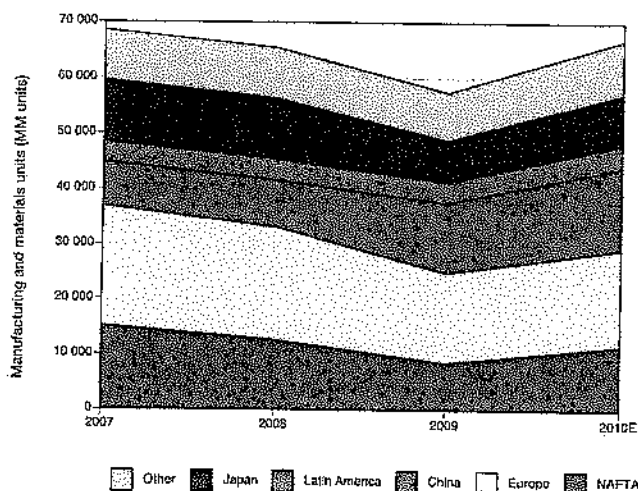
Global reserves and production

South Africa is estimated to have around 87% of the world's known pgm reserves, with Russia second at 8.3% and the United States third at

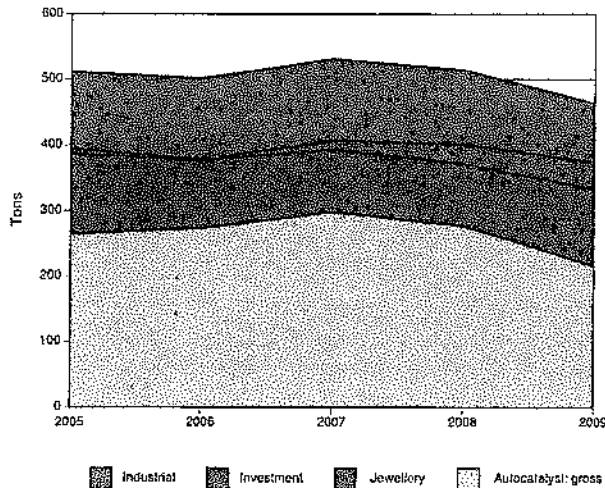
2.5%. The global new mine supply of the three main pgms decreased by 1.1% to 428.9 tons in 2009, as lower production rates from non-South African producers affected supply. Russian production was down 1.3% to 139.7 tons and North American mine production fell by 17.8% to 32 tons. Pgm production in Zimbabwe increased by 28.1% to 13.3 tons. The amount of the three main pgms that was recycled as scrap in 2009 fell by 17.7% to 94 tons, meaning that total supply of the three main pgms fell by 4.6% to 522.9 tons. This was the first time in nearly 20 years that scrap recovery levels actually fell.

South Africa accounted for 54.8% of global new mine supply of the three largest pgms in 2009, up from 53.9% in 2008. Russia was second with 32.6% of the total, North America third at 7.5% and Zimbabwe fourth at 3.1%. South Africa is the dominant global producer of platinum (76.5%) and rhodium (86.1%), while Russia is the dominant supplier of palladium (51.2%). Recycling of scrap

Global automotive production by key region/ country (source: CSM and JDPowers)



Pgm demand by application (platinum, palladium and rhodium)



pgms is the fourth largest source of supply to the market and accounted for 94 tons in 2009.

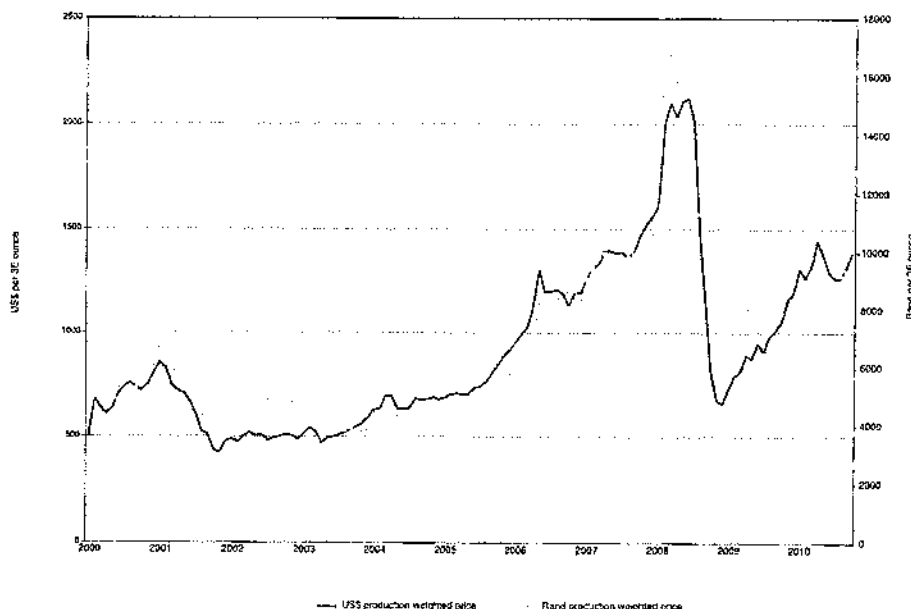
Global demand

In 2009, according to CSM/JDPowers, global automobile production fell by a large 12.2% to 57.5 million units. The advanced markets of Europe, North America and Japan were exceptionally hard

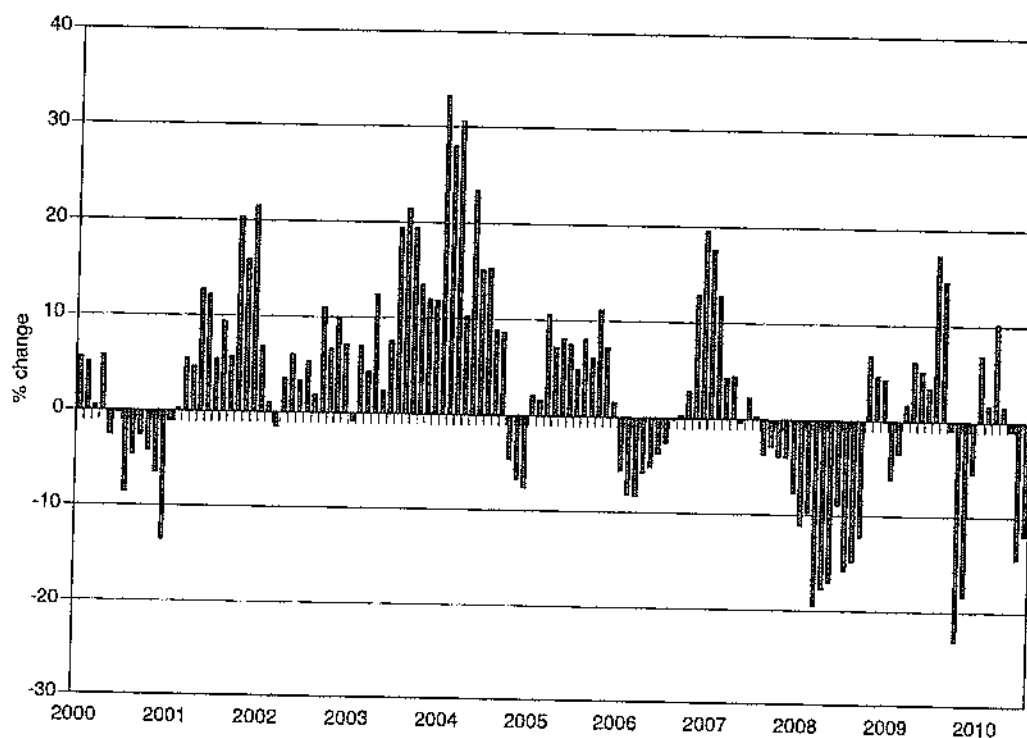
hit and experienced declines in car production of 20.6%, 32% and 30.6% respectively, or a decline of 11.7 million units in total. China continued with its substantial growth, with car production rising by 50% to 12.8 million units, but this was not enough to offset declining production elsewhere. Given that nearly 90% of vehicles produced worldwide have auto catalysts fitted, it is not surprising that the demand for the three most important pgms fell by 22.4% to 214.6 tons. The continual rise in emission standards, combined with the global recovery and the recovery in automotive production, will drive growth in pgm demand going forward.

The demand for pgm jewellery replaced industrial demand as the second largest user of pgms in 2009. Pgms used in jewellery increased by 25.6% to 119 tons, as consumers in key markets like China bought platinum and palladium jewellery at low pgm prices. Industrial demand, driven by declines in demand for pgms for dental, glass, electrical and petroleum applications, fell

3E production weighted pgm price for South Africa (January 2000 to September 2010)



South African pgm production, y-o-y % change in production



by 20.4% to 90.3 tons. Investment demand for pgms surged by 31.8% to 40 tons, also facilitated by electronically traded funds that helped steer investment into pgms. The US ETF was launched in early 2010.

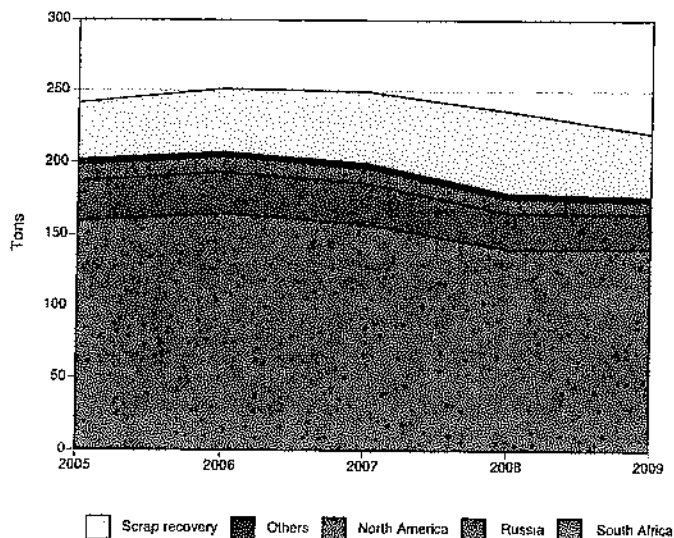
Prices

The platinum price fell precipitously to below US\$850 an ounce in November 2008, having traded above US\$2 000 an ounce just five months earlier. The volatility of the latter part of 2008 was replaced by a period of consolidation in 2009 as the world economy improved. Lower platinum prices and risk aversion by investors led to a large increases in demand for platinum jewellery and investment. This helped restore balance to the market and the platinum price recovered to

US\$1 500 an ounce by the end of 2009. Overall, the platinum price was 24% lower at US\$1 199 an ounce in 2009 than in 2008. In the first half of 2010, the platinum price rose 44.9% to an average of US\$1 600 an ounce and the production weighted pgm price for South African production increased by 58.5% to US\$1 377 per 3E ounce, when compared to the first half of 2009.

The marginal depreciation in the rand exchange rate of 2.2% to R8.44/US\$, made little difference to the fall in dollar prices. As a result the production weighted rand basket price for pgms fell by 34.6% to R246 337 per 3E kilogram of pgms produced. In the first half of 2010, the South African production weighted basket price improved by 30.2% to R323 379 per 3E kilogram on the back of a recovery in dollar prices.

Platinum supply by source



South African pgm production, sales and exports

Most of the correction to pgm production by South African producers in response to the global crisis occurred in 2008, where the country's total pgm production declined by 9.3% to 275.8 tons. In 2009, total South Africa pgm production fell by 1.6% to 271.4 tons, as certain production from higher cost mines was constrained. In the first half of 2010, South African pgm production fell by 2.1% on a year-on-year basis, attributable to slightly lower average grades and the impact of a furnace shutdown, which impacted on total refined metal production.

Total South African sales of pgms, with slightly lower production volumes and much lower prices, fell by 36.7% to R57.8-billion, a substantial decline in the overall revenue of the sector when

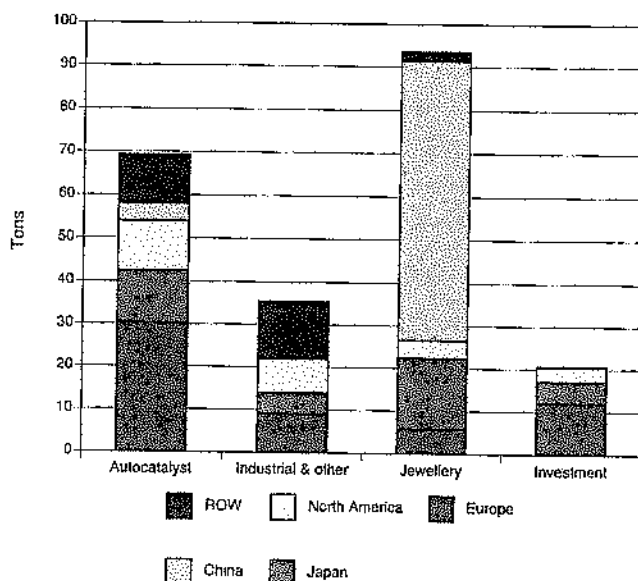
compared to the R91.4-billion achieved in 2008.

Local sales of pgms to the domestic catalytic converter fabrication industry fell by 67.9% to R4.3-billion. The total volume of pgms exported from South Africa in 2009 increased by 12.5% to 251 tons as the slack in local sales was compensated for by foreign exports. However, lower prices meant that the export sales value actually fell by 31.4% to R53.5-billion. Both the domestic catalytic converter fabrication and the global automotive industries have recovered from their lows of 2008/2009.

Platinum

The platinum market swung from a modest 6.8 ton deficit in 2008 to an 8.5 ton surplus in 2009 as a result of the 8.5% decline in demand overshadowed the 0.3% drop in total supply. New mine supply of platinum fell by 0.3% to 184.1 tons

Platinum demand by application and country/region



as the stabilisation in South African supply, which grew 0.3% to 140.9 tons and the 27.8% rise in Zimbabwe's production to 7.2 tons offset the 2.5% decline in Russia's production (24.4 tons) and North American production which fell 20% to 8.1 tons. The recycling of platinum scrap declined by 23.2% to 43.7 tons, but this still remained the second largest source of supply after South Africa.

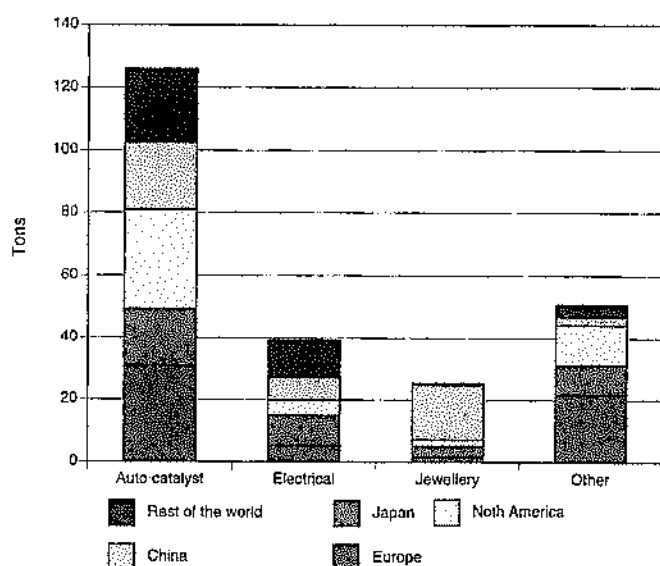
Total demand fell by 8.5% to 175.3 tons, mostly as a result of the slump in global automobile production. A small degree of substitution of palladium into diesel catalytic converters also impacted on platinum demand. In the first half of 2009, automotive manufacturers cut back on demand and concentrated on reducing inventories. By the second half of 2009, the rebuilding of inventories and government incentive

schemes helped support the recovery. Demand for platinum for industrial purposes fell by 33.7% to 35.5 tons as lower activity in the electrical, chemical, glass and petroleum sectors affected offtake.

Demand for platinum in jewellery rose by 46.1% to 93.6 tons on the back of lower prices and strong consumer demand in China, while investment demand rose by 18.9% to 20.5 tons as investors sought the safe havens of precious metals.

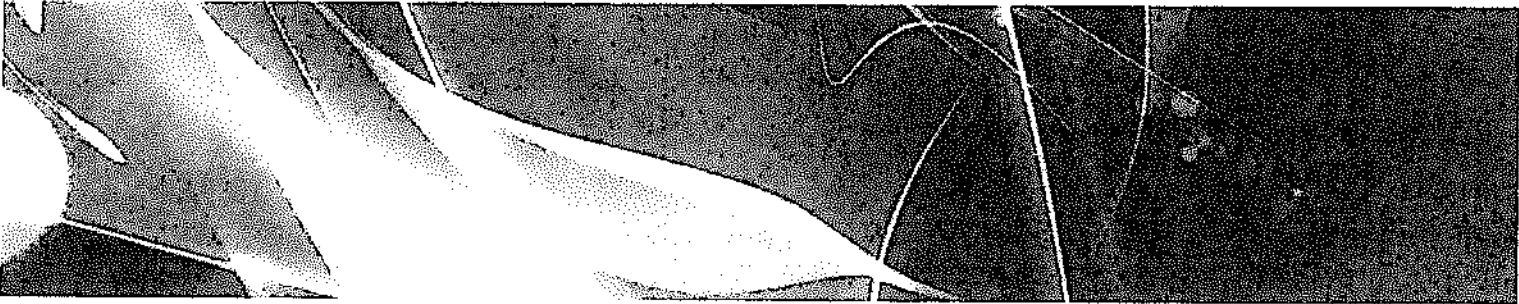
Unlike the volatility in 2008, 2009 was characterised by a steady recovery in the platinum market as the global economy improved. Platinum started 2009 at US\$956 an ounce on average in January and ended the year at US\$1 450 an ounce on average in December. The price averaged US\$1 199 an ounce in 2009, a 24% decline on 2008. The average rand price fell by 22.3% to R324 924 per kilogram in 2009. In the first half of 2010, the higher dollar platinum price, which rose by 44.9% on a year-on-year basis to US\$1 601 an ounce, resulted in the rand price of platinum rising by 30.2% to R387 237 per kilogram.

Palladium demand by application and country/region, 2009



Palladium

In 2009, the palladium market remained oversupplied with 23.6 tons added to stocks. This was because of the supply of palladium falling at a slower pace (down 2.9% to 220.8 tons) than the decline in demand, which fell by 5% to 197.2 tons. Primary mine supply shrank by 2.9% to 220.8 tons as the 28.6% rise in Zimbabwe's production to 5.6 tons was overshadowed by the 2.5% drop in South African production to 73.7 tons, the fall



in Russia's production by 0.7% to 113.1 tons and the 17% decline in North America's production to 23.5 tons. Russia's stock sales were 29.8 tons in 2009 and the likelihood is that the drawdown of Russian stockpiles is ending.

Demand side categories of palladium declined, with the exception of investment demand, which increased by 48.8% to 19.4 tons. Total demand, excluding scrap, fell by 5% to 197.2 tons. Hardest hit was palladium for jewellery, which fell by 17.3% to 25.3 tons, followed by the 9.3% drop in demand for catalytic converters to 126 tons. Fortunately, the strong growth in China's production of automobiles resulted in a 75.6% increase to 21.3 tons, which helped compensate for the large declines in Japan and North America.

In many respects the palladium price mirrored the movements in the platinum price during the course of 2009. Palladium performed relatively strongly during the year, riding the wave of the improved fundamentals related to the global recovery, the positive performance of precious metals and the weakening United States dollar. Strong flows into exchange traded funds helped boost investment and cover other areas of weakening demand. The palladium price started the year at an average of US\$189.64 an ounce in January and ended the year over double this level at an average of US\$375.36 an ounce in December. The palladium price averaged US\$264 an ounce for 2009, a year-on-year decline of 25%.

The price had recovered to about US\$535 an ounce by April 2010, with an average of US\$470 an ounce. In rand terms the palladium price

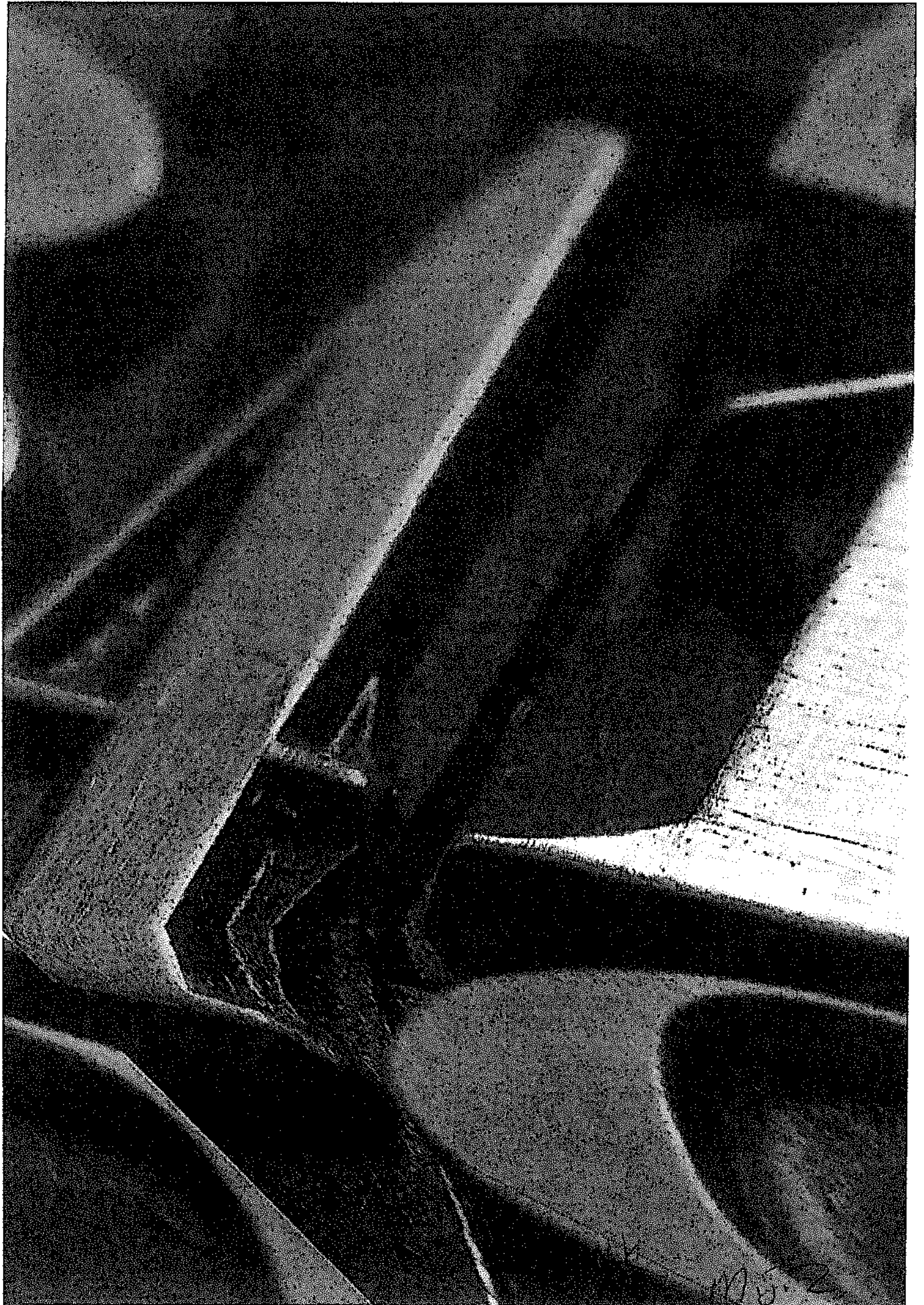
averaged R70 491 per kilogram in 2009, but this rose to an average of R113 673 per kilogram in the first half of 2010.

Rhodium

The rhodium market was also oversupplied in 2009, as a 10.8% increase in supply to 23.9 tons generated a surplus. Demand fell by 21% to 16.5 tons. Almost 7.5 tons was added to stockpiles in 2009. Given the dominance of automotive uses of rhodium, which account for about 86% of demand, the rhodium market was especially hard hit by the impact of the global economic crisis on new car production. Gross demand for rhodium for the automotive sector fell by 19.4% to 19.3 tons, while demand for industrial purposes fell by 24.8% to 3 tons.

Primary supply of rhodium grew by 10.8% to 23.9 tons. South Africa's production, increased by 15.5% to 20.6 tons and, together with an increase in Zimbabwe's production, offset declines in North America and Russia. Scrap recovery fell by 17.6% to 5.8 tons, the first such decline in over 20 years.

The rhodium price averaged US\$1 592 an ounce in 2009, a 75.7% decline on the previous year's price of US\$6 564 an ounce. Rhodium started the year at an average of US\$1 152 an ounce in January and ended the year at an average of US\$2 422 an ounce in December. In the first half of 2010, the rhodium price rose to an average of US\$2 633 an ounce. In rand terms the price averaged R386 880 per kilogram in 2009 and increased to R636 833 per kilogram in the first half of 2010.



economic policy

MIT

The world economy, emerging from recession

As described in the economic overview, the world economy is recovering from its worst recession in 61 years and there are risks to its fragile recovery. Economic growth remains relatively

weak in many of the large advanced economies, as high levels of unemployment and low consumer confidence are holding back faster growth, while the developing countries move ahead at relatively high economic growth rates. While regulators are scrambling to pick up the pieces there is a real risk that the pendulum of regulation will swing towards over-regulation, which in turn could depress potential growth in many countries. The need to improve early warning systems about potential financial bubbles will require better surveillance and smarter regulations.

While the corporate sectors in most advanced economies have strengthened balance sheets and improved productivity, investment growth has remained constrained as investors wait for a sustained pick-up in consumer confidence and spending. The need for fiscal consolidation and the gradual withdrawal of fiscal support measures will also depend on the pace of recovery.

Developing countries, led by China and India,

have rebounded from the financial crisis and are achieving high growth rates driven by their own domestic priorities and some recovery in advanced economies. In particular, urbanisation and industrialisation continue to drive high investment and growth rates.

The likely pace of the economic recovery

Research by professors Rogoff and Reinhart highlighted that each of the banking crises since the last world war were generally protracted affairs that shared three characteristics. First, the aftermath of banking crises was usually followed by large declines in output and employment. On average, output in the country concerned fell by about 9% over a period of two years (from peak to trough), while the average unemployment rate rose by over 7% over the down phase of the cycle with the higher unemployment rate lasting for on average of four years. Secondly, the collapse in asset prices was large and prolonged. Real housing prices fell by an average of 35% and took about six years to recover. Prices of equities fell on average over 55% and took three to four years to recover. Thirdly, there was generally a rise of 86% in public sector debt following such crises, as aggressive countercyclical fiscal policies combined with lower income tax receipts balloon deficits and debt levels.

The 2008 global crisis appears to be no different as large share price, housing price, output and employment declines in the United States and Europe, combined with large deficits and ballooning debt levels were experienced.

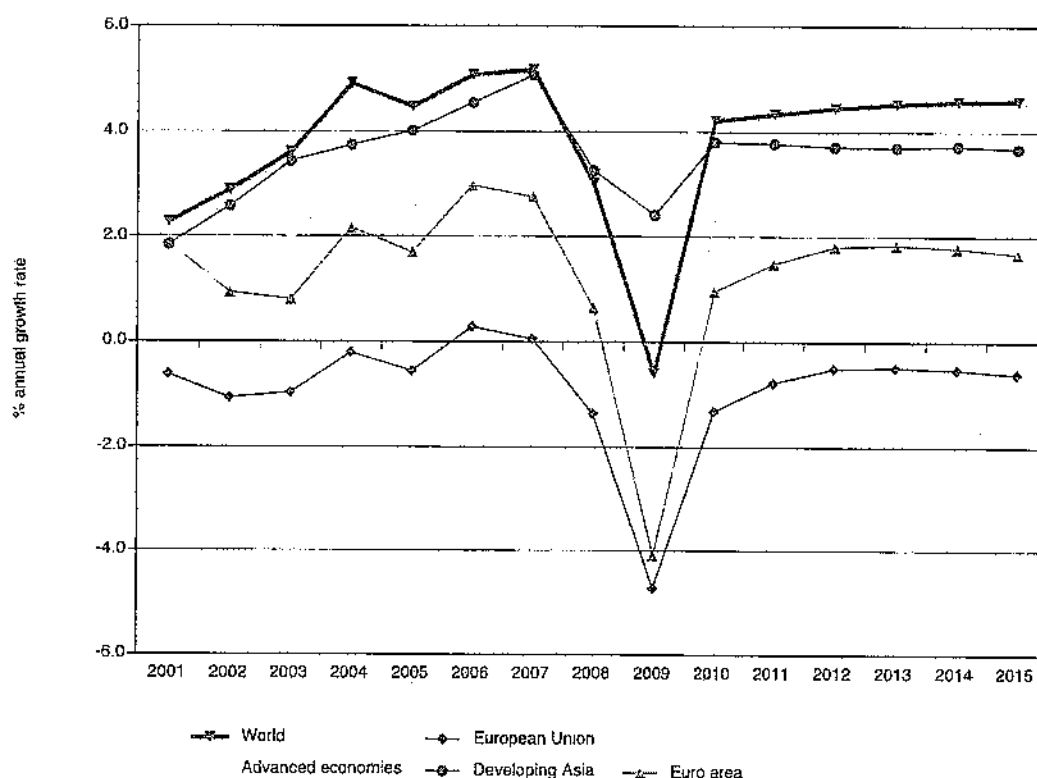
While it is correct to state that more flexible monetary and fiscal policies have helped countries avoid another great depression, the fallout of the global financial crisis on asset prices and employment levels will be felt for some years to come. The advanced economy consumer is likely to constrain growth over the next few years. According to the IMF, economic growth in the advanced economies is expected to be around 2% a year in the period 2010 to 2014, while emerging Asian economies are expected to grow at over 8% a year during that period.

Impact of the recession on South Africa

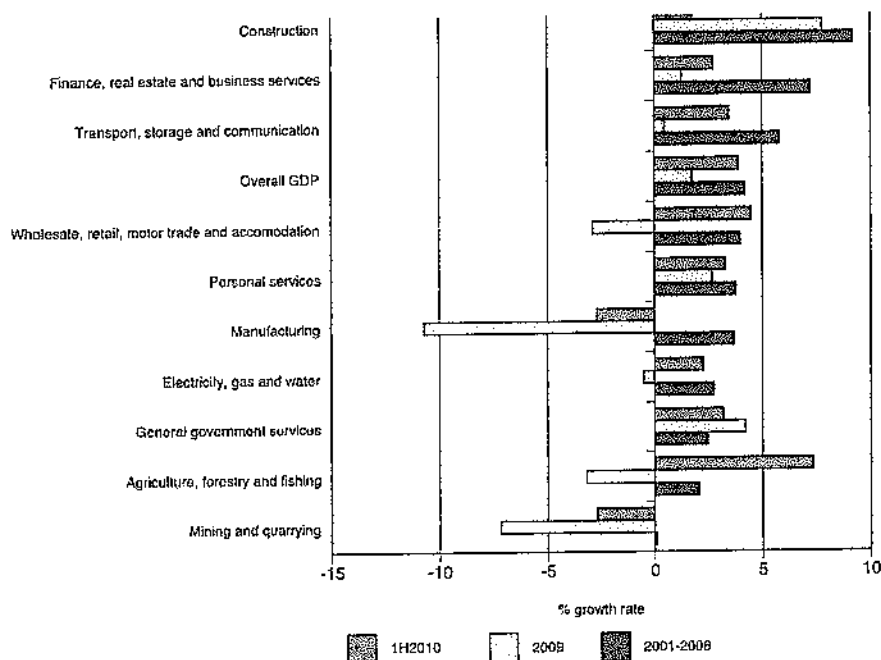
South Africa's economy shrank by 1.8% in 2009

as exports fell by 19.5% and consumers continued to trim expenditure, which fell by 3.1% in real terms. Hardest hit were the mining (down 7.2%), manufacturing (down 10.7%), agriculture (down 3.2%) and trade sectors (down 2.9%). Fortunately the use of countercyclical fiscal policy, which boosted government consumption and capital expenditure, was able to provide at least some cushion to declines in consumer expenditure at the household level and the sharp cutback in capital investment by the private sector. South Africa experienced a fairly quick recovery, with economic growth rising to 3.9% on a year-on-year basis. Unfortunately, the country's tradable export sectors (mining and manufacturing) continue to shrink because of weak conditions in key advanced

IMF outlook for world economic growth in key regions



South Africa: sector GDP growth rates in real terms, average 2001 to 2008, 2009 and the first half of 2010 (1H2010)



economy export markets and domestic factors.

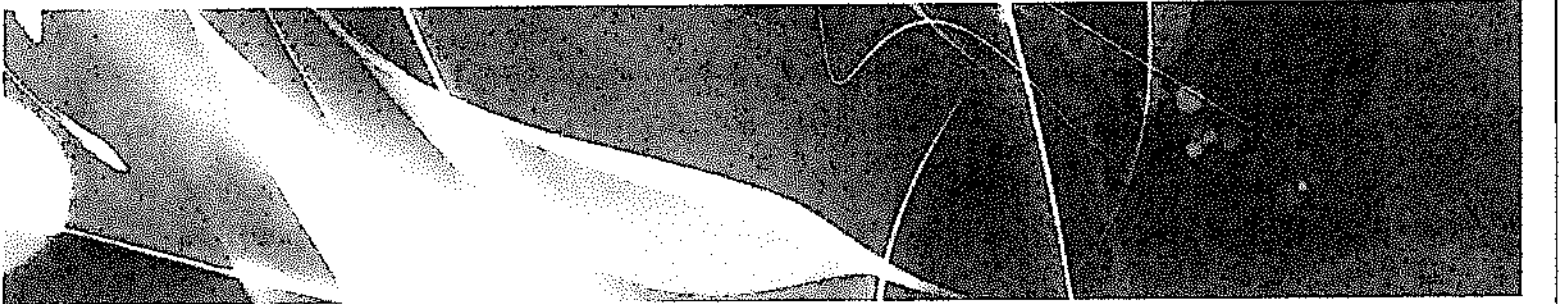
South Africa's economic growth rate remains unbalanced

South Africa's economy is increasingly taking on the profile of an advanced economy and is being driven more by services and consumer demand than it is by the productive export sectors. Consumer expenditure makes up 60% of South Africa's GDP, which is comparable to the 70% share in the United States. The problem with this profile is that the United States is an advanced economy with a very high GDP per capita, whereas South Africa is a developing country with a low per capita GDP. The defining features of the economic growth model of the United States is a credit fuelled, consumer driven, import intensive model that creates large external imbalances. In South Africa, the

non-tradable service sectors of the economy grew by an average of 3.8% a year between 1994 and the first half of 2010, versus a much more modest 1.6% growth rate for the country's tradable export sectors in the same period.

The difficulty is that the high levels of growth in the non-tradable service sectors of the economy are import intensive, resulting in a growing level of imports and increasing external and internal imbalances.

The two biggest problems of a growth model, mostly based on consumer demand and services, is that it normally provides employment for skilled and semi-skilled workers, often on a casual or temporary basis, and secondly it leads to the build-up of imbalances. The tradable sectors provide work opportunities mostly for the unskilled



and semi-skilled workers, which is the category where most of South Africa's unemployed people find themselves. The tradable sectors, if they are able to grow at a similar pace to the non-tradable sectors, can materially reduce external imbalances and provide incomes that support the demand side of the economy.

Government and business recognise that a more balanced economic growth profile, where the non-tradable and tradable sectors grow at a similar rate, is preferable to an imbalanced growth profile. In effect, it is important that the tradable sectors should be provided with an enabling environment to achieve growth rates similar to those of the non-tradable sectors.

Balanced economic growth is key

South Africa's GDP is currently US\$280-billion, and with a population of 49.9 million people this equates to a nominal GDP per capita of US\$5 600 per person. Based on the country's current growth trajectory of 3.3% per annum, the economy will only double in size every 21 years. Based on an assumed growth rate in the country's population of 1% per annum, the country would then only achieve a GDP per capita above US\$10 000 by 2035.

At a 6% annual growth rate the economy would double in size every 12 years (reaching US\$560-billion by 2022) and the per capita GDP would rise to US\$10 204 per person by 2022. Beyond a certain GDP growth level an economy starts creating employment. More economic value (GDP), plus greater numbers of people employed equals rising

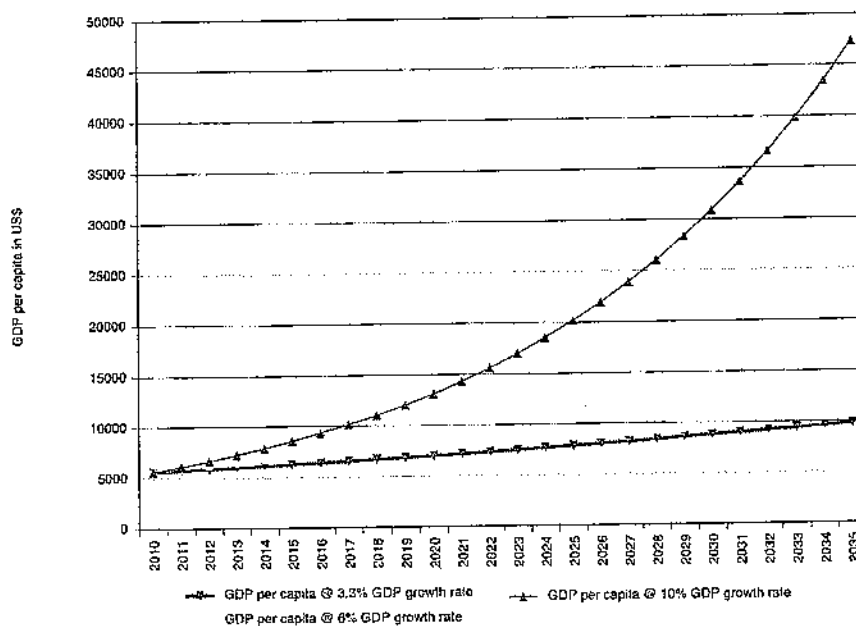
living standards and lower levels of unemployment and poverty.

Between 2002 and 2008, the economy grew at an average of 4.5% per annum and 286 142 jobs a year were created in that period. A 6% growth rate could imply an extra 400 000 to 500 000 jobs a year, although further work on the labour absorption rate of a high growth is required. Thus, South Africa needs a much higher level of economic growth to deal with the country's high unemployment and poverty rates.

Higher levels of sustainable and balanced growth will require higher levels of fixed investment, which in turn require a facilitative and competitive investment environment. The government's prudent macro-economic policies are conducive to supporting long-term investment and should not be changed. Rather, it is at the micro-economic level where the restrictions to investment are to be found, including infrastructure constraints, regulatory red tape, institutional capacity challenges and human capital limitations. The principle of promoting collaborative partnerships must be applied to the micro-economic constraints.

For an economy to grow sustainably at over 5% per annum, an investment rate of 25% of GDP is required. South Africa's investment rate is currently about 20.9% of GDP. Given the country's infrastructural capacity constraints, it could be argued that a fixed investment rate of closer to 30% of GDP would be required to support and sustain a higher growth rate. This would require collaborative partnerships to drive investment in under-capacitated infrastructure and in the private sector.

Scenarios for South African GDP per capita based on 3.3%, 6% and 10% per annum GDP growth rates



The country had a low savings rate of only 15.4% of GDP in 2009, and had to borrow the balance from wealthy countries. This resulted in a 5.5% current account deficit. To achieve higher rates of fixed investment, the country will need sustained higher investment rates by the public and private sectors, a higher rate of domestic savings and the attraction of foreign capital to fund the savings investment gap.

South Africa underperformed compared to the global economy in 2009, when the economy shrank by 1.8% versus the decline of 0.6% recorded at the global level.

Domestic investment growth has stalled

South Africa's private sector responded to the recession by cutting investment and capital programmes and real private sector investment

spending fell by 7% in 2009 to R233-billion. Large growth in real fixed investment spending by state owned enterprises, whose investment rose by 40.7% to R93.5-billion, helped negate the fall in private sector investment spending. General government spending on fixed investment fell by 1.2% to R59-billion. Overall total real fixed investment expenditure increased by 2.4% in 2009.

During the high growth period of 2002 to 2007, South Africa's economy grew at a rate above the country's actual economic growth potential (5% versus 3.5% to 4%), with the result that spare capacity in a number of infrastructure industries, such as the electricity and rail sectors, was eroded. The infrastructure programme for the 2010 Soccer World Cup, the Eskom and Transnet capital programmes and the Gautrain project, contributed

to the rise in public corporation fixed investment. However, the slowdown in the rate of growth in fixed investment spending by public corporations in the first half of 2010, combined with a further 5.7% decline in private sector fixed investment spending, resulted in overall fixed investment spending declining by 2% in that period.

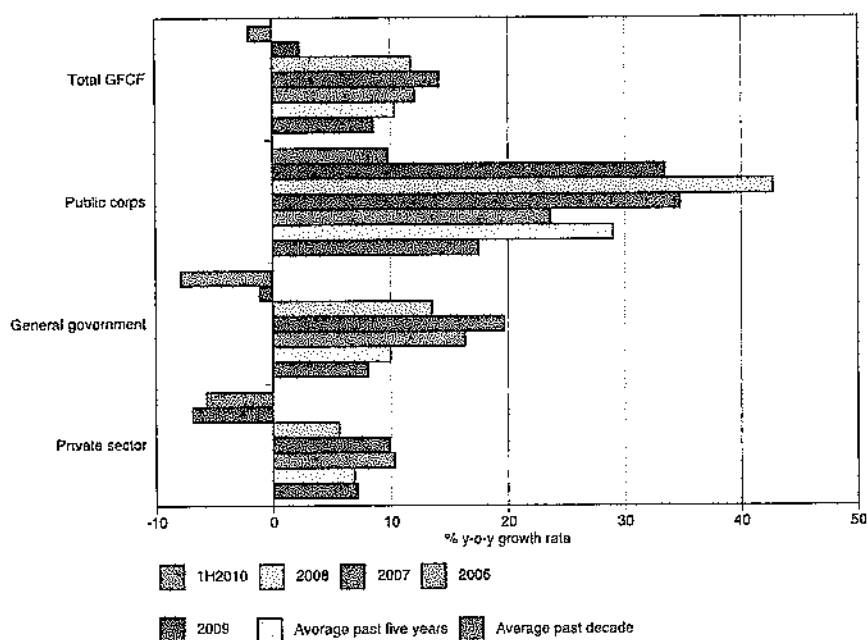
The recent decline in the growth rate of real fixed investment spending must be seen in the context of the impact of the economic downturn and domestic constraints affecting local investment. For example, with a tight and declining electricity supply reserve margin, it is difficult for private sector companies to grow investment in electricity intensive industries. There are a number of factors that will need to be dealt with if investment is to grow at a much faster pace. In particular, regulatory red tape such as the delays in the issuance of water use licences or in the processes surrounding environmental impact

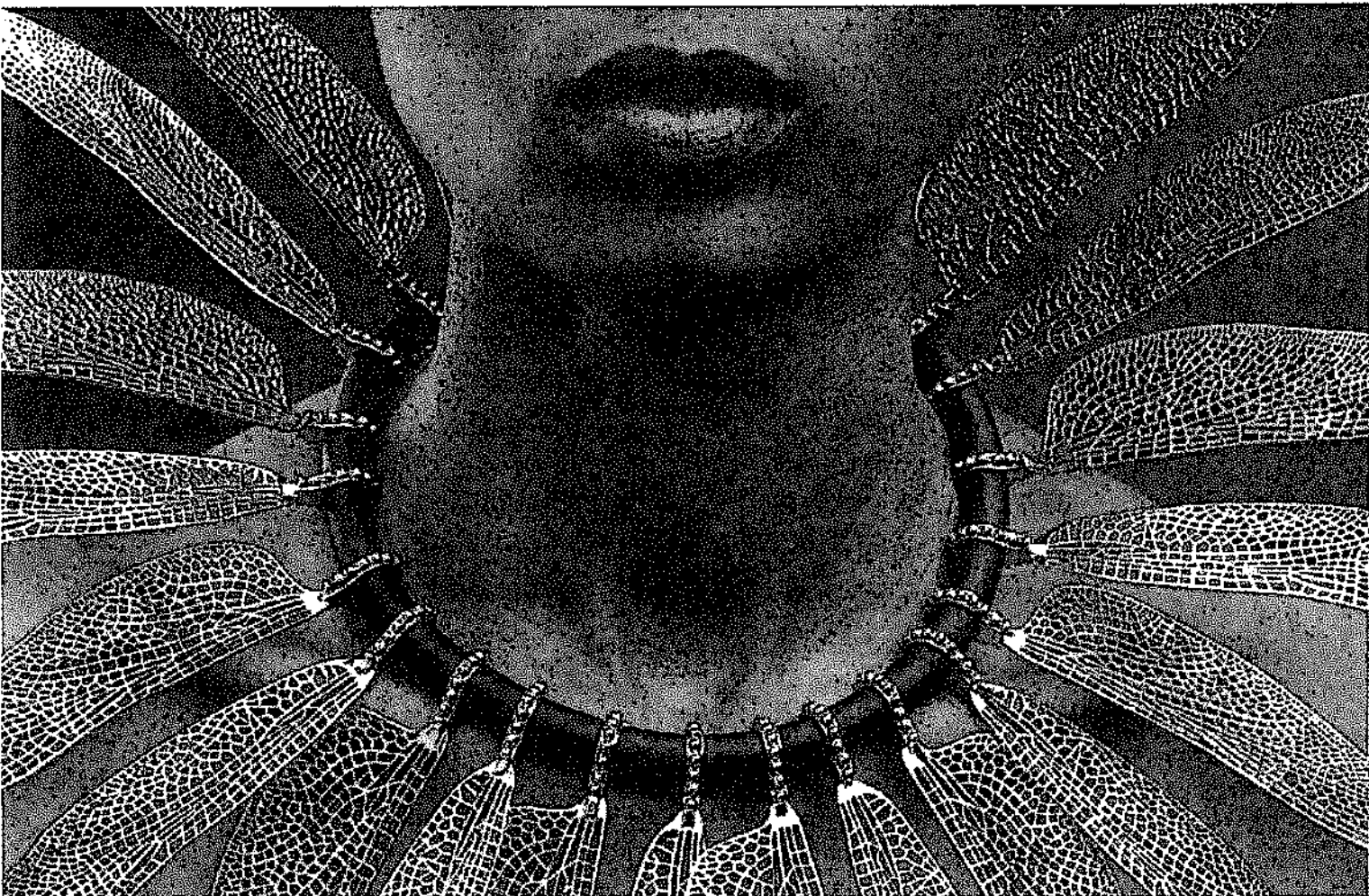
assessments, have affected the building of power stations and delayed mining projects. Despite several commitments by government to reduce red tape and lower the costs of doing business in South Africa, actual progress has been slow.

Micro-economic reform is key to higher growth

According to the World Bank publication, *Doing Business 2010*, South Africa ranked 34 out of 181 countries in terms of the ease of doing business in 2009. However, hidden in the numbers are some areas where improvements are required. For example, while the country is highly rated in terms of protecting investors (world rank of 10) because of the extent of corporate disclosure and corporate governance, it scores poorly in a number of areas that are also critical to investment, including trading across borders (world rank 148), the ease of

Growth rates in real fixed investment (GFCF), averages for past decade, past five years, past two years and past year





employing workers (102), registering a property (90 and costing 8.8% of the property value), closing a business (76), starting a business (67), dealing with construction permits (52) and enforcing contracts (85).

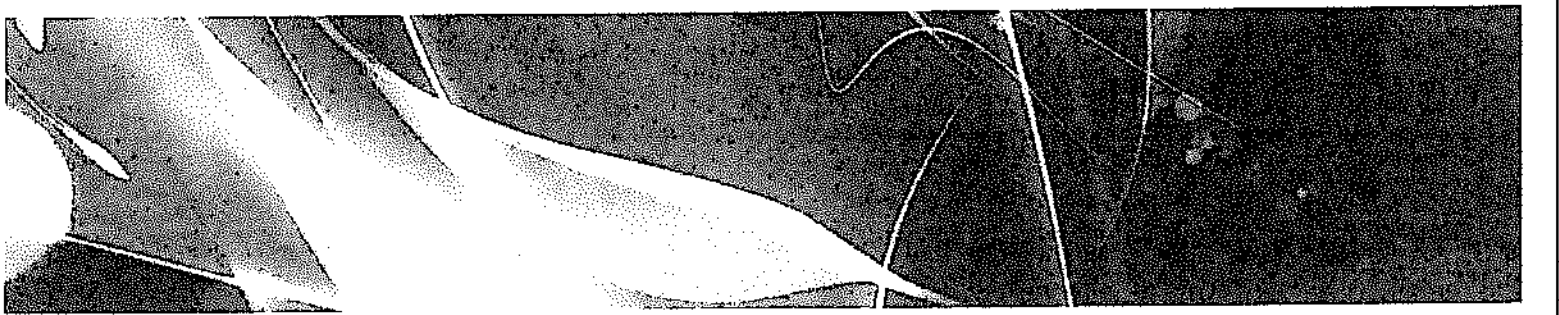
South African policy makers and regulators need to build on the country's strengths and must aim to get all key "Costs of doing business criteria" into the top quartile of the global rankings. Issues such as the high cost of registering a property or high cost of starting a business must be resolved. Where legislation and regulations are not working, such as in the case of environmental legislation,

comprehensive reviews must be undertaken and remedial measures initiated.

Inputs on economic policy

During the course of the review period, the Chamber continued to be involved in providing input on economic issues to various national processes. The Chamber participates in the Standing Committee on Economic Policy in Busa and, via Busa, provides input into Nedlac.

The Chamber participated in presentations to parliament on the national budget (economic assessment of the budget), an economic response



to the budget to the minister of finance in the Nedlac Council meetings, etc. The Chamber provided input to the development of a New Economic Policy for South Africa, which should be released by the Department of Economic Development in late 2010.

The Mineral Royalty Act

As part of the minerals policy reform process, the government began work on a royalty tax in 2003, whereby the state would be able charge mining companies a severance tax for the extraction of non-renewable mineral resources. Many discussions were held between the Chamber and Treasury over the following six years and the final Royalty Act was passed by parliament in 2009. Treasury postponed the implementation of the Royalty Act to 1 March 2010. The various parties to the discussions believe that what has emerged is a cutting-edge royalty system based on the revenue and viability of a company, but which automatically covers the requirements of providing relief to start-up companies or marginal mines. The royalty system has minimum and maximum rates for refined and unrefined minerals, which effectively means that during bull markets the state would receive a high royalty and during bear markets a lower rate would be calculated. During the period under review the Chamber engaged with Treasury and SARS on technical amendments to the Act and implementation issues.

Beneficiation

During the period under review, the multi-governmental task team, led by the DMR, produced the final version of the *Beneficiation Strategy for*


South Africa. This high-level strategy proposes that task teams are established for each of the top 10 minerals and that they each undertake detailed investigation into the beneficiation potential of the mineral concerned. The DMR expects that all the commodity task teams should have completed their work by 2011.

The Chamber provided input into the industrial policy formulation process, the various drafts of the beneficiation strategy, the iron ore task team and serves on the board of the Precious Metals and Diamonds Regulator.

The national electricity emergency

South Africa's electricity supply situation remains constrained with a small total reserve margin of less than 10%. Given that very little extra base load generating capacity will come on stream until 2012, the next two years will be challenging as the reserve margin narrows in response to the growing economy. Of particular concern is the lack of electricity availability for new projects, which will harm the development of new electricity intensive projects. Key issues such as developing a comprehensive electricity plan for the country, facilitating the entry of private power producers, the more aggressive implementation of energy efficiency measures, and managing the escalation of electricity prices have been key focus areas for the Chamber.

The Chamber participated in most of the structures established to deal with the crisis, including participating in the National Stakeholder Advisory Council on Electricity, the National



Electricity Response team, the Eskom Technical task teams and by participating in the Busa task team on electricity.

Energy planning

Section 34 of the Electricity Regulation Act, No. 4 of 2006, provides that the minister of energy may, in consultation with the National Energy Regulator of South Africa (NERSA), determine that new generation capacity is needed to ensure the continued uninterrupted supply of electricity, the types of energy sources from which electricity must be generated, and the percentages of electricity that must be generated from such sources. The regulator, in issuing a generation licence, is bound by any such determination.

During December 2009, the minister published an Integrated Resource Plan (IRP) drafted in terms of the Act. There was no consultation with the mining industry or organised business prior to the release of this plan. According to the Department of Energy, the purpose of the plan was to allow the regulator to continue issuing licences. The department, however, also stated that it would initiate a process during 2010 to review this IRP in consultation with stakeholders.

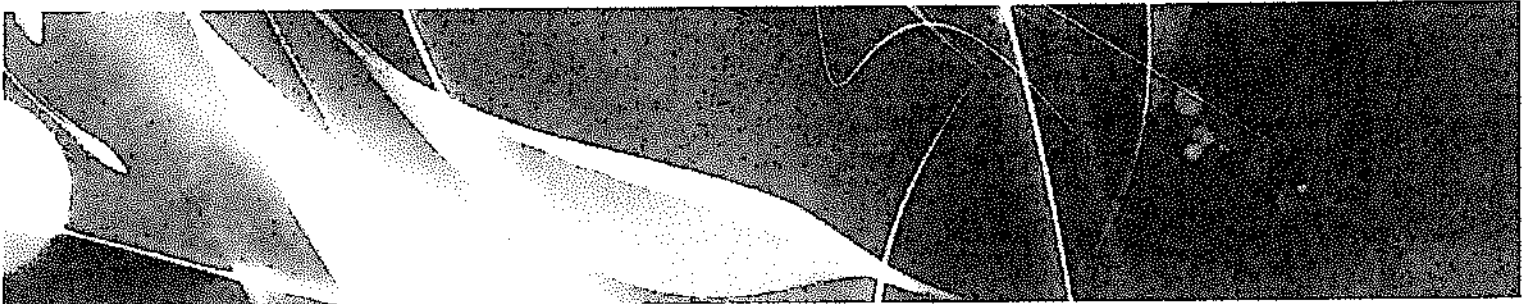
The stakeholder engagement process commenced during May 2010, with the release for comment of input parameters for an integrated electricity plan. These input parameters had been identified as critical to the modelling process for the IRP. The Chamber submitted appropriate comment and a draft integrated electricity plan will be released for further comment by October 2010.

Electricity supply

There were no major disruptions in the supply of electricity by Eskom during the period under review. This was partially because of the decreased demand for electricity in the aftermath of the global recession and the fact that Eskom had increased its net maximum generation capacity from 38 747 MW in 2008 to 40 870 MW in 2010. However, the average reserve margin remained below 10%, indicating a precarious demand/supply situation.

Eskom expects to commission an additional 1 000 MW of generation capacity during the 12 months to 31 March 2011, followed by the next tranche of new generation capacity during 2012 if the construction of the first new power station, Medupi, remains on schedule. Medupi is to be followed by another new power station, Kusile, which is also under construction. Eskom is experiencing problems in obtaining sufficient financing to complete Kusile, although these funding issues should be resolved with government in due course. The supply of electricity will remain constrained until 2016.

Several proposals for the supply of electricity to the national system from enterprises with the capacity to co-generate electricity, as well as from prospective independent power producers have been made during the past few years. Few of these have materialised, mainly because Eskom, in its conflicting roles as the system operator and as a supplier of electricity, appears reluctant to create the conditions that will allow the prospective suppliers access to the system. In an effort to resolve this situation, the minister of energy recently announced that an independent system operator



would be established.

The introduction of some form of compulsory power conservation scheme during the next five years appears likely. The Chamber and its members are engaged in various forums such as the Energy Intensive Users Group, Busa and others, to prepare for such an eventuality.

Electricity pricing

On 30 September 2009, Eskom's first application for the multi-year price determination period from 2010 to 2012 (MYPD 2) was released for public comment. The application proposed price hikes of 45% a year for the MYPD 2 period. Following various consultations, a revised Eskom application was released on 30 November 2009, which proposed increases of 35% a year over a three-year period. NERSA requested interested parties to submit comment on the Eskom application. Written submissions were to be followed by a series of public hearings during January 2010.

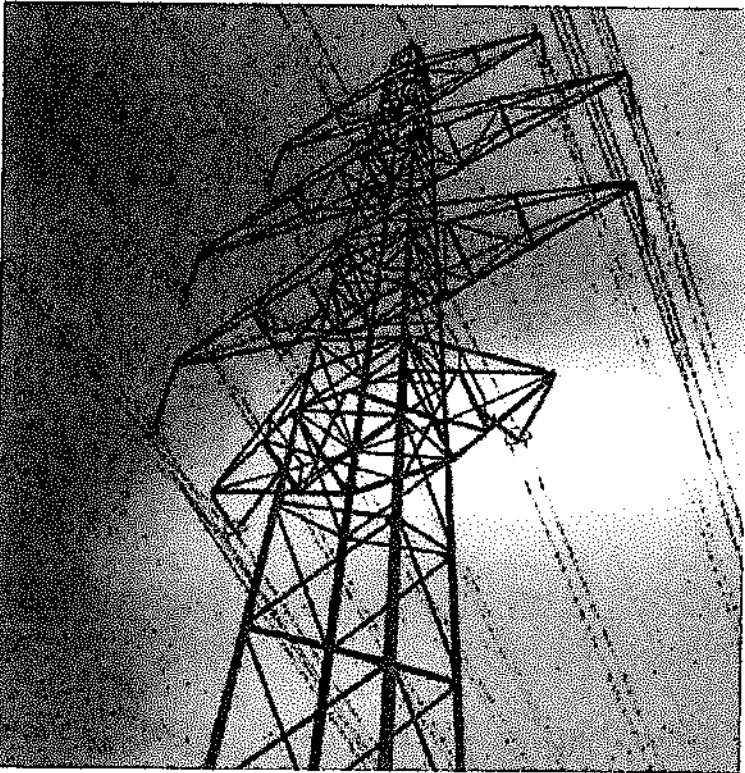
The Chamber submitted written comment on the application by Eskom and presented its views at the public hearings. It also participated in discussions on the envisaged electricity price increases with NERSA, the Department of Energy, National Treasury, the National Electricity Response Team and the National Stakeholder Council on Electricity. The Chamber also engaged in the debate with other business institutions such as Busa, Business Leadership SA and the Electricity Intensive Users Group.

In its submission to NERSA, the Chamber made the following fundamental points:

- The MYPD2 application, in the absence of a finalised national IRP for the economy, effectively meant that important funding decisions that would affect the electricity supply industry for the next few decades were being made without an overall energy plan. At best the existing MYPD2 application could only be an interim arrangement until the IRP was finalised
- Price increases of the magnitude envisaged by Eskom would have a deleterious impact on the economy and the mining sector in particular. Much of the negative impact would be contrary to the growth, investment, industrialisation, beneficiation and employment objectives and aspirations of government.

The Chamber's submission covered a wide range of issues, but focused on two major issues in the MYPD 2 application that materially affect the proposed future electricity price trajectory. Two issues in particular raise serious concerns about the application:

- First, Eskom revalued existing assets in the middle of their operating lives thus realising a huge revaluation windfall. The methodology used by Eskom to revalue its assets is normally only used in fully privatised and deregulated electricity markets and is not applied worldwide to vertically integrated public monopolies. This revaluation more than doubled Eskom's regulated asset base and resulted in a rise in the claim by Eskom for depreciation to R31-billion in 2010, versus only R7-billion if the traditional



inflation adjusted historic cost valuation methodology was applied

- Secondly, Eskom proposed a real pre-tax weighted cost of capital of 10.3%, which, when applied against the regulatory asset base, would result in a significant return on capital values by the third year of the MYPD 2 period. This compares to the 7.3% weighted average cost of capital adopted by Nersa in MYPD 1. The 10.3% real pre-tax weighted average cost of capital is out of synchronisation with the generally lower weighted average cost of capital applied to regulated monopoly businesses where the production technologies are well known and where the risks are low.

The Chamber therefore recommended that:

- NERSA pay special attention to the windfall

gain made by Eskom, by revaluing its assets in terms of the Modern Equivalent Asset value methodology. Eskom is a 100% state owned and controlled vertically integrated public utility and comparable utilities in countries such as Japan and France employ the inflation adjusted historic cost methodology

- NERSA also fully unpack the weighted average cost of capital calculation made by Eskom. The Chamber believes that the 10.3% level applied by Eskom would be relevant for a higher risk privately owned company. The real pre-tax weighted average cost of capital should be equivalent to the risk-free rate plus a small premium, as Eskom is considered to be a low-risk long-term business owned and supported by the state. This means that the weighted average cost of capital calculation should be as much as 3% lower than that proposed by Eskom. This issue is important because, for every 1% rise in weighted average cost of capital, the electricity price has to rise by 5%.

Through a combination of revaluation of assets and a reconfigured cost of capital, the Chamber believes that the price increase can be limited to 25% a year over the MYPD 2 period. A 25% annual increase over three years would be much more manageable and would cause much less damage when compared to an increase of 35% annually for three years. The 25% x 3 rate of increase would also be congruent with the Nedlac Energy Summit agreement and the NERSA indicated price



increases given in its interim 2009 pronouncement.

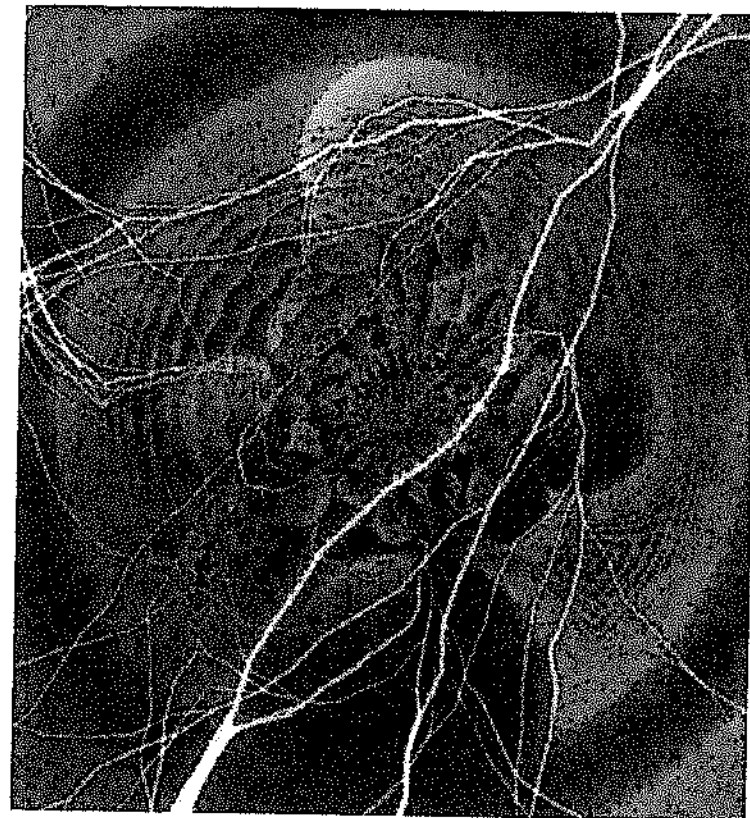
The Chamber recommended that the amount of resources applied to demand-side management should be doubled in the MYPD2 period, as successful roll-out of demand-side management is vital to the short-term and medium-term stabilisation of the situation. The Chamber also recommended that the funding for demand-side management should be removed from the pricing application. Rather, the special 2 cents/kW environmental levy collected by Treasury, should be used to fund the demand-side management costs as demand-side management promotes energy efficiency.

On 24 February 2010, NERSA announced that it had approved an allowed revenue for Eskom of R85-billion for 2010/11, R109-billion for 2011/12 and R141-billion for 2012/13. This would result in a percentage price increase of 24.8% on the average standard tariff from 1 April 2010, followed by another average increase of 25.8 % from 1 April 2011 and a further price increase of 25.9 % from 1 April 2012.

Road transport

The Department of Transport has commenced the development of a road freight strategy for South Africa. To this end a steering committee was established and a consultant engaged. Given the important role that road transport plays in the mining industry, the Chamber, as the principal representative body for the mining industry, was invited to participate in the steering committee.

The consultants engaged by the department prepared a baseline report to facilitate the process.



The baseline report comprises an overview of the road freight industry, including road infrastructure, freight corridors, commodity movements and the regulatory environment. In addition, a review of axle mass limits was provided together with sections on overload control, law enforcement and road freight inter-modalism. The report also reflects international experience and trends in the road freight industry. The purpose of the report is to capture key information that would serve as an input to the development of a comprehensive road freight strategy for South Africa. The objectives of the road freight strategy include:

- enabling sustainable road infrastructure and investment
- monitoring and enforcing road freight movement, including inter-modal facilities

- providing relevant short, medium and long-term solutions
- analysing and reviewing current axle mass limits
- assessing the proposed weighbridge network
- designing the weighbridge network, i.e. number, location and type of weighbridge throughout South Africa.

It is envisaged that the strategy would be developed in line with:

- the promotion of sustainable road infrastructure
- the acceptance by the major role players and stakeholders
- relevant, well grounded and implementable
- international best practice
- the promotion of effective law enforcement.

The process should be completed in 2011.

Late in 2009, the Department of Transport announced that it was considering amendments to the legislation pertaining to road transport to alleviate the burden on the secondary road networks, most of which have deteriorated to a point where they need to be reconstructed.

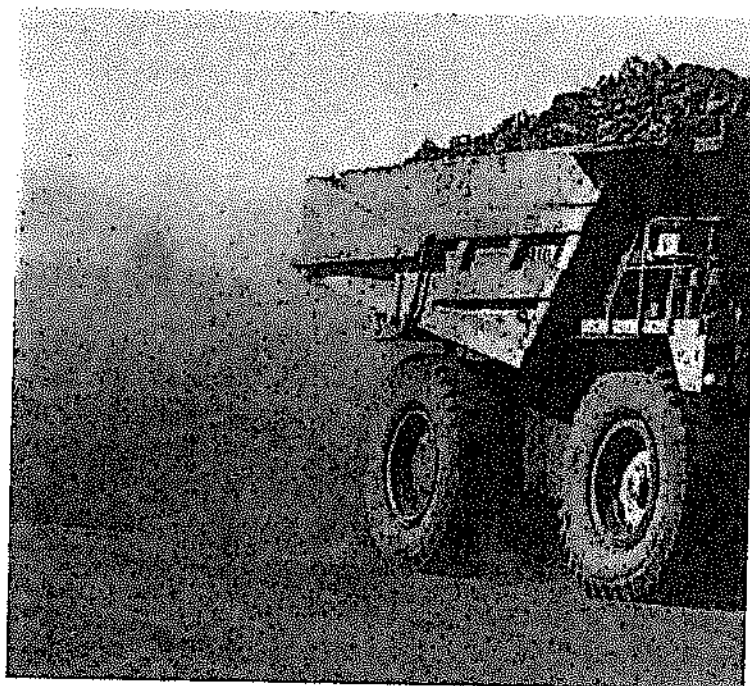
The department envisaged three pieces of legislation:

- The current axle mass load of an axle fitted with four wheels is 9 000 kilograms, which the department intended reducing to 8 000 kilograms in a bid to try to reduce the burden on the secondary road networks
- Prohibit the operation of certain axle loads on secondary road networks to force such

loads to migrate to primary road networks

- Prohibit the transportation of certain commodities on both the primary and secondary road networks to compel the migration of these to the branch rail lines. The branch railway lines were to be revitalised for this purpose.

The objective of the envisaged legislation is to reduce the transport of coal by road. While one



cannot object in principle to the intention of the department, consideration must be given to the circumstances that caused the prevailing situation and the potential consequences, should the envisaged legislation be introduced and enforced.

The current situation developed as a result of the increased demand for coal, especially by Eskom. This demand will continue to increase considerably over the next decade. Many coal mines are served by secondary roads and, as they do not have rail



links, there is no alternative to road transport. In some cases the expected life-of-mine does not warrant the construction of rail links. The quality of service provided by Transnet Freight Rail exacerbated the problem by forcing coal producers to resort to road transport.

The reduction of the maximum allowable axle load would reduce the load per truck, but the number of trucks on the road will increase. This

in Mpumalanga. The security of coal supply to power stations is too important to risk forcing transfer coal transportation from road to rail, only to discover that the requisite rail capacity was not adequately planned for.

The Chamber advised the Department of Transport of the above concerns and is awaiting a response.

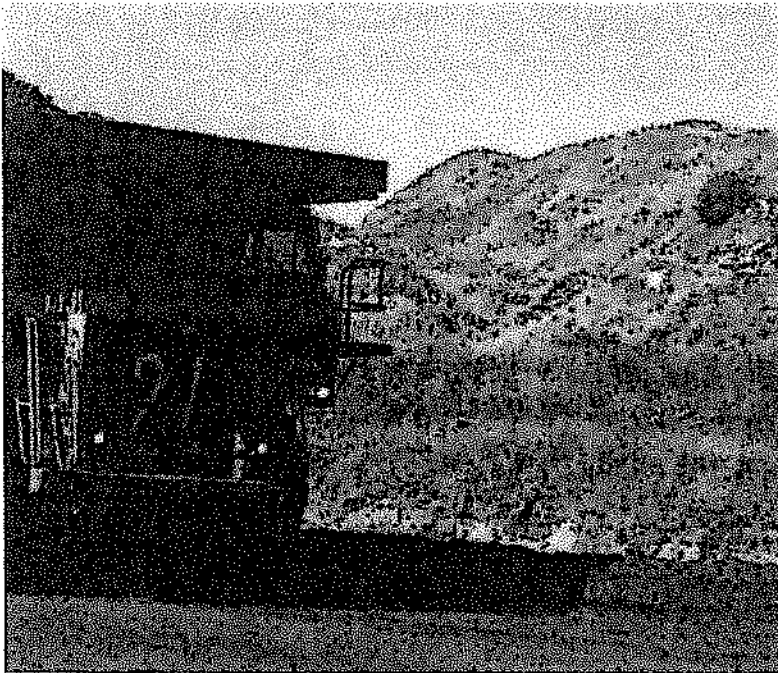
Rail transport

During 2009, only 61.1 million tons of coal was exported through RBCT. This is despite the fact that the current rail infrastructure has a design capacity of 74 million tons. During this period, RBCT increased its capacity from 76 million tons a year to 81 million tons and by mid 2010 was at a capacity above 90 million tons. Coal producers ascribed this mismatch to the inability of TFR to provide an adequate service to the coal industry. Transnet in turn partially blamed the coal mining companies for cancelled pre-booked trains.

A survey of export coal railings during December 2009, revealed that 22% of the trains planned had been cancelled by TFR. The reasons for these cancellations were Eskom power failures, locomotive failures, minor derailments, crew availability, cable theft, service adjustment, unavailable locomotives and trucks, and signalling problems. This variety of problems is indicative of an organisation with serious internal inefficiencies. The inability of TFR to provide an adequate service for export and inland transport resulted in the under-utilisation of coal terminal capacity, lost export opportunities and excessive road transport of coal.

will exacerbate the existing congestion and may cause further congestion in other places. The prohibition of certain commodities, for example coal, from being transported by road, may result in some producers, as well as some consumers, being stranded.

The existing railway system and service are not adequate to reduce the transport of coal by road significantly. Transnet's national infrastructure plan does not address the coal feeder network



Consequently, a meeting was arranged between the chief executive of TFR and the chief executive of the Chamber to consider solutions to this issue. An official of TFR presented the following operational developments to the meeting:

- Ownership of branch lines for mining was being transferred to the Department of Transport and private operators would be appointed later in 2010
- Theft was impacting on TFR business. About R400-million was allocated to theft management and crime prevention
- TFR agreed with Eskom to increase coal haulage of power station coal to 32 million tons per annum and a rate of nine million tons per annum has been achieved
- Only one power station, namely Majuba, was connected to the rail system, thus containerisation and the use of diesel locomotives was seen as part of the solution on the Highveld. A rail connection to Camden power station was due to be completed by the end of July 2010
- Eskom had not yet acquired the coal contracts for the 32 million tons of coal and the feed of export coal from the mines was less than expected and some trains had to be rescheduled
- The TFR balance sheet was not able to handle expansions, thus public/private partnerships were seen as a way forward
- Export for smaller mines needed to be facilitated to aid entrepreneurs and to avoid the development of new routes that would merely move the problem elsewhere

- The low level of transparency between coal producers and TFR was affecting information sharing and optimisation was inhibited. Collaboration had started with the mining sector and TFR was improving customer service
- A study of the Waterberg was being done by TFR, but information was difficult to gather as companies were not disclosing their intentions
- TFR needed to develop the infrastructure to increase to 91 million tons of export coal.

The parties agreed to meet again later in 2010 to discuss progress.

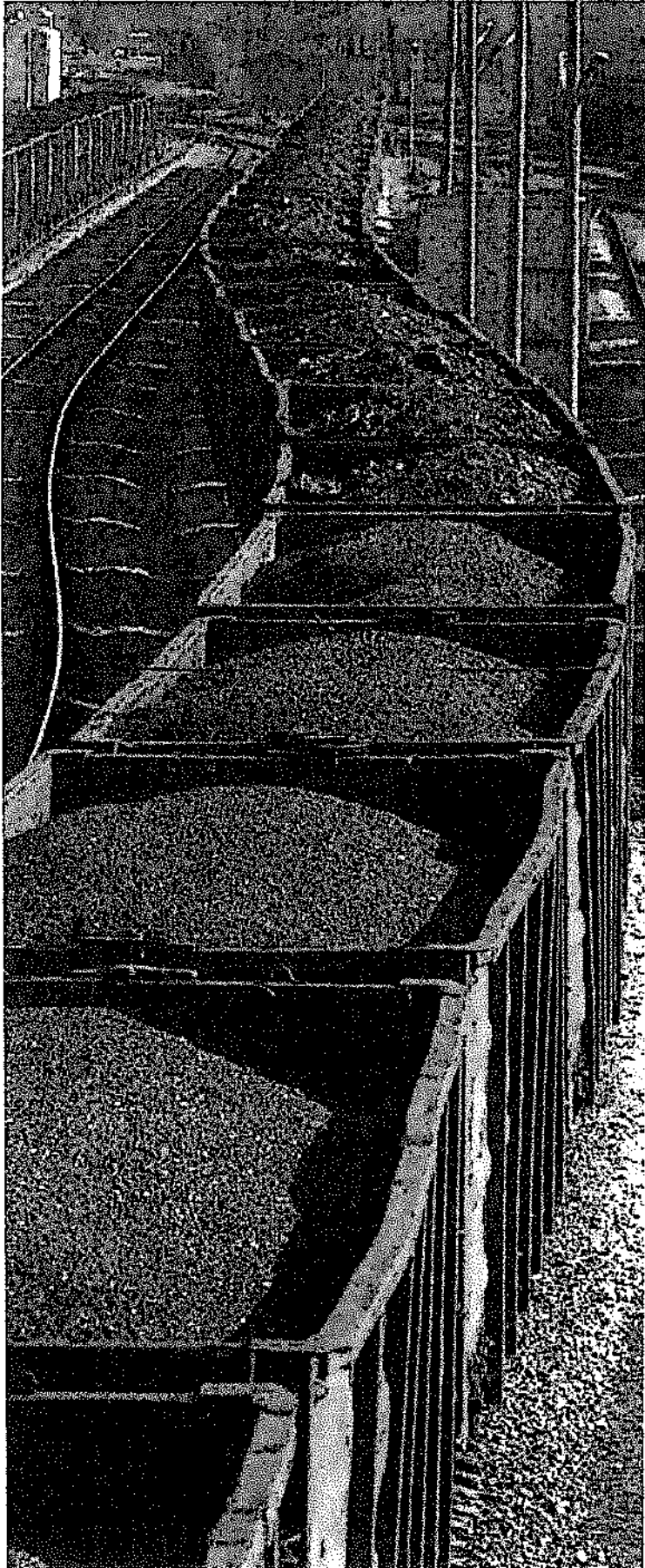
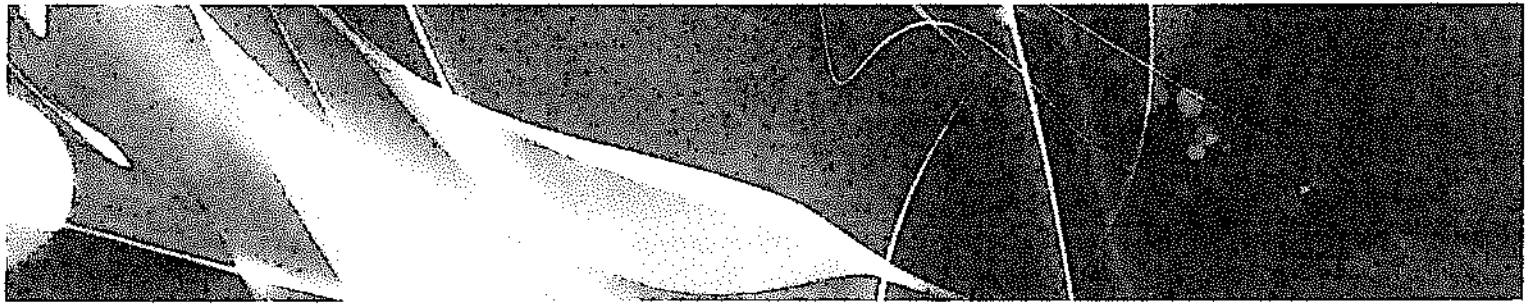
During June 2009, Transnet presented its National Infrastructure Plan to stakeholders for comment.

The objectives of the plan were to:

- provide Transnet and the stakeholder community with a framework within which long-term planning for port, rail and pipelines could be executed
- form a basis for engagements with key government and other stakeholders
- inform Transnet's capital investment programme and future funding requirements
- act as a governance document for infrastructure planning and investment in Transnet.

Key components of the plan were:

- a status quo assessment of the port and freight rail network
- a 30-year integrated freight demand forecast
- the application of key planning principles,



assumptions and operating strategies to inform future development of the network

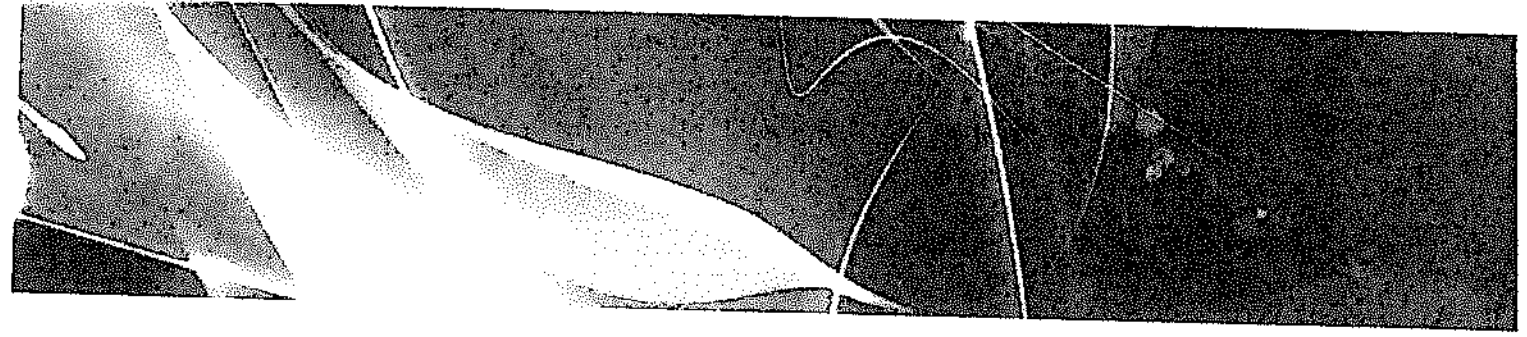
- an assessment of future capacity requirements
- development of options and scenarios
- Transnet's five-year capital programme.

The Chamber's comment focused on the aspects of the plan concerning the Richards Bay coal export line, the Waterberg coal line, the Hotazel – Port Elizabeth manganese export corridor and the Mpumalanga coal feeder network. In all these cases the Chamber pointed out that the plan did not address the needs of the mining industry adequately and offered its assistance in rectifying the deficiencies. Transnet responded that it recognised the need to adjust the plan to deal with the issues raised by the Chamber.

Coaltech Research Association

The year under review witnessed the gradual recovery of the global economy and an increase in business confidence. This was reflected in the coal mining industry by an increase in the price of export coal, but which was unfortunately also accompanied by increases in the cost of most mining inputs.

Against this background, the Coaltech Research Association (Coaltech) continued to pursue the broad research directions agreed to by its shareholders who are the primary users and beneficiaries of the resultant knowledge and technologies. The broad research directions are waterless beneficiation of coal, improved utilisation of coal resources, environment, infrastructure development, the Waterberg coalfield, energy efficiency and clean coal technology.



Some notable accomplishments during the past 12 months include:

- the investigation of ion exchange technology for water treatment
- testing a low profile load-haul-dumper in an underground environment
- completion of the infill regional gravity survey of the Waterberg
- completion of guidelines for the socio-economic aspect of mine closure
- an investigation of various coal transport options.

From the outset the development of high-level skills for mining related research and development was a subsidiary objective of Coaltech. The current approach is to involve postgraduate students in research projects wherever possible. To date 72 people have obtained postgraduate qualifications through Coaltech. Currently 29 registered postgraduate students are working on Coaltech projects.

Following a decision that Coaltech should enhance its profile and publicise its work, presentations on Coaltech and various Coaltech projects were made to meetings of the South African Colliery Managers Association, the South African Colliery Engineers Association, the Fossil Fuel Foundation and the Mine Health and Safety Council. The Coaltech board also arranged for some of its meetings to take place at universities that are engaged in Coaltech projects. The manager of Coaltech also participated in a conference on mining research in Africa arranged by the Department of Science and Technology. This signifies recognition of Coaltech

as an important contributor to mining research.

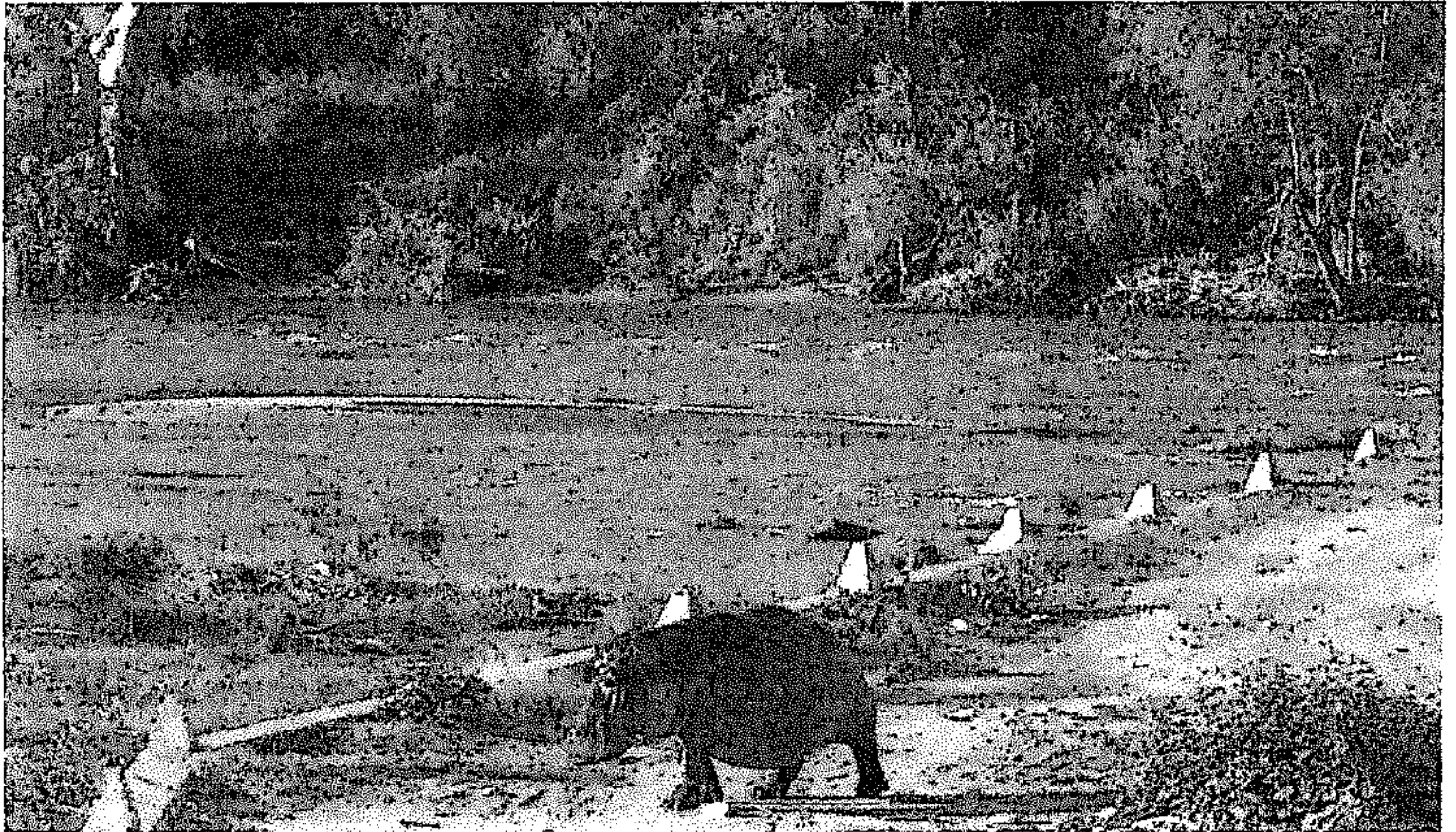
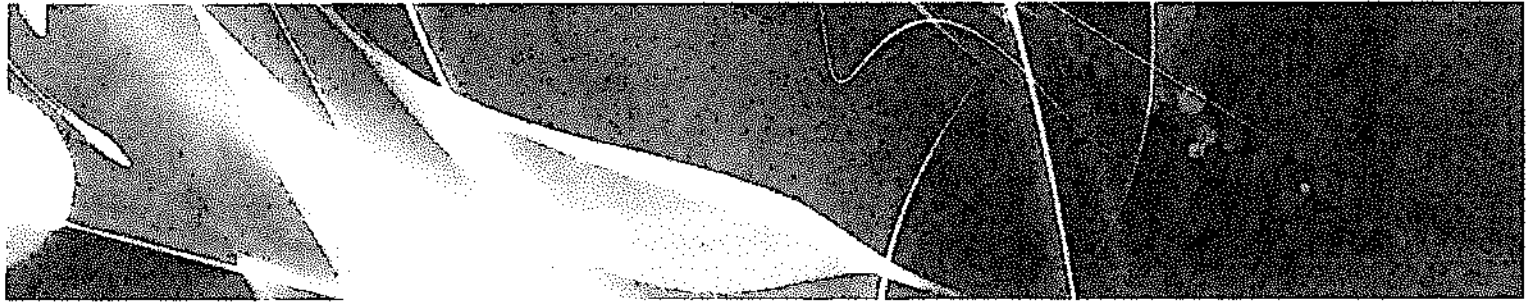
Coaltech also exhibited its work at the International Water Conference and at the Department of Trade and Industry's Technology Exhibition, where it received a Certificate of Achievement as a finalist in the Technology for Human Resources in Industry Programme's Research Collaboration Category.

Olifants River water monitoring project

During 2009, the Chamber's Collieries Committee agreed to support an investigation, to be undertaken by the CSIR under the auspices of the Olifants River Forum, namely the Assessment of eutrophication and chemical pollution in surface waters of the upper Olifants River system: Implications for aquatic ecosystem health and the health of human users of water. It was also agreed that the investigation should be managed and funded through Coaltech.

Based on the interim results from the first year of this study and historical data of the catchment, the main stressors in the catchment are heavy metals and sulphates, originating from mining and industry and nutrients and microbiological contaminants originating from poor sewage treatment and feedlots.

Heavy metals like aluminium, iron and manganese were the most frequently detected and in the highest concentrations in both water quality and bioaccumulation samples. It appears that heavy metal accumulation occurs across all sites in the catchment, even in areas with low mining and industrial activity. Researchers are investigating if acid rain could be responsible for mobilising heavy



metals owing to its unusual acidity.

All the sites showed mild to heavy microbial contamination, most likely because of untreated or poorly-treated sewage flowing into rivers and streams. The samples were contaminated by micro-organisms in the form of bacteria, viruses and protozoan parasites such as *Salmonella*, *Shigella* spp. (causes bloody diarrhoea, high fever, abdominal pain but not vomiting), *Giardia* (diarrhoea), *Cryptosporidium* (long-lasting diarrhoea in immunocompromised individuals), *Vibrio cholera* (severe diarrhoea and vomiting and possible death if not treated), as well as *Norovirus* and *Enterovirus* (diarrhoea). *E. coli* bacteria (an indicator of faecal matter in water) exceeded the South African water guideline values, indicating a high risk for diarrhoea.

Local communities, who use untreated water from these sites face a high risk of contracting disease.

Thus far sampling has taken place during periods of high rainfall with subsequent high river flows. Future sampling will continue to focus on measuring water quality variables and ecological health indicators to determine any seasonal trends. All indications are that the project will identify the true sources of pollution in the Upper Olifants River system. That would allow the real problems to be addressed effectively without apportioning undue blame to any party.

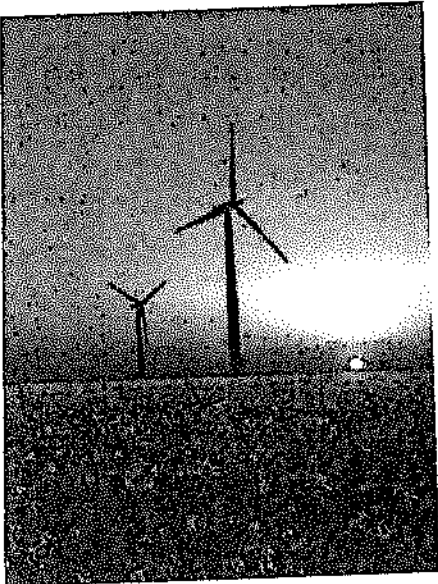
In view of the interim results the Olifants River Forum has agreed to continue with financial support for this project.



environmental policy



environment policy



(DEA) and the DMR, that environmental issues in the mining sector would be managed in terms of the National Environmental Management Act (NEMA) and its regulations. This would streamline the environmental management system in the country.

Mining recently experienced heightened media and non-governmental organisation attention on the environmental legacies of the past century. The environmental, safety and health hazards associated with ownerless and derelict mines, as manifested by acid mine drainage (AMD), were extensively covered in the media. The media focus led to parliamentary hearings on AMD and subsequent visits to the areas of concern in Gauteng were undertaken by members of parliament and a special ministerial-level task team was established to deal with AMD.

The formation of a tripartite task team to interrogate the performance of the mining industry was a significant milestone during the period under review. The task team will focus on the

The key highlight of the period under review is the legislative duplication and uncertainty of the regulatory regime for environmental management in the mining sector. Intra-government negotiations culminated in an agreement between the Department of Environmental Affairs

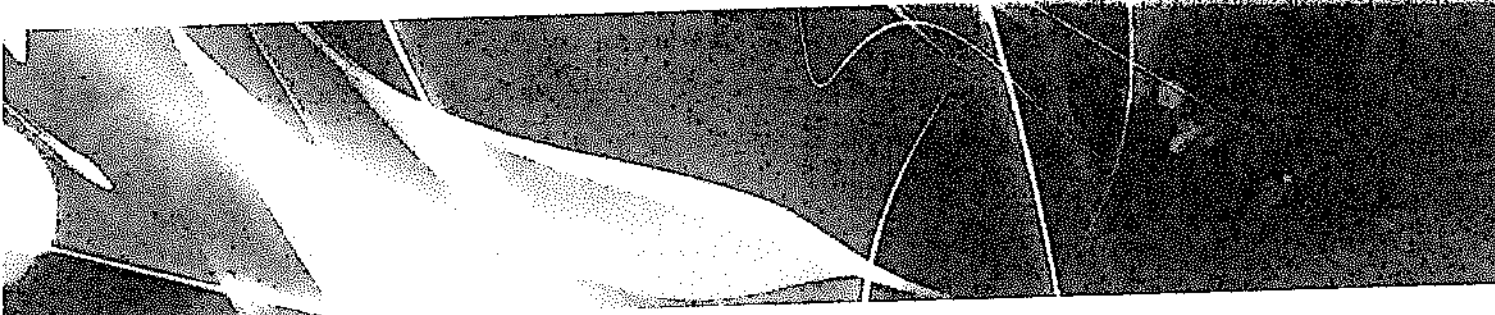
competitiveness and transformation of the mining industry. MIGDETT was formed and various working groups were mandated to investigate different aspects of competitiveness and transformation – including issues relating to social licence to operate. The MIGDETT process culminated in the signing of a Declaration on Strategy for the Sustainable Growth and Meaningful Transformation of South Africa's Mining Industry. This strategy endeavours to address transformation and position the mining industry on a sustainable growth path within the restraints poised by the legislative environment, the competing interests of economic growth and environmental conservation. It also addresses environmental legacies such as AMD and the effective management of derelict and ownerless mines.

Sustainable development provides a framework for the Chamber's input on environmental policy and the legislative process. The Chamber recognises and promotes the pursuit of a balance between the four pillars of sustainable development, namely social equity, environmental management, economic development and an effective governance framework.

The Chamber's environmental department participated in most initiatives that dealt with environmental issues of concern to the mining industry and provided expert and specialist input to many legislative and policy initiatives undertaken during 2009/10. The main vehicles for such interaction are the Chamber's Environmental Policy Committee (EPC) and the Industry Forum on Radiation (IFR). The EPC consists of a group of environmental managers and senior consultants

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from the mining companies. It represents the single most senior environmental management grouping in the mining industry in South Africa. The IFR consists of various radiation specialists from Chamber member companies, and includes other interest groups such as consultants, recyclers and scrap metal dealers.

In addition to engaging government on environmental management policy and water issues, the Chamber continues to liaise with a wide range of stakeholders in the mining industry, from community organisations concerned about the environmental impacts of mining, to specialist groups undertaking studies into various aspects of environmental management.

Policy, legislation and engagement

The Chamber provides specialist input on environmental matters through its participation on task teams, government and other project steering committees, the National Nuclear Regulator (NNR), Busa, Nedlac, the National Business Initiative (NBI), in public hearings of portfolio committees on environmental programmes and to legislative proposals in the National Assembly and the National Council of Provinces.

The Chamber also provided expert opinion around some of the contentious issues in the public domain associated with the interface between mining and environmental conservation. During the period under review, the Chamber met with the ministers of environmental affairs and mineral resources to discuss issues of mutual concern.

Alignment of the regulatory framework

The amendments to the MPRDA and NEMA were meant to streamline environmental management in the mining sector. However, the uncertainty of the legislative requirements and processes within the two departments tend to make applications for the necessary authorisations and compliance monitoring and enforcement a nightmare for mining companies.

The agreement between the DMR and the DEA meant that the minister of mineral resources would be the competent authority responsible for implementing environmental matters as they relate to prospecting, mining, exploration, production and related activities and the minister of environmental affairs would be responsible for drafting and promulgating all environmental policies and legislation in terms of NEMA. The two departments concurred that this agreement would be implemented 18 months after the last Bill has been enacted. The agreement is thus not yet effective as the MPRD Amendment Act has not yet been enacted. However, this has not stopped provincial environmental authorities demanding that mining companies comply with the provisions of the amended NEMA.

Subsequently, the minister of the DMR communicated to the Chamber her intention of reviewing the agreement as the regulations in terms of NEMA have some unintended consequences for the mining industry. Although environmental affairs is a function of both provincial and national governments, it has become apparent that NEMA



is mainly implemented through the provincial authorities. Mining is a national mandate and thus, in terms of the Constitution, no provincial authority can make a decision on environment-related mining matters. The Chamber has made representation aimed at highlighting some of these issues.


The uncertainty around the environmental authorisation landscape continues to frustrate the mining industry and the EPC continues to participate in environmental policy developments

Implementation of the National Environmental Management: Air Quality Act

The National Environmental Management: Air

Quality Act, No. 39 of 2004, came into law on 1 April 2010. This legislation mandates municipalities to carry out the licensing provisions in NEMA, irrespective of the readiness or not of the authorities to do so. The Act makes provision that if a municipality is unable to carry out this function, the province can exercise Section 139 of the Constitution and become the licensing authority. Nevertheless, the problem for the mining industry is the timeframe and the modalities around the implementation of this proviso.

In March 2010, the DEA published a list of activities that result in atmospheric emissions detrimental to the environment, health, society, the economy, the ecology and cultural heritage. It



also prescribed minimum emission standards and provided for the application for an atmospheric emission licence.

The DEA also published model air quality by-laws for municipalities to either adopt or adapt, and ultimately enforce.

Implementation of the National Environmental Management: Waste Act

The National Environmental Management: Waste Act, No. 59 of 2008 was published in the Government Gazette on 10 March 2008 and came into force on 1 July 2009, with the exception of Section 28(7) (a), Sections 35 to 41 and Section 46. The DEA has since embarked on several policy developmental processes to support the implementation of the Act.

The development of a National Waste Management Strategy (NWMS) is provided for under Section 6 of the Act. The first draft of the NWMS and the Generic Guideline Document for Preparing Industry Waste Management Plans were published for public comment in March 2010.

The NWMS aims to achieve the objectives of the Act, including:

- objectives, plans, guidelines, systems and procedures relating to the protection of the environment and the generation (including the avoidance and minimisation of such generation), re-use, recycling, recovery, treatment, disposal, use, control and management of waste in order to achieve the objects of this Act
- mechanisms, systems and procedures for

giving effect to the country's obligations in terms of relevant international agreements

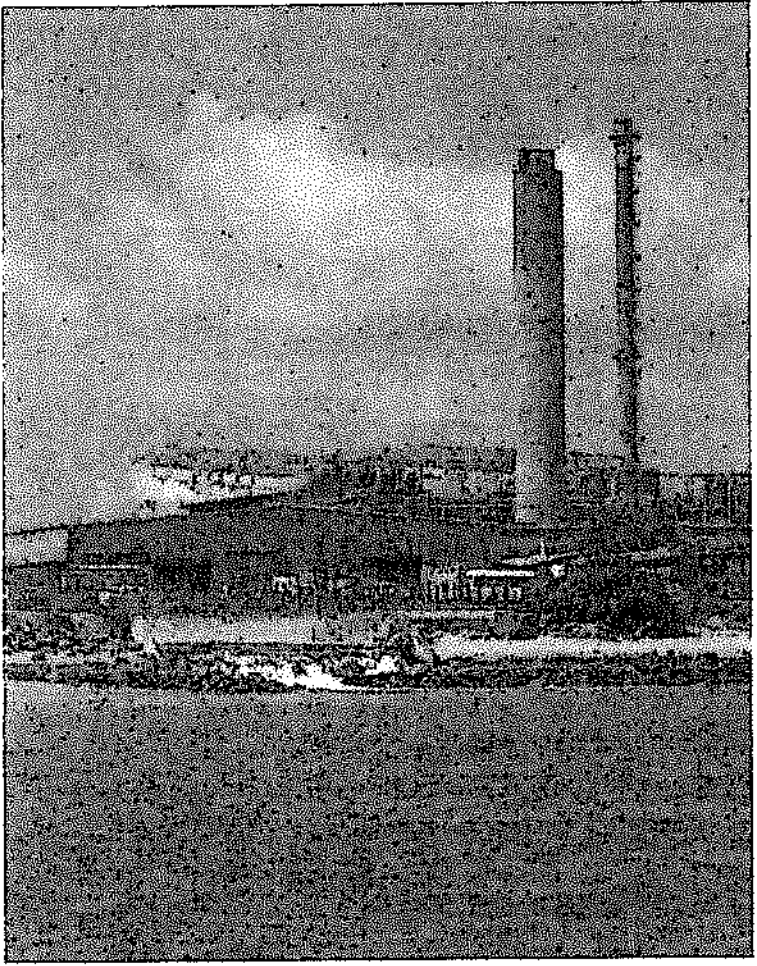
- practical measures for achieving co-operative governance in waste management matters
- guidance on raising awareness on the impact of waste on health and the environment
- approaches for securing compliance with the requirements of the Act, including the monitoring of compliance
- any other matter that the minister considers necessary for achieving the objects of the Act.

The mining industry, through the Chamber, noted that the strategy reiterates the ongoing legislative dilemma between the MPRDA and NEMA and has not been revised to take into account the DMR's withdrawal of the environmental authorisation amendments the strategy proposes and the development of a mining industry waste management plan within three years under the MPRDA.

In July 2010, the DEA published, for comment, the National Waste Information Regulations for comments.

Revision of the National Water Resource Strategy

The Chamber is involved in reviewing the National Water Resources Strategy (NWRS) initiated by the Department of Water Affairs (DWA). In terms of Section 59(4) (b) of the National Water Act, No. 36 of 1998 (NWA), the NWRS must be reviewed every five years. The NWRS provides a framework for the protection, use, development, conservation,



management and control of water resources for the entire country, including regional and catchment level within defined water management areas.

The approach to be followed by the department in revising the strategy will focus on the following:

The contents of the NWRS as defined in Sections 6 (1) and 6 (2) of the NWA

Existing strategies, frameworks and studies will be incorporated into the second edition of the NWRS. This includes a climate change strategy, a water for growth and development framework, an AMD strategy and a national ground water strategy.

The revision will be underpinned by the


development of thematic issues that focus on water resource management aspects, such as water conservation and demand management, water allocation reform, augmentation and infrastructure and protection of water resources. It is envisaged that these thematic issues would be supported through enabling strategies that consider disaster management, institutional arrangements, investing in people, information and monitoring, research and innovation, and finance

The Chamber and its members participated in workshops on water resource thematic issues, with internal and external experts, to identify the issues and enhance the content of the working papers.

To date only the inception report and the overarching framework have been approved. A number of working papers that focus on water resource management and enabling thematic issues are being developed.

DWA: Olifants River Reconciliation Strategy

In an effort to review the National Water Resource Strategy, the DWA is developing reconciliation studies in water catchment areas. The development of a reconciliation strategy for the Olifants River water supply system is one of the initiatives that would feed into the revision of an overall review of the National Water Resources Management Strategy. In July 2010, the DWA hosted a stakeholder workshop, the objective of which was to consider all possible options to reconcile water requirements and water availability in the study area and to decide which of the options should be investigated further. The mining sector was



identified as one of the key economic stakeholders within the Olifants Water Management Area.

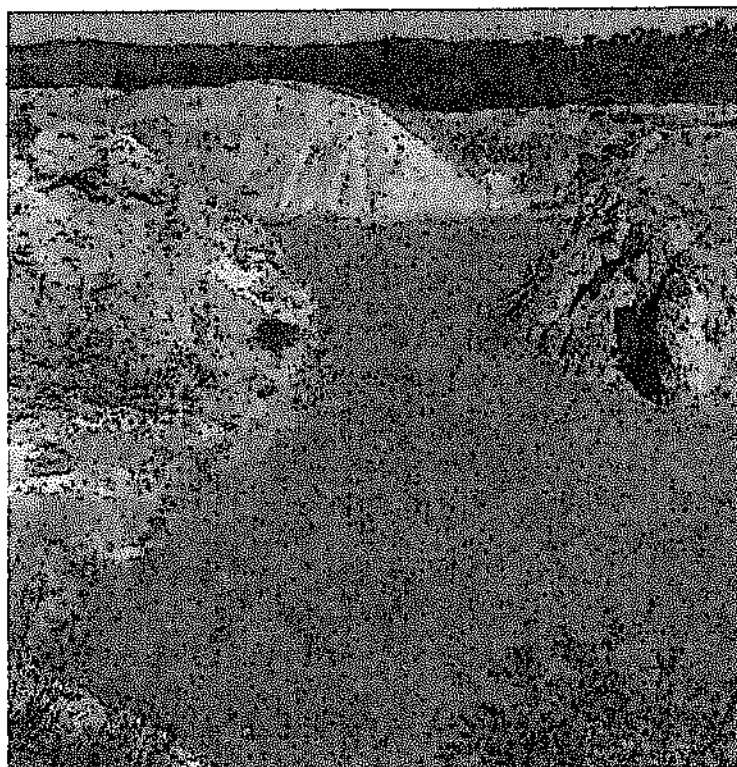
The Chamber also participates in the development reconciliations studies on other catchment management areas within South Africa to ensure that the interests of the mining industry are taken into consideration during the processes of water planning.

Water Conservation and Demand Management Framework Guidelines

The Directorate: Water Use Efficiency of the DWA commissioned a project in 2005/06 to develop a *Generic Water Conservation and Demand Management (WC/DM) Framework Guideline for the Mining Sector*. Since then the DWA has collaborated with the Chamber to update the document. The guideline will assist the DWA and the mining industry to assess, plan and manage the WC/DM and improve water efficiency in the sector.


The updated document also addresses the implementation and relevance of the proposed framework in other mining activities such as quarrying. The final guideline document should be adopted during 2011.

The DWA recently established a WC/DM reference group to facilitate and co-ordinate the development and monitoring of an effective sector-wide water conservation and water demand management programme. The reference group (in which the Chamber is represented) should report on its activities to the Water Sector Leadership Group (WSLG) by March 2011.



Development of a national climate change policy

South Africa, as a party to the United Nations Framework Convention on Climate Change (UNFCCC), is required to participate and undertake some of the responsibilities of the convention. The UNFCCC meeting in Copenhagen in December 2009 was expected to produce a binding agreement for emissions reduction post-2012. However, given the nature of climate change negotiations, which cannot be divorced from the impact of mitigation measures on individual countries' economic development, a proposed agreement could only be entertained when high emissions per capita countries, such as South Africa, committed to some emissions reduction. Consequently, South Africa committed to a greenhouse gas (GHG) emissions reduction of 34% by 2020 and 42% by 2025.



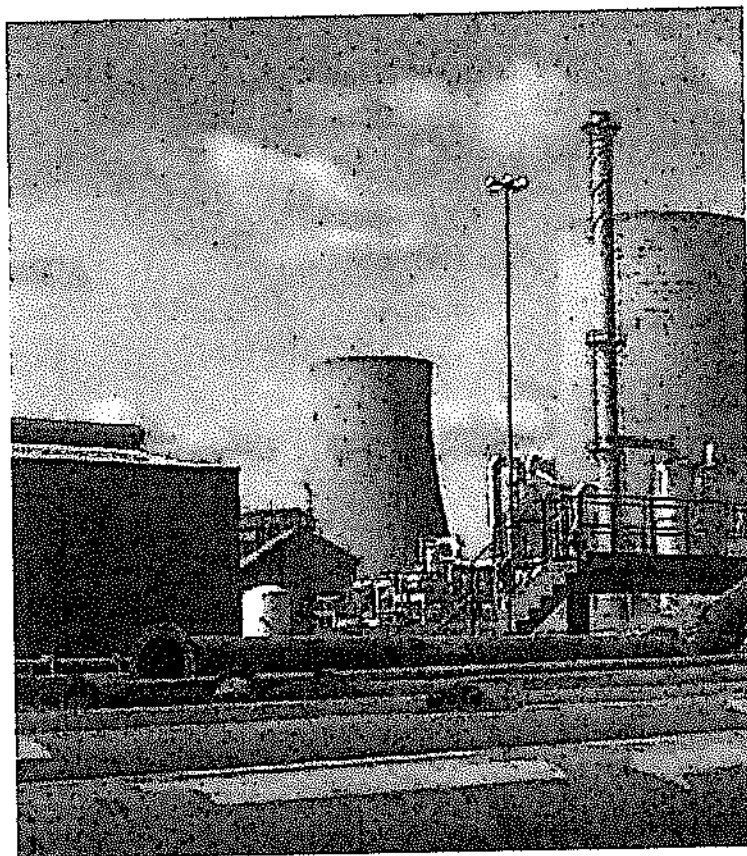
Government developed a national climate change policy to facilitate the realisation of the country's GHG targets. The basis of this policy is the *Long Term Mitigation Scenarios* (LTMS) study undertaken by the DEA and subsequently approved by Cabinet in 2007. To this end, the Chamber engaged the DEA on the GHG data for the mining industry. The GHG data would feed into the national inventory to determine a baseline for the country's emissions.

During the Busa/ERC-DEA meeting, the department expressed its intention to hold discussions on the draft green paper on climate change by September 2010. Public engagement on the draft green paper on climate change will take place after government discussions.

Sustainable development debate

Economic, social development and environmental protection are all essential elements of sustainable development. The nexus between economic development and the conservation of natural resources has been a subject of recurrent debate. One of the more visible and controversial debates centres on the impacts of the mining industry on the environment, however, mining produces goods essential to society's developmental needs and makes a substantial contribution to the economy. Reconciling economic and social development opportunities with the need for biodiversity conservation and environmental protection, requires the development of more strategic and integrated approaches to land use planning and management to assist societies in making informed decisions. The mining and metals

industry's biodiversity conservation performance is under increasing scrutiny from regulators, NGOs, commentators and financial analysts. Demonstrating a commitment to biodiversity conservation is now an essential element of sustainable development for the mining and metals industries.



Water Sector Leadership Group

The Chamber is a member of the WSLG, which was established by the Department of Water Affairs and Forestry (now the Department of Water Affairs). The WSLG is the highest non-statutory strategic sector partnership forum for the South African water sector. The WSLG provides a platform for dialogue, planning, reflection and monitoring of water sector

policy, legislation, strategies and programmes towards improving sector performance and directly contributing towards improved co-ordination of planning. The WSLG performs the following functions:

- It serves as a think tank for the water sector and prepares a national action agenda for

the implementation of water sector policies, strategies and programmes

- It provides recommendations on policies, legislation, programmes and strategies and serves as a forum for stakeholder consultation and involvement. The Chamber is a standing member of the executive committee of the WSLG and its working groups.

Nedlac: FRIDGE project

The FRIDGE project on the viability of using economic instruments to achieve emissions, aims to achieve a better understanding of the policy mechanisms available to achieve emission reductions, and the potential impacts on industry. The project focuses on direct emissions and indirect emissions from electricity. Non-electricity indirect emissions are excluded from the analysis.

In terms of the UNFCCC, South Africa is a non-annex 1 party, and as such there are currently no firm obligatory targets for GHG emission reductions. However, the country, as one of the high-intensity GHG emissions countries, committed itself to non-binding emissions reduction targets during the climate change meeting in Copenhagen.

Radiation issues

The Chamber engages with the National Nuclear Regulator (NNR) on all radioactive issues affecting the mining industry.


There is continuous interaction between the Chamber and the NNR on current initiatives around the management and prevention of radioactive

water and ensures that sound policies, laws, strategies, programmes and institutions are developed to achieve the goals of the Water for Growth and Development framework document

- It facilitates dialogue between government departments, civil society and the private sector on input, support and contributions to improve

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contamination in the Wonderfontein spruit catchment area. The mining companies in the area have come together to form a mining interest group and the Chamber assists in the interaction of the group with the NNR and other stakeholders.

National Business Initiative

The National Business Initiative (NBI) was established when the Urban Foundation and Consultative Business Movement merged. It is a business coalition focusing on the role of business in sustainable development. The Chamber co-operates with the NBI on the implementation of the Energy Efficiency (EE) Accord. The Energy Efficiency Technical Committee oversees the EE process and has developed a monitoring and reporting guideline. Other issues under discussion with NBI are climate change, sustainable development and the UN Global Compact.

Water Institute of Southern Africa (WISA)

WISA provides a forum for exchange of information and views to improve water resources management in southern Africa. The Chamber participates in most WISA divisions and is a standing member of the management committee of the Mine Water Division, which was established to execute activities aimed at improving the practice, status and professionalism of water management in the mining industry.

During 2009, WISA's mine water division and the International Mine Water Association hosted an international mine water conference. The Chamber's environmental department formed part

of the co-ordinating committee and the Chamber's chief executive delivered the opening address. Not only was there an outstanding technical programme covering unique local and international developments in the field of mine water management, but there were also pre-conference technical workshops and post-conference technical tours to visit mine water management facilities at major mines.

The Chamber is assisting WISA's mine water division in planning a symposium for November 2010, which will mainly focus on mine water management.


The Chamber participated at the bi-annual WISA conference in Durban from 18 to 21 April 2010.

ICMM participation

The Chamber is one of 27 national and commodity association members of the ICMM. The environmental adviser's office participates in the Association's Co-ordination Group, Environmental Stewardship and Biodiversity Task Force and is a correspondence member of the Integrated Materials Management Task Force and the Community Development Task Force.

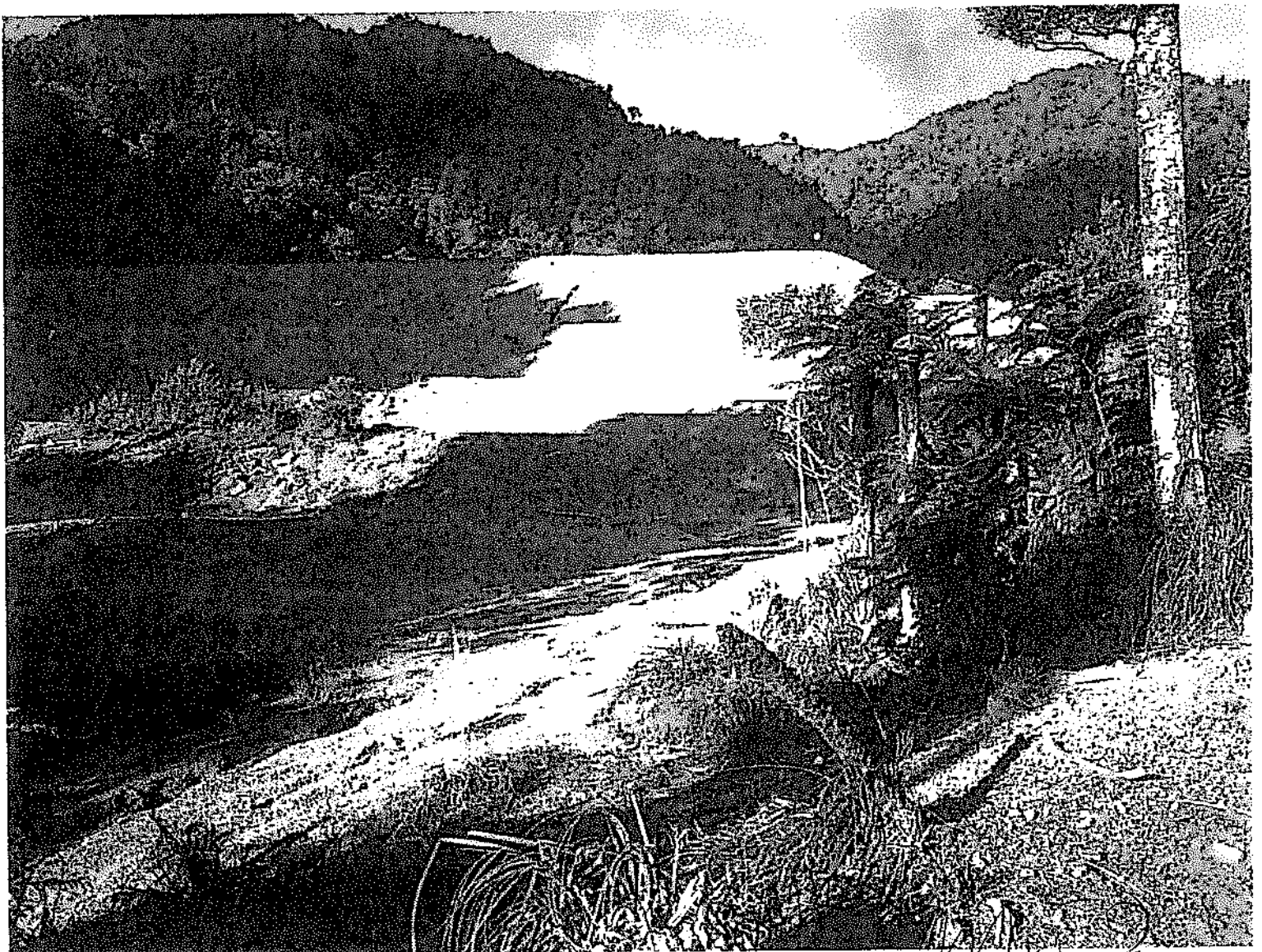
United Nations Commission on Sustainable Development

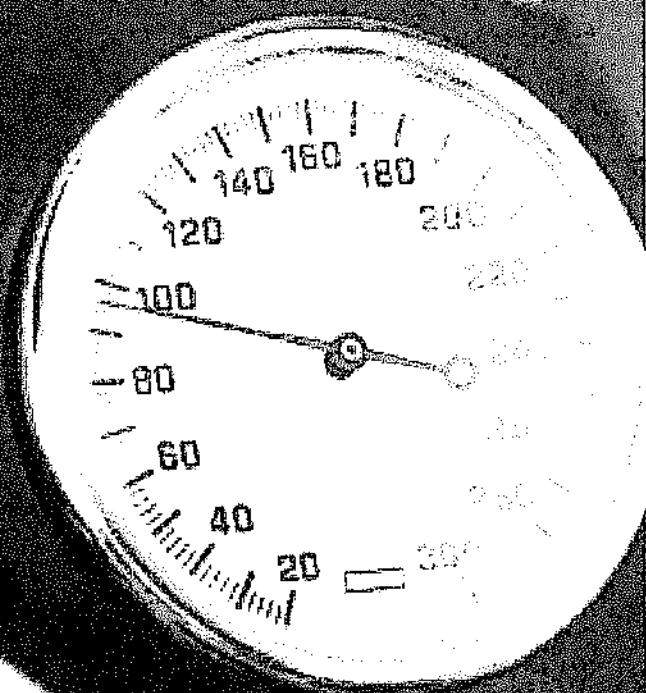
The Commission on Sustainable Development (CSD) meets annually in New York, in two-year cycles with each cycle comprising of a review year and a policy year and focusing on selected thematic issues. The session to facilitate the review was held at the beginning of May 2010 and the environmental adviser's office was part of the South African delegation.



The 2010/2011 cycle focuses on transport, chemicals, waste management, mining and sustainable consumption and production patterns. South Africa submitted a report outlining progress towards achieving sustainable development goals. The Chamber contributed towards the drafting of the report. South Africa's paper focused on the implementation of the Johannesburg Plan of Implementation targets and the Millennium Declaration Goals and Agenda 21; lessons learnt and best practices; and trends, constraints, challenges and emerging issues.

South Africa's report noted that there had been significant change in the mining, minerals and metals sector since the WSSD in 2002. Substantial changes to mining legislation have occurred and policies and guidelines have been developed in response to the changes in the legislation. Mining companies are taking initiative in their sustainability policies and reporting. The mining, minerals and metals industry still faces numerous challenges to meet targets for transformation, health and safety and environmental issues.





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During the year under review, the Chamber's Health Unit continued its initiatives aimed at improving the health of mine employees. These endeavours were mainly in the areas of control of noise and dust; control of tuberculosis (TB) and HIV/AIDS; the Mine Occupational Health and

Safety (MOSH) Learning Hub; the implementation of the Ex-Mineworker Project; participation in Mine Health and Safety Council (MHSC) committees; and advice to the Compensation Fund under the Occupational Diseases in Mines and Health Act (ODMWA). Work was also undertaken in the medico-legal examination of mine deaths.

State of health in mining

The challenge of poor health statistics for the mining industry continues, with no formal report available from the DMR for 2009.

Tuberculosis

According to data from the DMR, 4 639 cases of occupational TB were reported by the industry in 2008. This figure is in line with figures collated for the Chamber's Sustainability Report, which has around 4 000 cases reported annually from 2005 to 2007.

Chamber data from 2005 to 2008 (figure 2) suggests that TB incidence rates in all mines, including gold mines, declined. The industry's incidence rate fell from 1 259/100 000 in 2005 to 884/100 000 in 2008, while in the gold industry it dropped from 2 581/100 000 in 2005 to 2 267/100 000 in 2008. The incidence of all forms of TB in South Africa was 948/100 000 in 2007.

Figure 1: Total diseases reported in mines (source: DMR, 2009)

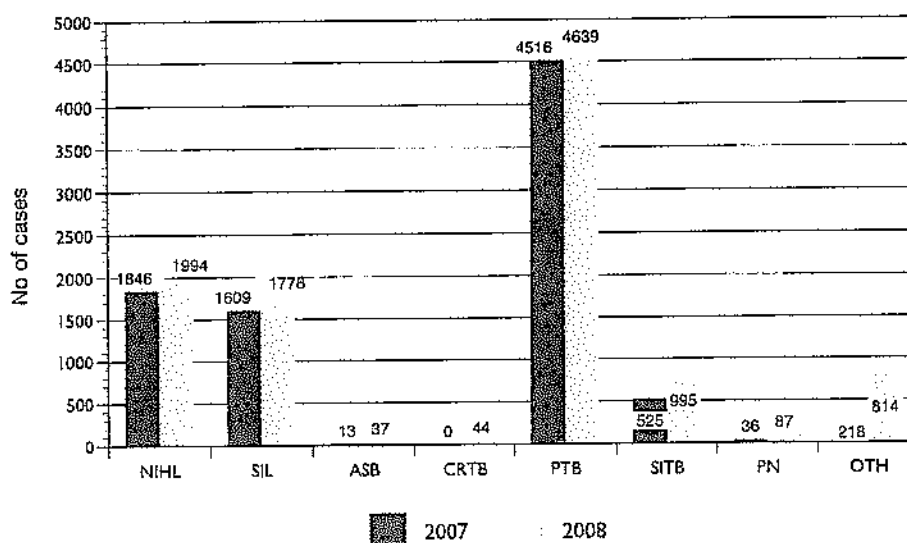
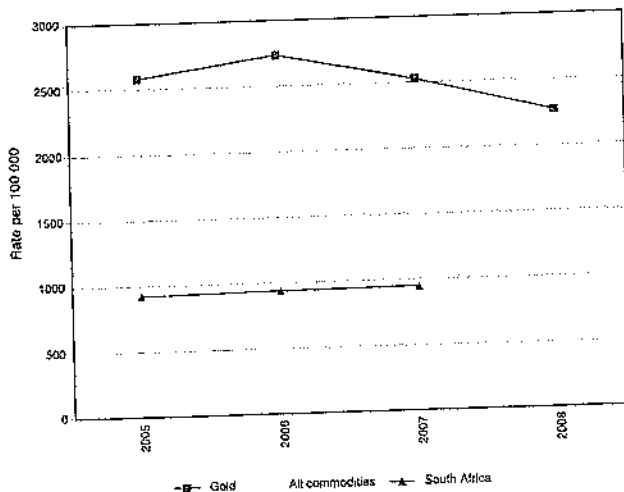


Figure 2: Estimated incidence of TB in SA mines and SA general population
(source: Chamber, WHO)



The key driver of the TB epidemic in the mines is HIV/AIDS, with silicosis also being a factor.

Silicosis

Preliminary statistics for 2009 reveal an increase of silicosis cases year-on-year (figure 3).

Owing to the long latency period for the

development of silicosis, which can be up to 20 years, the more critical indicator of progress on exposure to dust is dust measurements. The percentage of silica dust samples below the legislated occupational exposure limit (OEL) has increased over time, which shows an improvement in dust control.

Noise Induced Hearing Loss (NIHL)

The preliminary statistics for NIHL cases show no improvement compared to 2008. The overall trend of NIHL cases is, however, much lower than from 1998 to 2005.

The policy environment

The Mine Health and Safety Amendment Act was promulgated in 2009 and its implementation is now being refined. The introduction of Section 11 of the Act brought a fundamental shift in investigations into health threatening events. The Chamber is

Figure 3: Number of new silicosis cases recorded in the mining industry
(source: Chamber, DMR)

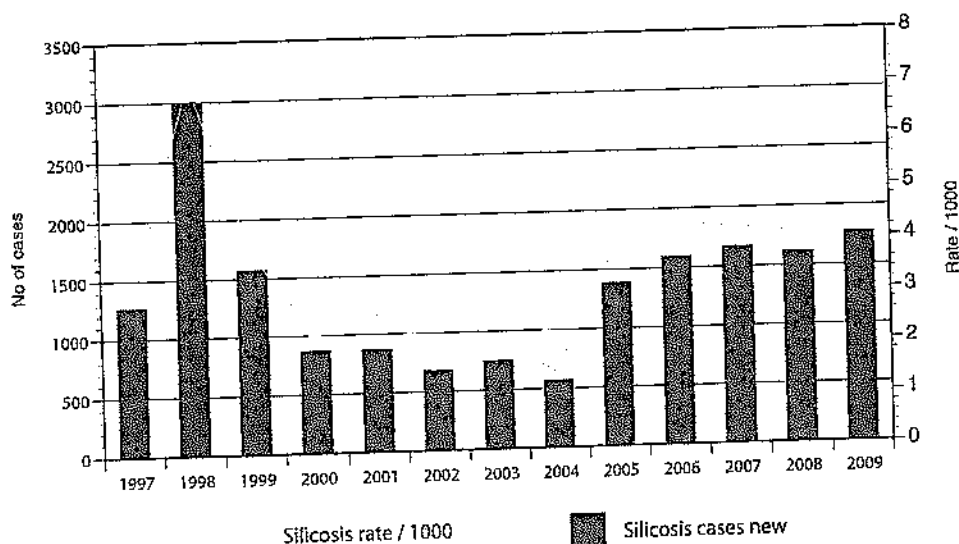
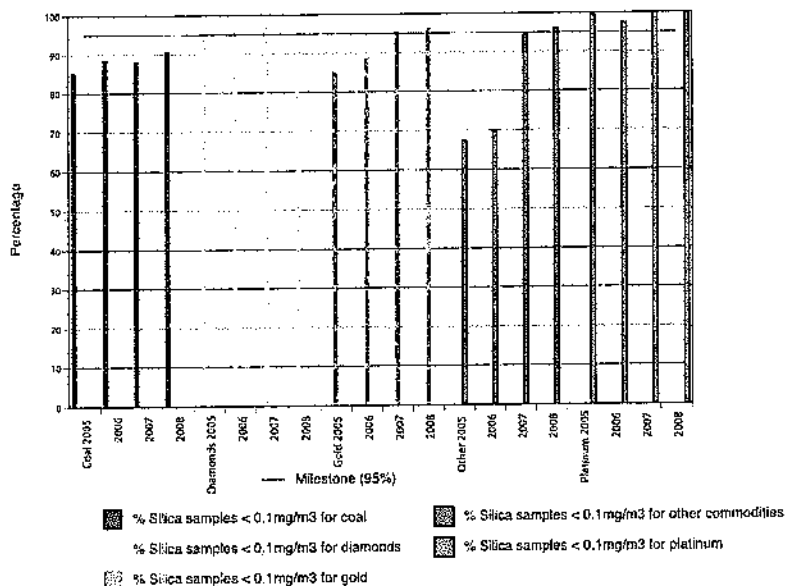


Figure 4: Percentage of silica dust samples below OEL (source: S & T Report)



engaging the DMR in an effort to reach consensus on the interpretation of this section and the expected actions required for various outcomes such as NIHL.

The introduction of a National Health Insurance (NHI) and its anticipated effect on the industry should be clearer once an official policy document

is made available by government for public comment.

Review of strategic focus areas for 2009/10

Control of TB, silicosis and HIV/AIDS

Because these three diseases are interlinked,

Figure 5: Cases of NIHL (source: Chamber, DMR)

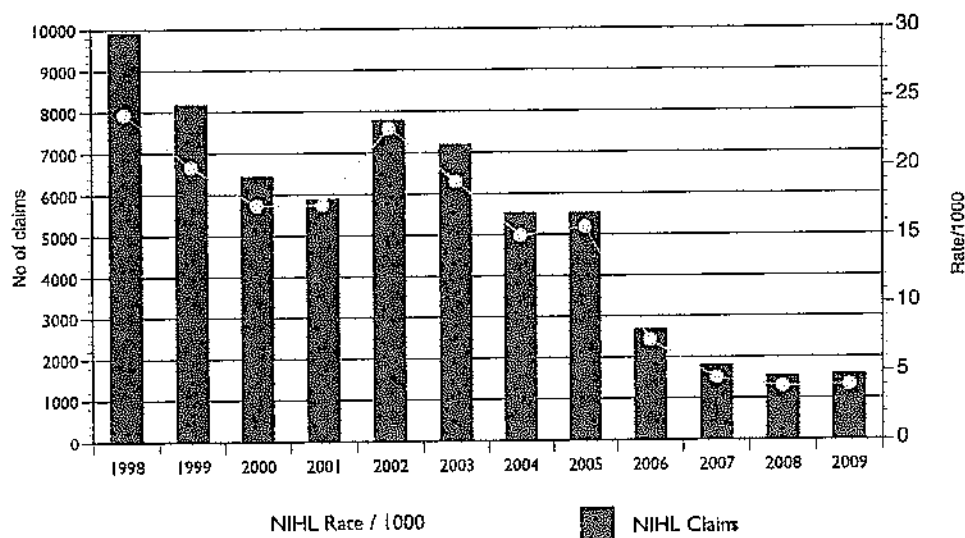


Table 1 : Initiatives at tripartite and Chamber level

Issue	Tripartite initiative	Chamber initiative
Silicosis	<ul style="list-style-type: none"> • Tripartite Action Plan • MHSC research, policy and legislation • Silicosis roadshow 	<ul style="list-style-type: none"> • MOSH • Dust Team • Ex-Mineworker Project
TB	<ul style="list-style-type: none"> • Housing • DMR Guidance Note on TB Control Programmes • DoH-chaired multi-stakeholder TB Task Team 	<ul style="list-style-type: none"> • TB Task Team • Improvements to referral systems, continuum of care
HIV/AIDS	<ul style="list-style-type: none"> • Mining Tripartite HIV/AIDS Committee 	<ul style="list-style-type: none"> • Company Initiatives

the mining industry tends to approach them as a single entity wherever possible. Interventions on TB, silicosis and HIV/AIDS are at three levels: the tripartite level (DMR or Department of Health (DoH), employers and the unions); at Chamber level; and at individual mining company level. Most interventions are at individual company level with advocacy and some projects at the tripartite and Chamber levels.

Initiatives at tripartite and Chamber levels are summarised in table 1 above.

Tripartite initiatives


Tripartite initiatives continue through the MHSC. In 2003, the tripartite industry partners set targets for the elimination of silicosis and NIHL by 2013 and committed to a Tripartite Action Plan. The Tripartite Action Plan has elements such as improving the culture of health and safety, building capacity, promoting an industry that is constantly striving to gain more knowledge around these diseases and improving the health and safety of work

environments. The MHSC is responsible for the implementation of the plan. The MHSC, as part of its broader mandate to improve health and safety on the mining industry, has extensive programmes on research, policy and legislative information. Employers took part in the silicosis roadshows organised by the MHSC in 2009.

The industry's response to HIV/AIDS is led by the Mining Industry Tripartite HIV and AIDS Committee, chaired by the minister of the DMR. The committee's response is encapsulated in a number of approaches: the 2003 Declaration of Intent, the 2006 HIV and AIDS Summit resolutions and the implementation plan adopted after the summit. The plan encompasses various facets such as prevention, care and support, research and human rights. A mining HIV/AIDS summit is scheduled for October 2010.

Chamber initiatives

The Chamber's approach to the TB epidemic



emphasises the elimination of silicosis and reduction of HIV/AIDS, which are the key drivers of the TB epidemic. Refinements to TB programmes are also part of the strategy to control TB. The Chamber's Group Environmental Engineer (GEE) committee and the Health Policy Committee (HPC) lead these initiatives.

Members of the GEE committee identified control of dust as critical and established a working group to advise members on ways to improve dust control.

The working group identified two major areas of concern, namely the sampling strategy and silica analysis techniques. A position paper was prepared to clarify the misconceptions around silica analysis. The group also made a huge contribution towards the revised DMR Airborne Pollutant guideline that addresses the sampling strategy concern. The MHSC is currently reviewing the guideline. The MOSH dust team is a member of the working group and provides valuable input. The MOSH team is in the process of demonstrating the fogger leading practice in the coal sector and has commenced with the next leading practice – footwall and sidewall treatment.

Through its representation on the HPC, the Chamber held extensive consultations with the DoH on TB control during the year under review. This was part of the process of developing strategic engagements on the subject and to foster a better understanding of the ways in which TB is controlled in the industry and improve co-operation in areas where improvement is needed.

A TB task team was established by the Chamber

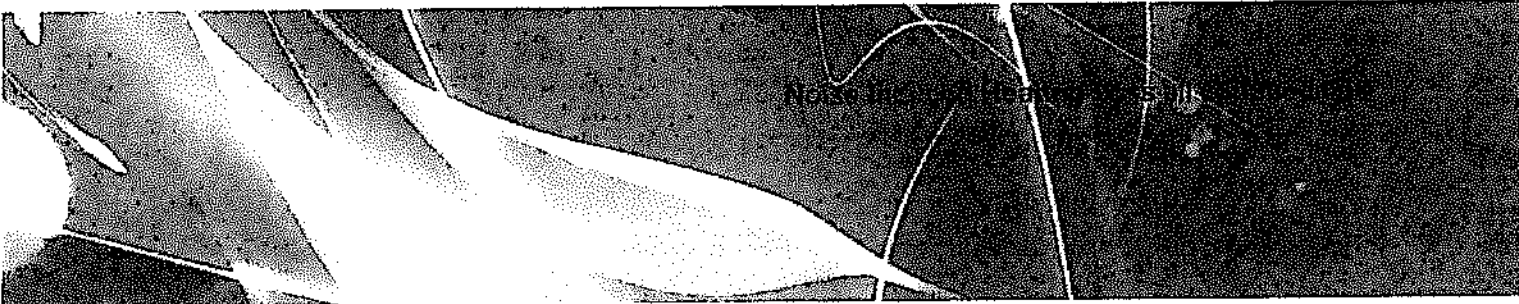
in 2009. Employers committed to and are implementing the following strategies agreed upon at the HPC.

- Collating data on TB to ensure that statistics for the industry are available centrally
- Conducting annual audits of company TB programmes, using the TB review tool
- Providing a continuum of care when miners are isolated during TB treatment, by providing:
 - * a referral letter to the nearest public facility or country
 - * providing, where required, treatment for the remainder of the period
 - * reviewing the patient's condition, on completion of the treatment, and again a year later
- Providing Isoniazid (INH) prophylaxis for HIV positive people and for those with silicosis
- Using Teba to support completion of TB treatment.

The HPC also decided to integrate care for TB and HIV/AIDS as far as possible, since there is a 73% HIV co-infection rate in TB patients in South Africa, making separation of these diseases virtually impossible. It is foreseen that over time experience in the integration of these two diseases will improve.

The industry agreed to support government's HIV counselling and testing (HCT) campaign in collaboration with the South African Business Coalition for HIV and AIDS (SABCOHA).

The Chamber hosted a successful parallel session on TB and the mining industry at the South



African TB conference held in Durban from 1 to 4 June 2010. The aim of the session was to:

- provide an overview of the context, prevalence and response to TB in the mining industry
- present leading practices and successes in control of TB
- explore challenges that still persist and possible approaches for improving TB control
- build partnerships on control of TB in the mining industry.

Case studies from Goldfields, Anglo Platinum and MOSH were shared with the audience. These were followed by a panel discussion with various stakeholders such as the NUM, AIDS Rights Advocacy Southern Africa (ARASA), the National Institute for Occupational Health (NIOH) and Aurum Institute. Although the work done by mining companies was appreciated, it was recognised that various challenges still persist in the management of TB in the industry.



Control of noise

The GEE established a working group on noise control and is awaiting a decision from the MHSC to revise the guideline on noise management.

Although the adoption of the electric rock drill, which is the pilot project of the MOSH noise team,

appears to be slow owing to the huge concomitant financial implications, the leading practice on the hearing protection device selection tool and training and awareness is attracting much interest. The demonstration of the practice is on track and the tool will be available for adoption soon.

Compensation for occupational diseases

The Occupational Diseases in Mines and Works Act, No.78 of 1973 (ODMWA), as amended, governs the compensation for occupational diseases contracted while in the employ of controlled mines and controlled works. Compensation for occupational diseases in non-controlled mines is regulated under the Compensation for Occupational Injuries and Diseases Act, No. 130 of 1993 (COIDA).

The proposed integration of compensation legislation was delayed, as the Department of Labour is no longer tabling this discussion. A formal word from government is awaited regarding the future of compensation systems.

The Chamber continues to provide advice to the Compensation Commissioner for ODMWA. A key area of concern is the 2006 valuation of the fund, and a report is awaited.

Ex-Mineworker Project

The objectives of the project, conceived in 2004 and started in 2008, are:

- to establish occupational health centres at identified government hospitals to provide medical examinations to former mineworkers

- to strengthen the certification and compensation claims process
- to promote sustainable economic projects.

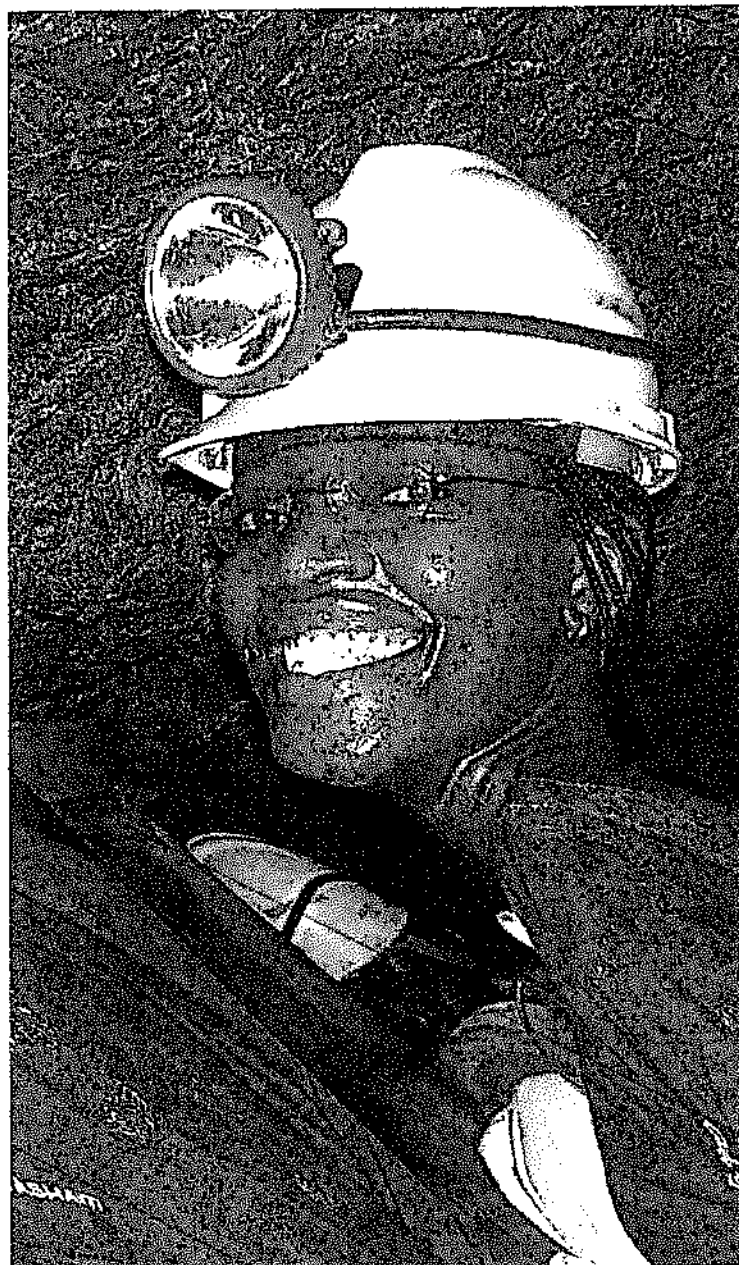
The project is running and sites in Nongoma and Mthatha are being established.

Funding for the second year of the pilot site in St Benedict's Hospital, Nongoma, KwaZulu-Natal ended in June 2010. Following several setbacks, the site is now fully operational and being run by the provincial government. Valuable lessons were learnt and the experience gained will be used on the other sites.

Two sites were identified in the Eastern Cape, but only the one in Mthatha was successfully activated. The Mthatha site involved the renovation of the old Sir Henry Elliot hospital. It is expected to be running in September 2010.

The promotion of socio-economic projects was a great success, with almost 1 500 farmers reached through the project in Nongoma. The support provided ranges from increasing agricultural production, the creation of market linkages, capacity building and technical training, the extension of credit facilities and the introduction of a land rental programme. A similar project is being set up in Mthatha.

The board of the Ex-Mineworker Project identified the sites well ahead of time to enable better planning by the provincial departments. With a full roll-out plan in place, there should be minimal time lost in the establishment of sites.



MHSC committees

The Health Unit participates in a number of MHSC committees, including the Mine Occupational Health Advisory Committee and its technical advisory task teams, the Occupational Medicine and Hygiene Technical Task Teams and the Safety in Mines Research Advisory Council (SIMRAC).



Occupational hygiene activities

Members of the GEE committee attended a strategic workshop in 2009, to identify areas of concern in ventilation/hygiene and to formulate a strategic plan to address these concerns. Besides silicosis and noise control, the following areas were identified and working groups established:

Qualifications

The Chamber is in the process of phasing out the current Chamber qualifications. The working group is liaising with tertiary institutions to design a formal tertiary qualification. The technical reference group within the Mining Qualifications Authority (MQA) is making good progress on the lower level qualifications.

Legislation

Two guidelines were revised during the year:

- *Guideline for a Mandatory Code of Practice for Flammable Gas in Mines other than Coal*
- *Guideline for a Mandatory Code of Practice for Flammable Gas in Coal Mines.*

Both documents were forwarded to the Mining Regulatory Advisory Committee and Legal Drafting Committee for finalisation and it is expected that they will be promulgated before the end of 2010.

The *Guideline on Airborne Pollutants* should be completed within the next couple of months and the revision of the *Noise Guideline* will commence soon.

A proposal was forwarded to SIMRAC to undertake research on diesel particulate matter and vibration to set occupational exposure limits for the South African mining Industry.

Other occupational health activities

Medico-legal investigation of mine deaths


In July 2009, the HPC noted several incidents where there was uncertainty around the roles of the DMR and mining companies on medico-legal examinations of mine deaths. Several meetings were held with the chief inspector of mines and it was agreed that work should be done to:

- clarify the roles of all stakeholders in medico-legal examinations for deaths on mines
- agree on procedures to be followed
- review the DMR guideline on medico-legal examinations.

A workshop of all stakeholders was held in November 2009, that provided valuable material for the development of a guidance note on medico-legal examinations of mine deaths. A task team undertook to draft the guidance note. The document is almost complete and a workshop will be held in the latter part of 2010 to review it. Once approved, this guidance note will clarify the roles of all stakeholders, offer a procedural system in the event of such deaths and improve communication between all role-players.

Conclusion

The year under review was one of great activity in consolidating work initiated by the TB task team. The control of silica dust and noise continue to be a priority for Health and we will continue contributing to, and monitoring progress in reaching the 2013 industry milestones.



Housing Policy & Community Development

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labour policy and community development



Implementation of wage agreements

The Chamber and the unions signed two-year agreements on wages and conditions of service for gold and coal in 2009, thus no centralised negotiations took place in the period under review.

Instead, attention was directed at the implementation of the provisions of the wage agreements. While a number of the issues were addressed at company level, several must be dealt with collectively under the auspices of the Chamber. These include the following:

Winding engine drivers


In the gold negotiations in 2009, there were demands specifically relating to winding engine drivers. These were considered under the guidance of independent facilitation in a process that ran parallel to the main negotiations. After intensive discussion, it was agreed that two main issues needed to be addressed, namely, the training of leaner winding engine drivers and adequate rest breaks because of rapid shift changeovers. A workshop to deal with the former issue took place in February 2010. The latter issue was also initially addressed in February, at which time it was agreed that this matter would be investigated further

at shaft level and thereafter a feedback session would take place. The feedback session took place on 1 June 2010. The unions indicated that they approved of the steps taken by the companies, but requested that the union structures at operational level be involved in the exercise. It was agreed that all the necessary steps to comply with the provisions of the agreement had been taken.

Promotion of home ownership in the coal industry

In the 2009 round of negotiations on wages and conditions of service, it was agreed that a multi-party task team should be appointed for the coal industry to consider ways of effectively promoting home ownership. It was also agreed that government, for example, the National Treasury and the Department of Human Settlements, should be involved in the task team where appropriate. The unions reported that there is a dire shortage of housing in proximity to collieries and that consequently any available housing is priced beyond the reach of most employees. The building of new houses is impeded by the inability of local authorities to provide infrastructure, in particular electricity.

The task team is exploring ways of promoting home ownership. It also investigated subsidies provided by the Department of Human Settlements and the Housing Guarantee Fund to which President Zuma made reference in his February State of the Nation address. President Zuma undertook to create a R1-billion housing guarantee fund to accommodate those who earn too much to qualify for a government housing



subsidy, but too little to access a mortgage from a financial institution. Some of the employees in the coal sector fall into this category. Possible tax incentives are also being investigated.

Personal protective equipment

In 2009, NUM submitted a demand on protective clothing for female employees working underground to both the gold and coal employers. Agreement was eventually reached that a joint gold and coal task team should be established to investigate protective clothing for female employees working underground or in opencast collieries. The parties agree that the provision of suitable personal protective equipment (PPE) for female employees, that does not compromise health and safety, presents numerous challenges. Such challenges include the design of two-piece overalls, sourcing safety shoes, gumboots and gloves in small sizes and helmet design. NUM is particularly concerned about underwear for female employees that can withstand the harsh underground working conditions. The task team was not able to agree on the issue of whether or not underwear for female employees could be classified as PPE and thus should be provided by the employer. The task team was also not able to find a legal solution to this question. It was agreed that research on the issue is required. To this end a joint proposal, in line with agreed terms of reference, was submitted to the MHSC. The MHSC agreed to undertake an investigation into underwear and the broader issue of PPE for women.

Monuments and museums

Engagement with the unions around a mining museum in Johannesburg and the erection of mining monuments in a number of locations with significant mining links are on going. The task team dealing with this matter is visiting various museums to view their facilities and artefacts. It has already been to the Workers Museum and Museum Africa and will be visiting the Apartheid Museum, the Cullinan Diamond Museum and the Talana Coal Museum in KwaZulu-Natal.

Merger of the Mineworkers Development Agency (MDA) and Teba Development

Discussions about the proposed merger of the MDA and Teba Development are continuing. In his 2009 budget speech, the minister of finance indicated that government will consider establishing an agency, to be jointly managed by business, labour and government, to invest in economic development in mining towns or labour-sending areas affected by retrenchments. Teba Development's managing director and the chief executive of the MDA, together with the project's facilitator, have begun to engage the DMR on the feasibility of the merged entity becoming such an agency.

Core Condition Codes for Miners and Artisans

Updating of the Core Condition Codes for Miners and Artisans, both gold and coal, was finalised early in 2010. This had not been done for several years and turned out to be a rather large



undertaking, since many practices and conditions had either changed or simply fallen away. The codes must reflect relevant provisions in the wage agreements concluded over the last decade, as well as new legislation enacted after they had last been revised.

Bargaining council


A major focus of debate between the Chamber and NUM, Solidarity and UASA during the latter part of 2009 and in 2010 was the issue of a bargaining council in the mining industry. There is a long history of collective bargaining in the gold and coal sectors. For this reason, the discussions are more advanced in these sectors than in some of the other commodities. In order not to delay the discussions while other sectors are brought on board, it was agreed that gold and coal would forge ahead while

the other commodities would lag somewhat in separate processes.

Also relatively advanced are the debates amongst the mining contracting companies that will be housed in a separate sub-council of the bargaining council. However, while the largest contractors are members of the Chamber, there is a large number, particularly small contractors, that are not. Therefore, under the auspices of the Chamber, the Association of Mining Contracting Companies, together with the unions, commissioned a survey of the contracting companies. This produced much needed information about the contracting landscape, about which very little was known. The Chamber's Industrial Relations Service has since pursued engagement on the bargaining council with some of the contracting companies that are

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not members of the Chamber since, if the members of a bargaining council are sufficiently represented, agreements that are reached in a council can be extended to all the contracting companies regardless of whether or not they were party to the negotiations that led to their finalisation.

Traditionally, negotiations in the platinum sector are conducted at company level and wages and conditions are not standard across the commodity. A survey of the platinum sector was undertaken as information was needed on the number of employees in the sector as a whole for purposes of determining representivity as required by the Department of Labour (DoL). The Department will not agree to extend agreements to non-parties if those companies that are party to the bargaining council are not sufficiently representative of the sector as a whole.

A first draft of a constitution for a bargaining council for gold, coal and contractors was prepared and is being studied by the employers and the unions. This draft constitution is based on the so-called "principles document" that records the agreements reached during a lengthy period of negotiations between the Chamber and the unions. While good progress is being made, there are still some very important matters that have to be finalised. Foremost amongst these are the exemptions procedures, issues relating to smaller companies, the dispute resolution function and thresholds for membership of the council for both unions and employer organisations. A bargaining council would have important ramifications for the industry, particularly for smaller companies, and

it is critical that the final exemption criteria are balanced and fair so that overly onerous wages and conditions negotiated at the centre are not imposed on smaller companies.

Quarterly round tables with the unions

Agreement was reached that the Chamber and the unions would hold quarterly meetings to discuss matters that impact on the future of mining in South Africa generally, and issues relevant to the industrial relations sphere in particular.

Several themes emerged during the course of the discussions. Foremost amongst these is the need for the parties to build a sustainable and on going relationship. The point was made that systematic engagement only takes place every two years during the wage negotiations. This environment is confrontational and not conducive to building real relationships. There should, therefore, be more frequent and open engagement on issues that affect the mining industry as a collective. Further, the parties need a different content to their engagements and also a different mindset. The mining industry, particularly in gold, faces many challenges and overcoming such challenges would stand a greater chance of success if the parties work together on collective solutions.

Other issues that have been raised, include:

- the need to develop innovative solutions to common challenges
- the timing of the wage negotiations and the large number of demands presented by the unions
- the benefits of engaging on the state of the



mining industry prior to negotiations

- the feasibility of a course on mining industry negotiations
- the possibility of a different formula being used to arrive at reasonable wage increases.

A standing item on the agenda is the implementation of the wage agreements. Issues such as transformation, particularly regarding women in mining, Fanakalo and a protocol to govern bargaining were also addressed.

MIGDETT

MIGDETT comprises representatives from the DMR, the unions, the Chamber and the South African Mining Development Association (SAMDA). After

a period of relative inactivity, in 2010 MIGDETT re-started its work with renewed vigour, focusing on the formulation of a growth and transformation strategy for the South African mining industry.

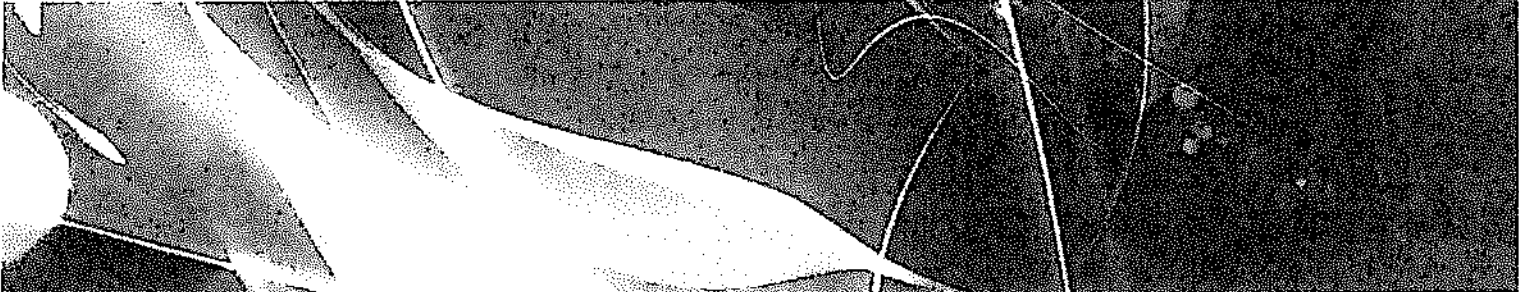
MIGDETT targets were set in respect of employment equity. The objective is to achieve, by 2014, a minimum of 40% historically disadvantaged South Africans in a number of occupational categories at the management level, including top management.

Housing and living conditions were the subject of considerable debate during the negotiations on the declaration. Ultimately, it was agreed that the industry would strive to achieve a target of one person per room by 2014. It also undertook to convert hostels into family accommodation by 2014 and to promote home ownership amongst employees.

Amendments to labour legislation

Amendments to the Employment Equity Act (EEA), the Labour Relations Act (LRA) and the Basic Conditions of Employment Act (BCEA), including provisions relating to labour brokering, were the subject of considerable debate in Nedlac, which established a number of task teams to deal with the matter.

The task teams completed their deliberations on a discussion document prepared by the DoL and their reports were submitted to the minister of labour. The DoL drafted the amendment bills and these will be sent to cabinet after a regulatory impact assessment has been completed. The department set a deadline of August 2010 for



submission of the regulatory assessment report by the external business environment specialists contracted to undertake the assessment.

The Industrial Relations Adviser served as the chief negotiator for employers in all the Nedlac processes, other than the one dealing with labour brokers. She will again take on this role when the bills are referred back to Nedlac for negotiation by the stakeholders.

Future of the labour courts

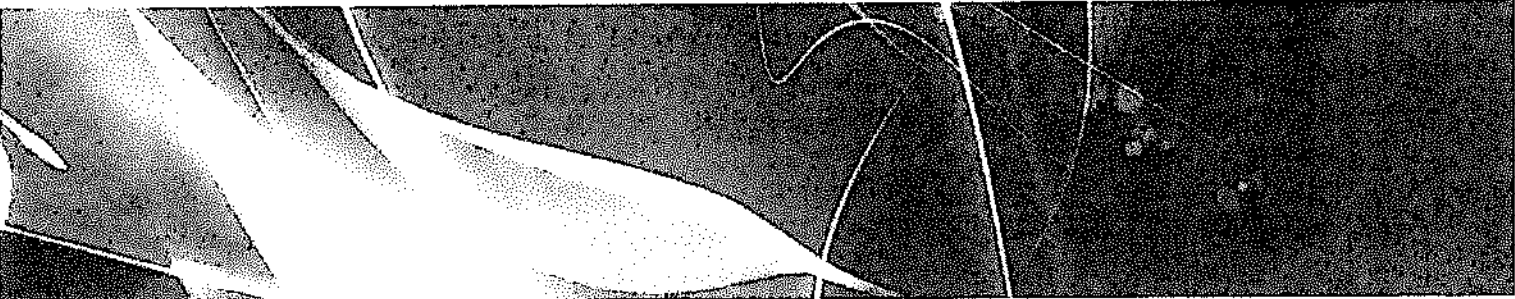
On 3 May 2010, the Department of Justice and Constitutional Development (DOJ) explained the content of its latest version of the Superior Courts Bill to Nedlac and sought written comments on the Bill. Busa submitted comments as requested. On 21 May 2010, the DOJ again met with Nedlac and informed Nedlac that it was going to publish, for public comment, the Superior Courts Bill and a Constitution Amendment Bill in the Government Gazette later that day. The DOJ also informed Nedlac that it had taken some of the concerns raised by Nedlac at the previous meeting on board and had addressed them in the published version of the Superior Courts Bill. One of the key issues that was addressed, was the right of representation in the Labour Matters Special Division by the same parties who are currently able to represent disputing parties in the labour courts.

Nedlac met again on 18 June 2010. The DOJ mentioned that the minister had met with the newly appointed judge president (JP) of the labour courts to obtain his and his judges' views on the future of the labour courts. Nedlac indicated that it would



like to meet with the new JP of the labour courts to hear the judges' views on the future of the labour courts. This meeting took place on 25 June 2010.

In essence, the judges support the proposal to retain the current labour specialist court in the form of the Labour Matters Special Division of the High Court with national jurisdiction. They also welcomed the recognition in the Bill that labour court judges should be afforded the same tenure and conditions of employment afforded to judges of the High Court. However, the judges believe that a labour court ought not to comprise listed judges of the General Divisions of the High Court (as provided in the Superior Courts Bill), but that the court ought to be established as a separate, functional division of the High Court, comprising judges permanently appointed to that court. They are thus in favour of the current system in terms



of which judges are appointed to the labour court alone. The judges are also of the view that the current Labour Appeal Court ought to be retained as a separate specialist court with the status of the Supreme Court of Appeal, i.e., with appeals from that court being directed only to the Constitutional Court.

Currently, the DOJ is processing the responses it received from the public in respect of the two bills. It is also taking cognisance of the written responses it received from both Busa and organised labour. In addition, It is engaging with the JP of the labour courts and with the rest of the judiciary. Thereafter, further engagement with Nedlac will take place.

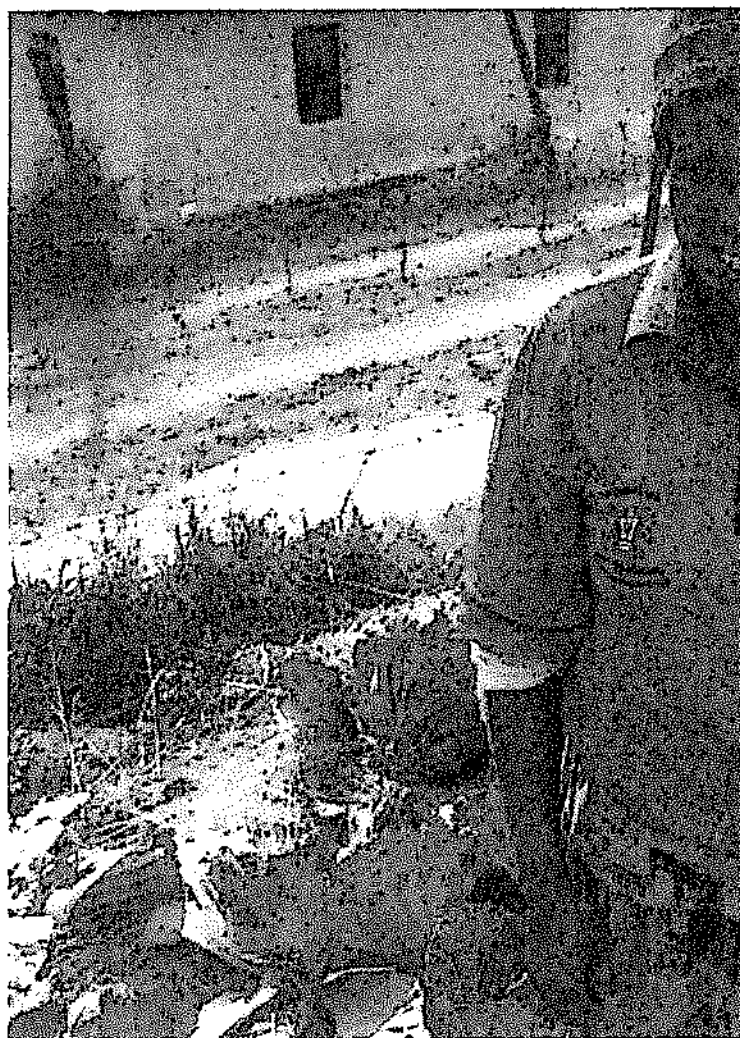
The industrial relations adviser represented employers in the one-a-side Nedlac task team that dealt with this matter.

Mineworkers' Provident Fund (MPF)

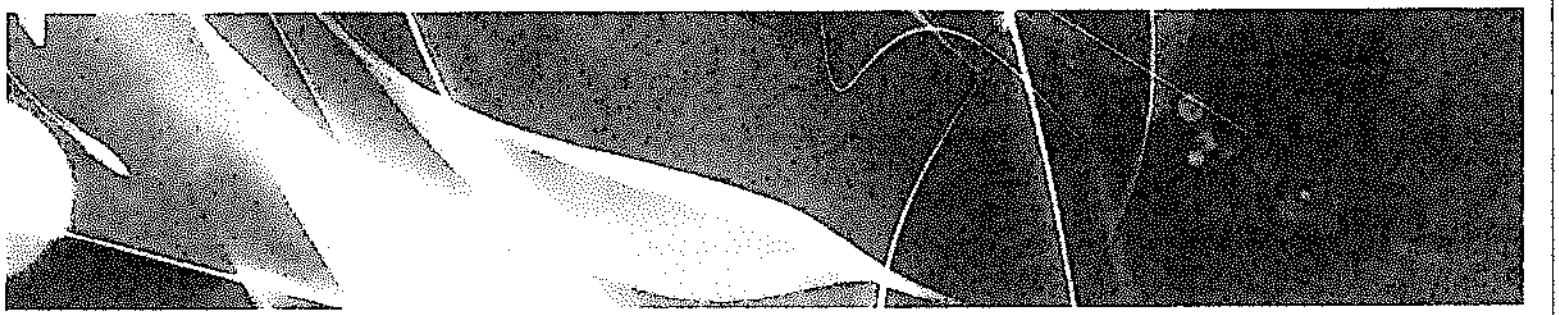
Considerable engagement took place around the proposals by the MPF to investigate the feasibility of self-administration.

PricewaterhouseCoopers (PwC), was instructed by the Chamber and NUM to prepare a report on the issue of administration, including that of self-administration by the MPF. Of particular importance is PwC's recommendation that the MPF should seriously consider co-sourcing as an administration model as opposed to either a complete outsourcing model (which is the current model with Momentum as the administrator) or a complete self-administration model. As regards the major issue of unclaimed benefits, PwC recommends that the MPF should consider

the separation of the unclaimed benefits into a separate fund and thereafter outsource this fund to a specialist service provider. This would provide specific focus and drive in clearing the backlog of claims in an agreed timeframe based on agreed performance criteria. The Chamber and NUM



provided the MPF's principal officer with the PwC report for circulation to all the members of the MPF's board of trustees. In addition, the Chamber and NUM met with the board of trustees to discuss the report. While the MPF's trustees must remain



completely independent, it was asked that they take into account the recommendations made by PwC in their deliberations on self-administration.

Community Development Forum

In 2008, the Chamber established a Community



Development Forum and responsibility for this structure was assigned to IRS. The forum comprises senior representatives of the companies charged with community development initiatives and the

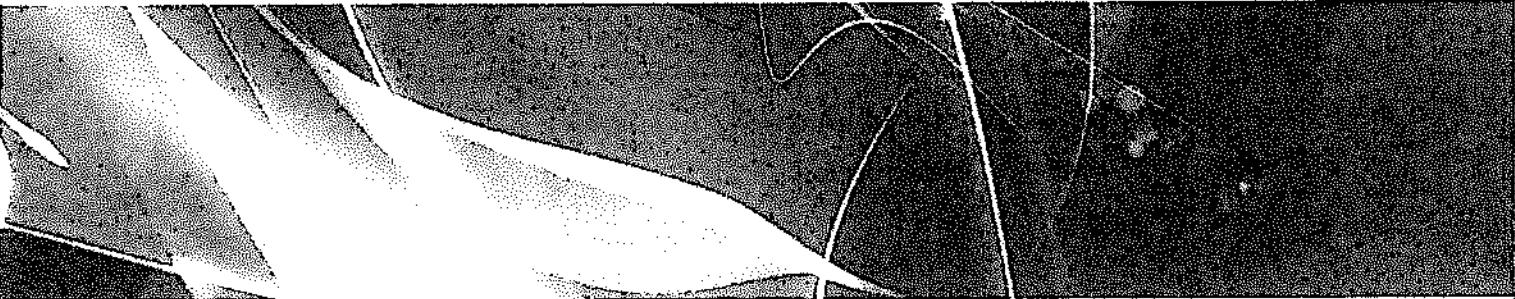
implementation of social and labour plans.

Previous liaison with the Department of Land Reform and Rural Development focused on sharing information on the department's community development initiatives and serious attention was given, during discussion in 2010, to exploring possible collaboration between the department and the mining companies, particularly in labour-sending areas. Attention would be on the labour-sending areas in the Eastern Cape and KwaZulu-Natal initially, but the scope of this initiative would be broadened in the future.

Interaction took place with the Platinum Producers' Forum that operates very successfully on collaborative projects in the Rustenburg area. The platinum mines realise that they can achieve better results with their community development projects if they work together. The coal and gold companies are considering if such forums for their commodities might deliver similar results.

ILO Study on the use of sanctions by labour inspectorates

Professor Paul Benjamin was commissioned by the International Labour Organisation (ILO) to prepare a paper on the use of sanctions by labour inspectorates in South Africa. The study will cover enforcement and the use of sanctions under the Occupational Health and Safety Act, the BCEA (including sectoral determinations), the EEA as well as labour-related laws administered by other departments such as the Mine Health and Safety Act. Part of the research project includes ascertaining the views of organisations



representing employers and workers on the use of sanctions and the manner in which labour inspectors administer them.

Other interaction

Busa and Nedlac

The industrial relations adviser chairs the Busa Standing Committee on Social Policy and the senior policy analyst is a member thereof. The latter is also one of the employer representatives on the Labour Market Chamber of Nedlac.

Judicial Services Commission

The Nedlac parties are accorded the right to participate in meetings of the Judicial Services Commission when this body meets to interview and appoint judges for the labour court. Each stakeholder is permitted to nominate one representative to serve in this capacity; the Chamber's industrial relations adviser represents employers.

Tripartite Technical Committee on HIV/AIDS

The main representative on this Technical Committee is the Chamber's health adviser, but IRS participates in meetings as some of the issues discussed have industrial relations implications.

Interaction with Chamber members

IRS administers the Chamber's Labour Policy Committee (LPC). This structure comprises senior industrial relations and human resources

managers nominated by the companies across all the commodities and includes representatives of the mining contracting companies that are members of the Chamber. It meets monthly to discuss labour-related policies and issues and also industrial relations issues that have an impact on the mining industry. Where required, the collective positions developed by IRS and mandated by the LPC are fed into national debates, either by the Chamber itself or through Busa.

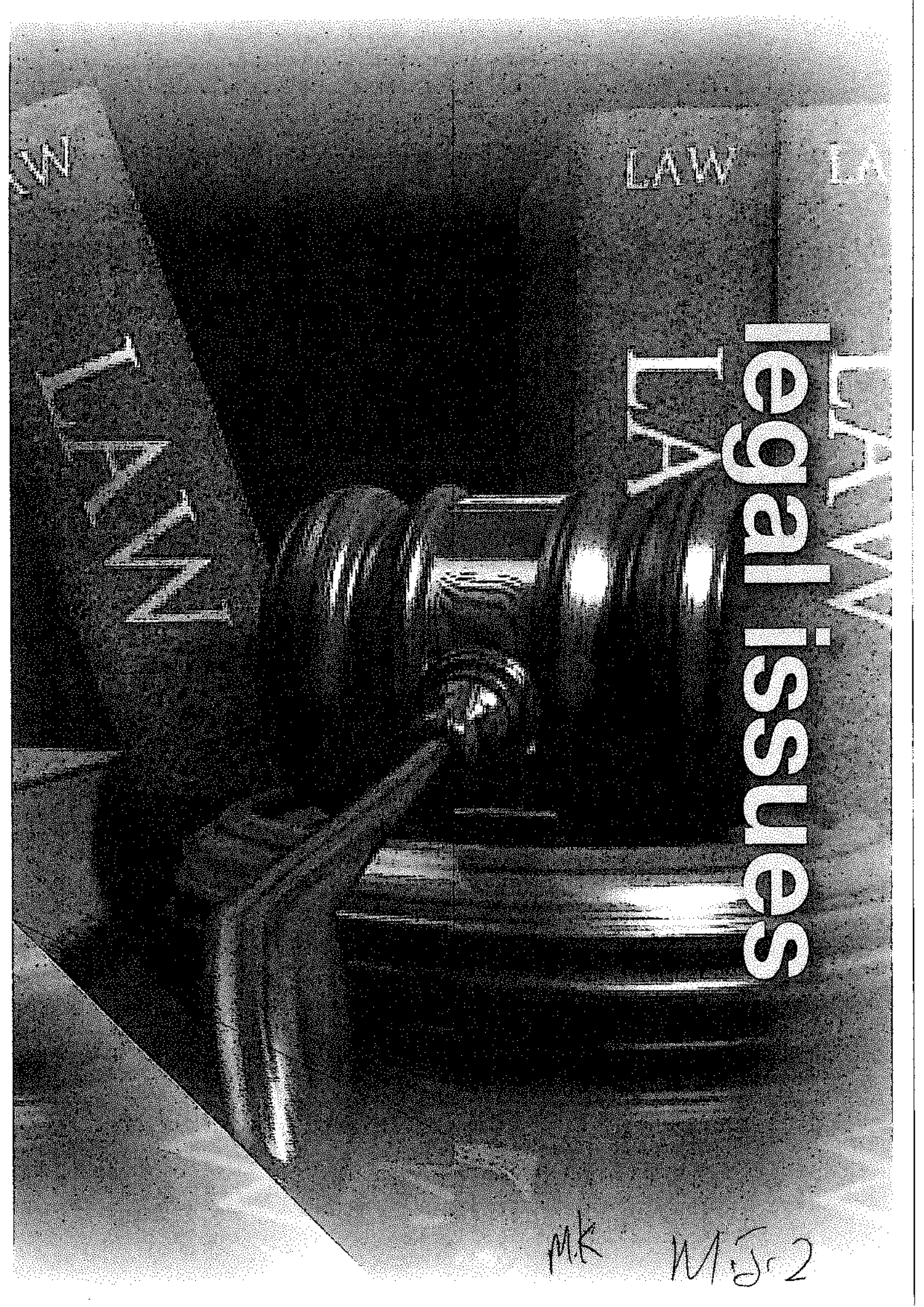
In addition to providing a collective bargaining and advocacy service, the Chamber's IRS also assists members with queries and provides information on labour-related matters. It also produces a quarterly *Labour Policy Digest*, which contains articles on topical labour policy issues.

Most Influential Women in Business and Government

At a function at Gallagher Estate held on Friday, 30 July 2010, Dr Elize Strydom, the Chamber's industrial relations adviser, was presented with the *CEO Magazine's* 2010 Most Influential Women in Business and Government (mining category) award.

IRS team

In August 2010, IRS was pleased to welcome Phillemon Motlhamme as a member of the team. He is a lawyer by training and comes from the platinum industry. He will serve as the Chamber's assistant industrial relations adviser.



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LA legal issues

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Companies Act, 2008 and regulations

The new Companies Act of 2008 was passed into law in April 2009, but is not yet in force. An Amendment Bill was published for public comment in July 2010. The proposed changes to the Act were prepared by the Department of Trade

and Industry on the initiatives of Busa (of which the Chamber is a member) and other industry bodies. Regulations are also being drafted to facilitate the administrative processes provided for in the Act. At this stage, there is no indication as to when it is anticipated the Act and its Regulations will come into force, but it is unlikely to be in 2010.

Industry retirement funds and unclaimed benefits' distribution

Mines 1970s Pension and Provident Funds

The Chamber administers the Mines 1970s Pension and Provident Funds. With effect from 1 January 2004, the Mines 1970s Pension Fund declared a surplus distribution to members in terms of the Pension Funds Act. Although the cut-off date for applications for a share of surplus closed in September 2005, the trustees of the Pension Fund, in consultation with the fund's statutory actuaries and appointed auditors,

resolved to continue to accept new applications for a share of surplus, which is ongoing.

Both the pension and the provident funds have been converted to unclaimed benefits funds, as neither fund has active members. The funds' assets are invested for growth and protection against market volatility. Tracing initiatives continue unabated to find and pay members and beneficiaries the unclaimed benefits and surpluses due to them, both in South Africa and its neighbouring countries of Mozambique, Swaziland, Lesotho and Malawi.

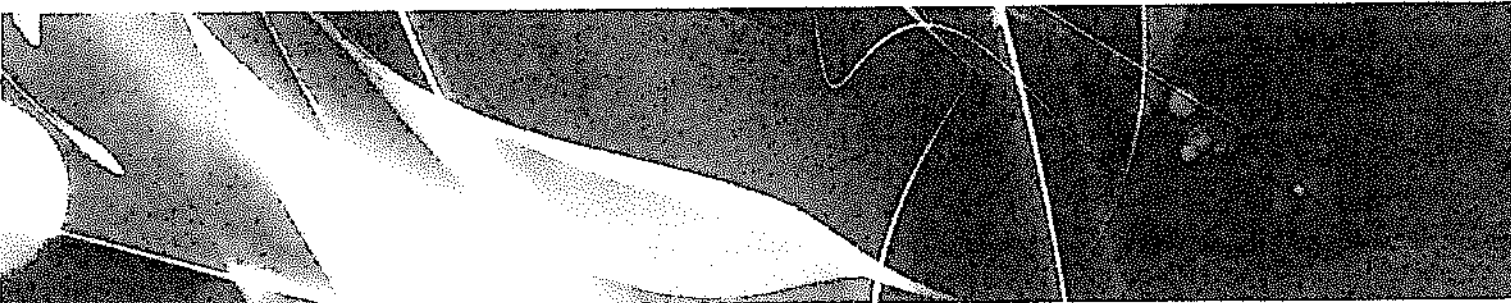
Trustees appointed to industry retirement funds

The Chamber nominates trustees to the boards of various mining industry retirement funds, including the Sentinel Mining Industry Retirement Fund, Mine Employees Pension Fund, the Mineworkers Provident Fund, the Mines 1970s Pension and Provident Funds and the Chamber of Mines Retirement Fund. As at 30 June 2010, the combined assets under management of these retirement funds approximated R69-billion.

The Chamber, with the boards of trustees and administrators of the funds, continues to engage with government, trade unions, industry forums and local communities on various matters of concern to them, and in particular, to identify beneficiaries and distribute unclaimed benefits to those who qualify.

Mineworkers Provident Fund

The Chamber and the NUM, as joint sponsors of the Mineworkers Provident Fund, commissioned



a report from audit firm PwC in March 2010, into the process and objectives of the Mineworkers Provident Fund's stated intention of moving to a self-administration platform.

With the support and co-operation of the fund, its current administrators, Momentum, and its board of trustees, the final report was delivered to the Chamber, NUM and the fund at the end of June 2010. The report offered constructive advice to the board and the officers of the fund on best practice in fund administration using various models, as well as useful guidance to stakeholders in their mutual initiatives to enhance service delivery to the fund's members, beneficiaries and participating employers.

The fund's transition to a self-administered and co-sourced administration platform is currently underway and should be operational by 1 January 2011.

Teba Bank and Teba Bank controlling companies

The Chamber and NUM are trustees of the Teba Fund, which in turn is the sole shareholder of both the Teba Bank and the Teba Bank Controlling Company. In this capacity, the Chamber nominates non-executive directors to the board of the bank to participate in the oversight of the bank's services and its regulatory relationship with the South African Reserve Bank.

The bank provides pension-backed home loans to some of the mining industry retirement funds to which the Chamber appoints trustees and fulfils a vital role as paymaster and "Workers Bank of Choice" to the mining industry. The bank's service and product offering to its target market continues

to be enhanced and expanded in consultation with its stakeholders.

Moratorium on short term insurance guarantees for mining rehabilitation

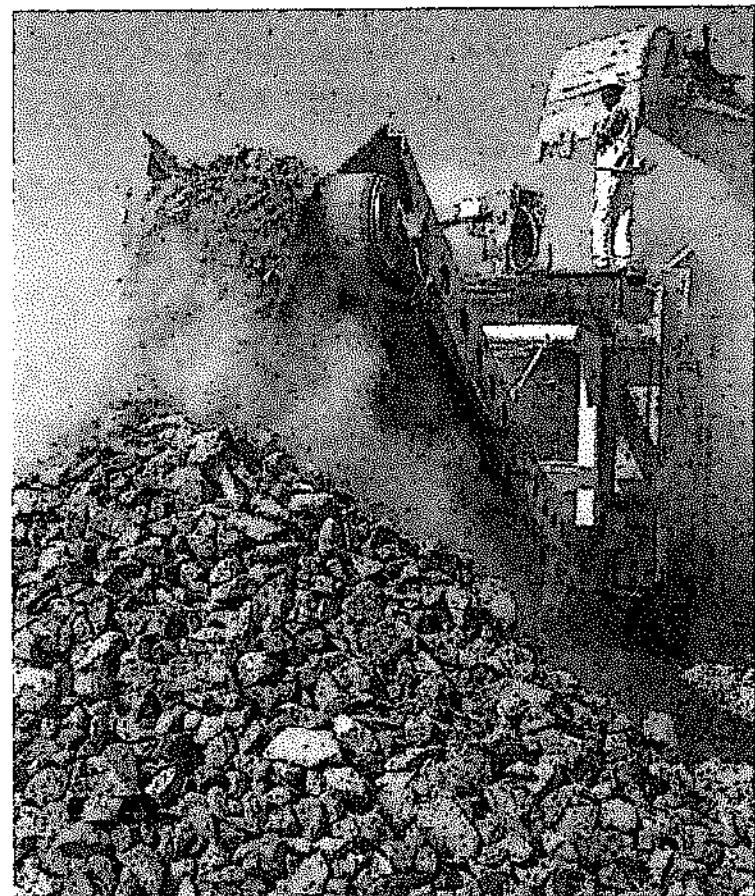
The MPRDA requires that mines make financial provision for the rehabilitation of their mines as a license condition. In the first half of 2009, the DMR announced a moratorium on the acceptance of short-term insurance guarantees for financial provision from mining houses, whilst continuing to accept bank guarantees as a form of financial provision.

While progress has been made in the year under review by some insurers to agree upon forms of guarantee acceptable to the DMR, the market remains small and restricted. To assure members of a full and competitive range of options for financial provision as contemplated by the MPRDA, interactions continue between the Chamber and the DMR to find agreement on suitable forms of financial guarantee to be made available to both large and small mining companies in South Africa.

MHSA and regulations

Mine Health and Safety Amendment Act of 2008

The Mine Health and Safety Amendment Act (MHSA) came into force on 30 May 2009, except for Sections 16 and 26. (These two sections contain certain controversial provisions, which the Chamber contends are unconstitutional.) By not including these sections, effect was given to an agreement reached between the DMR, the Chamber and organised labour in the mining industry in terms



of which the DMR minister would have introduced a new amendment Bill into parliament later in 2009, to amend the two sections and address the constitutional concerns raised by the Chamber.

The amendment Bill was not prepared and at a meeting with the DMR minister on 1 July 2010, she indicated that she was against a piecemeal amendment of legislation. She said that one should look at the MHSA holistically and that the parties should go back to their areas of concern and link those to the DMR's areas of concern.

At the time of writing this report, it was unclear what process or time frame would be followed to identify and address the areas of concern of the different parties and to prepare a new draft bill.


Enforcement guidelines

While the Chamber and its members fully support effective enforcement on the MHSA, serious concerns about unfair and inconsistent enforcement actions arose during the year under review. These concerns particularly related to work stoppages by inspectors under Section 54 of the MHSA, which the industry believes could negatively impact on the competitiveness and sustainability of the industry, as well as on the morale of workers. Furthermore, mines could challenge Section 54 stoppages through legal processes, which would have a negative impact on the relationship between the industry and the DMR. The Chamber became aware that the Mine Health and Safety Inspectorate (MHSI) was preparing a national enforcement policy guideline aimed at ensuring fair and consistent enforcement actions. The Chamber prepared a draft enforcement policy guideline that it provided to the MHSI as input into its document.

At a meeting with the DMR minister on 1 July 2010, the Chamber urged that the guideline be finalised as a matter of urgency and then submitted to the MHSC for consideration. The industry was told that the DMR was in the final stages of finalising the document and the minister requested her officials to ask the regions to consult with DMR head office before issuing Section 54 stoppages.

Conveyor belt regulations

The conveyor belt regulations came into force on 1 February 2008. The industry identified various issues relating to the practical implementation of the regulations. The Chamber held several



meetings with officials from the DMR, at which the industry's concerns were discussed and where it was acknowledged that amendments to the regulations would be required to address some of the industry's concerns. At a meeting with the chief inspector of mines on 17 August he agreed that amendments to the regulations would be drafted for consideration within the MHSC structures.

Shafts and winder regulations

Most of the old Minerals Act regulations were replaced by regulations under the MHSA. One exception is the regulation relating to shafts and winders. Following a process that has taken a few years, proposed new shafts and winder regulations were circulated during July 2010 to the MHSC stakeholders for comment. Chamber members provided comment. The draft regulations will now be revised in the light of these comments, before being finalised later in 2010.

Protection of employees against risks of illegal mining

Because of the numerous risks to employees and other persons created by the activities of illegal miners and those persons who assist them, the Chamber proposed at the MHSC that Section 84 of the MHSA be amended to include prohibitions on various specific activities undertaken by illegal miners and persons who assist them. The MHSC agreed that the matter be considered by MRAC. MRAC appointed a special task team to formulate recommendations. At the time of writing this report, the task team was finalising its recommendations to MRAC.




MPRDA

MPRDA Amendment Act, 2008

The MPRDA Amendment Act was published in the Government Gazette in April 2009. It is to come into effect on a date to be fixed by the president by proclamation in the *Government Gazette*. No such date has been decided upon.

Some of the provisions of the Amendment Act are of concern to the Chamber. The Amendment Act will also implement an agreement between the DMR and the DEA in terms of which environmental matters in the mining industry would ultimately be dealt with under NEMA, after a transitional period.

On 17 August, the minister announced that, as part of a number of initiatives aimed at improving the legislative and administrative challenges being experienced by the South African mining industry, amendments would be drafted to the MPRDA to address various shortcomings that had been identified. The DMR was hoping to take an



Amendment Bill to cabinet in about October for approval.

MIGDETT working group on the regulatory framework

As part of the MIGDETT process, stakeholders were requested to identify concerns relating to the regulatory framework that negatively affect international competitiveness, investor confidence and economic growth. In January 2010, the Chamber submitted a list of its concerns to the other stakeholders. It was then agreed to appoint a regulatory framework working group to consider the concerns raised and to make recommendations aimed at addressing these concerns. The working group held two meetings in June 2010 and a report was submitted to the principals. The report of the working group will form the basis for the draft amendments to be submitted to the MPRDA as announced by the DMR minister on 17 August 2010.

Sub-divisions on new prospecting or mining rights

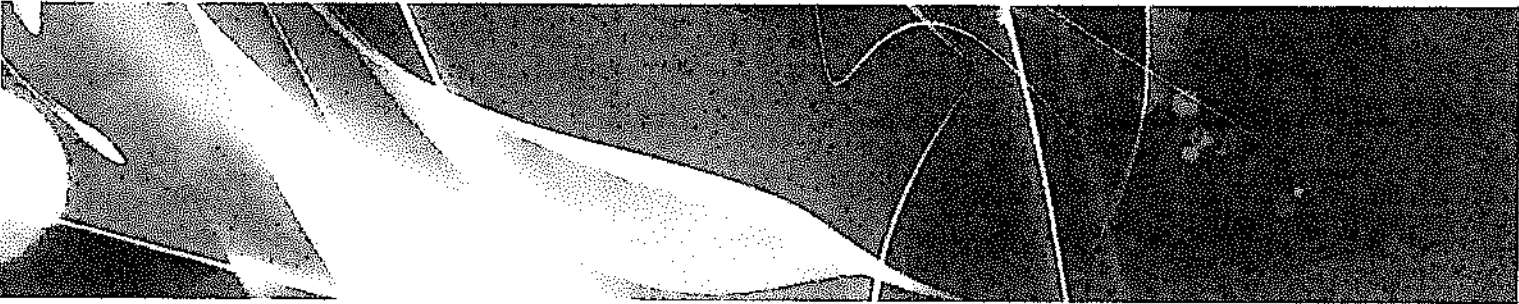
The need to sub-divide and register sub-divisions on new prospecting or mining rights arises from, amongst others, empowerment deals that were concluded during the transitional period. Often such empowerment deals contemplated sub-division of the new, converted rights and cessions of parts of the new rights. Despite advice by senior counsel that the DMR minister and the Mineral and Petroleum Titles Registration Office have the right to grant and register such sub-divisions, they declined to do so.

Representatives of the Chamber and the DMR met on 9 December 2009, at which meeting the DMR indicated that it believed that the legal opinion it had been given was incorrect. The DMR indicated, however, that despite its view of the legal position, it was prepared to consider requests for sub-division on a case-by-case basis. The DMR officials requested that the Chamber write a letter to the DMR, setting out its problems and concerns and ways in which these concerns could be addressed, whereafter it would respond in detail to the Chamber's concerns.

The letter was sent to the DMR on 15 January 2010. In the letter the Chamber set out comprehensive arguments as to why such sub-divisions could and should be granted and registered and asked for another meeting to be held to discuss the contents of the letter. Despite numerous attempts during the first half of 2010 to arrange a meeting, the Chamber was unable to do so. The Chamber intends raising this matter as one of the issues it would like to have addressed in the new MPRDA Amendment Bill, which will be drafted later in 2010.

Anti-corruption activities

To facilitate business' participation in the National Anti-Corruption Forum (NACF) and to deal with other aspects of corruption as far as it relates to or affects business, Busa established an anti-corruption working group. Originally the business sector's anti-corruption efforts were co-ordinated through Business Against Crime, but Busa took over this function a few years ago. An official from the Chamber's Legal Department serves on Busa's anti-corruption working group.



Many anti-corruption activities and initiatives were undertaken by Busa's anti-corruption working group, however, whenever input or participation was required from the mining industry the correct person to deal with the matter could never be identified. In May 2010, the Chamber therefore requested its executive council members to nominate people in their own companies as the contact person with whom the Chamber could liaise on anti-corruption matters. This request was aimed at increasing the number of mining companies that could be engaged on anti-corruption matters. In addition, there are anti-corruption initiative undertaken by Busa's anti-corruption working group that could well be of interest to Chamber members.

Various nominations were received in response to the Chamber's request and it is hoped that in future Chamber members will benefit from and provide input into Busa's anti-corruption activities.

Draft taxation laws amendment bills, 2010

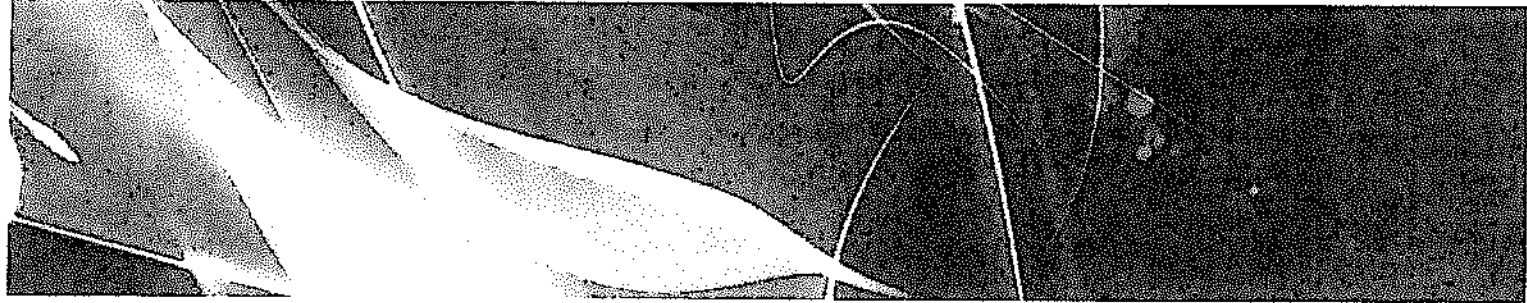
Two draft taxation laws amendment bills were released for comment in May 2010. These bills recommended amendments to, amongst others, the Mineral and Petroleum Resources Royalty Act and the Mineral and Petroleum Royalty (Administration) Act. Although these amendments are aimed at clarifying ambiguities relating to the calculation and payment of royalties, some of the amendments would have serious unintended negative consequences. The Chamber compiled comprehensive comments on the draft bills and

submitted these to SARS and National Treasury. Parliament's Standing Committee on Finance also held public hearings on the bills on 1 June 2010 and the Chamber submitted a copy of its comments to the standing committee. Following extensive interaction with National Treasury, various amendments to the bills, which addressed most of the Chamber's concerns, were agreed. (For more detail see the report under Economic Policy.) The revised Taxation Laws Amendment Bills were introduced into parliament on 24 August 2010.

Illegal mining and theft of precious metals

There have been various reports in the press recently on the activities of illegal miners. These activities and the theft of precious metals pose a serious risk to the sustainability of the affected gold and platinum mines. Not only is there a direct financial loss to the mining company concerned, there are also knock-on financial losses to employees and the state (such as reduced employment and taxes). Another problem is the threat created by illegal mining activities to the health and safety of legitimate employees and other persons.

Illegal miners continue to threaten security personnel and employees at mines – as well as the SAPS. They are also demanding that mines make payments to them to avoid being targeted, including targeting people and assets. More and more homemade bombs are found and security personnel and the SAPS have come under fire. Criminal mining has become a serious problem and the safety of mining employees is now a major concern.



Two initiatives were agreed between the mining industry, law enforcement agencies and the DMR. The first was the establishment of two regional forums in the Welkom and Barberton areas, to deal with the problems of illegal miners in those specific areas. To address the concern about regional syndicates, it was agreed to establish a team on the West Rand and a specific project was proposed. The second initiative was to create a special task team to address the problem at

national level. It was agreed that this task team would form part of the special task force of the National Precious Metals Forum (NPMF), which forum was especially established to initiate a co-ordinated approach to combat precious metals' theft. One initiative of the NPMF was to create a special task force, consisting of investigators from the SAPS and the mining industry, to investigate senior syndicate members active in precious metals theft syndicates at national and international level. This ongoing initiative has achieved some excellent success over the last few years.

The SAPS component on the NPMF made presentations to senior SAPS and government personnel around the problems and measures being undertaken to address illegal mining. In March 2010, a meeting was held with all the relevant law enforcement and intelligence structures to co-ordinate government efforts against illegal mining. This led to the establishment of a multi-agency in July 2010, under the leadership of the Directorate for Priority Crime Investigations (HAWKS). Besides the national approach, international activities are also underway to assist in addressing the problem. These include discussions between the governments of South Africa, Zimbabwe and Mozambique, and discussions with the European Police Office and the European Union. Discussions have also been initiated with the United Nations to ultimately regulate the possession and trade of precious metals internationally.

A high-contrast, black and white photograph of three firefighters in a dark, rocky tunnel. The firefighters are wearing full protective gear, including helmets with lights and reflective stripes on their jackets. They are standing in a line, facing away from the camera towards the tunnel's interior. The tunnel walls are rough and uneven, and the floor is covered in debris and rubble. The lighting is dramatic, with the firefighters' gear reflecting light against the dark background.

safety

safety & sustainable development

The Chamber extends its deepest sympathy to the loved ones of the 167 mine workers who died in 2009. We know that their loss causes great pain and suffering in homes throughout southern Africa.

The Chamber remains committed to the ideal of zero harm in the mining

industry. All its efforts are aimed at avoiding death and injury in mining. The Chamber's objective is a world-class safety record and it works closely with its tripartite partners in government and labour to achieve this objective. The Chamber participates, as a member of the MHSC, in the implementation of the Tripartite Action Plan on Health and Safety, to which mining industry leaders agreed in 2008.

Safety performance

The mining industry has made notable safety improvements since the tripartite agreement on safety in 2003. Figure 1 shows that the industry's fatality frequency rate (a global benchmark indicator indicating the fatalities per million hours worked) improved by 45% from 0.29 to 0.16. During the same period, the number of fatalities fell by 38% from 270 to 167. Unfortunately, no improvement was made in 2009.

Figures 2 and 3 reflect the trends for the gold and non-gold sectors. The levelling of mining's performance in 2009, strengthened the industry's

INDUSTRY TARGET: ZERO RATE OF FATALITIES AND INJURIES

Milestones

In the gold sector: By 2013 achieve safety performance levels equivalent to current international benchmarks for underground metalliferous mines, at the least.

In the platinum, coal and other sectors: By 2013 achieve constant and continuous improvement equivalent to current international benchmarks, at the least.

resolve to accelerate implementation of the 2008 Tripartite Action Plan on Health and Safety.

The health and safety culture

The mining industry fosters a culture of care, dignity and respect. To assist industry in this process, the MHSC is developing a culture transformation framework under the theme "changing minds, changing mines". A group of national and international experts were appointed to undertake the research that would form the foundation of this framework.

Figure 1: Industry fatality frequency rates

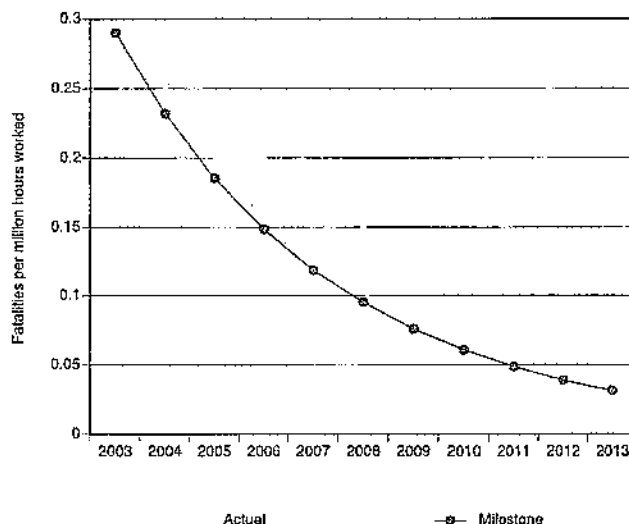


Table 1: Key actions from the 2008 Tripartite Action Plan on Health and Safety

Strategic goal	Action
Strengthen the culture of health and safety	Implement a culture transformation framework
Promote learning from best practice	<ul style="list-style-type: none"> Establish a MOSH learning hub to promote the adoption of leading practices
Build capacity in health and safety	<ul style="list-style-type: none"> Train 40 000 health and safety representatives and union shop stewards Develop a strategy to train and retain OHS professionals
Improve R&D	<ul style="list-style-type: none"> Establish a centre of excellence on mine health and safety

Promoting reciprocal learning

Learning from the pockets of excellence in the industry provides a huge opportunity to accelerate improvements in health and safety performance. The Chamber launched the MOSH (Mining industry Occupational Safety and Health) Learning Hub in

2009 to facilitate reciprocal learning.

Teams were established to deal with documenting, testing and promoting leading practices in the industry. These teams focus on the critical risks to the industry, namely, falls of ground, noise and dust. A secretariat of specialists supports the

Figure 2: Gold fatality frequency rates

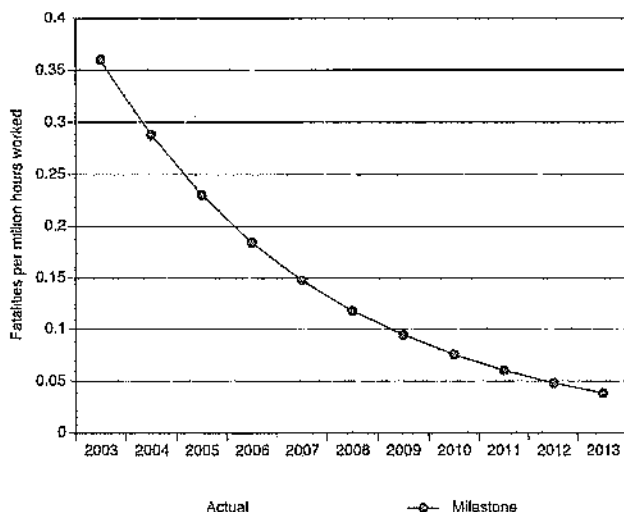
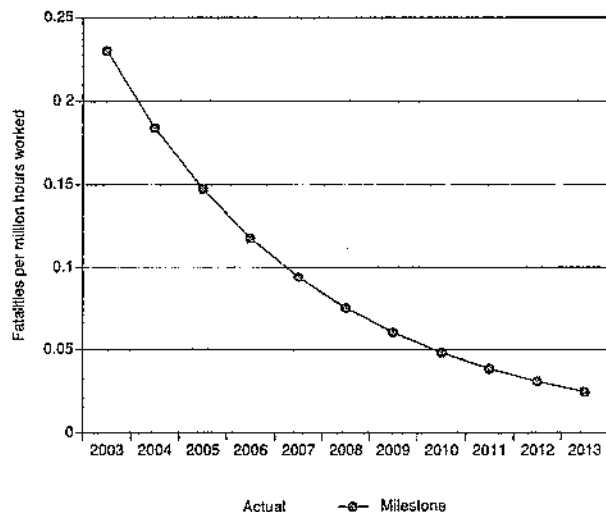
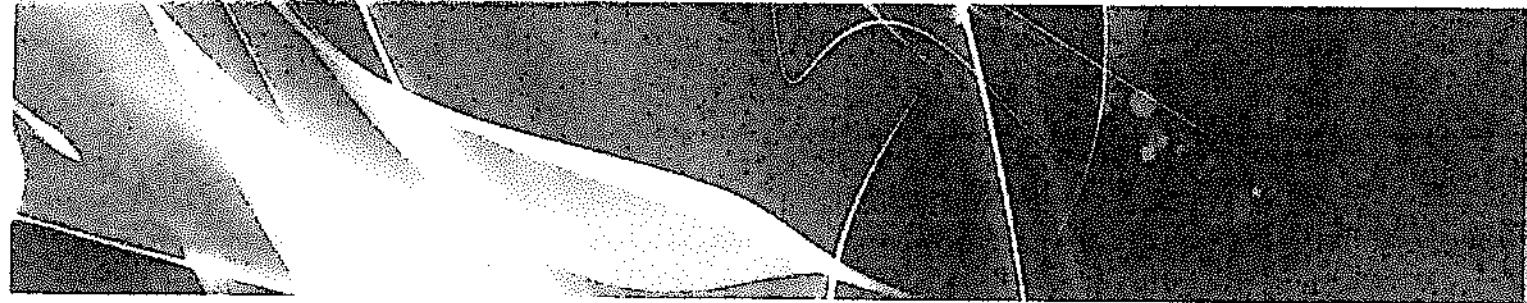


Figure 3: Non-gold fatality frequency rates





Building capacity in health and safety

The industry is committed to the development of safety skills and aims to train 40 000 health and safety representatives and union shop stewards. The MHSC and the MQA have identified gaps in the existing skills programmes and innovative training methods are being explored as traditional classroom-based methods have serious limitations.

Critical and up-to-date technical skills are required to ensure a healthy and safe mining environment. The MQA has appointed a team of experts to review and update rock engineering learning material.

Improving research and development

The challenges the industry faces require world-class research and more effective implementation of the research findings. The Chamber is working with other stakeholders to establish a Centre of Excellence on mine health and safety.

The MHSC continues to oversee an annual health and safety research programme valued at approximately R50-million. The Chamber is a participant in the structures that oversee the programme. The overall research programme is funded by the industry through a levy on companies that is related to their safety and health risk.

The research process is based on a comprehensive needs analysis that is informed by the safety performance of the industry. New safety research into seismicity in the platinum sector is being considered.

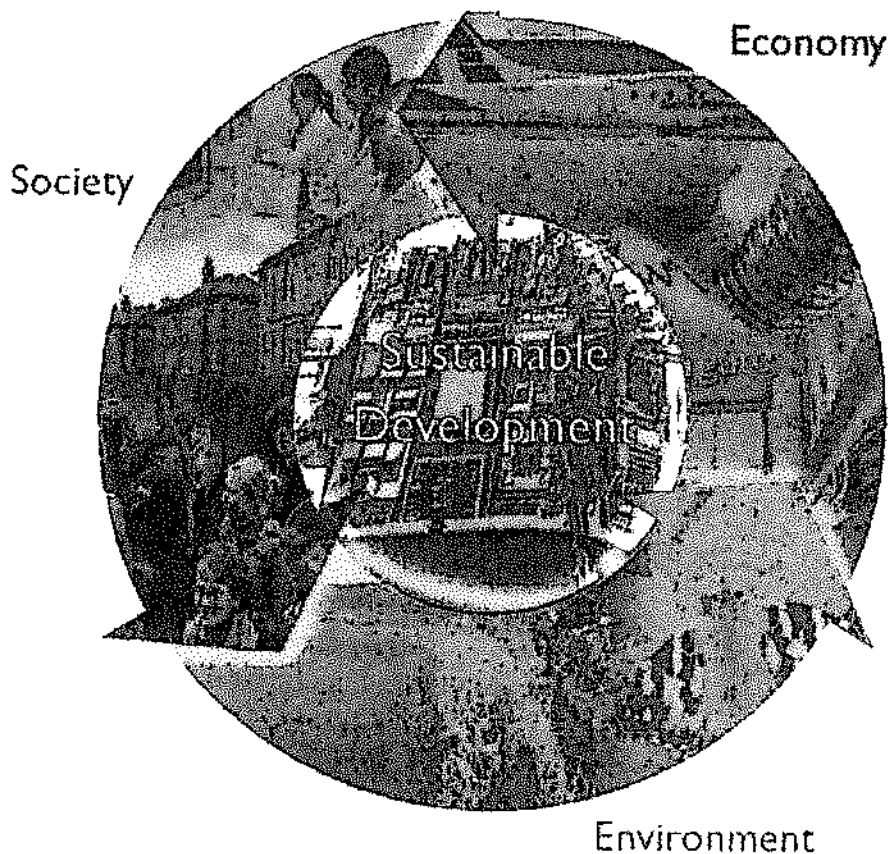
teams in their work. During the year under review, a transport and machinery team was established.

The leading practice adoption system focuses strongly on people, because people are key to the effective and sustained adoption of leading practices. Tools were developed to ensure workers participate in the process.

Leading practices, which are being promoted, relate to entry examinations and ensuring safer, quieter rockdrills and dust suppression systems. The improvements that these practices bring to health and safety are significant.



sustainable development



The Chamber believes that the mining industry can make a sustainable contribution to the development of the South African economy.

The Chamber participates in policy issues on mining and sustainable development. Sustainability was a key theme in the development of a Strategy for the Sustainable Growth and Meaningful Transformation of the SA Mining Industry led by the DMR.

The Chamber also participated in the sustainable development working committee of the Mining Industry Growth and Development Task Team, at which it proposed that a multi-stakeholder forum to deal with derelict and ownerless mines be established. Such a partnership approach to community

development would have a greater and more sustainable impact based on sustainable development principles. Inputs were based on the Sustainability Fact Base that the industry commissioned during 2009.

The Chamber was a key contributor to the mining report to the United Nations Commission on Sustainable Development. The Chamber was also involved in the development of the National Strategy on Sustainable Development.


The Chamber contributes to worldwide mining and sustainable development issues through its association member of the ICMM. The ICMM is a leadership group aimed at improving the sustainable development performance of mining companies.

Skills development



skills development

Advocacy and lobbying



Skills Development maintained its leadership role on matters relating to education and skills development on behalf of the business community and the mining industry in particular. The year under review brought major structural

changes in education and skills development in government, especially with the creation of new ministries. The announcement of new ministries by the State President and the allocation of the Skills Development Portfolio to the new Department of Higher Education and Training (DHET), resulted in minimal legislative and policy changes as the new minister and his personnel needed to reorganise their legislative functions. It became important for Skills Development to utilise this transitional period to create a strong relationship with the new minister and senior staff of the DHET.

Skills Development therefore engaged with the ministry of education and senior government officials to reposition the role of the National Skills Authority (NSA) and accelerate the establishment of the Quality Council for Trades and Occupations (QCTO). This engagement led to a raised profile for the NSA and the minister prioritised the functions of the NSA. Skills Development has since become the first point of call when the minister and the director-

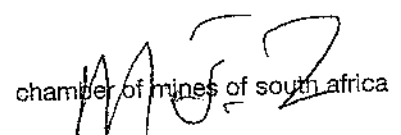
general need the views of business on matters relating to education and skills development.

The economic downturn prompted the social partners at Nedlac to explore measures to reduce its impact on employment. The Chamber made significant contributions on behalf of the business constituency at Nedlac, when the training lay-off scheme was designed and implemented as a measure of reducing large-scale retrenchments. The Chamber remained as part of the Nedlac task team that monitored the implementation of the training lay-off scheme.

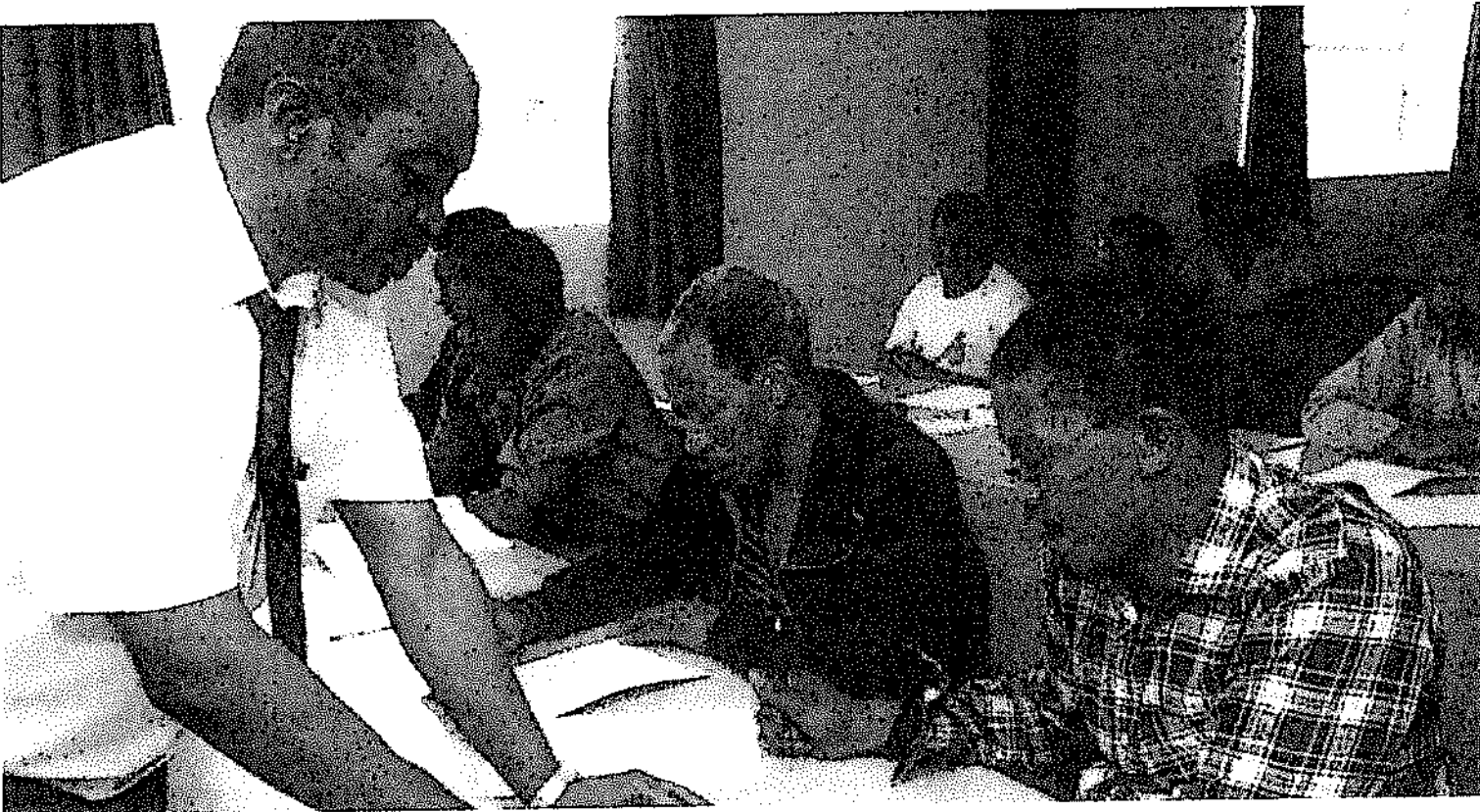
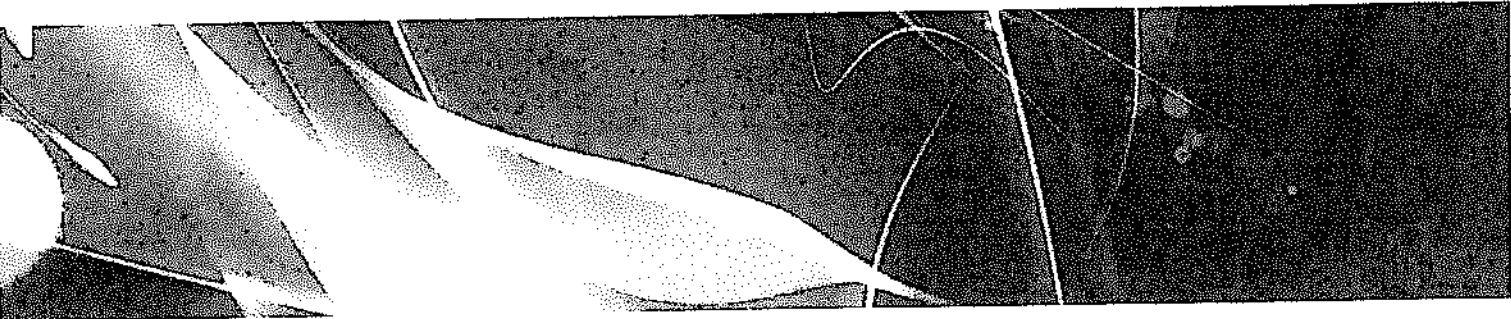
The Chamber continues to chair Busa's sub-committee on education and training and has initiated debates and collaborative efforts at Busa, produced mandates and policy positions that were used when engaging at Nedlac and various other platforms with senior government and labour officials.

Human Resources Development Council of South Africa (HRDC-SA)

The HRDC-SA was launched under the auspices of the Presidency and will be chaired by the deputy president. Senior business leaders are members of this council and the Chamber represents business on its technical working group (TWG). The TWG has followed up on various initiatives that were started and implemented by the Joint Initiative on Priority Skills Acquisition (JIPSA) through the formation of task teams. The Chamber represents business on the task team responsible for skills development. This task team aim to assist the HRDC-SA in designing and advising on skills development strategies.



chamber of mines of south africa



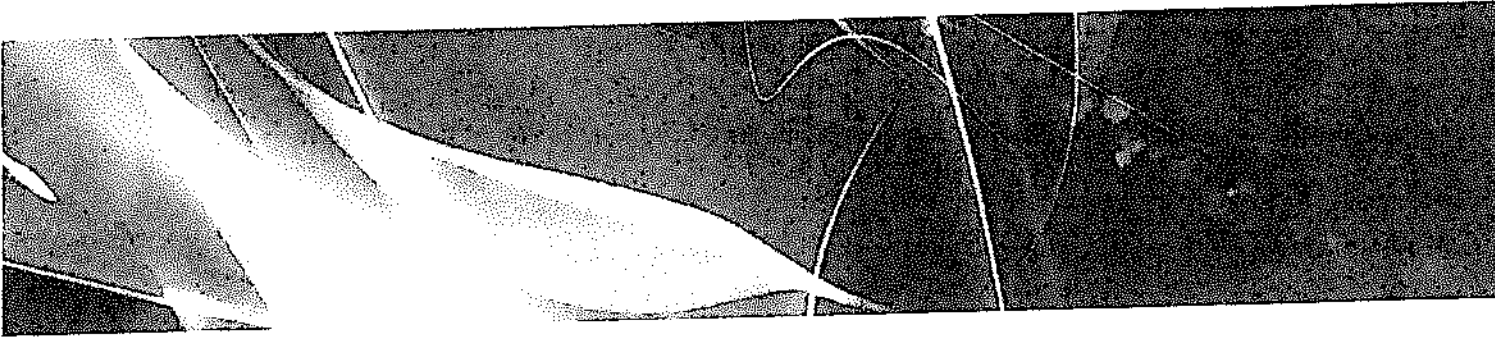
To date, the task teams have commented on the economic analysis of various sectors that provided input to the DHET by the various Sector Education and Training Authorities (SETAs), in preparation for developing their sector skills plans.

National Skills Authority (NSA)

The Chamber plays a key role as a convener of the business constituency at the NSA. The business members of the NSA, led by the Chamber, forwarded proposals to the minister on repositioning the NSA as the ultimate authority in skills development in South Africa. The minister accepted these proposals and put mechanisms in place to reposition the NSA. The NSA is now separate from the DHET as an adviser to the minister.

The SETA landscape

Early in 2010, the Chamber led the NSA's special committee on the SETA landscape. This committee conducted public hearings on behalf of the NSA on the proposed SETA landscape. The proposal by the special committee was adopted by the NSA and finally submitted to the minister for his consideration. The new SETA landscape for 2011 to 2015, will be announced by the minister at the Skills Summit in September 2011. The NSA recently reviewed the constraints for disbursing grants in the National Skills Fund (NSF) and proposed regulations for creating capacity within the NSF for fund disbursements. The NSF will soon have a dedicated executive officer and will use various mechanisms for disbursing grants beyond the



single route of the SETAs. The changes to the NSF operations were strongly influenced by the role of the business constituency at the NSA-led by the Chamber.

Framework for the National Skills Development Strategy (NSDS III)

The DHET released a proposed framework for the NSDS III (2011 to 2016) for public comment, after consultation with the NSA. The NSA agreed to the release of the proposed framework, on condition that it would consider all submissions and then advise the minister accordingly.

Busa, led by a Chamber representative as the chairperson of the sub-committee on education and training, took the opportunity to comment on the proposed framework for NSDS III. The Chamber is proud to be involved in writing most of the comments on the NSDS III Framework that were eventually approved as Busa's submission. The NSA is yet to review the public comments and advise the minister. The business constituency will play a critical role in drafting the advice to the minister.

South African Qualifications Authority (SAQA)

The role of the Chamber as business representative on the SAQA Board has contributed to repositioning SAQA as the apex of the quality councils. The business representatives played a key role in organisational redesign at SAQA, after the promulgation of the new National Qualifications Framework (NQF) Act.

SAQA continued its role of registering unit

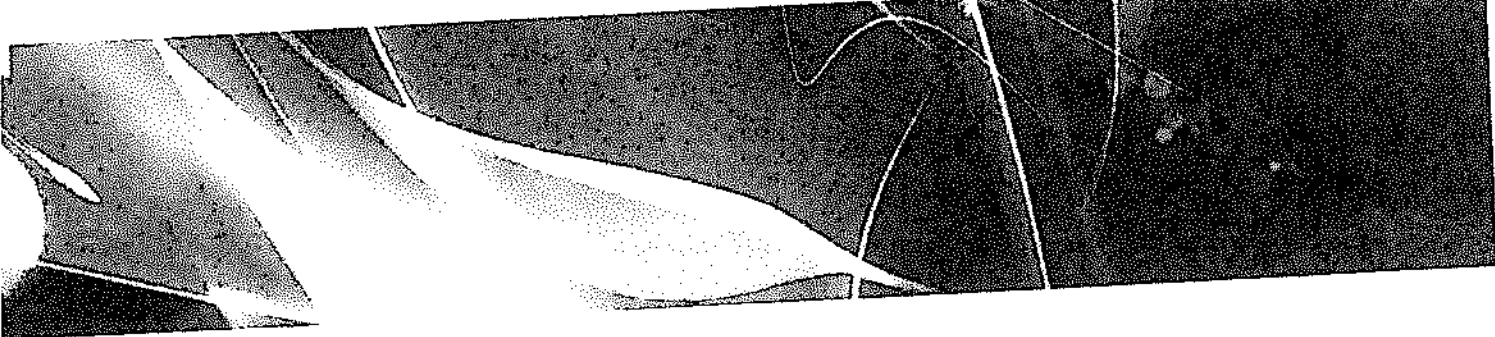
standards and qualifications on the NQF, however, business was instrumental in broadening the scope of SAQA to include an on-line career guidance service as well as a campaign and advocacy on the NQF with the approval of the minister. The career guidance service of SAQA was officially launched by the minister.

SAQA embarked on a special research programme on the social uses of artisan qualification and the Chamber encouraged its members to participate in this research through focus group discussions with managers and learners. The research highlighted the quality practices applied during training of the various categories of artisans and also showed the importance of the link between theoretical and workplace learning in the apprenticeship programme.

The Chamber continues to participate in the Quality and Standards-setting committee of SAQA to ensure continuity of registration of occupational qualifications on the NQF, whilst processes are underway to establish the Quality Council for Trades and Occupations (QCTO) and assist it to function optimally. The Chamber is also fully involved in the establishment of the QCTO.

QCTO

The QCTO responsible for quality assurance of qualifications at NQF levels 1 to 10 for trades and occupations, was officially launched in February 2010. A Chamber representative was nominated to serve on the board of QCTO. Since its establishment, QCTO has finalised its constitution, drafted a policy on the occupational sub-framework and adopted an operational plan. The QCTO board



has also endorsed the implementation of the Foundational Learning Competence, which is a requirement for occupational qualifications at NQF levels 2 to 4.

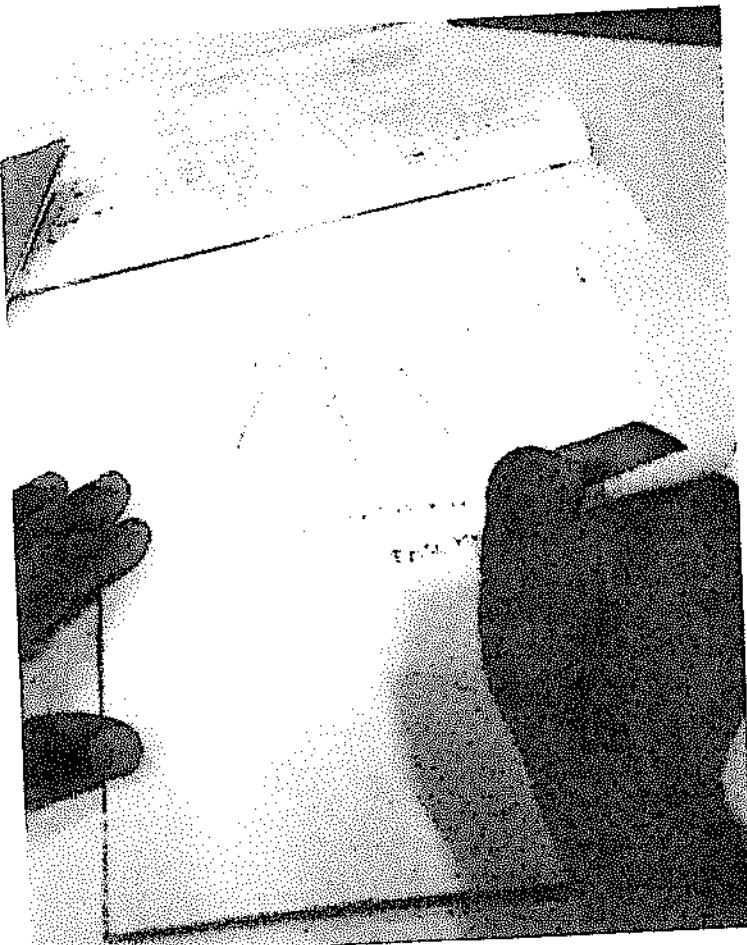
Employers have considered the requirements for designing qualifications and quality assurance as proposed by QCTO. Their inputs will inform the QCTO board input when participating at MQA during the process of developing policy and guidelines for occupational qualifications.

Foundational Learning Competence (FLC)

The FLC is the literacy and numeracy competence that workers will be required to have to operate optimally in any workplace requiring NQF level 2 to 4 qualifications. The Chamber successfully encouraged its members to participate in two pilots programmes to test the curriculum and assessment of the FLC. These successful pilots influence the policy direction of the FLC.

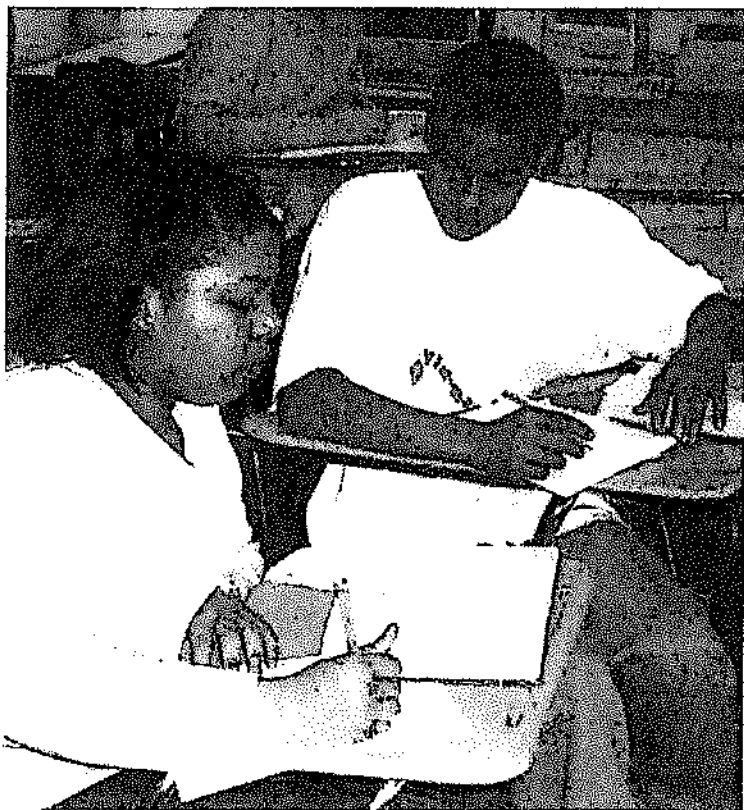
Skills development challenges

Functional literacy and numeracy remain key challenges in the mining industry, although there is a decline in the number of employees who are functionally illiterate and without basic numeracy skills. Low levels of literacy and numeracy are a major stumbling block for many employees who cannot be trained for promotional opportunities. A recent survey on the educational levels of the total workforce shows that 48.9% of employees have a school qualification below grade 8 and 15.4% of these have no schooling. This is a significant improvement when compared to 2006 figures,



when 58.8% of employees held a grade 8 and below qualification. The Chamber continues to encourage its members to urge its employees to enlist for literacy and numeracy programmes.

The global shortage of artisans has a negative impact on the mining industry. The premium for employing artisans is increasing and the duration for declaring a person a fully competent artisan is not less than five years, although it takes at least three years for a person to get an artisan qualification after entering with an appropriate theoretical qualification. The phasing out of Nated or N-courses, reduced the number of candidates in artisan training programmes. This has resulted in a serious shortage of artisans. Employers



continue to make proposals to its social partners at MQA to ensure collaboration and increase in the number of candidates entering the artisan training programmes.

Further Education and Training (FET)

The N-courses were substituted by the National Certificate (Vocational) (NCV) provided by FET colleges at level 2 in 2009 and level 4 in 2010. These programmes were not a direct replacement of the N-courses, hence successful learners could not easily enter into an apprenticeship programme. The poor results in the NCV were exacerbated by poor quality provision and poor management at the FET colleges. The DHET initiated an FET roundtable to engage stakeholders in exploring ways of solving FET problems. This process will culminate into an FET summit of all stakeholders and the DHET to make proposals on ways of improving the FET

system in South Africa.

The Chamber was involved in the process of identifying problems in the FET system and of influencing the proposals to improve the situation for the benefit of the industry as a whole. This process resulted in the DHET deciding to reintroduce the N1 to N3 courses, with the view of creating a pool of candidates who are ready to enter the apprenticeship programme. The NCV programmes will also be reviewed to align them with artisan training where necessary.

Mining Charter obligations

A recent survey on the status of compliance with the Mining Charter, with specific reference to skills development, shows that employers have set up mechanisms to create an opportunity for employees to participate in various skills development programmes. The gradual decline in low literacy levels is employers' testimony of the effort to assist workers. The challenge remains with those employees who do not voluntarily enlist in these programmes.

A recent review of the Charter by the DMR led to a recommitment to sustainable growth and meaningful transformation of South Africa's mining industry. This new commitment requires employers to conduct two skills audits by 2014 and assess institutional and organisational capacity. This commitment further requires employers to increase their training expenditure gradually each year to a minimum of 5% of payroll per annum by 2004. Employers continue to measure themselves annually against these commitments to improve the competence levels of their employees.



MQA

It is the Chamber's mission to play a leading role in influencing policy and implementation plans at the MQA for the benefit of employers in their attempt to improve the skills of employees in the mining industry. This is achieved by being the key convenor of employers and by soliciting employer inputs to be forwarded to the MQA. The Chamber participated in the various committee structures of the MQA to influence the improvement in the design of workplace skills plans (WSP) and annual training reports' (ATR) requirements. The new WSP forms were adapted to align with the requirements of the Occupational Framework of Organisations. These forms help companies link their training plans directly to occupations.

Discretionary grants

Employers continue to influence the allocation of discretionary grants to various skills development projects in the MQA. Employers undertook an analysis of the MQA's discretionary grant allocation budget for the period 2010/2011 to determine the spread of funds to various projects as follows:

- 73% of the discretionary grant is spent on training that results in an occupational qualification, wherein 40% of this grant is spent on higher education qualifications and 33% is spent on further education and training programmes
- 15% is spent on programmes that support training, 3% on legislative requirements and the remainder on other stakeholder requirements.

Management information system

Employers have for some time been struggling to comply with MQA system requirements with regard to:

- submission of WSPs and ATRs
- registration of learners on the MQA data system
- verification of employer information
- accessing of MQA data (unit standards and qualification).

The system's problems rendered the MQA inefficient and put employers at risk of losing their mandatory and discretionary grants. The Chamber initiated an MQA-employers systems end-user forum to address all the problems and request the MQA's assistance. The MQA has since permanently adopted this forum and it continues to meet quarterly to attend to any system problems encountered by end-users. Since the establishment of this forum, the list of problems is shrinking gradually and the MQA I-Share system is becoming more efficient.


Support to the mining industry's Roadmap to Zero Harm Strategy

The 2008 Mine Health and Safety Summit required the MQA to support the Roadmap to Zero Harm Strategy that was signed by all social partners. The MQA was specifically requested to support by designing qualifications and programmes that would improve the quality and standard of the training of safety representatives. The MQA allocated funds and set up a multi-disciplinary team whose objective was to

- ensure that the content of the skills

M.K

annual report 2009-2010



programmes was relevant and placed at appropriate levels for the learning required

- ensure that the learning material met the outcomes of the skills programmes and took into account the needs of learners
- advise on the selection and release of learners for training purposes
- give guidelines for the delivery and assessment of the skills programmes.

The Chamber played a critical role in co-ordinating the nomination of the employer representatives on the multi-disciplinary team, as well as the identification of appropriately qualified writers of the safety learning material. The programme was successfully implemented and will continue into the next financial year.

Phasing out Fanakalo

The use of Fanakalo was identified as a contributing factor to poor communication in those sectors of the industry where it is used as a means of communication and a contributing factor in high accident rates. The mining industry agreed to phase out the use of Fanakalo. Employers proposed that research be conducted to determine:

- the extent of use of Fanakalo in the sector
- the impact of Fanakalo on safety
- the willingness and ability of users of Fanakalo to learn another language
- the costs and resources required to phase out Fanakalo.

The outcome of this research will be used to develop an appropriate action plan that is supported by all stakeholders. The research commenced at the end of 2009 and it is anticipated that it will be

concluded in the second half of 2010.

Learning Material Development Project

The Chamber continues to co-ordinate and deliver MQA learning material through the Learning Materials Development Project. This has become the flagship programme of the Skills Development Unit since it has delivered beyond the expectation of the MQA. The success of this project resulted in the MQA expanding the scope of work of the project to include learning material for the Foundational Learning Competence and NQF level 6 Rock Engineering learning material to be used at universities.

At the end of this reporting period, 1 419 unit standards had been allocated to accredited training providers for learning material development across the different disciplines. Total quantities in number of learning packs, approved by the technical review groups as at July 2010 compared to 2009, are shown in table 1 on page 141.

Personal Digital Assistant (PSA) data development

The success of the Learning Material Development Project led to the Chamber being requested to co-ordinate the development of data for use with the PDA for the process of assessment of learner competence in the sector against unit standards. Progress of the PDA project is reflected in table 2 on page 141.

Chamber of Mines certificates

Chamber certificates are critical in the set of

Table 1

DISCIPLINE	AS AT JULY 2009	AS AT JULY 2010
Analytical services	56	56
Cement lime and aggregates	10	23
Diamond processing	27	27
Engineering	304	394
Geology	0	1
Jewellery manufacturing	44	54
Metallurgy	306	311
Underground coal mining	29	32
Underground hard rock mining	98	108
Surface mining	55	71
Occupational hygiene	5	9
Occupational safety	22	24
Rock engineering	76	87
Surveying	12	12
Small scale mining	4	5
Introduction to mining certificate	5	6
TOTAL	1 053	1 220

Table 2

DISCIPLINE	NQF LEVEL	STATUS
Engineering	2, 3 and 4	Assesment data development
Metallurgy	2 to 4	Full qualifications populated with the PDA assessment
Underground hard rock mining	2 to 3	Unit standards populated
Mechanised mining	2 to 3	Population of unit standards in progress

Table 3

NAME OF CERTIFICATE	AS AT JULY 2003	AS AT JULY 2009	AS AT JULY 2010
Certificate in Advanced Mine Surveying	16	9	29
Certificate in Advanced Mine Valuation	24	28	41
Certificate in Advanced Rock Engineering	3	0	3
Certificate in Basic Mine Sampling	191	190	272
Certificate in Basic Mine Surveying	163	236	163
Certificate in Elementary Mine Sampling	37	122	126
Certificate in Elementary Mine Surveying	37	60	150
Certificate in Mine Environmental Control	4	4	0
Certificate in Mine Environmental Control/ Occupational Hygiene	30	4	16
Certificate in Mine Survey Draughting	18	22	0
Certificate in Radiation Protection Monitoring	50	120	260
Certificate in Rock Mechanics	2	6	11
Certificate in Strata Control	45	70	65
Intermediate Certificate in Mine Environmental Control	8	0	0
Intermediate Certificate in Mine Environmental Control/ Occupational Hygiene	33	45	87
Certificate in Mine Survey Drafting	0	0	25
Practical Certificate in Mine/Environmental Control	0	0	3
TOTAL	664	916	1 242

qualifications required for persons to be allowed to work in certain designated areas. In some cases this certificate is an entry requirement for a person to write the examinations to receive the Government Certificate of Competence.

Stakeholders have agreed that the provision of tuition and issuing of the certificates equivalent to those of the Chamber must be provided by accredited institutions of learning. The Chamber has set in motion a process of transferring the issuing of these certificates to accredited learning

institutions, including the MQA. The Chamber will continue to issue these certificates until the accredited institutions are ready to start providing equivalent programmes in 2012. Even after this date, the Chamber examinations will continue until 2015, when the first examinations of the new dispensation will be written. The administration of the Chamber examinations will be transferred from UNISA to the MQA as from 2012. The demand and completion rates of learners in the Chamber qualifications on a year-to-year basis is represented in table 3 above.

financial statements

220.00

86.85

25.00

57.00

100.00

600

MK

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CHAMBER OF MINES OF SOUTH AFRICA
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2010

CHAMBER OF MINES OF SOUTH AFRICA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

The following reports and statements are presented:

Executive Council's responsibility for financial reporting	145
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Income statement	147
Statement of changes in equity	147
Cash flow statement	148
Accounting policies	148 – 150
Notes to the annual financial statements	150 – 154

**CHAMBER OF MINES OF SOUTH AFRICA
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Executive Council's responsibility for financial reporting

The Executive Council of the Chamber of Mines of South Africa (hereafter "the Chamber") is responsible for the maintenance of adequate accounting records and preparation and integrity of the financial statements and related information. The financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The Chamber's independent external auditors, Deloitte & Touche, have audited these financial statements and their unqualified report appears on page 146.

The annual financial statements are prepared on a going concern basis. Nothing has come to the attention of the Executive Council to indicate that the Chamber will not remain a going concern for the foreseeable future.

Approval of annual financial statements

The Annual Financial Statements as set out on pages 147 to 154 were approved by the Executive Council on 15 September 2010 and are signed on their behalf by:



Mr S Nkosi
President



Mr MG Diliza
Chief Executive

Independent auditor's report to the members of the Chamber of Mines of South Africa

We have audited the annual financial statements of the Chamber of Mines of South Africa which comprise the balance sheet as at 30 June 2010, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 147 to 154.

Executive Council Responsibility for the Financial Statements

The Executive Council is responsible for the preparation of these financial statements in accordance with South African Generally Accepted Accounting Practice, and in the manner required by the Labour Relations Act in South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Chamber of Mines of South Africa at 30 June 2010, and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Labour Relations Act in South Africa.

Deloitte + Touche

Deloitte & Touche
Per A J Zoghby
Partner
Johannesburg
15 September 2010

Balance sheet as at 30 June 2010

	Notes	2010 R	2009 R
ASSETS			
Non-current assets			
Equipment	1	950 820	680 444
Other investments		250 933	373 937
Investments	2	27 925 876	7 931 895
		<u>36 127 629</u>	<u>9 253 325</u>
Current assets			
Accounts receivable	3	15 891 437	3 155 134
Bank and cash	4	12 765 861	20 515 574
		<u>28 657 298</u>	<u>23 670 708</u>
Total assets		55 851 219	38 934 953
FUNDS AND LIABILITIES			
Funds			
Accumulated funds		6 521 247	6 521 247
Project funds	5	27 832 557	19 903 674
		<u>34 353 804</u>	<u>19 421 821</u>
Current liabilities			
Accounts payable	6	17 849 473	16 664 740
Short term loan	7	3 347 942	3 848 382
		<u>21 497 415</u>	<u>19 513 122</u>
Total funds and liabilities		55 851 219	38 934 953

Income statement for the year ended 30 June 2010

	Notes	2010 R	2009 R
Revenue	8	45 770 019	44 241 852
Other income	9	5 990 690	3 204 518
Administrative and operating costs	10	(32 483 024)	(40 462 321)
Deficit before depreciation		(8 311 603)	(12 016 851)
Depreciation		(1 187 739)	(565 236)
Operating deficit		(9 499 342)	(12 582 087)
Interest income		1 750 018	2 377 689
Project income	5	27 445 477	10 150 000
Project expenditure	5	(12 616 494)	(11 212 250)
Increase / (decrease) in project funding		14 931 983	(7 062 250)

Statement of changes in equity for the year ended 30 June 2010

	Notes	Project funds R	Accumulated funds R	Total funds R
Balance at 1 July 2008		19 903 624	6 521 247	26 424 871
Decrease in project funding for the year		(7 062 250)	(7 062 250)	(14 124 500)
Transfer from project funds		7 062 250	7 062 250	14 124 500
Balance at 30 June 2009		12 841 374	6 521 247	19 421 821
Increase in project funding for the year		14 931 983	14 931 983	14 931 983
Transfer to project funds		(14 931 983)	(14 931 983)	(29 863 966)
Balance at 30 June 2010	5	27 832 557	6 521 247	34 353 804

Cash flow statement for the year ended 30 June 2010

	Notes	2010 R	2009 R
Cash flows from operating activities:			
Net cash outflow from operating activities	11	(131 222)	(938 974)
Cash flows from investing activities:			
Additions to equipment		(423 673)	(130 330)
Investment income		1 730 043	2 677 089
(Increase) / decrease in investments		(14 931 984)	7 082 250
Net cash (outflow) / inflow from investing activities		(13 631 811)	9 508 989
Net (decrease) / Increase in cash and cash equivalents		(12 733 033)	5 570 015
Cash and cash equivalents at beginning of the year		20 518 594	17 948 579
Cash and cash equivalents at end of the year	12	12 755 561	26 518 594

Accounting policies for the year ended 30 June 2010

Revised standards and interpretations in issue and adopted

During the current financial year, the following applicable standards and interpretations issued, amended or revised became effective and were adopted in the current financial year:

- AC 144 (IFRS 7) (revised) - Financial Instruments : Disclosures
- AC 101 (IAS 1) (revised) - Presentation of Financial Statements
- AC 123 (IAS 16) (revised) - Property, Plant and Equipment
- AC 116 (IAS 19) (revised) - Employee Benefits
- AC 114 (IAS 23) (revised) - Borrowing costs
- AC 125 (IAS 32) (revised) - Financial Instruments : Presentation
- AC 128 (IAS 36) (revised) - Impairment of Assets
- AC 133 (IAS 39) (revised) - Financial Instruments : Recognition and Measurement

These new, revised or amended standards and interpretations did not have a material effect on the financial statements.

Revised standards and interpretations in issue not yet adopted

At the date of authorisation of these financial statements, the following revised standards and interpretations and/or amendments to the standards and interpretations were in issue but not yet effective:

- | | Effective on/after |
|--|--------------------|
| • AC 139 (IFRS 2) - Share-based Payments | 1 January 2010 |
| • AC 442 (IFRS 9) - Financial Instruments | 1 January 2013 |
| • AC 126 (IAS 24) - Related party disclosures | 1 January 2011 |
| • AC 125 (IAS 32) - Financial Instruments : Presentation | 1 February 2010 |

On 16 April 2009, the Accounting Practices Board ("APB") issued its latest set of annual improvements, titled Improvements to statements of GAAP 2009. The annual improvements included 15 amendments to various standards.

- | | |
|---|----------------|
| • AC 142 (IFRS 5) - Non-current Assets Held-for-sale and Discontinued Operations | 1 January 2010 |
| • AC 145 (IFRS 8) - Operating Segments | 1 January 2010 |
| • AC 142 (IAS 1) - Presentation of Financial Statements | 1 January 2010 |
| • AC 118 (IAS 7) - Statement of Cash Flows | 1 January 2010 |
| • AC 105 (IAS 17) - Leases | 1 January 2010 |
| • AC 128 (IAS 36) - Impairment of Assets | 1 January 2010 |
| • AC 133 (IAS 39) - Financial Instruments : Recognition and Measurement | 1 January 2010 |
| • AC 504 (IFRIC 14) IAS 19 The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their interaction | 1 January 2011 |
| • IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments | 1 July 2010 |

The Executive Council anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the Chamber.

Accounting policies (continued)

Accounting policies

Accounting policies

The principal accounting policies and basis of accounts used are in all material respects consistently applied. The annual financial statements have been prepared in accordance with the historic basis, except for certain financial instruments which are stated at fair value and these policies conform with South African Statements of Generally Accepted Accounting Practice.

Revenue recognition

Revenue represents contributions from members, administration fees and interest income. Contributions are recognised when invoiced and consist of contributions for operating costs and capital expenditure, collected in-line with the yearly approved budget. Administration fees are earned in respect of services provided to associated entities. Interest income is accrued on an effective yield basis.

Project income

Project income represents contributions from members for specific projects.

Project expenditure

Project expenditure relates to expenditure incurred on projects approved by the Executive Council.

Equipment

Equipment is stated at historical cost less depreciation. Depreciation is calculated using the straight line method so as to write off the cost of each asset less its residual value over its estimated useful life.

The rates of depreciation used are:

Motor vehicles	5 years
Computer equipment	3 years
Furniture and fittings	5 years

Investments

Unlisted investments comprise shares in related companies and are stated at cost. Other investments comprise monies invested to fund liabilities and projects which are stated at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short term deposits. The carrying amount of these assets approximates fair value. Credit risk is limited as the counter parties are financial institutions with high credit ratings.

Financial instruments

Financial assets and financial liabilities are recognised on the Chamber's balance sheet when the Chamber has become a party to contractual provisions of the instruments. Trade receivables and payables are stated at their nominal value. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts.

Retirement benefits

The policy of the Chamber, subject to the rules of the Chamber of Mines Retirement Fund, is to provide retirement benefits for its employees. Payments to the defined contribution fund are expensed as they fall due.

The Chamber of Mines does not have a post retirement medical aid liability as this liability has been fully funded.

Other investments

Other investments consists of gold coins and medallions. These investments are valued at the lower of cost or net realisable value.

Management judgements

In the process of applying the Chamber accounting policies, the most significant judgements made by management relate to the following:

- revaluation of the useful lives and residual value estimations of assets and,
- the bad debt provision

Impairment

An annual impairment review of assets is carried out by comparing the net book value of the assets with their recoverable amount. Recoverable amounts are based on the higher of the value in use and the fair value less costs to sell. Value in use is determined by applying a discount rate to the anticipated pre tax cash flow for the remaining useful life of the asset.

Where the recoverable amount is less than the net book value, the impairment is charged against income to reduce the carrying amount of the affected assets to recoverable amounts. The revised carrying amounts are amortised on a systematic basis over the remaining useful life of such affected assets.

Provisions

Provisions are recognised where the Chamber has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Notes to the annual financial statements for the year ended 30 June 2010

1. Equipment

	Cost	Accumulated Depreciation	Net Book value
	R	R	R
2010			
Motor vehicles	1 859 003	989 301	869 692
Computer equipment	431 761	899 676	39 085
Furniture and fittings	221 107	368 594	152 523
	3 131 871	2 231 291	900 580
2009			
Motor vehicles	1 833 248	878 371	954 874
Computer equipment	913 323	899 981	109 362
Furniture and fittings	469 425	340 219	199 206
	2 715 994	1 826 550	889 444
2010 Reconciliation of movement:			
	Motor vehicles	Computer equipment	Furniture & fittings
	R	R	R
Net book value at beginning of year	856 874	109 262	129 208
Additions	135 157	36 439	15 590
Depreciation	(286 559)	(89 713)	(142 365)
Net book value at end of year	695 472	55 988	152 523
2009 Reconciliation of movement:			
	Motor vehicles	Computer equipment	Furniture & fittings
	R	R	R
Net book value at beginning of year	853 315	203 132	162 279
Additions	69 777	39 472	21 401
Depreciation	(372 821)	(139 242)	(84 172)
Net book value at end of year	549 271	103 362	129 208

Notes to the annual financial statements for the year ended 30 June 2010 (continued)

2. Investments

Rand Mutual Assurance Company Ltd

4 shares @ R20 (2009: 4 shares @ R20 each)

Executive valuation R 80 (2009: R 80)

Term deposits:

Disaster relief fund

Insurance claim fund

Epidemiology study for former mine workers

Occupational lung disease in the mining industry

Mining industry occupational safety & health project (MOHS)

Guidelines on environmental management in mining

Bargaining council consultancy project

Subvention of salaries

Development of closure strategies

Global instruments on climate change

Guidelines on biodiversity

International council on mining and metallurgy (ICMM)

Public seminars on environmental performance

22 923 878

7 991 894

3. Accounts receivable

Accounts receivable - members

Accounts receivable - non members

Total accounts receivable

Other receivables

Less: Provision for doubtful debts

18 891 137

3 163 034

4. Bank & cash

Cash at bank

Cash on call

Amounts classified under investments

Bank and cash

12 755 561

26 518 594

5. Project funds

Disaster relief

Insurance

Former mine workers project

Balance at 1 July 2009

Received

Expenditure

Balance as at 30 June 2010

9 959 590

Occupational Lung Disease In The Mining Industry

Balance at 1 July 2009

Expenditure

Balance as at 30 June 2010

Project funding recovery

This amount primarily relates to the recovery from the Chamber's insurers of irregular expenditure that occurred in previous financial years. This funding recovery will be utilised for future projects.

4 938 763

4 938 763

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Notes to the annual financial statements 5. project funds (continued)

		2010 R	2009 R
Development Of Frameworks For Closure Strategies			20 000
Balance as at 30 June 2009	30 000		
Expenditure	(30 000)		
Balance as at 30 June 2010	<u>—</u>		
Global Instruments On Climate Change		300 000	300 000
Balance as at 30 June 2009	300 000		
Received	300 000		
Expenditure	(300 000)		
Balance as at 30 June 2010	<u>300 000</u>		
Guidelines On Biodiversity			288 494
Balance as at 30 June 2009	288 494		
Expenditure	(288 494)		
Balance as at 30 June 2010	<u>—</u>		
ICMM		174 413	80 083
Balance as at 30 June 2009	80 083		
Received	200 000		
Expenditure	(85 670)		
Balance as at 30 June 2010	<u>174 413</u>		
Bargaining Council : Consultancy			128 000
Balance as at 30 June 2009	128 000		
Expenditure	(128 000)		
Balance as at 30 June 2010	<u>—</u>		
Public Seminars On Environmental Performance And Stewardship			80 500
Balance as at 30 June 2009	80 500		
Expenditure	(80 500)		
Balance as at 30 June 2010	<u>—</u>		
Subvention Of Salaries		1 437 863	585 270
Balance as at 30 June 2009	585 270		
Received	2 000 000		
Expenditure	(1 127 410)		
Balance as at 30 June 2010	<u>1 457 863</u>		
Mining Industry Occupational Safety & Health Project		9 163 531	1 356 240
Balance as at 30 June 2009	1 356 240		
Received	13 000 000		
Expenditure	(7 193 410)		
Balance as at 30 June 2010	<u>9 163 531</u>		
Guidelines on Environmental Management in Mining		248 400	
Received	500 000		
Expenditure	(251 600)		
Balance as at 30 June 2010	<u>248 400</u>		
Creation of the Bargaining Council			
Received	100 000		
Expenditure	(100 000)		
Balance as at 30 June 2010	<u>—</u>		
Strategic Positioning of the Chamber			
Received	300 000		
Expenditure	(300 000)		
Balance as at 30 June 2010	<u>—</u>		

Notes to the annual financial statements 5. project funds (continued)

	2010 R	2009 R
Creation of Development "Vehicle" for the Mining Industry		
Received	270 800	
Expenditure	(200 000)	
Balance as at 30 June 2010	<u>70 800</u>	
	27 832 557	12 900 574
6. Accounts payable		
Accounts payable - members	1 212 453	1 105 028
Accounts payable - non-members	11 477 085	10 274 238
Accruals	4 923 485	4 202 413
	<u>17 649 473</u>	<u>15 664 740</u>
7. Short term loan		
Chamber of Mines Building Company (Proprietary) Limited	<u>3 847 942</u>	<u>3 848 392</u>
This loan is unsecured, interest free and payable on demand.		
8. Revenue		
Contribution from members	<u>45 770 019</u>	<u>44 244 954</u>
9. Other income		
Administration fees	1 132 384	950 151
Other income	4 256 312	2 255 962
	<u>5 386 696</u>	<u>3 206 513</u>
10. Administrative and operating expenditure		
Auditors' remuneration	265 000	245 368
- Current year	<u>265 000</u>	<u>245 368</u>
- Other services		
Staff costs	25 434 918	22 857 182
Operating costs	10 783 105	16 379 133
	<u>52 468 024</u>	<u>49 462 321</u>
11 Reconciliation of increase in project funding for the year to net cash flow from operating activities:		
Increase / (decrease) in project funding for the year	14 931 853	(7 082 260)
Adjustment for:		
Depreciation	418 739	356 225
Interest received	(1 730 048)	(2 577 559)
Operating funding before working capital changes	<u>13 620 674</u>	<u>(9 073 104)</u>
Working capital changes		
(Decrease) / increase in accounts receivable	(18 728 103)	5 217 679
Increase in accounts payable	1 524 785	3 032 083
(Decrease) / increase in loans	450	4 277
Increase in inventory	(8 075)	(119 910)
	<u>(13 751 896)</u>	<u>8 134 130</u>
Net cash outflow from operating activities	<u>(131 222)</u>	<u>(938 974)</u>
12 Cash and cash equivalents		
Bank and cash	<u>12 755 561</u>	<u>26 518 594</u>

Notes to the annual financial statements (continued)

13 Financial instruments

The organisation's non-derivative instruments consist of cash deposits with banks, accounts receivable and payable and loans from group companies.

Currency risk management

The organisation is not exposed to currency risk, other than the translation of its foreign bank account balance.

Categories of financial instruments

The financial assets of the Chamber consists of investments, accounts receivable and cash and cash equivalents. These are considered loans and receivables for both 2010 and 2009 financial years. The financial liabilities consists of accounts payables (excluding accruals) and short term loans. These are considered financial liabilities at amortised cost for both 2010 and 2009 financial years.

Interest rate risk management

The organisation adopts a policy of regularly reviewing interest rate exposure and maintains both fixed and floating rate borrowings.

Credit risk management

Management has a credit risk policy in place and exposure to credit risk is monitored on an ongoing basis. Provision is made for specific doubtful debts, and at the year end management did not consider there to be any material credit risk exposure that was not provided against. Reputable financial institutions are used for investing and cash handling purposes. The movement in provision for doubtful debts is analysed as follows:

	2010 R	2009 R
Balance at the beginning of the period	(332 242)	(407 281)
Provision increased for the period	(154 772)	(32 681)
Provision utilised for the period	37 435	47 530
	(509 555)	(392 242)

Fair values

The carrying amounts of the financial assets and liabilities carried on the balance sheet approximate their values at the end of the year.

Capital risk management

The Chamber manage their capital to ensure they will be able to continue as a going concern. The capital structure consist mainly of accumulated and project funds.

14 Subsequent events

As at the date of signing these financial statements, there were no significant or material post balance sheet events which would require adjustments to or disclosure of in the annual financial statements.

15 Taxation

The Chamber of Mines of South Africa is exempt under section 10 (1) (d) of the Income Tax Act.

[illegible]

notes



Minutes / Action List

DEPARTMENT OF MINERAL RESOURCES			
MINING CHARTER PROJECT STEERING COMMITTEE MEETING			
10 November 2014			
09h00			
DMR Building			
DG Boardroom			
CFO: Me. Irene Singo			
DDG Joel Raphela	JR	DDG Mosa Mabuza	MM
Me. Irene Singo	IS	Me. Malefshané Kola	MKola
Me. Nkhensani Masekoa	NM	Me. Rebene Nkambule	RN
Me. Mottlatso Kobe	MKobe	Me. Ditsietsi Morabe	DM
Mr. Thembinkosi Mbonyana	TM	Mr. Nkosinathi Zweni	NZ
Me. Tebogo Phahladira	TP	Me. Modlati Malapane	MM
Mr. Eddie Shilaluke	ES	Mr. Pieter Alberts	PA
Mr. Heinrich Mundt	HM	Me. Beverly Williams	BW
DG Dr. Thibedi Ramontja	TR		
Me. Ansia Daniel	AD		

Supporting Documents:

- Agenda
- Meeting Attendance Register
- Annexure A: Project Steering Committee & Project Workgroup
- Minutes of previous meeting held on 10 November 2014
- Project Action List as at 10 November 2014
- MC Charter Project Plan



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**Minutes / Action List**

No		Actions	
		Responsible	Date
1.	Welcome & Introduction		
	The Chairperson, Me. Irene Singo welcomed all present at the MC Charter Project Steering Committee. She introduced Heinrich Mundt, and Me. Beverly Williams, from Entsika Consulting as the newly appointed project manager and project administrator on the MC Charter Project.	Info	
2.	Attendance List and Apologies		
	The attendance register was circulated and apologies were noted for the DG, Dr. Thibedi Ramontja and Me. Ansia Daniel, the appointed Project Director from Entsika Consulting.	Info	
3.	Purpose of Meeting and Acceptance of Agenda		
	Me. Irene Singo stated that the purpose of the Project Steering Committee meeting will be to review progress on the Mining Charter project and governance of the Mining Charter project. The members that will be presented on the Mining Charter Project Steering Committee and Project Workgroup were agreed upon as per Annexure A attached herewith.	Info	
	The Agenda for the meeting was accepted as presented.		
4.	Progress Made:		
	The CFO gave feedback on the progress made to date and confirmed the appointment Heinrich Mundt from Entsika Consulting as the project manager of the Mining Charter Project as well as Beverly Williams, the appointed project administrator.	Info	
	IS confirmed that a decision was made to implement a web based system as a Management Information System for the Mining Charter data and that two service providers were invited to present possible web base solutions to the project steering committee. She confirmed that the decision was based on the risk identified with the capturing of data in Excel and the limitations that Excel present on reporting going forward.	Info	
	HM confirmed that a meeting was held with the Chamber of Mines on 6 November 2014 after which the DG and members of the	Info	



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Minutes / Action List

No		Actions	
		Responsible	Date
	project steering committee was provided with feedback on the issues as identified in a meeting held on 7 November 2014.		
4.1	Process Mapping – Mining Charter		
	A process map outlining the suggested Web based process to be followed was circulated to all members.	Info	
4.2	Critical Decisions		
	The CFO confirmed that the following key decisions need to be taken by the steering committee based on the outcome of the Chamber of Mines stakeholder meeting.		
	Date of Submission		
	<p>HM stated that the mining company representatives that attended the Chamber of Mines meeting were of the opinion that the submission date of 15 December 2014 as proposed by DMR was unrealistic considering the limited time and due process that need to be followed by the mining companies involved. It was therefore suggested by the DG that 23 January 2015 will be proposed as the alternative date for the mining companies to submit the Mining Charter Templates/ Questionnaire's for 2012 and 2013.</p> <p>The suggested date of 23 January 2014 was deliberated and accepted as the final submission date for mining companies to present the completed 2012 and 2013 Mining Charter Templates.</p> <p>It was agreed that mining companies will present the Mining Charter templates relevant to 2014 by 31 March 2015 unless information can be provided earlier.</p>	Info	
	Revision of Mining Charter Questionnaires		
	HM stated that the representatives at the Chamber of Mines meeting requested the Department to align the Mining Charter questionnaires exclusively to the requirements as stipulated in the Mining Charter. Examples of issues as raised were provided to the members, which included information not relevant to compliance to the Mining Charter and aggregated reporting instead of detail reporting.	Info	



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11/11/14

**Minutes / Action List**

No		Actions	
		Responsible	Date
	It was agreed that the project task team will review and amend the templates and questionnaire's to address the issues as raised by the Chamber of Mines and also to align questions to what is relevant to the Mining Charter only. It was further agreed that the questionnaires will be amended to allow for aggregated reporting where and if possible. The project task team must provide feedback on the progress made at the next Steering Committee meeting.	Task Team	17/11/14
5.	Presentation of Web Based Prototypes		
	Two companies, introduced by Entsika Consulting were invited to present a prototype of the proposed web-based solution to the steering committee after which the proposed solutions as presented presentations were deliberated in detail by the members of the steering committee.	Info	
	It was agreed that the web base prototype presented by Mr Loot van Rensburg was the most suitable to the requirements although concerns were raised by certain steering committee members, on the approach to be followed with the web base system rather than the Excel route given the time and cost involved.		
	<p>The following agreement was reached by the project steering committee:</p> <ul style="list-style-type: none"> To continue with the sourcing and development of the proposed web base solution. To further investigate the legal requirements in terms of the law in hosting the data on the Web. Mr Pieter Alberts was invited to the steering committee to give his input on the matter. To set up a meeting and involve the CSIR in the provision of a possible web base solution. Ensure that the revised template questionnaires are available on the web base system within the agreed timeline (10 working days) given the strict deadline of the project. 	Task Team	Ongoing



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Minutes / Action List

No		Actions	
		Responsible	Date
6.	Project Communication		
	It was agreed that the Project Task Team will continue to engage with other stakeholders, including organised labour following the meeting held with the Chamber of Mines.	Task Team	TBA
	Also that a follow up meeting will be scheduled with the Chamber of Mines to consult and provide feedback on the issues as raised during the 1 st meeting.		
	The Project Office must map the timelines, given the revised date and provide the steering committee with a project plan	Project Office	17/11/14
7.	Way Forward		
	Decisions Taken:		
	- The final date of submission of Mining Charter Questionnaire has been concluded as 23 January 2015.		
	- The task team should revise the Mining Charter Questionnaire and provide feedback at the next meeting	Task Team	17/11/14
	- The Department to source and continue with the development of a web based solution instead of Excel database.		Ongoing
	- The task team to set up a meeting and involve the CSIR in the development of a web based solution	Task Team	TBA
	- The task team to involve and consult with all remaining stakeholders, including organised labour on the matter.	Task Team	TBA
	- The task Team with PA should investigate the legal requirements for the hosting of data on the web.	Task Team	Ongoing
	- The Project Office to map the project timelines and provide a draft project plan for review and approval.	Project Office	17/11/14
8.	New Matters:		
	No additional matters were added to the Agenda		



**Minutes / Action List**

No			Actions	
			Responsible	Date
9.	Confirmation of Date & Venue of the next Meeting			
	Date:	17 November 2014		
	Time:	09h00 – 11h00		
	Venue:	DMR Building, DG Boardroom		

APPROVAL:

On behalf of the Steering Committee:

Name & Surname	
Date:	
Signature:	

On behalf of the Project Office:

Name & Surname	
Date:	
Signature:	



BRIEFING NOTES REGARDING THE MEETING HELD BETWEEN CHAMBER OF MINES AND DMR ON MINING CHARTER TEMPLATES.

1. Introduction

The Department of Mineral Resources (DMR) and Chamber of Mines (COM) held a meeting on the **06 November 2014** in order to discuss the Mining Charter Templates. At the meeting, a number of comments and inputs were made which were largely taken into consideration and subsequently incorporated into the revised templates.

The follow-up meeting was held at the Chamber of Mines offices on the **25 November 2014**, to highlight the changes in the revised Mining Charter Templates. Then the revised templates were presented to the Chamber of Mines at the said meeting, and the following was further noted (as per Charter Elements):

Employment Equity:

COM raised a concern and suggested that a separate spreadsheet/template on Senior Management be developed to cater for those companies having expanded organisational structures in order to avoid duplication of reporting at Senior Management (Exco level).

With regard to the column on Foreign Nationals, the COM has suggested that the Department must remove the column on African and Non-African but rather to remain only as Foreign Nationals.

Human Resources Development:

Members of Chamber raised a concern to differentiate between Artisanship, Apprentice and Learnerships for the reporting purpose.

COM suggested that there should be a separate column for skills programmes on the template.

Mine Community Development:

In a case of Social and Labour Plans still in process of reviewal,

The question was raised pertaining to the Social and Labour Plan which are still in review process and had not yet been approved.

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The DMR responded that the companies are entitled to and must report on the commitments made, as per their approved Social and Labour Plans.

Housing and Living Conditions:

No comments were raised

Ownership:

With regard to the Full Shareholder Rights spreadsheet, it was agreed that the column for "Management Control" should be replaced by "Management Fees".

It was further agreed that there should be a column for "Other Broad-Based Structures" which will cater for structures such as Family Trust, etc.

Procurement:

It was agreed that a column for "BEE Entities percentage" should be inserted/created.

There was a concern raised whether audited financial statement would be focusing on financial year or calendar year.

Furthermore, the COM raised that multinationals audited financial statements reflect also international project/ operations.

The DMR maintained that audited financial statements are credible statements.

Sustainable Development:

Though there were no remarks raised, however there was mutual consensus that any other matter on this element will be raised with the COM representative.

Suggestions on the System:

With regard to the system (web based system), the companies have expressed their willingness to partake in piloting phase of the system (including Sasol).

The companies raised concern on whether the system will allow for uploading of spreadsheets and documents.

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The question was also raised if the system would allow two or more individuals working on different Charter element/spreadsheet at the same time.

2. Wayforward

- Chamber of Mines will submit a written document detailing further comments and inputs on the Mining Charter Templates within two days from the date of the meeting (therefore due date is 27 November 2014).
- The DMR will prepare a clarification document/guideline with regard to the templates and their population thereof.
- With regard to the timelines on the submission of the populated templates, the DMR mentioned that the issue will be raised at the MIGDETT Technical Task Team meeting on the 26 November 2014.

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Minutes / Action List

DEPARTMENT OF MINERAL RESOURCES																															
MINING CHARTER PROJECT STEERING COMMITTEE MEETING																															
Meeting	Mining Charter Project Steering Committee Meeting																														
Date	17 November 2014																														
Time	09h00 – 10h00																														
Venue	DMR Building, DG Boardroom																														
Meeting Chairperson	DG Dr Thibedi Ramontja																														
Meeting Attendees	<table> <tr> <td>DDG Mr. Joel Raphela</td><td>JR</td><td>DDG Mr. Mosa Mabuza</td><td>MM</td></tr> <tr> <td>Me. Irene Singo</td><td>IS</td><td>Me. Malefshane Kola</td><td>MKola</td></tr> <tr> <td>Me. Nkhensani Masekoa</td><td>NM</td><td>Me. Rebone Nkambule</td><td>RN</td></tr> <tr> <td>Me. Cathy Leso</td><td>CL</td><td>Me. Ditsietsi Morabe</td><td>DM</td></tr> <tr> <td>Me. Motlatso Kobe</td><td>MKobe</td><td>Mr. Bongiwe Mabusela</td><td>BM</td></tr> <tr> <td>Mr. Thembinkosi Mbonyana</td><td>TM</td><td>Me. Beverly Williams</td><td>BW</td></tr> <tr> <td>Mr. Heinrich Mundt</td><td>HM</td><td></td><td></td></tr> </table>			DDG Mr. Joel Raphela	JR	DDG Mr. Mosa Mabuza	MM	Me. Irene Singo	IS	Me. Malefshane Kola	MKola	Me. Nkhensani Masekoa	NM	Me. Rebone Nkambule	RN	Me. Cathy Leso	CL	Me. Ditsietsi Morabe	DM	Me. Motlatso Kobe	MKobe	Mr. Bongiwe Mabusela	BM	Mr. Thembinkosi Mbonyana	TM	Me. Beverly Williams	BW	Mr. Heinrich Mundt	HM		
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Mr. Heinrich Mundt	HM																														
Apologies	Me. Ansia Daniel AD																														

Supporting Documents:

- Agenda
- Meeting Attendance Register
- Minutes of previous meeting held on 17 November 2014
- Project Action/Risk Log as at 17 November 2014
- Mining Charter Project Plan (Draft Only)

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**Minutes / Action List**

No		Actions	
		Responsible	Date
1.	Welcome & Introduction		
	The DG, Dr Thibedi Ramontja welcomed all present at the Mining Charter Project Steering Committee.	Info	
2.	Attendance List and Apologies		
	The attendance register was circulated and apologies were noted for Me. Ansia Daniel, the Project Director from Entsika Consulting.	Info	
3.	Purpose of Meeting and Acceptance of Agenda		
	The purpose of the Steering Committee meeting will be to review progress and ongoing governance on the Mining Charter Project.	Info	
	The Agenda for the meeting was reviewed and the following amendment was made to the Agenda: Remove Agenda point 7. "Moloto Involvement (MC Templates) – Scope of Work".		
4.	Approval of Minutes of Previous Meeting		
	The Minutes of the Steering Committee meeting held on 10 November 2014 was circulated per e-mail for review to all steering committee members. The minutes of the Steering Committee meeting were accepted as presented without any changes.	Info	
5.	Matters Arising from Previous Meetings		
	Project Action Log		
	HM referred to the attached Project Action Log and stated that all actions from the previous meetings will be logged against the person responsible. All outstanding actions will continuously be tracked for progress until the action is completed. The following actions were noted during the meeting held on 10 November '14:	Info	
5.1	Mining Charter Questionnaire Revision and Update		
	HM stated that the Work Group reviewed and updated the Mining Charter Questionnaires as agreed during the previous meeting. He confirmed that all questionnaires were completed, except for BBEE and Procurement. He explained that the Work Group stated that they require input from, BM whom was on leave during last week in order to finalise these Questionnaires.	Work Group	17/11/14

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Minutes / Action List

No		Actions	
		Responsible	Date
	HM confirmed that the Work Group will meet immediately after the Steering Committee meeting to finalise the outstanding Mining Charter questionnaires.		
	RN stated that input will be required from Moloto to finalise the templates. She confirmed that Moloto developed the formulas required to calculate the score card. This statement was supported by TM. HM further confirmed that the formulas used for the calculation of the score card will be required in the design of the web-based questionnaires.	Info	
	It was agreed that Moloto need to deliver the formulas used to DMR as part of the hand-over of the deliverables. MK requested that the handover of the formulas should be included in the Terms of Reference (ToR) for Moloto. Also that Moloto should be informed of the current processes and consequent review and update of the Mining Charter questionnaires and their contractual obligations going forward.	IS	18/11/14
	It was agreed that the Work Group should continue to finalise the Mining Charter questionnaires. Also that the templates need to be signed off by the DDG's once completed. The final updated Mining Charter questionnaires will be handed over to Moloto to incorporate the formulas.	DDG's	21/11/14
5.2	Web-based System Implementation		
	HM confirmed that a meeting was held with CSIR on Wednesday, 12 November 2014 regarding their possible involvement in the development of a web-based system. He said that the CSIR demonstrated a prototype which is available but confirmed that the CSIR indicated that they will not be able to develop a working solution within the strict timelines required. Also that the system as presented by the CSIR is currently not web-based, although they are planning to do so in the near future.	Info	
	HM said that a decision was therefore made by DMR to invite companies to submit proposals for the implementation of a web-based system.	Info	

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M J Sika
Page 3 of 6

**Minutes / Action List**

No		Actions	
		Responsible	Date
	HM stated that the ToR was issued on Friday, 14 November 2014 and confirmed that the closing date for submission is 17 November '14, after which internal processes will be followed in the appointment of a preferred supplier.	CFO	24/11/14
5.3	Stakeholder Engagement / Communication		
	HM confirmed that the planned follow-up meeting with the Chamber of Mines scheduled for last week did not transpire due to the unavailability of a number of mining company representatives. He confirmed that a follow-up meeting is proposed for 24 November '14 by the Chamber of Mines, which need to be confirmed. The DG indicated that he will attempt to intervene to secure an earlier meeting.	Work Group	24/11/14
	It was agreed by all present that the stakeholders involved should not be allowed to derail the process as long as the Mining Charter questionnaires are aligned to the requirements of the Mining Charter.	Info	
	HM stated that a stakeholder feedback meeting was held with UASA and Solidarity on Thursday, 13 November '14. He presented the members of the steering committee with minutes of the meeting, summarising the matters discussed and outcome of the meeting.	Info	
	HM confirmed that stakeholder feedback meetings still need to be scheduled with SAMDA and NUM.	Work Group	21/11/14
	NM requested the DG to intervene in securing a meeting with NUM as some difficulty was experienced in this regard.	DG	21/11/14
5.4	Legal Requirements		
	HM said that the legal requirements to host the web-based system still need to be confirmed and finalised. He confirmed that follow-up discussions will be scheduled with Mr Pieter Alberts to conclude this matter. Feedback will be provided at the next meeting.	HM	24/11/14
6.	Project Plan with Timelines		
	HM said that the project plan was completed but stated that some difficulty was experienced with accessing and printing the document. He confirmed that IT indicated that they will resolve the matter directly after the meeting.	HM	17/11/14

MK M.J. Lentsika

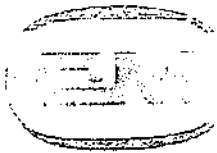


Minutes / Action List

No		Actions	
		Responsible	Date
	HM agreed to circulate the project plan to members of the steering committee for review and comment once available.		
	HM responded to a question raised by MK, asking on which date the Mining Charter Questionnaires will be ready for submission to the mining companies for completion.	Info	
	HM stated that the plan as it currently stands indicate 8 December '14 as the date to submit the Mining Charter questionnaires. HM confirmed that the proposed date as per the project plan took into account the finalisation of the Mining Charter questionnaires and formulas, the development of the web-based system, for which ten (10) working days are allowed according to the ToR. Also included in this timeline is the testing of the system.	HM	08/12/14
	The DG requested HM to involve some of the mining companies in the testing of the system. HM indicated that some companies, present at the Chamber of Mines meeting confirmed that they will assist in testing the system.	HM	5/12/14
7.	Validation of List of Mining Companies		
	HM confirmed that a list of mining companies was received from RM including names of senior people per company to whom the Mining Charter questionnaires will be circulated. He said that the Work Group will purify the list in order to confirm the completeness thereof and finalise all mining companies involved. The Work Group to sign-off the final list of Mining Companies involved.	Work Group	21/11/14
8.	Mining Charter Questionnaire Guidelines		
	HM stated that guidelines should be developed for certain areas of the Mining Charter questionnaires, to guide the mining companies in completing the templates. RM confirmed that guidelines were developed by Moloto which were handed over to DMR. The Work Group was requested to review and update the existing guidelines in relation to the reworked questions.	Work Group	18/11/14

mk

M.T. Zentsika



5 Holiard Street
Johannesburg 2001
PO Box 61809
Marshalltown 2107

Telephone: (011) 498-7100
Telefax: (011) 834 1884
Web: <http://www.chamberofmines.org.za>
E-mail: info@chamberofmines.org.za

4 February 2015

Chamber of mines response to DMR regarding the Mining Charter ownership template

The Chamber and its members wish to thank the DMR for the opportunity to provide input into the Mining Charter template – ownership component. This document summarises our areas of disagreement, proposals and requests as raised in the meeting yesterday, and adds to these based on the web based template we received this morning.

The following represents the collated proposals from companies:

A. Continuing consequences – the exclusion of past transactions

The Chamber and its members strongly disagree with the exclusion of previous transactions concluded post the implementation of the MPRDA in which HDSA shareholders exited for value as this amounted to empowerment. Even though BEE companies have sold out, or ESOPS have vested, the exiting of those assets was not within the control of the mining companies and so companies should not be prejudiced in this assessment process. Its exclusion represents incomplete information capture and would result in misleading results. We recommend that companies be allowed to include these transactions, on the basis that they complied with the requirements of the Mining Charter at the time.

B. Timing of % reported on: at point of transaction and current %

Linked to the previous area of disagreement, companies should be afforded the space to indicate value at the point of the transaction, not only current value. Presentation of these results should indicate both outcomes, to ensure all aspects of the efforts of companies to achieve meaningful empowerment is appropriately captured.

Original price: This is not available in all instances (e.g. sometimes the BEE entity contributed mineral resources which were not valued or the parties merely did a JV without an original purchase price). Should one include capital expenditure by the BEE company into the mine? A volume based measurement approach may be instructive.

We recommend the template should capture value of empowerment at the time of the transaction as this represents the economic value transferred.

C. Transparency of process

Companies request the ability to understand how the collation occurred and understand how the methodology employed. Given the inter-related issues of asset sales, and how the internal company structures/transactions feed into company total is critical to the outcome. E.g. JV assets, with multiple owners and BEE partners, BEE partners owning equity of SA and non-SA assets. To ensure issues pertaining to double counting or under counting is avoided. We request the methodology be disclosed and that companies receive individual (private) feedback on application of the methodology to itself prior to release of results.

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D. Request for projections

Companies are restricted from provided projections on its businesses and is closely regulated in terms of JSE and international exchanges. Companies strongly disagree with all requirements for projections relating to their businesses. (e.g. projected vesting dates) In some instances, it requires projections of commodity prices, etc, which takes us back to the concern raised in the previous point. We propose any requests for projections be eliminated.

E. Current value

Companies as rule, do not provide forecasts of its business. Hence, the request for value to be provided at the time of the transaction or the point of grant or conversion of rights. This is especially relevant for purposes of collation, where different companies would make different assumptions on Rand exchange rate and commodity prices, yielding very different outcomes. For transaction purposes, external independent third parties are used to provide valuations, it is not done by the companies internally. The current % HDSA ownership can be presented to ensure DMR can assess performance, without the values being presented.

F. Outstanding debt and Net value

The mining companies who have sold assets to BEE partners and community trusts cannot demand information relating to their balance sheet situation. BEE companies should provide this. It is not possible to allocate present debt to original transactions where the BEE company has multiple assets and debt facilities. Some BEE companies did not use their dividends for debt repayment – should the dividends taken be deducted from the debt outstanding?

Even in the instance where the company has provided guarantees, the relationship lies between the BEE company and the banks, it is not always possible for the company to access that information. Furthermore, BEE partners have independent business, with varying interests and the companies have no say nor knowledge on how that is utilized. This is effectively requesting information pertaining to Net Value and is not in terms of the agreement of the Mining Charter. We recommend it be removed.

G. Demographic representation

There are many instances for companies where the BEE entity provided an undertaking to its HDSA status and demographics. Information on demographics is very difficult to obtain. This changes over time. It is proposed that only the HDSA% at the date of the transaction be evaluated, where possible. Demographics information on individual HDSA groups is rarely available, specifically the broad-based empowerment trusts. It would be impractical to ask BEE entities to do detailed research on their demographics and the changes over time. It is recommended that total % be allocated per transaction, but demographic requirement be removed. Alternatively the DMR may place these regulatory requirements of disclosure on the BEE companies.

H. Principles applied to Assessment

Assessing companies only based on the flow through principle does not take account of the modified flow-through principle. In addition, certain BEE transactions were concluded prior to the introduction of the Amended Charter and the Mining Codes and the DMR endorsed these transactions based on the principle of HDSA majority ownership and control. This principle should continue to apply in respect of transactions concluded at that point in time. In addition, the BEE companies' decision to adopt a certain controlling stake, to allow themselves to partner with others that may add value to its company, is not in the control of companies. It is often the result of funding mechanisms, which ensures the effectiveness of the transaction and allows for transfer of skills. We recommend use of the word economic interest.

M.K

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I. Marketing fees

Not applicable in the context of ownership. It forms part of the business operations at asset and equity level. We propose it be removed.

J. Trickle dividend

This relates to a component of the ownership and the capitalisation of entities as part of those transactions. Ownership represents the economic participation in an entire operational asset and trickle dividend viewed in isolation may unduly benefit some companies and prejudice other companies, when looked at in isolation. E.g. the existence of trickle dividend does not suggest economic value has been transferred, it is completely independent of overall value of ownership. The reverse also applies, i.e. the absence of a trickle dividend does not mean no economic value was transferred. We recommend it be removed.

Process/structure issues

- A 'SAVE' function that allows for review of results entered, so that authorized person may ultimately use a separate "SUBMIT" function. It is likely that different people may capture different components and it would be useful to have the flexibility to i) first review and check captured information, ii) allow different users to capture information and go back to complete or allow other users to also capture information.
- Are the companies with a number of mining rights going to be provided with individual user names and passwords per mining right? We recommend consideration of link between transactions and mining rights. E.g. The template seeks to only establish the current values of the BEE transactions as at the date of measurement, thereby excluding the BEE shares vested and benefits of rights offerings as per the conditions of the Mining Rights. It is recommended that a table outlining the BEE status at the time of the granting of Mining Right be inserted and information with respect to the sale of shares and benefits be covered.
- Further consideration could be given to accommodate commodity specific submissions, per transactions, with allowance for units of production. This may streamline the process and remove the complexity of collation with company cross holdings, JVs, international assets and asset-level to equity

Mik

M.J. Z



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

**ASSESSMENT OF THE BROAD-BASED SOCIO-
ECONOMIC EMPOWERMENT CHARTER FOR THE
SOUTH AFRICAN MINING INDUSTRY (MINING
CHARTER), MAY 2015**

[Handwritten signature]

NA.5.2

MINISTER'S FOREWORD

The Constitution of South Africa has its foundation in the Freedom Charter. The preamble of the Freedom Charter reminds us that "We, the People of South Africa, declare for all our country and the world to know that South Africa belongs to all who live in it, black and white and that no government can justly claim authority unless it is based on the will of all the people".

It is through this Supreme Law that government has removed apartheid legislation that discriminated against people based on their race, gender, religion, culture and sexual orientation.

Since the dawn of democracy and adoption of the Constitution, the need to redress the imbalances of the past were amplified and given impetus as provided for in section 9 of the Constitution, i.e. "...equality includes the full and equal enjoyment of all rights and freedoms. To promote the achievement of equality, legislative and other measures designed to protect or advance persons, or categories of persons disadvantaged by unfair discrimination may be taken..."

To give effect to the above constitutional provision, the Mining and Minerals White Paper of 1998; section 100 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 (MPRDA), and the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (herein referred to as the Mining Charter) represent government-led interventions that seek to achieve social cohesion. The Mining Charter is intent on transforming the South African mining and minerals landscape into one that, inter alia:

- Restores the dignity of mineworkers through provision of appropriate housing and living conditions;

- Facilitates meaningful and sustainable change in ownership patterns to include transfer of ownership to Historically Disadvantaged South Africans;
- Provides for requisite training and skills development to not only transform the industry, but to ensure that it grows sustainably and competitively;
- Improves workplace diversity through employment equity;
- Contributes to the eradication of enclave development through community development programmes dedicated towards host communities and major labour sending areas;
- Facilitates procurement of goods and services from HDSA companies;
- Provides for sustainable development through analysis of samples in South African-based institutions, and implementation of both environmental management plans as well as commitments of the Mine, Health and Safety Summit.

The Mining Charter is a trailblazing sector-specific transformation instrument in pursuit of meaningful transformation. It was developed and subsequently refined by government, in collaboration with organised labour and business, in order to emphasise mutual inclusivity of meaningful transformation and global competitiveness of the mining industry.

As of 2014, the Mining Charter had been in force for a decade. This report presents the findings of an assessment in terms of the extent of progress to date.

Notwithstanding a paucity of companies of all sizes that have fully embraced the spirit and the letter of the Mining Charter, there's an extremely varied performance that seems

to suggest a compliance-driven mode of implementation, designed only to protect the "social license to operate".

However, more still needs to be done to ensure meaningful participation of women in the sector.

Whereas the MPRDA has transferred the ownership of the mineral wealth of our country to all the people of South Africa, under the custodianship of the State, a proliferation of communities living in abject poverty continues to be largely characteristic of the surroundings of mining operations.

Limited progress has been made in embracing the broad-based empowerment ownership in terms of meaningful economic participation of HDSAs. The trickle flow of benefits that ought not only to service the loan, but also include cash-flow directly to a combination of beneficiaries, is vastly limited. To this end, the interests of mineworkers and communities are typically held in nebulously defined Trusts, which constrain the flow of benefits to intended beneficiaries. As a result, the mining industry has broadly been faced with increasing tensions with both workers and host communities.

Some strides have been made to date in creating an enabling environment for women to participate in the development of mining and mineral resources.

Transformation remains a central tenet of the government of South Africa. As a result, the Mining Charter targets remain applicable and the government will work tirelessly to turn this picture around and achieve radical socio-economic transformation to deracialise the economy and achieve greater equality in the development of the nation's mineral wealth.

I have to also point out that the Mining Charter remains an instrument to contribute towards attainment of the goals outlined in the National Development Plan.

In conclusion, I wish to acknowledge companies that have embraced the Mining Charter. I also recognise the support of members of the Mining Growth, Development and Employment Task Team (MIGDET) and their pivotal role that enabled a fairly seamless process of assessment.

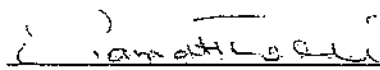

Adv. Ngoako Abel Ramatlhodi (MP)
Minister of Mineral Resources

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DEFINITIONS AND ABBREVIATIONS

"BEE entity" means an entity of which a minimum of 25% + 1 vote of share capital is directly owned in accordance with flow through principle;

"Calendar year" is defined as the one year period that begins on January 1st and ends on December 31st;

"Community" means a coherent, social group of persons with interest or rights in a particular area of land which members have or exercise communally in terms of an agreement, custom or law;

"Continuing Consequences of all Previous deals" refers to the continuing consequences of all previous deals concluded prior to the promulgation of the MPRDA, 2002, which would be included in calculating such credits/offsets in terms of market share as measured by attributable units of products;

"Economic benefit to HDSA" means the current value of HDSA shareholding minus the outstanding loan balance plus dividends paid to HDSA beneficiaries;

"Effective ownership" means the meaningful participation of HDSA in the ownership, voting rights, economic interest and management control of mining entities;

"EMP" means an approved environmental management programme contemplated in terms of section 39 of the Mineral and Petroleum Development Act No. 28 of 2002;

"Enterprise Development" means monetary and non-monetary support for existing or fostering of new HDSA companies in the mining sector of the economy, with the objective of contributing to their development, sustainability as well as financial and operational independence;

"ESOP" means Employee Share Ownership Schemes;

"Historically Disadvantaged South Africans" ("HDSA") refers to South African citizens, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993), came into operation;

"Labour sending area" refers to areas from which the majority of mine workers, both historical and current, are or have been sourced;

"Level of management" refers to the line of demarcation between various managerial positions;

"Life of Mine" means the number of years that a particular mine will be operational;

"Meaningful Economic Participation" includes, inter alia, the following key attributes:

- a) BEE transactions shall be concluded with clearly identifiable beneficiaries in the form of BEE entrepreneurs, workers (including ESOPs) and communities;
- b) Barring any unfavourable market conditions, some of the cash flow should go to the BEE partner throughout the term of the investment and, for this purpose, stakeholders will engage the financing entities in order to structure the BEE financing in a manner where a percentage of the cash-flow is used to service the funding of the structure while the remaining amount is paid to the BEE beneficiaries. Accordingly, BEE entities are enabled to leverage equity henceforth in a proportion to vested interest over the life of the transaction in order to facilitate sustainable growth of BEE entities;
- c) BEE shall have full shareholder rights such as being entitled to full participation at annual general meetings and exercising of voting, regardless of the legal form of the instruments used; and
- d) Ownership shall vest within the timeframes agreed with the BEE entity, taking into account market conditions

"Mining Charter" means the broad-based socio economic empowerment Charter for the South African Mining and Minerals Industry;

~~**"Mine community"** refers to communities where mining takes place and labour sending areas;~~

"Non-discretionary procurement expenditure" means expenditure that cannot be influenced by a mining company, such as procurement from the public sector and public enterprises;

"Stakeholder" refers to a person, group, organisation or system which affects or can be affected by an organisation's actions which may relate to policies intended to allow the aforementioned to participate in decision making in which all may have a stake;

"Social fund" refers to a trust fund that provides financing for investments targeted at meeting the needs of poor and vulnerable communities as informed by commitments made by companies in terms of their social and labour plans; and

"Sustainable development" means the integration of social, economic, and environmental factors into planning, implementation and decision-making to ensure that the mineral and petroleum resources development serves present and future generations.

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1. BACKGROUND

The Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002) (MPRDA) came into effect on the 1st of May 2004 to introduce historical reform of the mining industry. These reforms gave effect to aspirations of the objects of Resolution 1803 of the United Nations, and were enunciated by the Mining and Minerals Policy (White Paper) objectives.

The reforms effectively transferred ownership of mineral and petroleum resources to become "the common heritage of all South Africans, under the custodianship of the state", consistent with the "internationally accepted right of the state to exercise sovereignty over its wealth, natural resources and economic activity", as prescribed in the UN Resolution 1803 of 1962 and the subsequent UN Charter of Economic Rights and Duties of States.

Furthermore, the MPRDA gave effect to section 24 of the Constitution of the Republic of South Africa by ensuring that the nation's minerals are developed in an orderly manner, while promoting justifiable social and economic development. In the first decade since its promulgation, the MPRDA has created an enabling environment for the growth, and the basis for transformation, of the industry, in keeping with the changing socio-economic and political landscape in South Africa. Notwithstanding tremendous progress to date on the reform of the mining industry through the MPRDA, the first ten years of implementation of the Act has provided the benefit of jurisprudence.

The objectives of the MPRDA are, amongst others, intended to:

- Facilitate equitable access to and sustainable development of the nation's mineral resources.
- Promote substantial and meaningful economic participation of the historically disadvantaged.
- Ensure that holders of mining rights contribute towards the socio-economic development of the areas in which they are operating.

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Section 100(2) (a) of the MPRDA provides for the development of the Mining Charter as an instrument to effect transformation with specific targets. The Mining Charter was introduced in 2004 and provided an initial window of ten years for the industry to effect meaningful transformation.

In 2009, the Department conducted an interim assessment on the extent of progress on implementation of the Mining Charter, which informed deliberations of the mining stakeholders' summit and initiated a process to strengthen and sharpen its effectiveness in driving transformation and competitiveness in the mining sector.

In June 2010, the Mining Industry, Growth, Development & Employment Task Team hereafter referred to as "MIGDETT", a tripartite initiative comprising the government, organised business and organised labour (Department of Mineral Resources (DMR), South African Mineral Development Association, Chamber of Mines, National Union of Mineworkers, United Association of South Africa (UASA) and Solidarity) signed a declaration on the "strategy for sustainable growth and meaningful transformation of South Africa's mining industry". The mining stakeholders affirmed the mutual inclusivity of competitiveness and meaningful transformation of the mining industry and further ascertained that one attribute cannot be achieved without the other.

The Stakeholders' declaration served as the basis on which the Mining Charter was amended. The amended Mining Charter, while retaining all the original elements, sought to improve the construct, scorecard, and remove identified ambiguities. It introduced an element on "sustainable development and growth", which addresses the stakeholders' commitment to utilise South African based facilities for analysis, and research and development, throughout the mining value chain, together with the improvement of the industry's environmental management as well as progress in implementation of the mine health and safety summit commitments. Furthermore, it introduced the concept of meaningful economic participation.

This report presents the findings of the assessment of implementation of the Mining Charter against each element, effectively quantifying progress of implementation of the instrument in an aggregated manner over a ten year window period.

2. ASSESSMENT METHODOLOGY

2.1 Population Details

The population size for the assessment comprises all mining rights that were due for assessment. The assessment is based on information submitted on the web-based system.

A total of 962 mining rights were due for assessment. These exclude prospecting rights authorised to undertake bulk samples for feasibility studies, mining permits, mining rights of less than a year in operation, as well as smelters and refineries, as they are not required to implement the Mining Charter in terms of the MPRDA, 2002.

Of the 962 mining rights eligible for assessment, 442 submitted. This was further reduced to 375, due to the following:

- Mining rights that constitute the same mining operation were consolidated; and
- Submissions with glaringly erroneous data.

2.2 Population Weighting

Due to the huge variation in size and significance of mining right holders, a weighting methodology based on employment for each mining right holding was also applied in assessing the data. Accordingly, the aggregate industry results are presented on the following basis:

- Not-Weighted:

This approach aggregates the industry on a basis that mines of different sizes have equal significance in the output.

- Weighted by Size of Mine (using employment):

Employment figures have been used as a measure of the size of a mining right. This measure was selected as it is viewed to better capture the social impacts of mining operations, which significantly cut across all elements of the Mining Charter.

Weighting the output by size provides a measure of significance of the results as larger mining rights carry more weight than smaller mines in the aggregation of the industry performance.

2.3 Consultation Process

The Minister of Mineral Resources established a task team under the auspices of the Mining Growth, Development and Employment Task Team (MIGDETT) as a stakeholder consultative platform on the Mining Charter assessment process. The Department developed a data collection tool, in consultation with the task team. This allowed web-based submissions of data by mining right holders

2.4 Web Based Data Collection System

As stated above, to collect the data, the DMR developed a web-based system through which right holders were empowered to submit data electronically. This system contains a set of data collection tools outlining the required information on all the elements of the Mining Charter. The required data was sought in terms of Section 29 of the MPRDA, which provides for the Minister to direct any right holder to submit any data required to achieve the objectives thereof. The system made provision for mining right holders to declare the correctness of information submission and further places liability on mining right holders for the submission of misleading, incorrect and inaccurate information.

In dealing with the elements of Mine Community Development and Housing and Living Conditions, the information was augmented with the inspection data of the DMR, given that submitted data was inadequate.

2.5 Scoring Principle

The amended Mining Charter set out targets, measures and weightings on how mining right holders are assessed in line with the respective elements. The applicable scoring principles are summarised in Table 1 below.

Table 1: Scoring principles for the elements of the charter

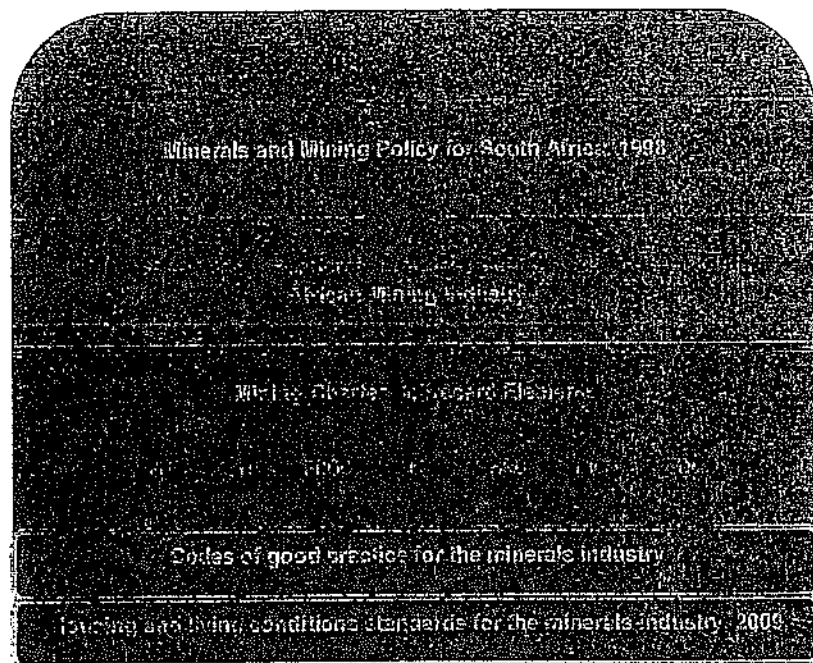
ELEMENT	SCORING PRINCIPLE
2. Ownership	<p>Category 1: Equal or greater than 26% HDSA ownership credits, but does not have all three identifiable beneficiaries i.e. Entrepreneurs, ESOPS & Communities.</p> <p>Category 2: Equal or greater than 26% HDSA ownership credits and broad-based, but no trickle cash flow to HDSA.</p> <p>Category 2+: Equal or greater than 26% HDSA ownership, broad-based, with reported trickle cash flow to HDSA.</p> <p>Category 3: HDSA ownership below 26%.</p>
4. Procurement	Calculation of percentage expenditure from BEE entities on capital goods, services and consumables, respectively. 2014 targets for Capital goods = 40%, Services = 70%, Consumables = 50% and 0.5% of annual spend on procurement from multinational suppliers
6. Human Resource Development	Calculation of percentage payroll expenditure on training as per target. 2014 target is 5% of total annual payroll (excluding mandatory skills development levies) to be spent on HRD
8. Sustainable Development	Calculation of percentage implementation of the tripartite plan on mine health and safety, approved EMPs and utilisation of SA facilities for analysis of samples. 2014 targets are EMPs = 100%, Tripartite Action Plan = 100% and Percentage of samples in South African facilities = 100%

3. POLICY FRAMEWORK

3.1 Mineral and Petroleum Resources Development Act, 2002

The mining and minerals policy framework is based on the Constitution of South Africa and the Minerals and Mining Policy for South Africa. The Mineral and Petroleum Resources Development Act (MPRDA, 2002) further enunciates the afore-mentioned policy. The Mining Charter is provided for in terms of section 100 of the MPRDA as an instrument intended to give effect to transformation in the mining industry. The Mining Charter, as amended, identified elements on which transformation of the industry is premised. Further, the Mining Charter scorecard was strengthened in 2010 to appositely quantify the minimum thresholds for each of the identified elements. The transformation tools are supplemented by the codes of good practice as well as the housing and living conditions standards, as provided for in section 100 of the MPRDA, 2002. Figure 1 summarises the structure of the mining policy framework as it relates to transformation.

Figure 1: A structure of the transformation policy framework for the mining industry



Legend: REP – Reporting; OWN – Ownership; HOUS – Housing and living conditions;
PROC – Procurement and enterprise development; EE – Employment Equity;
HRD – Human Resource Development; MCD – Mine Community Development;
SDG – Sustainable Development and Growth; BENF – Beneficiation

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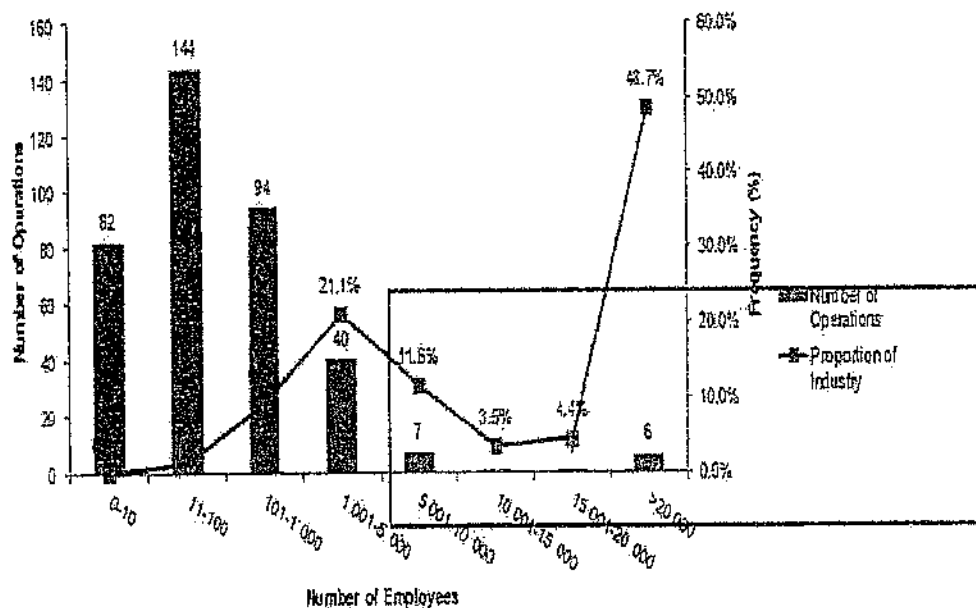
3.2 Mining Charter

Section 100(2) (a) of the MPRDA, 2002 provides for the development of the Mining Charter to facilitate the transformation of the mining industry. The Mining Charter is the product of stakeholders in the mining industry and is representative of stakeholders' commitment to initiate and implement the transformation of the industry.

4. FINDINGS OF THE ASSESSMENT

The report provides a brief outline of each of the Mining Charter elements and elaborates on the findings of the assessment of results characterised as not-weighted and weighted, using employment figures.

Figure 2: Distribution of employees in the mining industry.



The significance of weighting the data is demonstrated in Figure 2, with 1.4% of employees, employed in operations with up to 100 people (small mining right holders), which operations make up 60.3% of the rights assessed. Similarly, 30.4% of employees are employed in operations with a range of employees from 101 and 5000 (medium mining right holders), which operations make up 35.7% of the rights.

Notably, 68.2% of the employees are employed in operations with more than 5000 employees, which operations make up 4% of the rights.

4.1 Reporting

In terms of section 28(2)(c) of the MPRDA, 2002, every mining company must report its level of compliance with the Mining Charter annually, and the 2014 targets were due to be reported by the 31st March 2015. Reporting is ring-fenced as a measure in the Mining Charter.

For this assessment, out of 962 mining rights eligible for assessment, data for 442 mining rights was submitted. The figure of 442 is, however, representative of approximately 95 percent of employment of those rights that were due for assessment. Table 2 below shows the distribution of mining rights by province.

Table 2: Distribution of mining rights that have submitted by province

Province	Total Number of mining rights			Total Number of rights
	Active	Care and Maintenance	Closed	
Gauteng	55	11	0	66
North West	48	13	0	61
Limpopo	24	5	1	30
Northern Cape	42	6	0	48
KwaZulu-Natal	42	3	3	48
Mpumalanga	61	6	1	68
Free State	24	1	0	25
Western Cape	59	5	2	66
Eastern Cape	25	4	1	30
Total	380	54	8	442

From the total figure of 442 mining rights that submitted, 54 are in care and maintenance, 380 are active and 8 are closed. The number of rights analysed is further reduced to 375 for reasons outlined in Section 2.1.

4.2 Ownership

The deracialisation of the mainstream economy constitutes a critical component of normalising society, consistent with the national efforts to construct a democratic society with appropriate norms and values. The ownership element of the Mining Charter represents a stakeholders' co-developed intervention that seeks to drive

transformation in the mining industry, in line with the constitutional imperative and the mining and minerals regulatory framework.

~~The Mining Charter assessment of 2009 illuminated weaknesses that inhibited~~
attainment of broad-based economic empowerment of HDSAs - such as:

- Conspicuous lack of transfer of ownership into black hands;
- Access to funding;
- Indebtedness of HDSAs in transactions;
- Limited flow of dividends to HDSA partners to service the loan; and
- Onerous conditions and financially cumbersome structures of BEE deals.

Significantly, the reported level of BEE ownership was established to have been concentrated in the hands of anchor partners and Special Purpose Vehicles (SPV), representing a handful of Black beneficiaries, dubbed the "usual suspects". This was contrary to the spirit and aspirations of both the Freedom Charter and Mining Charter. At the time, aggregated BEE ownership reached a maximum of 9% against a target of 15%.

In terms of the amended 2010 Mining Charter, stakeholders committed to address the ownership shortfall to give effect to meaningful economic participation in the element of ownership. To this effect, all empowerment structures were to include:

- Clearly identifiable beneficiaries in the form of BEE entrepreneurs, employees and communities;
- A measure of cash flow to BEE partners throughout the term of investment in part to service the funding of the loan while the remaining amount is paid directly to the BEE beneficiaries;
- Enabling BEE entities to leverage equity in proportion to vested interest over the life of the transaction in order to facilitate sustainable growth of BEE entities;
- Full shareholder rights which would necessitate participation at annual general meetings and the exercise of voting rights; and
- Ownership to vest in the time frame agreed with the BEE.

The amended Charter further recognised continuing consequences of previous deals concluded prior to the promulgation of the MPRDA, 2002.

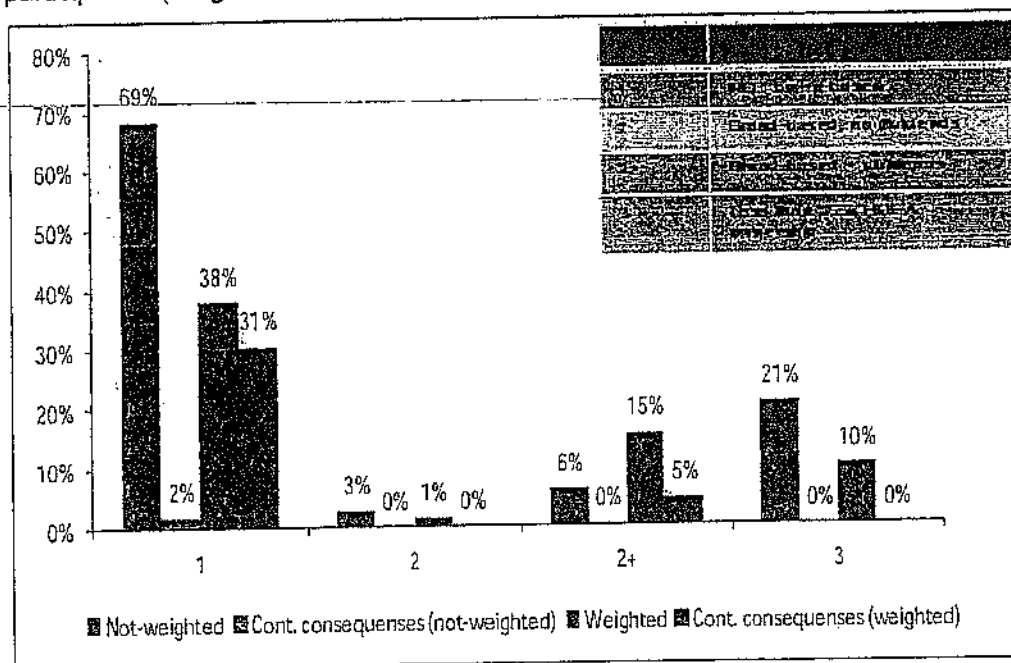
Overarching HDSA Ownership

At face value, 79% of submissions of not-weighted data have reportedly met and exceeded the target of 26% HDSA shareholding with total industry simple average HDSA ownership of 30.6% (Figure 3). Furthermore, when the data is weighted the percentage of submissions with HDSA ownership at or greater than 26% increases to 90% and accordingly the total industry simple average HDSA ownership increases to 32.5%.

It should be noted that the data analysed had taken into account consequences of previous deals, which is reflected in categories 1 and 2+ in Figure 3. In category 1, 2% of the right holders had claimed continuing consequences, which increases to 31% when the data is weighted. In category 2+, 0.3% of the right holders claimed continuing consequences which also increased to 5% when the data is weighted.

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Figure 3: Proportion of mining right holders with meaningful HDSA economic participation (weighted and not-weighted)



Extent of economic benefit to HDSAs

The concept of economic benefit is defined as current value of HDSA shareholding minus the outstanding loan balance plus dividends paid to HDSA beneficiaries. The analysis of economic benefit for not-weighted and weighted data shows that 64% and 37% of right holders respectively have provided no economic benefit to HDSA beneficiaries (Figure 4 and Figure 5). This analysis further reveals that for not-weighted and weighted data, 63% and 36% of right holders managed to accrue value to HDSAs.

Figure 4: Extent of economic benefit accruing to HDSAs (not-weighted)

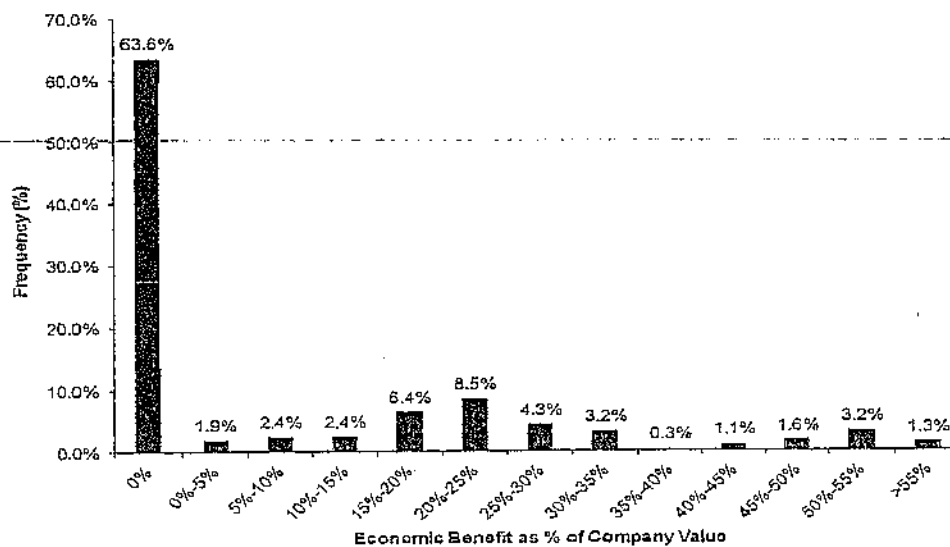
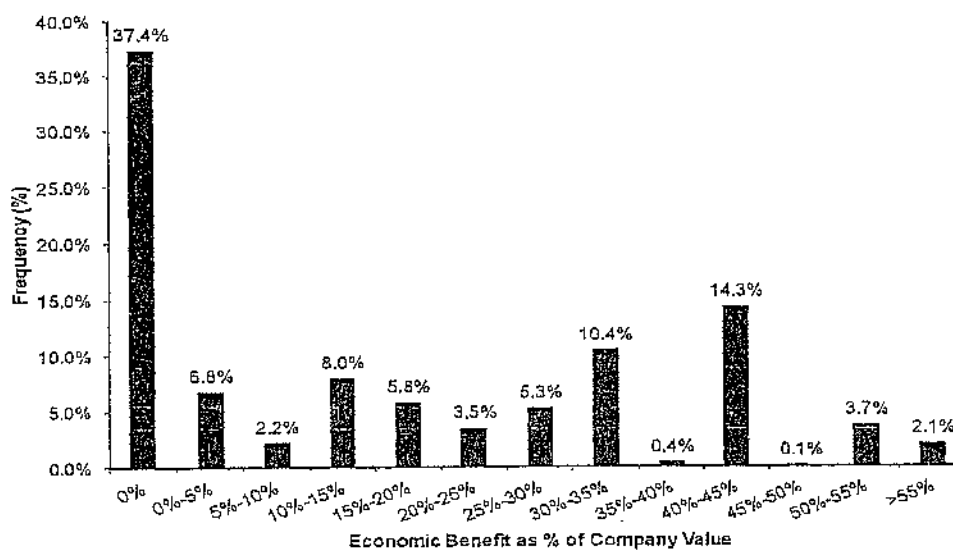


Figure 5 : Extent of economic benefit accruing to HDSAs (weighted)



Full shareholder rights and economic benefit by size

The data was further analysed for full shareholder rights and economic benefit to HDSAs in terms of categories defined as large (5000 employees or greater), medium

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(from 101 employees to 5000 employees) and small (equal and less than 100 employees) and HDSA ownership accordingly assessed (Table 3).

Table 3: Full shareholder rights and economic benefit to HDSA categorised by size

Large Shareholder Rights			
Shareholder Rights	Shareholder Rights	Shareholder Rights	Shareholder Rights
Medium Shareholder Rights			
Shareholder Rights	Shareholder Rights	Shareholder Rights	Shareholder Rights
Small Shareholder Rights			
Shareholder Rights	Shareholder Rights	Shareholder Rights	Shareholder Rights

Although 79% of large right holders have reportedly met or exceeded the 26% HDSA ownership target with a simple average HDSA ownership of 26.2% amongst these large right holders, 64% have transferred economic benefit of between 0% to 26%. However, 29% of the HDSA partners have accrued no (0%) economic benefit at all.

Similarly, 83% of medium right holders have reportedly met or exceeded the 26% HDSA ownership target with a simple average HDSA ownership of 34.1% amongst these medium sized right holders, 75% have transferred the economic benefit of between 0% to 26% to HDSA, and 55% of the HDSA partners have accrued no (0%) economic benefit at all.

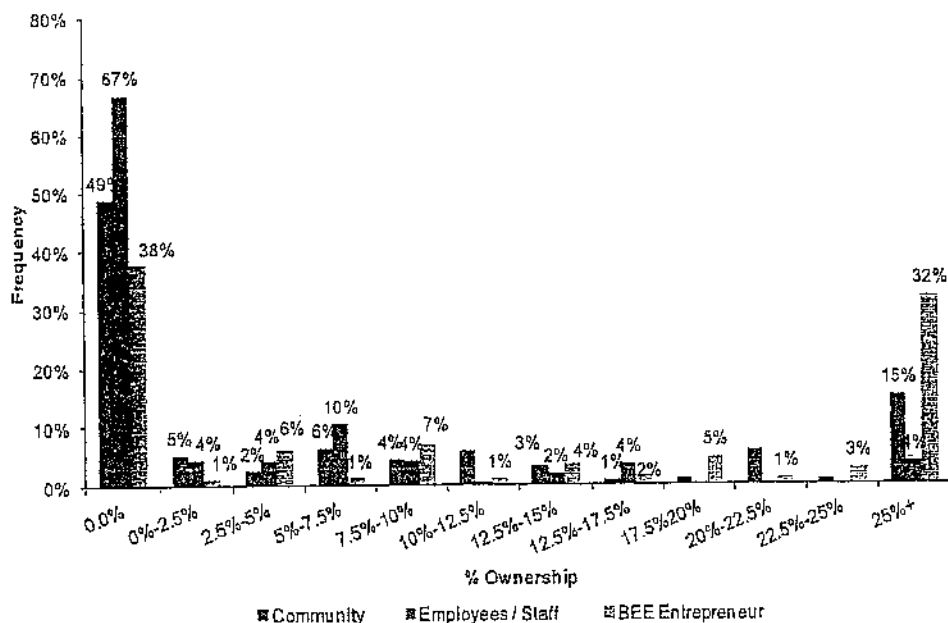
For small right holders, the trend worsens even further with 75% of such right holders having reportedly met or exceeded the 26% HDSA ownership target with a simple average HDSA ownership of 28.4% amongst these small right holders, whilst a disproportionate 92% have transferred the economic benefit of between 0% to 26% to HDSA and 71% of the HDSA partners have accrued no (0%) economic benefit at all.

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Ownership Distribution by Identifiable Beneficiaries

The reported information was analysed for ownership distribution in line with meaningful economic participation by identifiable beneficiaries. The not-weighted data shows that 67%, 49% and 38% of mining right holders did not consider mineworkers (ESOPs), communities and BEE entrepreneurs respectively as their empowerment beneficiaries (Figure 6). Further, 36%, 30% and 29% each of mining right holders have concluded empowerment transactions wherein communities, BEE entrepreneurs and mineworkers respectively have a shareholding of between 0% and 26%. However, 32%, 15% and 4% of mining right holders have reportedly concluded empowerment transactions wherein BEE entrepreneurs, communities and mineworkers (ESOPs) respectively secured ownership levels of 26% and above.

Figure 6: Percentage shareholding by workers, communities and BEE for right holders with broad based HDSA shareholding (not-weighted)

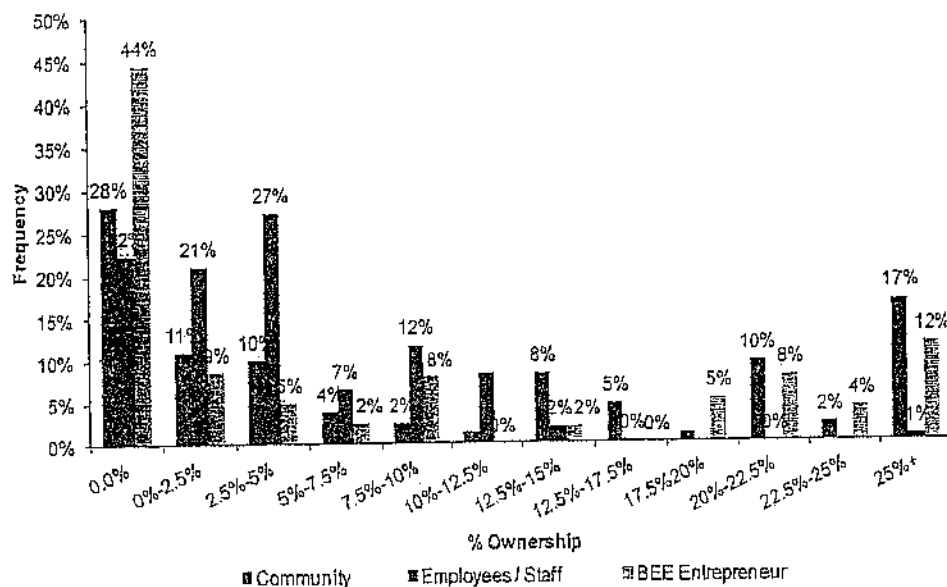


Conversely for weighted data (Figure 7), there appears to be improvement in the distribution among identifiable beneficiaries. To this effect, 77%, 55% and 44% of mining right holders have empowerment transactions wherein mineworkers (ESOPs), communities and BEE entrepreneurs respectively have a shareholding

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ranging between 0% and 26%. Unfortunately, 44%, 28% and 22% of mining right holders have empowerment transactions wherein BEE entrepreneurs, communities and mineworkers (ESOPs) correspondingly have received no shareholding. However, shareholding of communities, BEE entrepreneurs and mineworkers exceeded 26% for 17%, 12% and 1 % of mining right holders respectively.

Figure 7 : Percentage shareholding by workers, communities and BEE for right holders with broad based HDSA shareholding (weighted)



The analysis further reveals that approximately two thirds and almost half of all mining right holders (not-weighted) have not empowered mineworkers and communities respectively. In cases where the two categories are empowered, the efficacy of the transactions is yet to be established. Generally, the interests of both categories are administered through trusts, with varying degrees of success. Having said this, the analysis also indicates a handful of community trusts that have not only meaningfully benefited from their shareholding, but have extended the footprint of participation in the mining industry through investments in other mining operations.

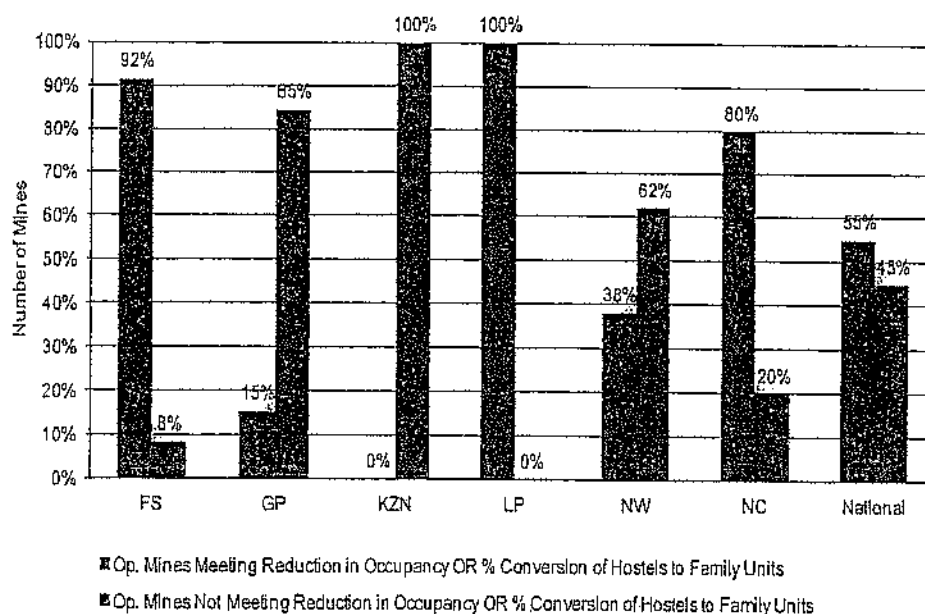
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4.3 Housing and Living Conditions

The Mining Charter has sought to restore the dignity of mineworkers by ensuring that right holders with traditional hostels reflective of the old-order environment are completely eliminated by 2014. This target represents aspirations and commitment of the mining stakeholders in the declaration on "strategy for sustainable growth and meaningful transformation of South Africa's mining industry", in which improved living and working conditions were identified as one of the key features to achieve productivity. The Mining Charter resultantly set the following targets:

- Conversion or upgrade of hostels into family units by 2014;
- Attainment of occupancy rate of one person per room by 2014; and

Figure 8: Performance of mining right holders against the target set for housing and living conditions in 2014.



The assessment of this element was only applicable to those right holders that had hostels. To achieve the target for 2014, right holders with hostels are required to achieve either the reduction in occupancy rates or the conversion of hostels to family units. The reported data showed that (Figure 8), overall 55% of the mining right holders met the target for improving the living conditions of the mineworkers by either reducing occupancy rate to one person per room or converting hostels to

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family units. The provinces with the highest number of mining right holders meeting this target were Limpopo, Free State and Northern Cape at 100%, 92% and 80% respectively. The provinces where the majority of mining right holders did not meet the target include KwaZulu-Natal, Gauteng and North West, where 100%, 85% and 62% respectively of the mining right holders fell short of meeting the target. Western Cape and Mpumalanga Provinces are not included in the data analysed because the augmented data in this element indicated that there were no hostels in these provinces.

4.4 Procurement and Enterprise Development

Local procurement presents an opportunity to leverage the mining industry to stimulate economic growth in South Africa. To this effect, mining right holders are required by the Mining Charter to procure a percentage of their capital goods, consumables and services from BEE entities.

The procurement element of the Mining Charter is a deliberate intervention by mining industry stakeholders to create new avenues for HDSA suppliers' participation in the mainstream economy. To this effect, mining stakeholders agreed to the following measures:

- Procure a minimum of 40% of capital goods from BEE entities by 2014;
- Ensure that multinational suppliers of capital goods annually contribute a minimum of 0.5% of annual income generated from local mining companies towards socio-economic development of local communities into a social development fund from 2010; and
- Procure 70% of services and 50% of consumer goods from BEE entities by 2014.

The above mentioned targets exclude non-discretionary procurement expenditure.

Capital Goods

The percentage of right holders meeting the 40% target is 39.1% when the data is not-weighted (Figure 9). Figure 10 shows that 81.6% of mining right holders (weighted) met the 2014 target of spending 40% of their total expenditure on capital

goods sourced from BEE entities. Furthermore, 14.6% (weighted) procured less than 10% of their capital goods from BEE entities.

Figure 9 : Distribution of capital goods procurement expenditure from BEE entities
(not-weighted)

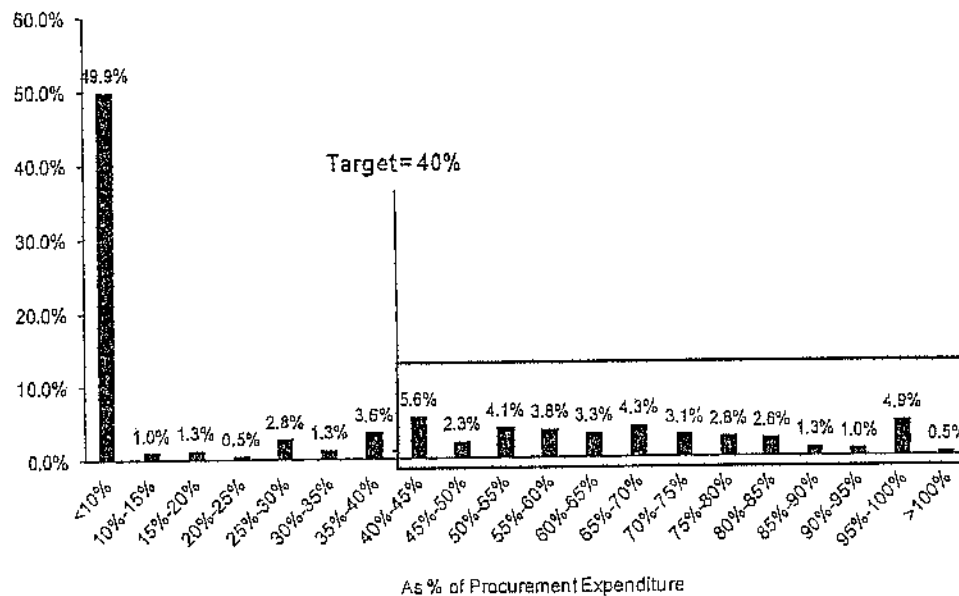
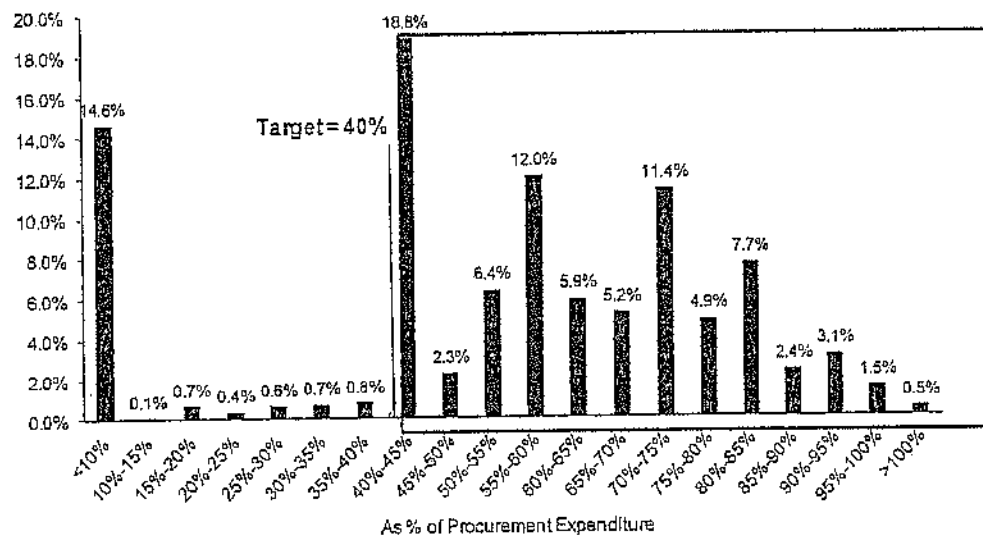


Figure 10: Distribution of capital goods procurement expenditure from BEE entities
(weighted).



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Services

With respect to procurement of services from BEE entities, 32% of the rights in the not-weighted dataset met the target of 70% (Figure 11). It is noteworthy that 64.8% of mining right holders met the 2014 target when data is weighted by employment (Figure 12). The level of population that have not met the minimum thresholds dropped from 66.8% to 35.1% when the data is weighted. This clearly indicates that the mining right holders not yet meeting the requisite thresholds are concentrated among the smaller employers.

Furthermore, it should be note that the weighted and not weighted data sets contained records with procurement expenditure of more than 100%. For not-weighted data, the percentage of rights with this error was 1.3% and for weighted data 0.1%.

Figure 11 : Distribution of services procurement expenditure from BEE entities (not-weighted)

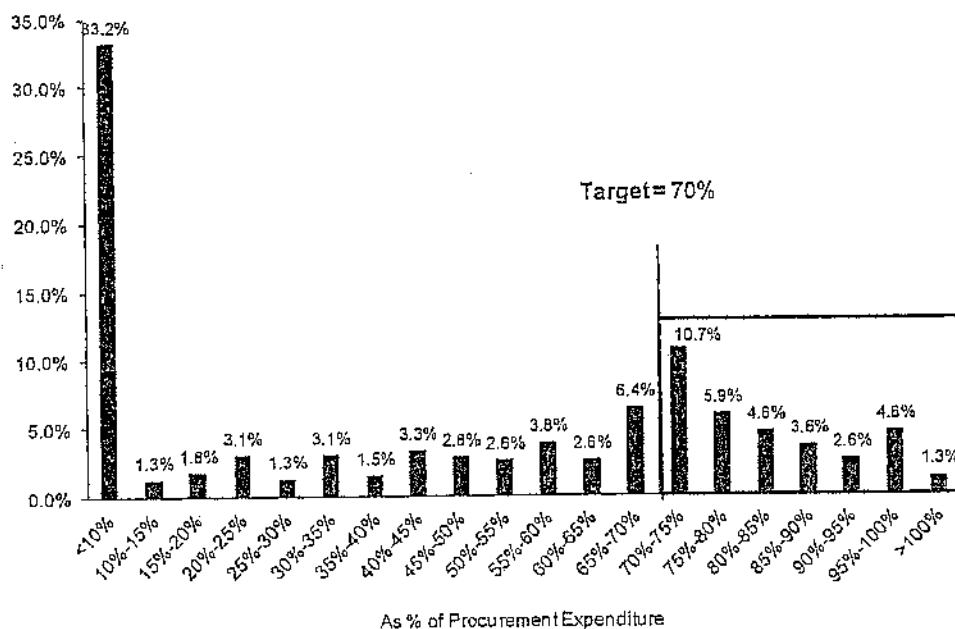
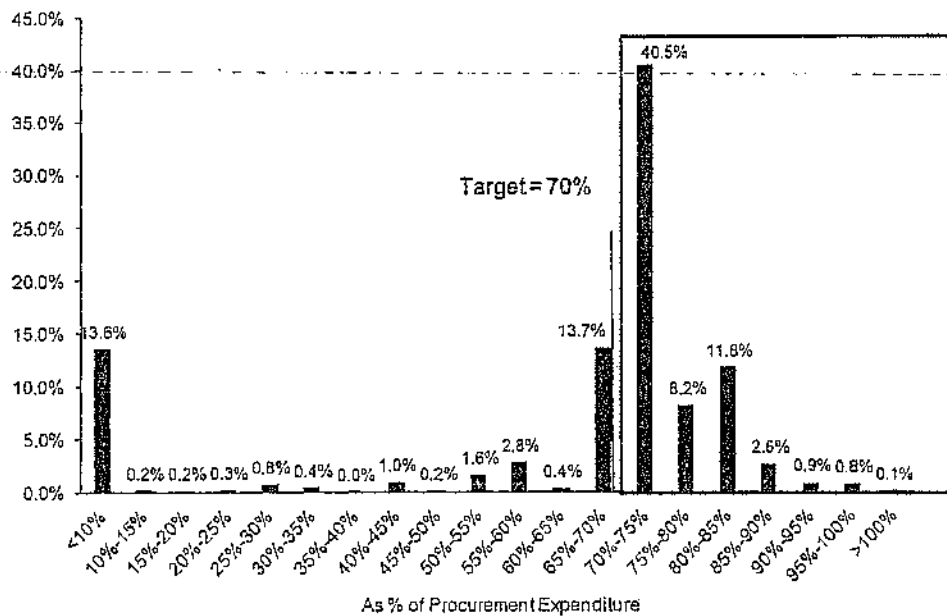


Figure 12: Distribution of services procurement expenditure from BEE entities (weighted).



Consumables

On procuring consumables from BEE entities, the not-weighted data shows that 57.8% of rights met the 2014 target of 50% (Figure 13). There is, however, a marked increase when weighing the data with employment, with mining right holders meeting the target increasing to 82.7% (Figure 14).

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Figure 13 : Distribution of Consumables procurement expenditure as a function of total consumable goods procurement expenditure from BEE entities (not-weighted)

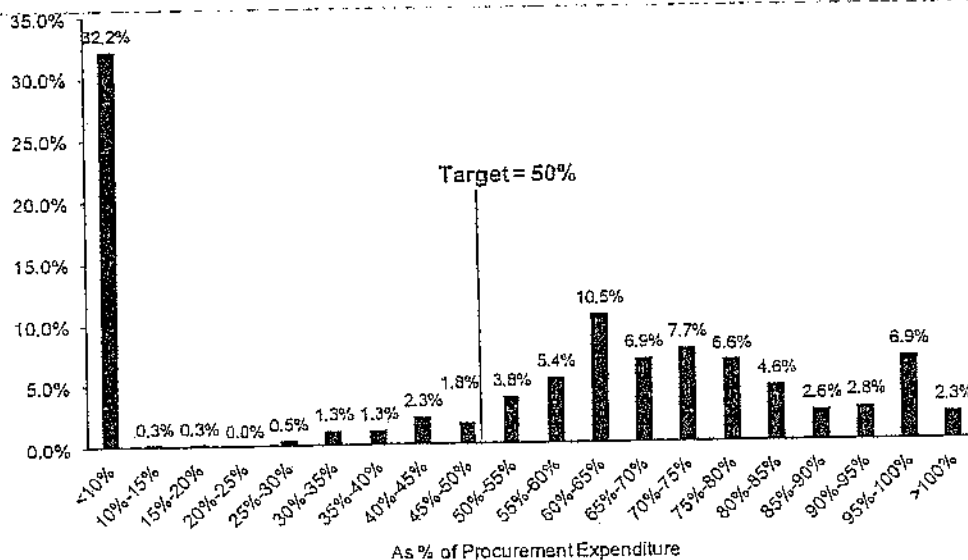
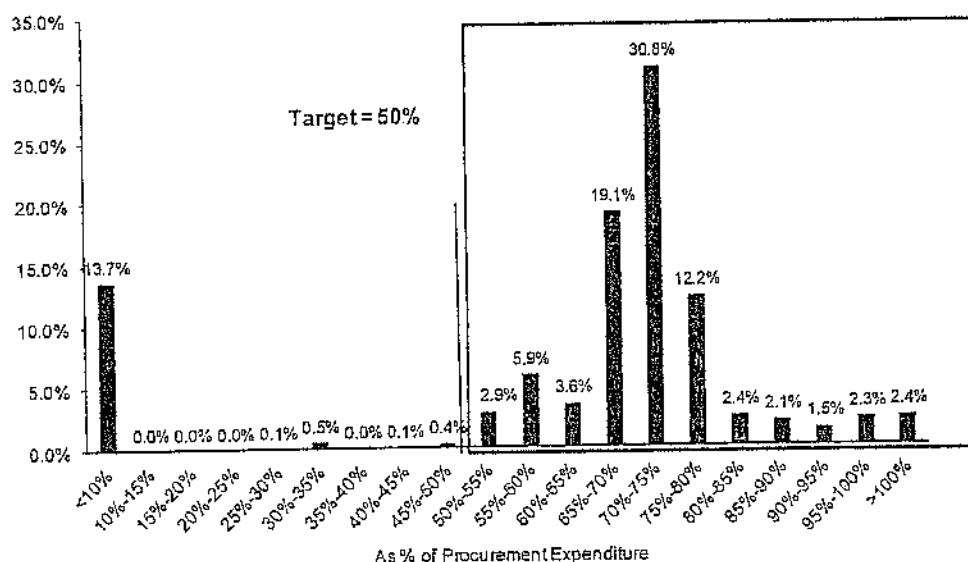


Figure 14: Distribution of Consumables procurement expenditure as a function of total consumable goods procurement expenditure from BEE entities (weighted)



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Multinational supplier's contribution to the Social Fund

Only 3.4% (not-weighted) have reportedly met the required target (Figure 15).
Weighted data (Figure 16) indicates that 14.9% of the industry has reportedly met and exceeded the target of multinational suppliers contributing towards the social fund.

Figure 15 : Distribution of right holders reportedly with multi-national supplier contribution to social fund (Not-weighted)

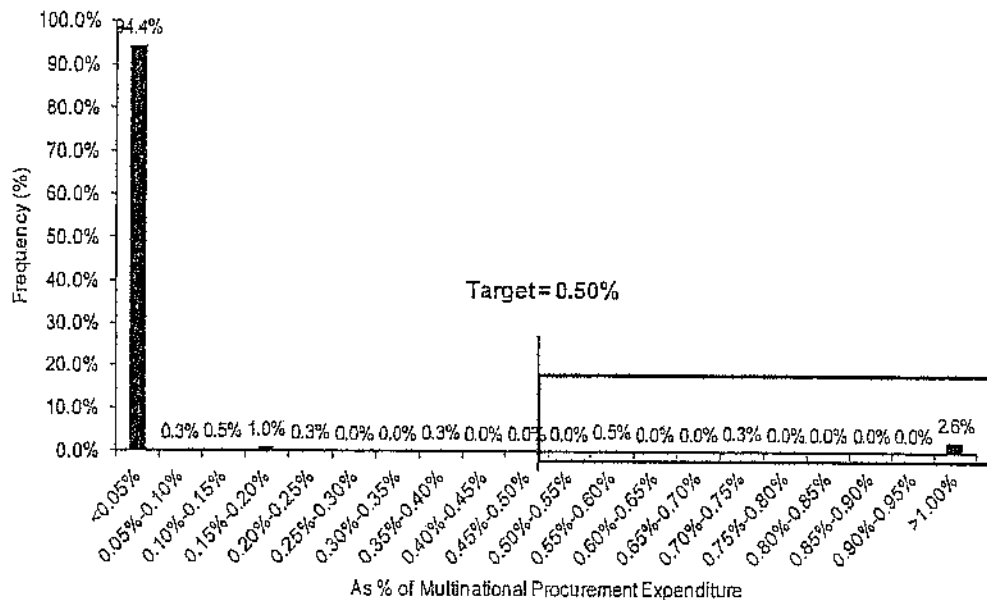
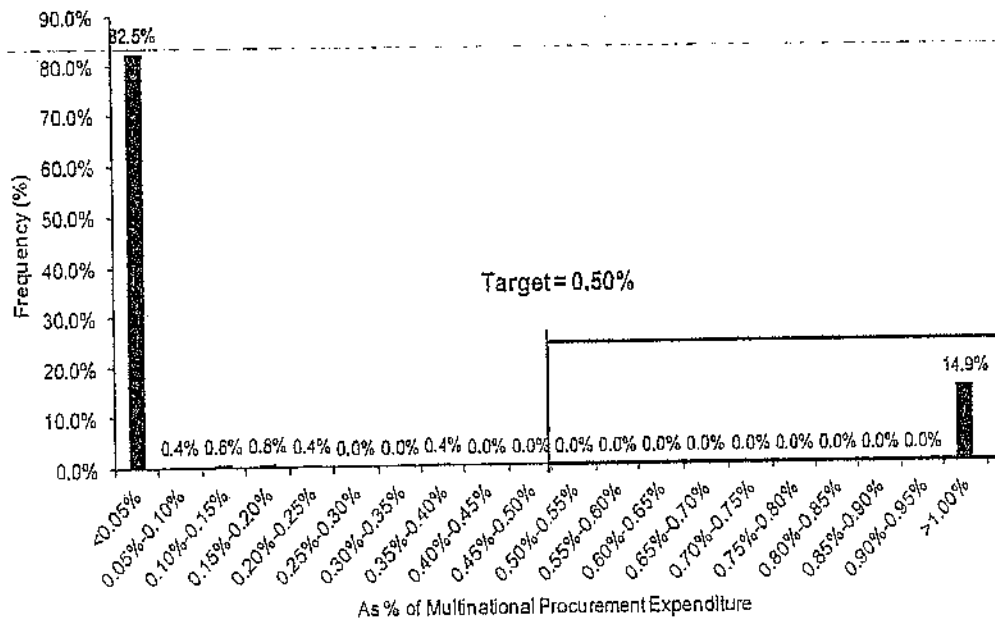


Figure 16: Distribution of right holders reportedly with multi-national supplier contribution to social fund (weighted)



4.5 Employment Equity

The amended Mining Charter represents stakeholders' recognition that workplace diversity and equitable representation at all levels are catalysts for social cohesion, transformation and competitiveness of the mining industry. In order to create a conducive environment to ensure diversity as well as participation of HDSAs at all decision-making levels and core occupational categories in the mining industry, every mining company must achieve a minimum of 40% HDSA demographic at:

- Executive management (Board) level by 2014
- Senior management (EXCO) level by 2014
- Core and critical skills level by 2014
- Middle management level by 2014
- Junior management level by 2014

In addition, mining companies must identify and fast-track their existing talent pools to ensure high level operational exposure in terms of career path programmes.

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Table 4: HDSA representation at different employment functional categories

Analysis of the reported aggregated information in Table 4 above shows that the mining industry exceeded the 40% target set to be achieved by 2014 in the different functional categories. HDSA representation was highest in the core skills category at 75.2%, followed by junior management at 62.8%.

When the applicable Economically Active Population (EAP) level is taken into account, African males are under-represented in the functional categories of top management, senior management and middle management and African females are significantly under-represented in all categories. Similarly, the coloured race group is significantly under-represented, for both males and females, at all categories. Whereas Asian males are over-represented at board, senior and middle management levels, they are under-represented at junior management and core skills.

On the other hand, Asian females are over-represented at board and senior management and under-represented in the remaining functional categories. White females are over-represented in all categories except at board and core skills. Important to note is that white males still dominate in the higher functional

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categories, being over-represented at all functional categories except at core skills, where their representation is at the EAP demographic level of 6%.

Women participation in mining

Prior to the introduction of the Mining Charter, female representation in the mining industry was insignificant. The 2004 Mining Charter set a target of 10% for representation of women in mining by 2009, however, only 6% representivity was achieved. The overall representation of women in the mining industry has increased to 10.5% by 2014. The reported data shows that there is still a long way to go before women are fully represented in the mining industry.

4.6 Human Resource Development

For South Africa to realise sustainable development and growth, the mining industry requires continuous gap assessment and development to ensure that there is enough supply of requisite skills. To this end, the HRD element was introduced not only to expedite transformation of the workplace by skilling workers but also to place the country on a more competitive trajectory by strengthening the skills pillar.

The 2010 assessment indicated that there were still low levels of development in terms of functional literacy, career pathing and mentoring of empowerment groups. The amended Mining Charter required mining right holders to spend 5% of total payroll (excluding skills development levies) by 2014 on HRD. The reported data from the submissions shows that 35.3% of the right holders (not-weighted) did meet this target (Figure 17).

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Figure 17: HRD expenditure as a percentage of payroll (not-weighted)

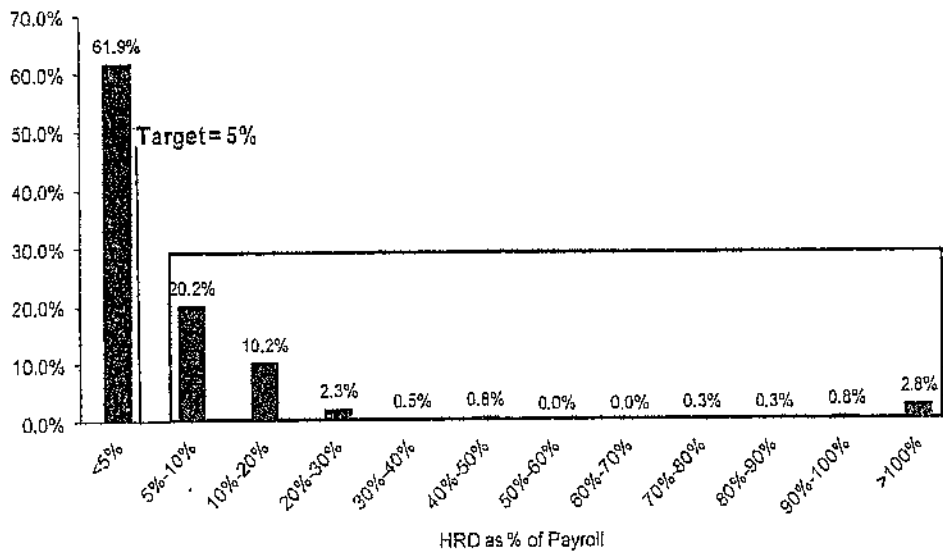
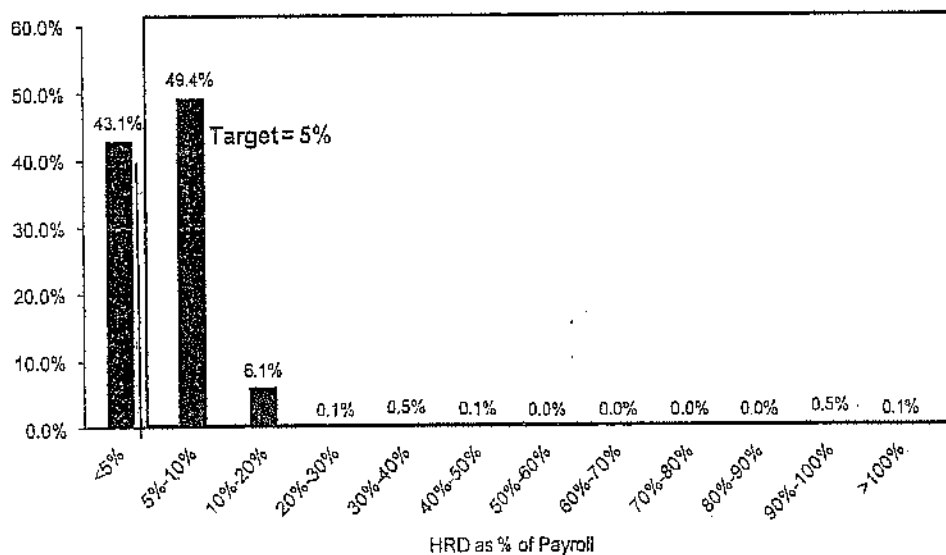


Figure 18: HRD expenditure as a percentage of payroll (weighted)



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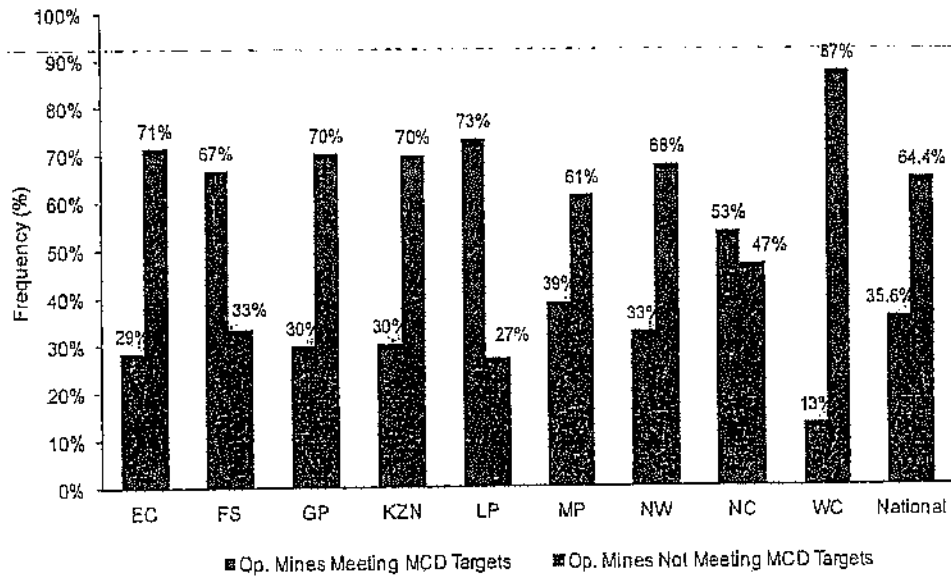
When weighted, the number of right holders meeting the target increases to 56.8% (Figure 18). The comparison of the weighted and not weighted graphs suggests that the smaller employers are less inclined to comply with the HRD targets than the larger companies.

Although there are some right holders that have striven to meet this target, there are still a significant number of right holders that have fallen below the requisite threshold. It should be noted that 2.8% of mining right holders reported HRD expenditure greater than total payroll, which could be an overstatement.

4.7 Mine Community Development

Mining host communities have historically endured a disproportionate negative socio-economic impact from the development of mining. Mining activities in South Africa are largely concentrated in remote and under-developed areas. To this effect, mining stakeholders, in pursuit of uplifting and improving socio-economic conditions amongst these communities, agreed to develop programmes through social and labour plans and other related initiatives to contribute towards the development of both host communities and major labour sending communities. Figure 19 shows the level of progress made with regard to meeting targets of implementation of approved projects. The data shows that nationally only 36% of mining right holders have met their set target on mine community development (MCD). It is also evident from the data that Limpopo has attained the highest level of progress with reported performance at 73%, followed by Free State and Northern Cape at 67% and 53% respectively. However, the picture depicts that Western Cape was the worst performing province with 87% of the mining right holders not meeting the targets, followed by Eastern Cape at 71% as well as KwaZulu-Natal and Gauteng at 70% each.

Figure 19: Extent of implementation of approved MCD projects



4.8 Sustainable Development and Growth of the Mining Industry

Implementation of approved EMPs

The majority of the right holders did not meet the target for implementation of EMPs as stipulated in the Mining Charter, with only 44.5% of the rights assessed as meeting the target as shown in Figure 20 below. Weighting the data resulted in an increase in the percentage of rights complying to 48.6% (Figure 21).

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Figure 20: Implementation of approved EMPs (not-weighted)

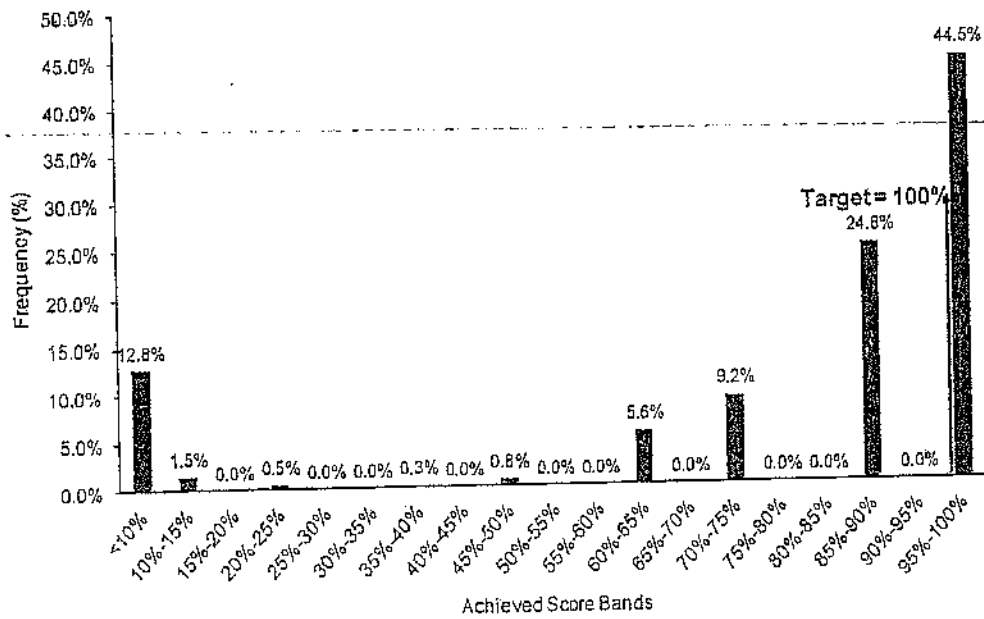
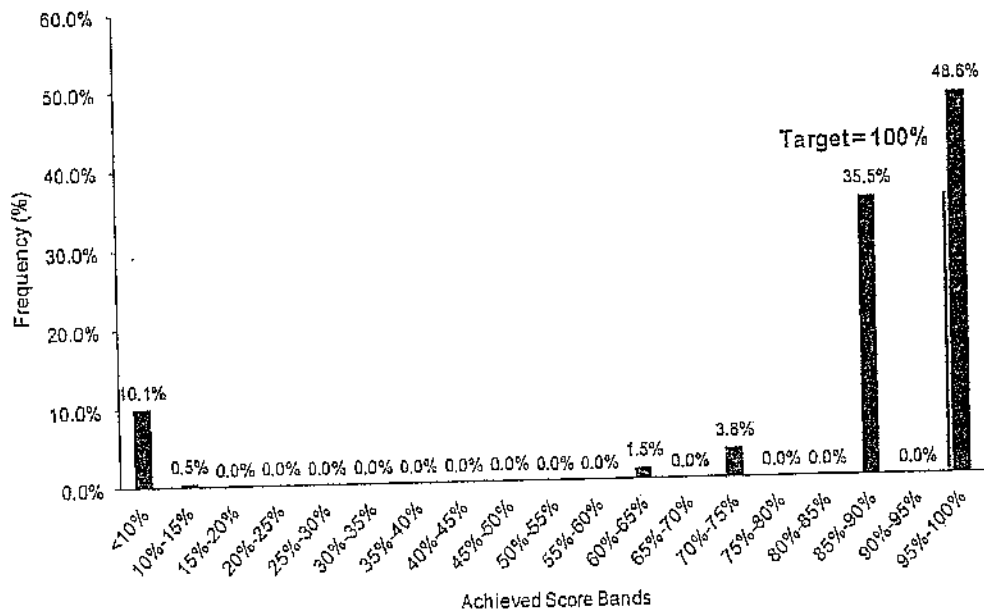


Figure 21: Implementation of approved EMPs (weighted)



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Improvement of the industry's health and safety performance

This element comprises six sub-measures, namely Occupational Health and Safety (OHS) reporting, training of OHS representatives and shop stewards, investigation of Mine Health and Safety Council (MHSC) research outcome for implementation, investigation of leading practices from Mine Occupational Safety and Health (MOSH) for implementation, adherence to TB and HIV/Aids guidelines and implementation of culture transformation framework.

In assessing the results, Figure 22 shows that only 2.6% of right holders met the target for implementing all sub-measures of the tripartite action plan (not-weighted). When the data is weighted (Figure 23), the performance decreases to 1.4%.

It should be noted that for both the weighted and not-weighted data sets, there were rights reporting more than 100%. The percentage of right holders with erroneous reports was 0.3% and 0.2% for not-weighted and weighted data respectively.

Although the aggregated results for all sub-measures indicate that mining right holders did not do well in the implementation of the tripartite action plan, it should be noted that there has been significant improvement on health and safety performance in the sector. This is supported by the reduction in fatalities, injuries and occupational diseases after the enactment of the Mine Health and Safety Act (Act no. 29 of 1996). For instance, there has been an 80% reduction in fatalities from 412 in 1996 to 84 in 2014. Also, there has been a 64% reduction in the total number of occupational diseases from 18371 in 2003 to 6577 in 2014.

Figure 22: Distribution of performance by mining right holders with implementation of the tripartite action plan (not-weighted).

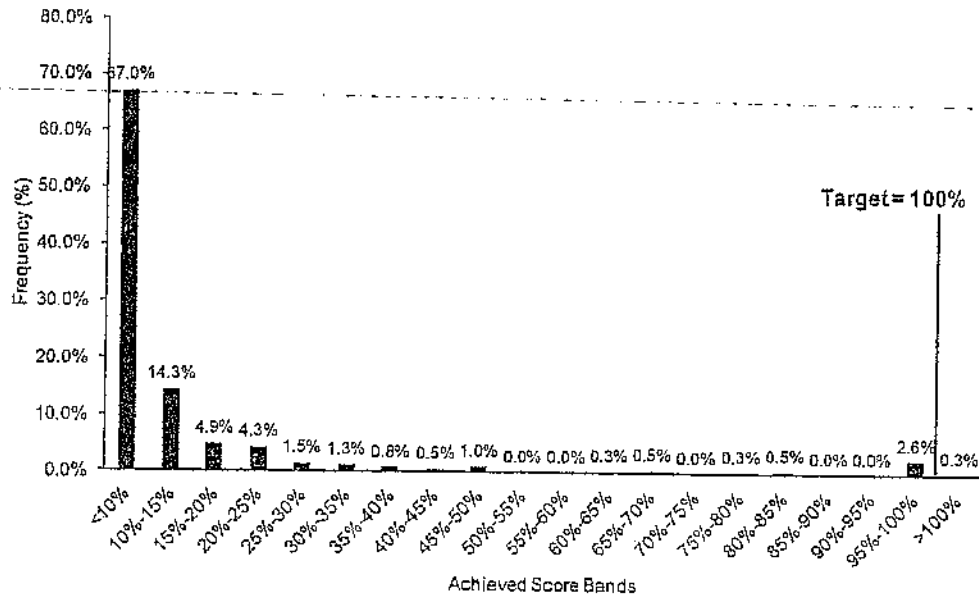
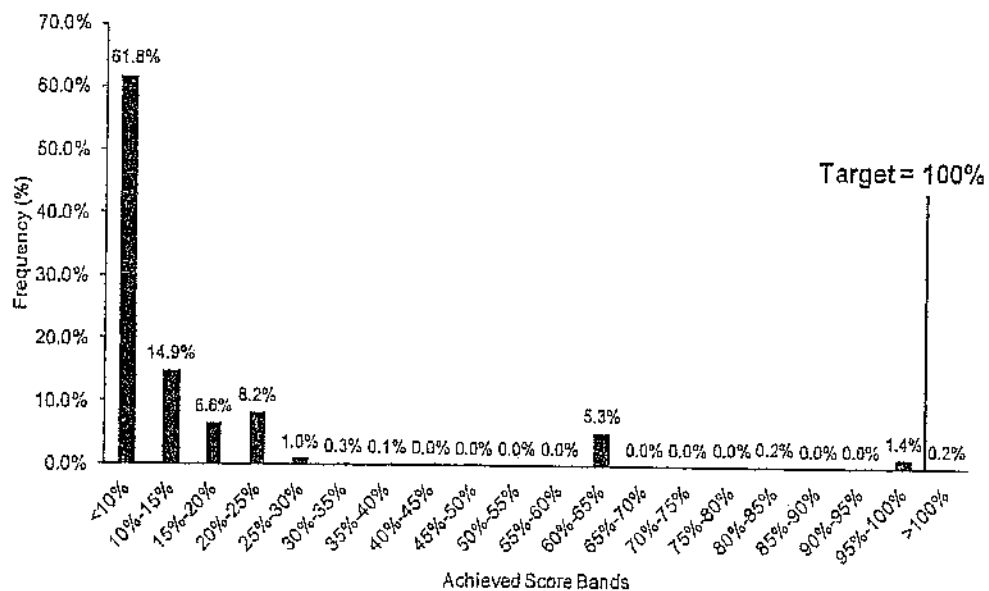


Figure 23: Distribution of level of performance by mining right holders with implementation of tripartite action plan (weighted).

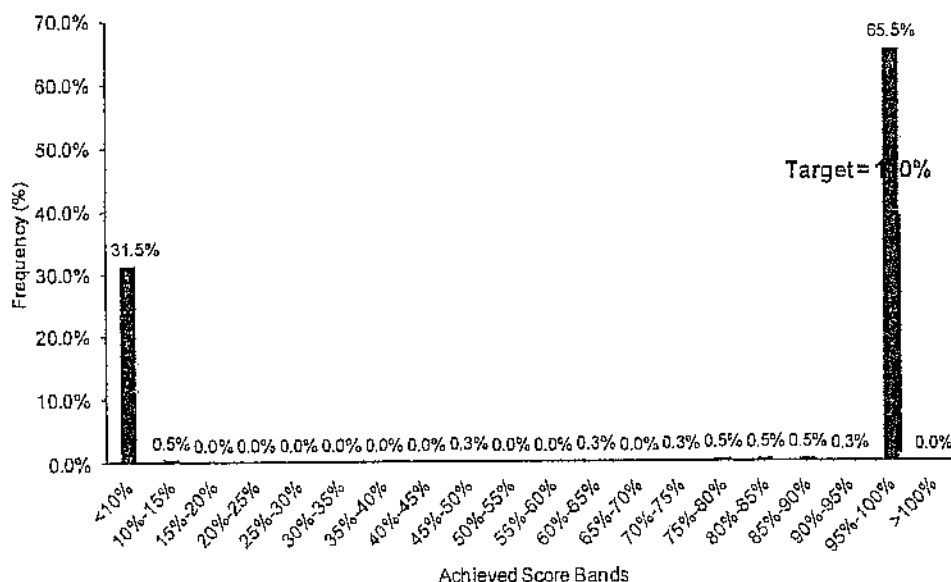


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Utilisation of South African based research facilities for analysis of samples across the mining value chain

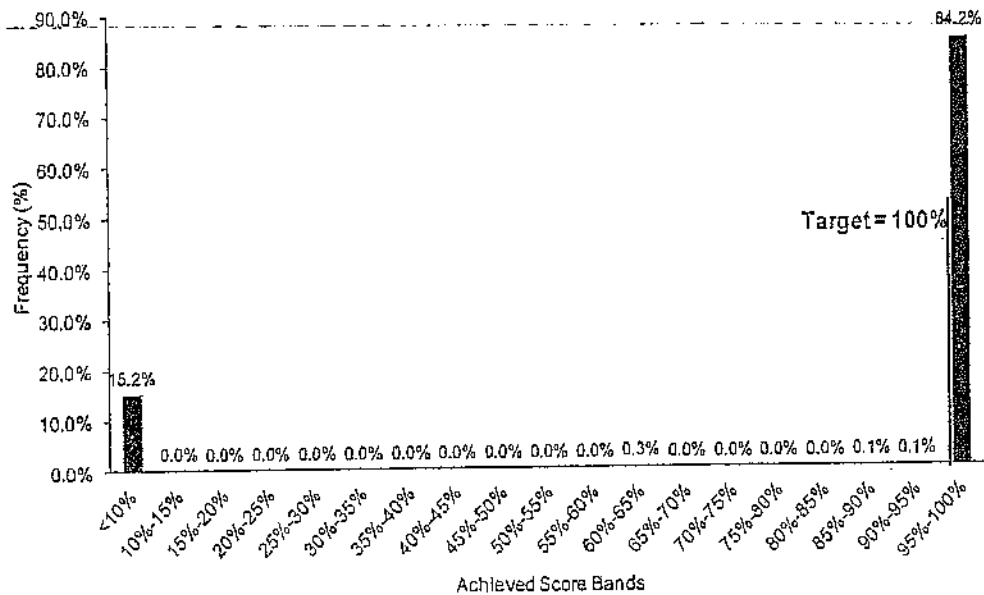
A majority (66%) of the right holders met and exceeded the target of utilising South African based research facilities (Figure 24). At the same time, 35% of mining right holders fall below the target of implementation, analysing less than 10% of their samples in South African based facilities. The extent of progress changes once the data is weighted from 65% to 84% (Figure 25), which implies that most of the large employers complied with this element of the Charter.

Figure 24: Percentage of right-holders utilising South African Facilities for sample analysis (not-weighted).



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Figure 25: Percentage of right-holders utilising South African Facilities for sample analysis (weighted).



5. CONCLUSIONS

This second phase of the evaluation of progress made towards the implementation of the revised 2010 Mining Charter coincides with the declaration by the President that 2015 is the year of the Freedom Charter. The revised Mining Charter was initiated through the undertaking of mining industry stakeholders of the declaration on the Strategy for the Sustainable Growth and Meaningful Transformation of South Africa's Mining Industry 2010. Stakeholders committed themselves to mitigate various constraints that were evident in infrastructure inadequacies, the regulatory framework and the low levels of exploration in research and development. The amended Mining Charter further improved the reporting process to be followed by mining companies through an Improved scorecard, reporting measures, clear targets and time frames.

Reporting

For the current assessment, 962 right holders were due to submit data for the Mining Charter assessment. For this assessment, only 46% of the eligible right holders submitted data. In terms of employment these mining rights account for 95% of total employment by rights that were due for assessment. This 95% is a fair representation of the South African mining industry. Majority of mining right holders that have not submitted are mainly small and medium sized.

Ownership

The assessment reveals that whilst a significant number of right holders, irrespective of size by employment, have reported to have met or exceeded the 26% HDSA ownership threshold, the meaningfulness of economic participation remains largely elusive.

When it comes to the extent of broad based empowerment transactions, a simple average score shows that communities and ESOPs participation is low. When size is taken into consideration, the result changes, with the BEE entrepreneurs dropping from most of the HDSA deals. As a result, an assumption can be made that most of the larger employers have concluded deals with employees and communities rather than entrepreneurs. It can also be deduced that small and medium sized right

holders have not significantly empowered workers and communities. The results of the assessment further shows that there has been limited impact in terms of intended beneficiaries realising optimal economic benefits.

Housing and Living Conditions

The data shows that only 55% of right holders with hostels met the 2014 target for housing and living conditions for mine workers. It has to be pointed out that the structure of the Mining Charter only requires right holders to report on conversion and upgrading of hostels and does not provide reporting for alternatives such as living out allowances and provision of housing. The assessment, furthermore, reveals that some right holders erroneously reported under this element when they should not have, as this element was intended to ensure improvement of housing and living conditions of workers in hostels. Nonetheless, it is clear that the objective of improving the living conditions of mine workers has not been fully realised, especially taking into consideration that nearly half the right holders did not meet the target, notwithstanding the fact that there were mineworkers who opted to take the living out allowances.

Procurement and Enterprise Development

The findings on this element show that when data is not weighted less than half of the right holders met the targets for the sub-elements of capital goods, services and multinational suppliers' contribution to the social fund. Just over half of the right holders met the target of 50% in respect of the consumables sub-element. In all the cases, when the data is weighted, it shows an increase in the percentage of right holders meeting the targets with percentages increasing to 81.6%, 64.8%, 82.7% and 14.9% for capital goods, services, consumables and multinational suppliers' contribution to the social fund respectively. With the exception of multinational suppliers' contribution to the social fund, this trend shows that, generally, large right holders are meeting the targets set for the procurement sub-elements. It also shows they have significant influence over their suppliers, having ensured that these targets are met, which will be significant leverage in promoting localisation of the manufacturing of these inputs to the sector.

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With regard to the creation of the social fund to improve socioeconomic conditions in mining communities, the assessment shows that most companies did not contribute to the social fund. Although stakeholders had committed to develop mechanisms for multinational suppliers of capital goods to the mining industry which are operating in South Africa to contribute to the social development fund, this aspect has largely fallen through the cracks. There is a need for greater focus to design and implement a mechanism that will ensure that this is realised.

Employment Equity

From this assessment, it is evident that white males still dominate most of the key functional categories, especially senior and middle management. Furthermore, data shows that African females are underrepresented at all levels and more still needs to be done to improve their empowerment in the industry. The data shows that the industry has met HDSA representation targets (40%) in all functional categories.

Human Resource Development

The assessment shows that most of the right holders have not met the target of spending 5% of their annual payroll on skills development.

Mine Community Development

It can be seen from the augmented data that only 36% of the mining right holders have met the mine community development target for 2014. In order to promote sustainable socio-economic conditions of communities, this element requires mining right holders to put more effort on implementation of their approved projects.

Sustainable Development and Growth

The element emphasises the need to balance economic benefits with social and environmental issues. The submitted data on the sub element of implementation of approved EMPs shows that there is only a 4% improvement in the level of performance when the data is weighed, from 44.5% to 48.6% which indicates that, across all employment sizes, less than half of the right holders comply.

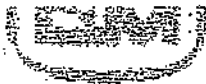
Although the aggregated results for all sub-measures for Health and Safety element indicate that mining right holders did not do well in the implementation of the tripartite

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action plan, it should be noted that there has been significant improvement on safety performance in the sector.

The mining tripartite stakeholder's stakeholders have undertaken to prioritise and address occupational health and safety through the Mine Health and Safety Council. In this regard, stakeholder's re-affirmed commitment to improve health and safety during the Mine Health and Safety Summit of 2014. With regard to the utilisation of South African based research facilities, the performance is encouraging.

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Putting South Africa First



5 Holland Street
Johannesburg 2001
PO Box 61809
Marshalltown 2107

Telephone: (011) 498-7100
Telefax: (011) 834 1884
Web: <http://www.chamberofmines.org.za>
E-mail: info@chamberofmines.org.za

STRICTLY CONFIDENTIAL

7 March 2015

Note to DMR Director General Dr Thibedi Ramontja

CONFIDENTIAL: DESCRIPTION OF THE IMPACT ON COMPANIES POTENTIALLY AFFECTED BY THE EXCLUSION OF PAST EMPOWERMENT TRANSACTIONS (IN RELATION TO UPCOMING MINING CHARTER ASSESSMENT AND ITS NEGATIVE IMPACT ON THE OWNERSHIP ELEMENT MEASUREMENT)

Synopsis: *The purpose of this note is to provide the DG and Minister with a description of the size of the challenge facing the mining industry, if the continuing consequences of certain previous BEE deals are excluded. At the core of the Chamber's submission to the Minister and DG is that the continuing consequences of all previous deals should be included in the measurement of compliance with the ownership element of the Charter discussion. This follows the letter sent to the Minister on the 23rd February 2015, which set out the industry's position and the significant implications of excluding previous deals. The Chamber shares this confidential information to forge a way to a workable solution for the DMR and industry together. The Chamber and its members remain fully committed to the Mining Charter and transformation in the South African economy.*

Introduction

The Chamber appreciates the opportunity to engage the DMR leadership on this key issue. It is very much in our collective interests that a resolution is found to the matter in the interest of promoting stability, investment and transformation in the mining sector.

The purpose of this document is to reiterate the Chamber's input to the Minister and DG that the continuing consequences of previous deals should be included in the measurement of compliance of the mining companies with the ownership element of the Mining Charter. There needs to be a separation of legal compliance away from the questions on whether the objectives of the Charter and the Act had been achieved. The fact that the companies had complied when their mining rights

COUNCIL OF THE CHAMBER: M Teke (President), Ms KT Kweyama (Vice President), G Briggs (Vice President), A Sam, M Cutifani, P Dunne, J Evans, N Froneman, T Goodlace, C Griffith, G Haale, N Holland, MJ Houston, B Megara, N Mbazima, T Mkhwanazi, X Mkhwanazi(Dr), D Matlou, R Moodley, M Mothoa, SA Nkosi, M O'Hare, B Petersen, S Phiri, N Pienaar, N Pretorius, A Sangqu, MP Schmidt, S Sibilya, PW Steenkamp, S Venkatakrishnan.

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were granted (as the DMR agreed with their Charter plans) and that companies had focused on meeting the spirit and objective of the Act by creating a critical mass of BEE that could become self-perpetuating. The fact that some of the BEE players had existed the mining BEE deals to go into other sectors should not be held against the mining companies.

This document highlights the significant number of mining companies that have in good faith done BEE transactions in the post 2004 period that would be materially prejudiced if the continuing consequences of previous transactions are excluded from the measurement exercise. This was included in the letter sent to the Minister on 23 February 2015.

This is a matter of critical importance to the mining industry as the Chamber and its members believe that companies have met the spirit and intent of the Charter and that the continuing consequences should be included. Companies have complied with the Charter requirements and the DMR, in issuing companies with mining rights, has agreed with the companies' transformation plans. The fact that some of the BEE companies have sold out of their equity stakes (and so empowerment has been created in other areas of the economy due to mining) or that equity prices have fallen so as to challenge BEE deals does not take away the significant effort the industry has invested in meeting the requirements on transformation.

As elucidated in the letter to the Minister on 23 February 2015, the Chamber never agreed to the insertion of the underlined wording in the following section that was inserted into the revised Mining Charter. "The continuing consequences of all previous deals concluded prior to the promulgation of the Mineral and Petroleum Resources Development Act, 28 of 2002 would be included in calculating such credits/offsets in terms of market share as measured by attributable units of production." To, in 2010, retrospectively exclude the consequences of previous BEE deals concluded between 2004 and 2010, would be exceptionally unfair and counterproductive given the industry's significant commitment to doing BEE deals in that period without necessarily locking in their BEE partners.

Overview

The Chamber has undertaken to assess the potential impact on the industry and Chamber members, given the significant risks it poses to shareholder value, stakeholder relations and investment prospects for the industry. The Chamber's study encapsulates a significant portion of the industry, providing an impact assessment of 80 – 90% of the value of the mining industry. The information is based on confidential discussions with companies' combined with publically available information per the company disclosures.

Impact assessment on the mining industry

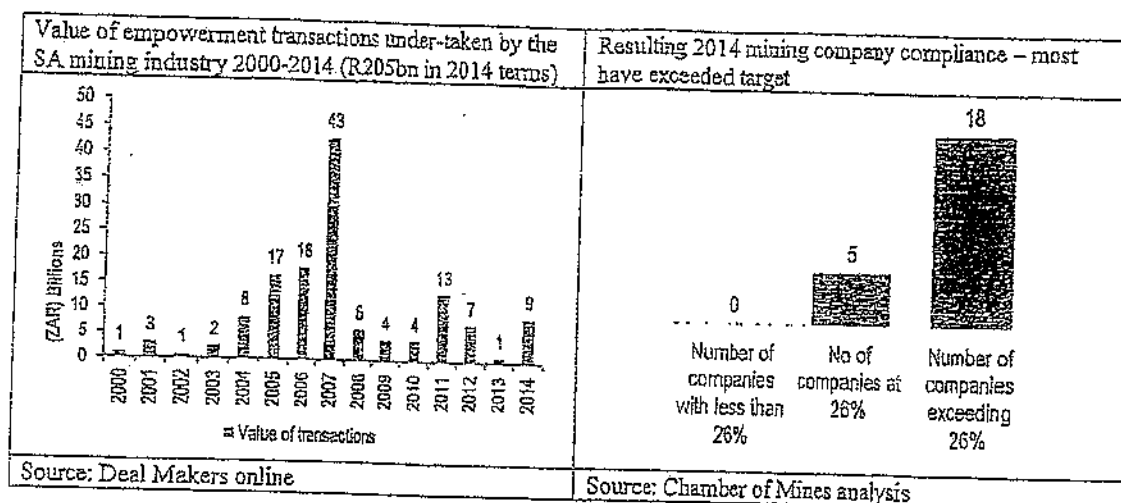
The Chamber has considered 23 mining companies, across 6 of the largest mining sectors. All of the companies, based on the representations made to Chamber, have met or exceeded the industry target of 26% HDSA by 2014. This is supported by the value of empowerment transactions undertaken by the industry since 2000, which equates to R205bn (in 2014 money terms). A significant number of the transactions were done between 2004 and 2010.

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At a sectoral level, the table below summarises the levels of empowerment, in relation to both the past transactions and current BEE ownership of the sector. At an industry level, the Chamber estimates the empowerment level to range from 26% to 50%. The past transactions component of that we estimate to be from 0% to 17% across the sectors. (The weighting applied is based on a combination of volumes and values).

Sector level summary of industry empowerment

SA assets only	Number of companies	Target: Attained vs exceeded	Total HDSA ownership level (percentage points)	Past transactions (percentage points)	Excluding previous deals (percentage points)
COAL	7	Exceeded	50%	17%	33%
IRON ORE	2	Exceeded	35%	2%	32%
MANGANESE ORE	2	Exceeded	32%	0%	32%
DIAMONDS	1	Attained	26%	0%	26%
PGM	6	Exceeded	30%	5%	25%
GOLD	5	Exceeded	30%	16%	14%

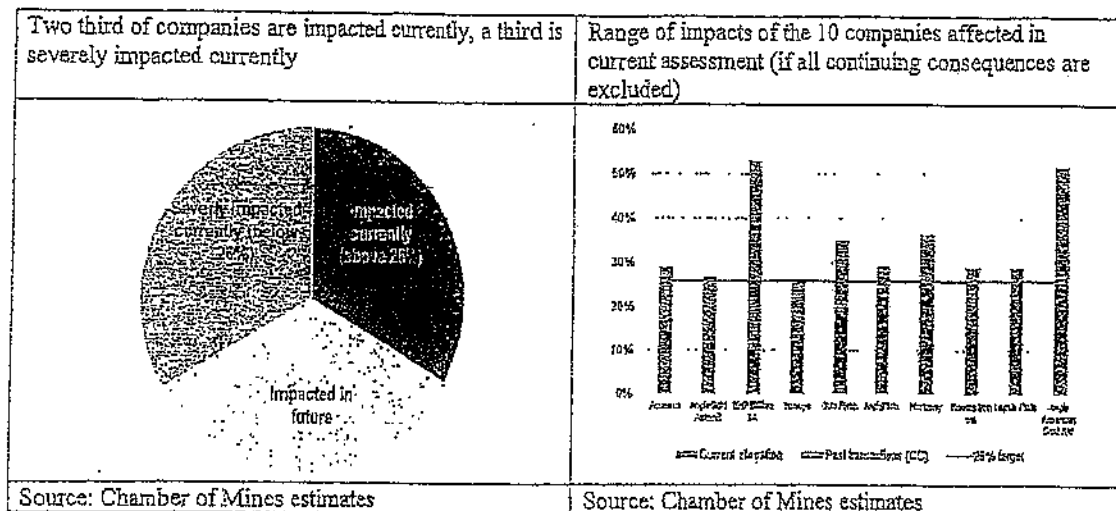
Source: Chamber of mines estimates

Impact of excluding the continuing consequences of previous deals

Of the total 23 companies which have attained and exceeded the ownership requirements, two thirds will have a negative impact on their ownership scores during the current assessment if the continuing consequences of previous deals are excluded. Of this component, about one third of the total companies will be at risk of having their ownership score move below the 26% target. The remaining third is at risk of future assessments being negatively impacted as BEE companies may decide to exit their investment to realise value. In other words this is not just about the period up to 2014 but also into the future.

If the continuing consequences of any previous deal was excluded (in an extreme scenario) this would result in seven major companies having BEE ownership levels of less than 26% (Anglo American Platinum, Gold Fields, Harmony, Sibanye Gold, AngloGold Ashanti, BHP Billiton Coal and Aquarius Platinum) with three companies just making the 26% target (Kumba Iron Ore, Impala Platinum and Anglo American Coal SA).

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In a scenario where pre-2004 transactions are accepted but transactions post 2004 are excluded the 33% of companies severely impacted would fall to 24%. This represents 5 major companies. (Anglo American Platinum, Gold Fields, Sibanye Gold, AngloGold Ashanti (their Izinqwe and ESOP) and Aquarius Platinum).

The Chamber wishes to highlight that these estimates may provide emphasis on the current dilemma facing companies, however, the read through implications have far reaching implications for every company. These companies completed transactions in good faith in the 2004-2014 period to meet the spirit and intent of the Charter. The exclusion of the continuing consequences of these deals has significant reputational risks for the mining companies and for investment in the mining sector.

All the HDSA empowerment partners in mining will want, and should be entitled, to monetise value at some stage and mining companies are at risk of their empowerment levels declining, through the process of BEE partners exiting or decreasing their shareholding. This is a normal outcome of transformation whereby BEE partners want to realise value from mining transactions (or any other investment) and therefore sell their shares. The fact that the BEE shareholders may not necessarily want to stay in mining, does not mean significant transformation has not taken place or that the mining companies should be penalised for allowing the BEE partners to exit. If the consequences of these deals are not included and the DMR insists that companies have to retain a 26% BEE level, this will force mining companies to perpetually dilute other shareholders if the required BEE partners cannot be found in the open market. The consequences will be a shareholder revolt, significant divestment from mining companies and a significant constraint on companies to raise capital in the future.

Conclusion and recommendation

As demonstrated in this document a significant portion of the mining industry (33%) will be impacted if the continuing consequences of the previous deals are excluded, with 24% of the industry by value falling below the 26% ownership target. The exclusion of the continuing consequences of previous deals post 2004 will have a devastating impact on a number of companies, negatively affecting their shareholders and potentially their mining rights.

The Chamber remains firmly of the view that the continuing consequences of previous BEE deals should be taken into account in measuring the performance of the mining companies in terms of the

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Summary of industry empowerment levels and past transactions component

SA assets only	Target	Diff	Total empowerment	Past transactions (Continuing consequences)	Equity and asset level
COAL	26%	24%	50%	17%	33%
Anglo American Coal SA*	26%	26%	52%	25%*	27%
BHP Billiton Coal SA	26%	27%	53%	43%*	10%
IRON ORE	26%	9%	35%	2%	32%
Kumba Iron ore	26%	3%	29%	3%	28%
PGM	26%	4%	30%	5%	25%
AngloPlats	26%	4%	30%	7%*	23%
Impala Plats	26%	3%	29%	3%	26%
Aquarius	26%	3%	29%	26%*	3%
GOLD	26%	4%	30%	16%	14%
AngloGold Ashanti	26%	1%	27%	21%#	6%^
Gold Fields	26%	9%	35%	15%	20%
Harmony	26%	11%	37%	12%*	24.5%
Sibanye	26%	0%	26%	15%	11%

Note * for Anglo American SA and BHP Billiton all or significant part of historic BEE deals done before 2004.

Note #^ for AGA 21% of past transactions done before 2004 and 6%^ is ESOP and Inzingwe deal done post 2004.

Source: Chamber of Mines estimates

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MINISTER
MINERAL RESOURCES
REPUBLIC OF SOUTH AFRICA

Private Bag X59, Arcadia, 0007, 71 Trevelyan Campus, Building 2C 4th floor, Onr Meintjies and Franks Board Street, Sunnyside Tel: (+27 12) 444 3999, Fax: (+27 12) 444 3145
Private Bag X9111, Cape Town, 8000, 7th Floor, 120 Plain Street, Cape Town, 8000 Tel: (+27 21) 462 2310, Fax: (+27 21) 461 0559

Enquiries: Mr. Mosa Mabuza, Tel: 012 444 3004, Email: mosa.mabuza@dmr.gov.za

Mr M Teke
President: Chamber of Mines
5 Hollard Street
Johannesburg, 2001

Dear Mr Teke,

**REF: Publication of the revised Broad Based Socio-Economic
Empowerment Charter for the South African Mining Industry
(The Mining Charter).**

I write to provide you with an update on the progress we are making in furthering the transformation agenda of the mining industry, as enjoined by Section 100(2) (a) of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002) (MPRDA).

I have initiated a process to review the Broad Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (hereafter referred to as the Mining Charter). The review is aimed at, *inter alia*, the need to align and integrate Government policies to remove ambiguities in respect of interpretation and create regulatory certainty. In addition, this is intended to provide for optimisation of transformation impact, including the drive for the industry to become a catalyst for broader development. Given the mutually reinforcing nature of competitiveness and

transformation of the industry, which were affirmed in the

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Mining Growth, Development and Employment Task Team (MIGDETT), the importance of this phase of the review cannot be overstated.

In this regard, the draft review of the Mining Charter has accordingly been developed, taking into account and aligning with the provisions of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), the Codes of Good Practice (DTI Codes), the Employment Equity Act, 1998 (Act No. 55 of 1998) and related laws.

It is in this context that I deem it necessary to publish the draft reviewed Mining Charter in the Government gazette for public comments for a period of 30 days as defined by the MPRDA, commencing from the 15 April 2016.

Please note that during the 30 days period mentioned above, my officials will be inviting your constituent representation on the subject matter as a key stakeholders through MIGDETT for further consultation on the reviewed mining charter 2016.

I look forward to receiving your valuable contribution hereto in our joint pursuit to "*Move South Africa Forward, together*".

Sincerely,



Mr Mosebenzi J. Zwane, MP
Minister of Mineral Resources

Date: 13/04/2016

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CHAMBER OF MINES
of South Africa

MEDIA STATEMENT

042/2016

CHAMBER OF MINES NOTES RELEASE OF DRAFT MINING CHARTER

Commits to constructive engagement with the DMR and other stakeholders in pursuit of ongoing transformation

Johannesburg, 15 April 2016. The Chamber of Mines has noted the publication today by the Minister of Mineral Resources of a new draft of the Broad-based socio-economic empowerment charter for the South African mining industry (Mining Charter) that has been prepared by the Department of Mineral Resources (DMR).

The Charter is the instrument that gives effect to the intentions of the Mineral and Petroleum Resources Development Act. It initially came into effect in 2004 and a revised version was gazetted in 2010. Chamber of Mines member companies continue to be committed to the achievement of all the transformation objectives of the Mining Charter and, for the most, have met the targets set by the 2010 Mining Charter.

The version published this morning will be used as the basis for engagement between the DMR and key industry stakeholders. At a meeting this morning between Minister Mosebenzi Zwane and Chamber office bearers and a number of company CEOs, he and the Chamber team agreed on a process over the coming month, or beyond if necessary, on the content of a revised version of the Mining Charter. This is the first sight the industry has had of the draft and the Chamber is now studying its content.

A further factor to be considered is that the Chamber is currently seeking clarity through the High Court on the interpretation of black economic empowerment ownership transactions carried out by the industry between 2004 and 2014. This decision, which is only expected later this year, will undoubtedly influence both the



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CHAMBER OF MINES
OF SOUTH AFRICA

assessment of the industry's historical performance in terms of ownership and the way forward and could significantly influence this version of the Charter.

Says Chamber President Mike Teke: "With more than a decade of the application under our belt, we have better understanding of the drivers of transformation that yield the most desirable outcomes, and some of the potential pitfalls. We look forward to constructive interaction with government and the other stakeholders in the period ahead. It is in all of our interests that a mutually acceptable version of the revised charter is finalised at the earliest opportunity."

For further information please contact:

Charmane Russell

Mobile: +27 (0)82 372 5816

Email: charmane@rair.co.za

Web: www.chamberofmines.org.za

Alan Fine

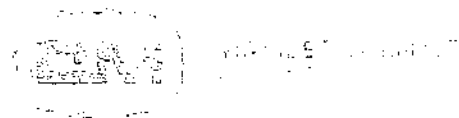
Mobile: Tel: +27 (0)11 880 3924 or Mobile: +27(0)83 250 0757

Email: alan@rair.co.za

Web: www.chamberofmines.org.za

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Tel: 011-498 7663
E: info@chamberofmines.org.za
5 Hollard Street, Johannesburg 2001
PO Box 51809, Marshalltown 2107

27 May 2016

The Honourable Minister M J Zwane
Minister of Mineral Resources
Building 2 C, Trevenna Campus
Cnr Meintjies and Francis Baard Streets
Sunnyside
Pretoria

Sent via email: sibongile.mafie@dmr.gov.za

Dear Minister Zwane

Chamber of Mines Submission on the Department of Mineral Resources' (DMR) Version of the Reviewed Mining Charter

I hope this finds you well.

Please find attached the Chamber of Mines' submission on the DMR's version of the reviewed Mining Charter, it having been previously agreed with the DMR that the Chamber could present its submission today.

I would like to request that we arrange some mutually convenient dates for meetings to discuss the detail of the Chamber's submission on the Department's version of the reviewed Mining Charter, and also matters relating to the process going forward.

The Mining Charter is an important instrument of transformation for the mining industry and it is critical that we engage on the DMR's reviewed version and the Chamber's submission in depth so that we can conclude a mutually acceptable Mining Charter that will help take the industry into the future.

I look forward to your response

Yours sincerely

ROGER BAXTER
CHIEF EXECUTIVE
Tel: 011-498-7663
Cell: 083-779-9277
Email: rbaxter@chamberofmines.org.za



MEMBERS OF THE CHAMBER: M Teke (President), A Sangou (Vice President), N Froneman (Vice President), A Bam, R Baxter, P Dunne, M Fraser, T Goodiace, C Griffith, J Han, N Holland, MJ Houston, L Kgathe, B Magara, D Mathou, N Mbazima, M Mpojo, T Mkhwanazi, M Mokohe, B Petersen, S Phiri, N Pienaar, W Potgieter, N Pretorius, MP Schmidt, PW Steenkamp, S Venkatakrishnan

M.R

M.J.Z

011 498 7100
info@chamberofmines.org.za
5 Holland Street, Johannesburg 2001
PO Box 61809 Marshalltown 2107

CHAMBER OF MINES OF SOUTH AFRICA

WRITTEN SUBMISSION TO THE MINISTER OF MINERAL RESOURCES ON THE DMR'S DRAFT REVIEWED
BROAD BASED BLACK-ECONOMIC EMPOWERMENT CHARTER FOR THE SOUTH AFRICAN MINING AND
MINERALS INDUSTRY, 2016 PURSUANT TO GOVERNMENT NOTICE 450 GG 3933 OF 15 APRIL 2016

MR M.E.Z

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EXECUTIVE SUMMARY

The Chamber of Mines of South Africa (the Chamber) welcomes the opportunity granted by the Minister of Mineral Resources to make written submissions on the DMR Reviewed Mining Charter.

It must be stated that the approach taken to gazette the Reviewed Mining Charter, in which interested and affected parties were given 30 days in which to submit written representations; without appropriate and meaningful participation by stakeholders, is of considerable concern to the Chamber and its members. The Chamber is concerned that the approach chosen by the Minister to review the Mining Charter will not allow for sufficient time for all stakeholders to participate meaningfully in a process that will lead to a final Mining Charter that will have the full support of all the key stakeholders.

Whilst every opportunity has been taken to document a considered Chamber response and recommendations on the Reviewed Mining Charter, the limited time frame within which to submit this response has compromised our ability to put forward empirical evidence to support all our positions. Having said that, the Chamber positions are based on our internal analysis of industry performance, legal counsel opinion, the current market conditions and our members' view of what an aligned Mining Charter should entail in order to promote our shared objectives of a transformed, inclusive and prosperous mining industry.

The Chamber members, which represent approximately 90% of South Africa's mineral production, have highlighted the following as fundamental concerns and founding principles which need to be taken into consideration in the development of a Revised Mining Charter:

1. Mining Charter Alignment Process

The Chamber's submission will show that whilst the Reviewed Charter aims to align the Mining Charter to the BBBEE Codes in order to create consistency of regulation, it has in fact created further potential for confusion and uncertainty especially with regard to the following:

The Mining Charter was developed by the DMR Minister in terms of s100(2)(a) of the MPRDA; therefore:

- (a) The Mining Charter is not a code of good practice issued or gazetted by the Minister of Trade and Industry in terms of s9 of the BBBEE Act. It was in fact developed by the DMR Minister in terms of s100(2)(a) of the MPRDA and gazetted as such.
- (b) The confusion created by the Reviewed Mining Charter as to whether it can be used for revoking issued mining rights as well as whether the final assessment results of a mining rights holder by the DMR can be used for general commercial purposes.
- (c) Should the DTI not issue such Sector Codes for the mining industry, mining companies will be governed by the generic Codes for the purposes of determining their BEE score. The issuing of generic Codes or Sector Codes constitutes compliance with section 9 of the BBBEE Act.
- (d) The adoption of the definitions from the B-BBEE Act and Codes without first making the necessary amendments to the MPRDA to eradicate mis-alignment between the Mining Charter and the MPRDA, thus making the Mining Charter ultra-vires.

The Chamber respectfully submits that the process which has been adopted creates confusion, in that it is not possible to develop a Reviewed Charter which is based on concepts contained in the BBBEE Act and Codes, without first procuring an amendment by Parliament to the MPRDA, for example to adopt the definitions from the BBBEE Act and Codes. And that is indeed the solution which the Chamber very respectfully suggests, namely that the present process relating to the development of a Reviewed Charter be terminated, and be replaced by the development of a further MPRDA Amendment Bill which gives effect to the present objectives, and in which the Reviewed Charter will appear as a schedule (Schedule III) to the MPRDA itself, and in which other provisions of the MPRDA (such as definitions) will be amended or replaced in such a way that the Reviewed Charter which appears in such schedule will be harmonised with such other provisions of the MPRDA itself.

2. The Chamber's court application in case 41661/2015

The outcome of the Declaratory Order court application will have major implications on the Reviewed Mining Charter as a whole. It therefore would have been prudent if the court case would have been concluded prior to the conclusion of the Mining Charter alignment process. There is no provision in the MPRDA for amendments to or review of the Mining Charter or for development of a new Charter in substitution of the Original Charter and hence both the 2010 Charter and the reviewed Charter are ultra vires the MPRDA itself. The Chamber is of the view

that the above problem needs to be resolved by amendments to the MPRDA itself and not the Charter.

Furthermore, it is the Chamber's view that the requirement to unbundle and restructure existing transactions is tantamount to retrospective regulation where mining rights have already been granted base on those transactions. The Chamber is also gravely concerned that such unbundling will benefit the deal makers and banks more than the intended Black beneficiaries. Finally the Chamber raises concerns about the prescriptive nature of the ownership element as proposed in the Reviewed Mining Charter. Such prescriptions will regress the progress made to date and further make the South African Mining industry uncompetitive. Limiting ownership structures to individual mining rights will further disadvantage the Black beneficiaries as they will not have access to more diversified portfolios of mine ownership, and may be limited to only one which compromises the construct of black industrialists.

3. Legal

The Chamber is gravely concerned that the MPRDA does not grant the Minister any powers to review the Mining Charter as it is purported to be done under s100 2 (a). This submission will make relevant references to show that the MPRDA and the B-BBEE Act and its Codes are different and have two different purposes that should not be confused through the Mining Charter.

4. Definitions

The Reviewed Charter imports definitions from the BBBEE Act which are out of alignment with the definitions in the MPRDA this may create interpretation challenges.

5. Compliance Mechanism

The Chamber is concerned that the DMR does not provide clarity on when the Mining Charter can be used for purposes of granting mining rights as well as when it can be used for commercial purposes in the economy. The Reviewed Mining Charter creates confusion by introducing BEE Codes assessment ratings for compliance purposes when the Mining Charter score card itself is not properly aligned to that of the Codes. For purposes of the Mining

Charter it would be ideal to clearly state how the regulator will apply the provisions of the MPRDA when some or all of the elements of the ring-fenced elements are not met.

6. Scorecard

The Chamber is concerned that the Reviewed Charter does not adopt the flexibility of the scorecard contained in the DTI Codes. The DMR scorecard is less flexible.

In Conclusion

The above fundamental concerns and founding principles are not exhaustive and will be further expounded in the attached submission document.

The Chamber welcomes the DMR's intention to align government policies and create regulatory certainty. On reading the requirements for alignment to the Generic DTI Codes the Chamber notes that the DMR has not followed these requirements. This leaves a question as to whether the process chosen by the DMR will lead to the credibility of the Reviewed Charter and its acceptance in the economy as a whole being questioned. The Chamber and its members are looking forward to a Reviewed Mining Charter that will be acceptable to other economic sectors in a manner that will not require mining companies to be rated under the DTI Codes once they have been rated by the DMR. The Chamber would like to reiterate that it supports an aligned Mining Charter that will remain regulated under the MPRDA as stated in Section 100 (2) (a) of the MPRDA.

The Chamber is a strategic partner in the country's transformation objectives and as such believes that beyond compliance, ongoing engagements with stakeholders such as the DMR, organised labour and communities are necessary for collective efforts to contribute to an inclusive industry and to meet the country's development agenda.

Transformation therefore is not only a regulatory requirement, but we believe, is also it a business imperative. For this reason the Chamber is of the view that all stakeholders who are directly affected by the Mining Charter and the manner in which it needs to be implemented need to actively participate and agree in the development of the content of the Revised Mining Charter and the design of how it will be measured.

As a representative body of major and emerging mining companies in South Africa the Chamber takes the opportunity to make submissions to the DMR in response to the recently published Mining Charter.

The Chamber's further comments contained in our submission, which are necessarily driven by the content of the Reviewed Charter, are in the light of the above founding principles, subject to and without detracting from the above founding principles and what the Chamber has said in relation thereto above, so that the Chamber's further comments below fall at all times to be read in the context of such founding principles.

CHAMBER OF MINES OF SOUTH AFRICA

WRITTEN SUBMISSION TO THE MINISTER OF MINERAL RESOURCES ON THE DRAFT REVIEWED
~~BROAD BASED BLACK-ECONOMIC EMPOWERMENT CHARTER FOR THE SOUTH AFRICAN MINING~~
AND MINERALS INDUSTRY, 2016 PURSUANT TO GOVERNMENT NOTICE 450 GG 39933 OF 15 APRIL
2016

I. INTRODUCTION

The Chamber of Mines of South Africa (the Chamber) thanks the Minister of Mineral Resources (the DMR Minister) for the invitation to comment on the above Draft Reviewed Mining Charter (the Mining Charter), and hopes that he will find its comments to be constructive. It also thanks the DMR Minister and the Department of Mineral Resources (the DMR) for having given effect to some of the suggestions to provide policy certainty as recommended by the Chamber.

In these comments, reference to the Mining Charter means, collectively, the Original Mining Charter, 2004, the Mining Charter, 2010 as well as the Reviewed Charter (or, as the context may require, each of the above charters).

The Chamber believes that the Mining Charter is a stakeholder agreed instrument that is used to drive transformation in the mining sector. For this reason the Chamber believes that all stakeholders who are directly affected by the Mining Charter and the manner in which it needs to be implemented need actively to participate in and agree to the development of the content of the Mining Charter and the design of how it will be measured or how its scorecard will be developed.

II. BACKGROUND

The Chamber is a voluntary employer organisation that represents major and emerging mining companies. The membership of the Chamber is structured as follows:

- 4 Associations namely; Aggregates, Sands Producers Association of Southern Africa (ASPASA), South African Diamond Producers Organisation (SADPO), Association of Shaft Sinkers and SA Mining Contractors, Clay brick Association of South Africa (CASA)
- 30 Emerging Mining Companies
- 38 Major Mining companies

The 72 members of the Chamber represent more than 90% of mineral production in South Africa. The South African mining industry contributes 7.7 % of Gross Domestic Product (GDP), 25% of merchandise exports and approximately 12% of the Johannesburg Stock Exchange (JES) market capitalisation.¹ The 72 members of the Chamber currently comply with the Mining Charter and will be materially affected by the changes proposed in the Reviewed Mining Charter.

The Chamber is a strategic partner in the country's transformation objectives and as such believes that beyond compliance, ongoing engagements with stakeholders such as the Department of Mineral Resources (DMR), organised labour and communities are a necessary requirement for collective efforts to contribute to an inclusive industry and to meet the country's economic growth and the development agenda.

Transformation therefore is not only a regulatory requirement, but we believe it also a business imperative. For this reason the Chamber is of the view that all stakeholders who are directly affected by the Mining Charter and the manner in which it needs to be implemented need to actively participate and agree in the development of the content of the Mining Charter and the design of how it will be measured.

As a representative body of major and emerging mining companies in South Africa the Chamber takes the opportunity to make this submission to the DMR in response to the recently published DMR Reviewed Mining Charter.

¹ Chamber of Mines estimates: Stats SA 2014

III. MINING INDUSTRY CONTEXT

The Chamber and its members remain committed to transformation and growth in the mining sector. Significant progress has been made to ensure that the objectives of transformation are met and that the targets set in the Mining Charter are achieved. Any amendments to the Mining Charter will need to consider the real impact of the Mining Charter since its inception in 2004.

1. Mine Community Development

The Chamber and its members can attest to the significant milestones that have been achieved in the transformation journey whilst recognizing that more work still needs to be done. The Anglo American Group of Companies (Anglo Platinum, Anglo Coal, De Beers and Kumba Iron Ore), Impala Platinum, Royal Bafokeng Platinum, AngloGold Ashanti, South32, Sibanye Gold, Exxaro and others have successfully converted or eradicated hostels and established single room and or family units to improve the living conditions and dignity of their employees. The mining industry prides itself in building basic education infrastructure like schools and crèches and health facilities in mine host communities in collaboration with relevant government departments. Those companies that draw a significant number of their employees from labour sending areas have made significant contributions towards infrastructure development, health and basic education facilities in their respective labour sending areas.

2. Human Resource Development

The mining industry has contributed considerably towards the education and training of its employees. Progress has been made in Adult Education and Training where literacy levels have improved from over 60% illiteracy in 2002 to below 30% in 2014. In 2016, there are more qualified black artisans than there were in 2002. The industry has invested significantly in skills development and evidence of this investment can be demonstrated by the approximately 10,000 bursaries offered to deserving black students at various institutions of higher learning in the past 12 years; apart from those issued by the Mines Qualification Authority (MQA). The industry has spent an average of R3 billion to R5 billion per annum in various education and training programmes for its employees including communities.

3. Ownership

According to the DMR's own numbers, 90% of mining right holders on a weighted basis had achieved the 26% BEE ownership target. The DMR's average ownership level was 34% versus the 26% target. Approximately R159 billion of value to HDSAs has been transferred in the form of ownership since the inception of the Mining Charter.

4. Difficult Economic Conditions

The mining industry has in the past five years gone through challenging economic conditions. The decline in commodity prices, rising costs and falling productivity, have resulted in a sustained decline in the industry's viability. Additionally, reduced investment in capital expenditure and in exploration and new mining projects, has had the unintended negative consequence of large scale restructuring. In 2014, the industry made a R10 billion loss (after taxes and dividends) and this escalated to a R37 billion loss in 2015; the only loss-making sector of the entire economy. Approximately 59 000 people have lost their jobs in the mining industry (in the period January 2012-December 2015) and a further ±30 000 are currently faced with the threat of retrenchment. The DMR and its other tripartite partners including the Chamber are currently engaged in exploring possible measures of reducing the negative impact of large scale retrenchment through the Jobs declaration which is proving difficult to implement. At the same time the industry has had to restructure to survive. Collaborative partnership is key.

Given these conditions in the mining sector, it is not clear if whether the DMR has done a thorough Regulatory Impact Assessment of the implications and possible consequences of introducing the Reviewed Charter in its current format. Some stakeholders do not appear fully to comprehend the socio-economic impact of this Reviewed Charter. Perhaps an independent agent or institution needs to be commissioned to conduct a full and thorough Regulatory Impact Assessment (looking at all aspects of the Reviewed Charter) before a decision is made on how best to make changes or add new things or targets to the Mining Charter.

5. Transformation

Whilst the industry is in support of the country's transformation agenda, it is our considered view that the current Charter as published does not do enough to ensure the growth of a competitive mining industry through promoting regulatory certainty.

The subject of transformation has to be broader than compliance targets. If our members are to accept the Mining Charter as currently presented, not only would the industry regress in terms of current contributions, but the industry would have missed a key opportunity to formulate a Mining Charter that is realistic, forward looking and can contribute to the establishment of black industrialists that will benefit the industry as well as meet the state's objectives of an inclusive and growing economy.

The comments and recommendations that will follow in this submission will be made with the foregoing context in mind.

IV. THE REVIEWED BROAD BASED BLACK-ECONOMIC EMPOWERMENT CHARTER FOR THE SOUTH AFRICAN MINING AND MINERALS INDUSTRY, 2016

The Minister of Trade and Industry released General Notice 1047 GG 39350 of 30 October 2015 to exempt the DMR from applying the requirements contained in section 10(1) of the Broad-Based Black Economic Empowerment Act 53 of 2003 ("BBBEE Act"). In effect, this was done to allow the DMR sufficient time to align the Mining Charter developed by the DMR Minister in terms of the Mineral and Petroleum Resources Developments Act, 2002 ("MPRDA") to the BBBEE Act and the BBBEE Codes of Good Practice ("Codes").

On 15 April 2016, the DMR released its own version of the Reviewed Charter for the South African Mining and Minerals Industry; 2016 for public comment. Interested and affected parties were given 30 days in which to submit written representations on the Draft Reviewed Mining Charter.

It is of grave concern to the Chamber that the DMR chose to gazette the Reviewed Charter without meaningful stakeholder engagement or participation. It is our view that this approach may compromise the process. The Chamber further believes that a Charter that is concluded within 30 days without full participation and engagement of all key stakeholders will not result in an inclusive Mining Charter that has the full support of all its stakeholders and buy-in by the economy at large.

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V. SUMMARY OF MAJOR ISSUES WHICH ARE OF CONCERN TO THE CHAMBER

The following are overarching provisions that have not been addressed in the Reviewed Charter:

-In regard to alignment with the Codes, the Reviewed Charter does not provide for any weighting points.

-The Chamber recommends that reference to other Acts such as the Companies Act, the Small Business Act etc. especially with regards to definitions, be referenced to specific sections in those Acts to allow for consistency in understanding.

-In respect of the preamble, the last paragraph on page eight of the Reviewed Charter seems to be defining the net value principle. If this is the case, the Chamber does not agree to the principle of net value being included.

-The Reviewed Charter will result in the need to restructure implemented transactions (some new, others recently re-financed) in terms of paragraph 2.11 (transitional arrangements), i.e. existing mining right holders have a maximum of three (3) years to align to the provisions of the Reviewed Charter.

-The DMR cannot retrospectively legislate. Mining rights approved by the DMR should not have to be redone

-The implications of the requirement to align do not appear to have been carefully considered by the DMR, since this is going to perpetuate the theme of the ultimate beneficiaries of B-BBEE continuing to be the deal makers and funders of these transactions rather than true empowerment for the beneficiaries. The implications of the unbundling process and reorganising BEE deals will result in a decrease in net Present Value of Mining Projects with less value to be unlocked by historically disadvantaged South Africans. Furthermore, the beneficiaries would not have access to more diversified portfolios of mine ownership, and may be limited to only one. We are aware that a company can apply to the Minister for permission to construct a consolidated transaction, however, the permission is not fait accompli.

-There is a lack of clarity as to whether "ring-fenced" elements are to be interpreted as Priority elements as per the Codes

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The following are major issues which are of concern to the Chamber and which are mentioned here in alphabetical order and therefore not necessarily in order of importance, but which will be addressed at the appropriate places in the Charter element-by-element commentary.

- Annual Turnover
- BEE Compliant Company
- BEE Entity
- BEE Entrepreneur
- Beneficiation
- Black owned/controlled entity
- Codes
- Continuing Consequences
- Calendar Year
- Effective Ownership
- Locally Manufactured Goods
- Meaningful Economic Participation
- Ministerial Skills Development Trust
- Ring fenced Elements
- Small Business Development
- Social Development Trust
- Special Purpose Vehicles

VI. FOUNDING PRINCIPLES

The Chamber submits that the following founding principles apply to the Reviewed Charter and to the Chamber's comments on it.

1. Separation of Powers between the Legislature and the Executive

To the extent that the 2010 Charter and the Reviewed Charter purport to give the Minister powers not flowing from or contained in the MPRDA, both charters offend the separation of powers doctrine.

2. The issues identified by the Chamber in the Chamber's court application in case 41661/2015

The issues identified by the Chamber in the declaratory order application in relation to the Original Charter, 2004 and to the 2010 Charter are applicable also to the Reviewed Charter. These issues are more fully set out in paragraph 2.1 below.

3. The Amendment or Review of the Charter

There is no provision in the MPRDA for amendments to, or review of, the Mining Charter or for the development of a new Charter in substitution of the Original Charter and hence both the 2010 Charter and the reviewed Charter are ultra vires the MPRDA itself.

The Chamber is of the view that the above problem should be resolved by amendments to the MPRDA itself and not the Charter.

4. The relationship of the MPRDA and the Mining Charter on the one hand, and the BBBEE Act and Codes on the other.

- Reference is made in the last two paragraphs of the Preamble to the Reviewed Charter, of alignment between the MPRDA and Mining Charter on the one hand, and the BBBEE Act and Codes on the other. The Chamber submits that those paragraphs disclose fundamental misconceptions in regard to these issues.

(i) The Mining Charter was developed by the DMR Minister in terms of s100(2)(a) of the MPRDA.

(a) The Mining Charter is not a code of good practice issued or gazetted by the Minister of Trade and Industry in terms of s9 of the BBBEE Act. It was in fact developed by the DMR Minister in terms of s100(2)(a) of the MPRDA and gazetted as such.

(b) The Mining Charter is also not a transformation Charter for the mining and minerals sector of the economy which was developed by major stakeholders in that sector and gazetted by the Minister of Trade and Industry in terms of s12 of the BBBEE Act. Again, it was in fact developed by the DMR Minister in terms of s100(2)(a) of the MPRDA and gazetted as such.

(c) The need to align the Mining Charter with the BBBEE Act comes from the perceived conflict between the two. There is no such conflict in law.

(ii) The above will apply equally to the Reviewed Charter, i.e. it will neither be a code of good practice nor a transformation Charter as envisaged in ss9 and 12 of the BBBEE Act but rather will be a reviewed Charter developed by the DMR Minister albeit acting ultra vires his powers in terms of s100(2)(a) of the MPRDA, in so far as s10(1)(a) which intends to elevate the Codes to the level of parliamentary legislation is constitutionally sound.

(iii) The above also reveals that the purposes of the MPRDA and the Mining Charter on the one hand, and the BBBEE Act and Codes on the other, are entirely different. In all other aspects, the BBBEE Act and Codes are simply measuring devices and do not impose any requirement of compliance. The MPRDA, on the other hand, is a specific legislative instrument designed inter alia to lead to meaningful participation of historically disadvantaged persons in the mining and minerals industries.

(iv) The issuing of any sector specific Codes (Sector Codes) for the mining industry should be a task undertaken by the DTI in consultation with the mining sector. Should the DTI not issue such Sector Codes for the mining industry, mining companies will be governed by the generic Codes for the purposes of determining their BEE score. The issuing of generic Codes or Sector Codes constitutes compliance with section 9 of the BBBEE Act.

(vii) To the extent that a minimum BEE level is a qualification criterion, the:

(a) qualification criterion in the Mining Charter could be achieving the minimum BEE level. The mining company either achieves that BEE level or not; but

(b) the determination of the BEE level will be conducted in terms of the Codes or any Sector Codes. The Mining Charter should not contain a scorecard against which a mining company is awarded a BEE score.

- The Reviewed Charter imports definitions from the BBBEE Act which importation is not competent since the Reviewed Charter is ostensibly founded in the MPRDA and must carry forward the definitions which are contained in the MPRDA.

If Government wishes to achieve "alignment" of all legislative instruments dealing with empowerment, the correct place to do so is to amend the various pieces of legislation themselves and not the Mining Charter.

- The result of the above is not alignment but rather conflation, which gives rise to confusion and uncertainty.

- In the light of the above, what the Reviewed Charter achieves is not alignment but conflation, i.e. a confusion of the purpose of and concepts in the MPRDA and Mining Charter on the one hand, and of and in the BBBEE Act and Codes on the other, and gives rise to greater uncertainty than ever.

- The Chamber very respectfully submits that the process which has been adopted creates confusion, in that it is not possible to develop a Reviewed Charter which is based on concepts contained in the BBBEE Act and Codes, without first procuring an amendment by Parliament to the MPRDA, for example to adopt the definitions from the BBBEE Act and Codes. And that is indeed the solution which the Chamber very respectfully suggests, namely, that the present process relating to the development of a Reviewed Charter be terminated, and be replaced by the development of a further MPRDA Amendment Bill which gives effect to the present objectives, and in which the Reviewed Charter will appear as a schedule (Schedule III) to the MPRDA itself, and in which other provisions of the MPRDA (such as definitions) will be amended or replaced in such a way that the Reviewed Charter which appears in such schedule will be harmonised with such other provisions of the MPRDA itself.

5. The Chamber's further comments

The Chamber's further comments below, which are necessarily driven by the content of the Reviewed Charter, are in the light of the above founding principles, subject to and without detracting from the above founding principles and what the Chamber has said in relation thereto above, so that the Chamber's further comments below fall at all times to be read in the context of such founding principles.

VII. PREAMBLE

In its Preamble the Reviewed Charter states that "the review process takes into account the need to align and integrate Government policies to remove the ambiguities in respect of interpretation and to create regulatory certainty. In this regard the reviewed Mining Charter is aligned to the provisions of the Broad-Based Black Economic Empowerment (Act 2003 (Act No. 53 and the Codes of Good Practice (DTI Codes)."

The Chamber welcomes the DMR's intention to align government policies and create regulatory certainty. On reading the requirements for alignment to the Generic DTI Codes the Chamber notes that the DMR has not followed these requirements. This leaves a question as to whether the process chosen by the DMR will finally lead to the credibility of the Reviewed Charter and its acceptance in the economy as a whole being questioned. The Chamber and its members are looking forward to a Reviewed Mining Charter that will be acceptable to other economic sectors in a manner that will not require mining companies to be rated under the DTI Codes once they have been rated by the DMR. The Chamber would like to reiterate that it supports an aligned Mining Charter that will remain regulated under the MPRDA as stated in Section 100 (2) (a) of the MPRDA. The definition of a "BEE compliant company" as described in the Reviewed Charter refers to the DTI Codes as they relate to the procurement element only. Does this mean that the mining companies must comply with the DTI Codes only in relation to "Procurement, Supplier and Enterprise Development."?

One of the main purposes of the Mining Charter is to acquire mining rights to mine in South Africa, not to revoke mining rights after the holder has been assessed under the Reviewed Charter. The DMR needs to provide clarity on when the Mining Charter can be used for purposes of granting mining rights as well as when it can be used for commercial purposes in the economy. It is not sufficient to state that, "Mining right holders who have not complied with the ownership, housing and living conditions and human resources development elements as well as those who fall between level 6 and 8 of the Mining Charter scorecard will be regarded as non-compliant with the provisions of the Charter and the MPRDA shall render the mining right holder in breach of the MPRDA and subject to the sanctions in the Act."

For purposes of the Mining Charter it would be ideal to clearly state how the regulator will apply the provisions of the MPRDA when some or all of the elements of the ring-fenced elements are not met. In this way the regulator creates certainty on how non-compliant mining right holders will be treated by law.

VISION

The Chamber is satisfied with the Vision of Mining Charter.

MISSION

The Chamber is satisfied with the Mission statement of the Mining Charter.

DEFINITIONS

Specific requests for clarity on definitions will be captured in the element-by-element commentary which follows. As mentioned above however, since the Mining Charter has its source and origin in the MPRDA, the definitions must accord with those in the MPRDA, and if definitions are to be changed, they must be changed in the MPRDA itself first so as to avoid misalignment between the MPRDA and the Mining Charter.

VIII. PART A

1. OBJECTIVES OF THE MINING CHARTER

It is necessary to obtain clarity as to whether the Mining Charter's objectives are limited to the granting of mining rights by the DMR specifically, as the scorecard in the Mining Charter is not aligned to the B-BEE Codes. The B-BEE Codes allow for proportional weightings with appropriate points allocated to each of the scorecard areas. Is the DMR expecting companies to produce generic codes certifications for other procurement processes with the private sector and other government agencies and departments? As set out above, the Chamber's view is that the MPRDA / Mining Charter and the BBBEE Act / Codes play separate and distinct roles.

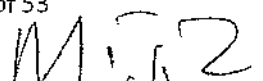
2. ELEMENTS OF THE MINING CHARTER

The Chamber welcomes the exclusion of the following 2 pillars:

- Health and Safety
- Environment and Sustainable Development

The Chamber believes that the Mine Health and Safety Act, 1996 and the initiatives that are in place to improve Health and Safety in the mining industry through the Mine Health and Safety Council have made significant strides to improve Health and Safety in the industry.

In terms of the Environment and Sustainable Development Pillar, the Chamber is of the view that there are sufficient mechanisms in place in terms of regulations made in terms of the MPRDA and in terms of the National Environmental Management Act, 1998 to measure and report on the companies' performance on approved EMPs/ Environmental Authorisations and any other environmental regulatory requirements. Consequently, there is no need for additional mechanisms through the Mining Charter. Such additional mechanisms would in effect create duplication of the auditing and reporting requirements that are already catered for in the current legislation.



2.1 OWNERSHIP

This is classified as a "ring-fenced" element. The threshold of 26% Black ownership has been retained.

The Chamber proposes that the term "priority element" be utilised as per the BEE Codes.

The Preamble of the Mining Charter states the intent to "align the Mining Charter to the provisions of the Broad-Based Black Economic Empowerment Act, 2003 and the Codes of Good Practice (DTI Codes)." However, there is very limited evidence of alignment of the ownership element in the Mining Charter. The following are concerns which relate to the alignment of the Ownership Element to the Codes:

- The scorecard does not mention any weighting points related to Ownership and uses "YES/NO" which will not assist in calculating the final weighting points that will lead to calculating the different levels of compliance.
- Inconsistent definitions .e.g. BEE Compliant company, effective ownership.
- The Charter has adopted the BEE Black definition, however, the ownership scorecard still refers to HDSA ownership.
- The issue of Continuing Consequences is yet to be settled in the courts. In the amended Codes, the loss of shareholding mirrors the same number of years that the BEE shareholder was in existence. The Chamber and its members would prefer that the consequences of previous transactions should be retained in perpetuity.

The alignment requirements as stipulated in the Mining Charter are retrospective and prescriptive and this is not the requirement in the Codes. The DTI Codes do not prescribe how entities should arrive at the 26% Black Ownership. The Mining Charter is proposing that of this 26% no less than 5 % of shares should be in the form of ESOPS which under the Mining Charter, comprises of entrepreneurs, community and workers, respectively; the interests of which should be held in a Registered Trust. A maximum of 11% can be offset against Beneficiation. An unintended commercial consequence of this prescription is the lock-in of the empowerment shares for the life of mine which members of the Chamber do not agree with.

The inclusion of a Special Purpose Vehicle to drive ESOPs is a concern as, especially the requirement to incorporate a registered Memorandum of Incorporation (MOI). The intention for introducing such conditions for Ownership and participation at Board level are understood. However, they introduce

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the concept of a significant minority block that tends to stifle decision making at Board level. This is also against Company law and JSE Regulations and the Companies Act, 2008. Companies should have the flexibility to engage their employees on an appropriate empowerment model which can include a profit share mechanism.

These stringent prescriptive conditions will also create negative conditions for investment in the mining industry.

As mentioned above, the Mining Charter will result in the unbundling of some existing transactions (some new, others recently re-financed) in terms of S2.11 (transitional arrangements), i.e. existing mining right holders have a maximum of three (3) years to align with the provisions of the charter. The Chamber is concerned as to whether implications of the requirement to restructure past and existing transactions have been considered by the DMR. The implications of the unbundling process and reorganizing BEE deals will result in increased transactions costs, with financial institutions being the main beneficiaries and no impact on the intended black beneficiaries. Furthermore, the beneficiaries will not have access to more diversified portfolios of mine ownership, and may be limited to only one. A company can apply to the Minister for permission to construct a consolidated transaction however the permission is not a fait accompli.

There is also a concern that this will open the doors for bankers and deal makers, at the expense of the black beneficiaries.

Furthermore the Inclusion of the 11% Beneficiation as an offset, whilst welcome, requires further guidelines on how it will be measured and incentivised if companies already have a 26% Black ownership. A proper mechanism to recognise beneficiation credits should be developed.

Alignment to the Codes has not been achieved in respect of the ownership provisions as the following critical facets of the Codes have not been addressed:

- a) Sale of Assets provisions,
- b) Continuing consequences provisions
- c) Exclusion of South African Mandated Investments from the value of the equity
- d) The Exclusion of Foreign operations from the value of the equity
- e) The consideration of equity equivalency participation for foreign multinationals

f) Application of the Modified Flow Through Principle

All the above are currently viewed as allowable enhancements to the measurement of equity held in the hands of black people. However, the Mining Charter makes reference to compliance with its ownership provision as the absolute attainment of 26% direct equity in the hands of black people (split between individuals, ESOPS and CBOS equally). The Mining Charter does not make provisions for the indirect provisions catered for in the Codes.

2.1.1. Effective Ownership

The term needs to be adequately defined and clarified to limit room for speculation and confusion within the mining industry.

Does this mean the following can be applied?

- 40% exclusion of mandated investments, government entities
- Apply modified flow through principle
- Continuing Consequences and a whole host of principles applied in the Codes of Good Practice (the Codes)

Foreign generated revenue/profits from foreign territories can also be excluded.

In the Mining Charter, a mine would find itself with different ownership structures as the new requirement is that each ownership be done "per mining right"

For consolidation purposes and simplicity, it would make more sense to consolidate ownership at Group level (approval by the Minister is required for this). This will be beneficial, not only for the mines but shareholders. It is such consolidation at Group level that gives an opportunity for black shareholders to have interest in other diversified mines either than just one mining right.

Should there be a retrospective review and unbundling of all past deals, which we do not support; who would bear the cost of such an exercise?

2.1.2 Definitions

There is a need to set clear definitions for the following terms on the Ownership Element:

BEE Compliant Company

- The Codes do not contain a concept of "BEE Compliant Company" or compliance with the Codes.

- An entity is measured under the Codes and achieves a BEE rating of Level 1 to Level 8 or a rating of Non-Compliant.

- In the Chamber's view, the definition of BEE Compliant should either be:

- (i) an entity that achieves at least a Level 8 BEE contributor status under the Codes; or

- (ii) an entity that qualifies as an empowering supplier under the Codes.

BEE Supplier

The concept of "BEE supplier" must be defined. It is not clear what is intended by this term and whether it is a reference to BEE level or particular Black ownership.

Codes

If it is intended to cross-reference the Codes, the Mining Charter should specifically define the Codes.

Meaningful economic participation

The Codes measure the level of Black participation in the ownership of an entity using various methodologies. Ownership relates to the economic interest (dividends) and voting rights attaching to the shares. A Black shareholder owning 1% of a company is an owner notwithstanding that 1% may not be a material or meaningful percentage ownership. There is no requirement in the BBBEE Act or the Codes for a specific level of Black ownership which constitutes "meaningful economic participation".

In terms of section 2 of the BBBEE Act, the objectives of the BBBEE Act include:

- (i) "promoting economic transformation in order to enable meaningful participation of Black people in the economy; and

- (ii) promoting investment programmes that lead to broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity".

In the Chamber's view, the Mining Charter should move away from the concept of "meaningful economic participation" and refer to companies being required to have a specific level of Black ownership.

2.1.3 Beneficiation

The scorecard says it is discretionary:

- What is the definition of discretionary?
- What is the percentage?
- What is beneficiation? (Sale of asset?)
- Is there a formula and threshold?
- What is the definition of refining?

The beneficiation offset only benefits those who have not achieved the 26% target and this is unfair to those companies that have invested in beneficiation in various forms and if they already have achieved the 26% black ownership target. A workable formula to allow for beneficiation offsets should be developed.

2.1.4 Suggestions on the Ownership Element

- Ownership Target: The Chamber of Mines supports the target of 26% Black Ownership and further wishes to propose the following:
- Application of the Modified Flow Through principle for all prospective applications for calculating:
 - o Voting Rights
 - o Economic Interest
- Composition and Treatment of Black Partners: The principle of including ESOPs, Communities and Black Entrepreneurs in the BEE structure is accepted. However, Mining Right holders should be allowed to choose vehicles that will work best in their particular structures.
- There is a need for a wider definition of ESOPS as well as a definition of black entrepreneur.
- It should be understood that ESOPs and all black shareholders are not only entitled to cash-flows through dividend payment, but also capital appreciation of their shares. If there is no dividend paid out (losses), what happens to the beneficiaries? They are still shareholders. The

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dividend policy of a company should prevail and the DMR can check if the company has deviated from its dividend policy.

- The Chamber would like to see the introduction of debt (treatment thereof) for shareholders that do not have the funds. The Mining Charter does not cover this and its modalities.
- The concept of profit share as part of a model for ownership should be considered

The Chamber will be proposing an aligned scorecard for the Ownership element.

The key positions which the Chamber raised in its court application which are relevant to this topic are the following:

- By virtue of the MPRDA, once the Minister has granted or converted a mining right, the holder is not legally obliged to restore the percentage ownership by historically disadvantaged persons ("HDP") to the 26% requirement in the Original Charter or in the 2010 Charter, and neither Charters requires a holder to enter into further empowerment transactions to address losses in HDP ownership once 26% has been achieved. This also applies in respect of the Reviewed Charter.
- A failure by a holder of a mining right or converted mining right to meet the requirements of the Original Charter and the 2010 Charter and a failure to maintain a 26% HDP ownership level do not constitute contraventions of the MPRDA, and paragraph 3 (which provides for this) of the 2010 Charter is accordingly ultra vires. This also applies in respect of paragraph 2.12 of the Reviewed Charter.
- Any provision in the 2010 Charter which retrospectively deprives holders of mining rights or converted mining rights of:
 - the capacity for offsets to allow for flexibility
 - the recognition of the continuing consequences of all empowerment transactions irrespective of when concluded
 - the right to offset excess empowerment in a particular operation against shortfall in other operations
 - the right to offset the full value of beneficiation against HDP ownership commitments
 - the use of all forms of ownership and participation by HDPs not only those in the definition of "meaningful economic empowerment", including therefore the requirement to choose HDPs (and not

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compulsorily to include entrepreneurs, workers and/or communities), is ultra vires the MPRDA and void.

This applies equally to the Reviewed Charter insofar as existing rights are concerned in that it would retrospectively increase the empowerment requirements and thus interfere with existing mining rights which had been granted on the basis of the requirements as they existed on date of grant or conversion having been met.

Summary of Issues on Ownership

- Empowerment ownership principles and measurement
- Any structure is permissible (avoids micro-management and over-regulation):
 - no requirements for special purpose vehicles
 - no requirements for entrepreneurs, workers or communities
 - no requirements for trusts.
- All good faith transactions whenever concluded and in whatever form, are recognised on an ongoing basis.
- No requirement (whether for existing or new rights) to restore ownership percentage.
- Offset (without limitation) of beneficiation (formula required).
- Offset of excess in one operation against shortfall in other operations.
- No warehousing requirement.
- The measure could be attributable units of production.
- Existing mining rights
- Holders of existing rights which on grant or conversion met the 26% requirements are deemed to continue to hold the greater of such 26% and the actual percentage held.
- Holders may attribute the level of ownership percentage across all existing mining rights to each individual mining right.
- By the third anniversary of the commencement date of the Reviewed Charter, holders of mining rights must apply in terms of s102 of the MPRDA for consent to an amendment of the existing mining right to delete the existing clause 17 and annex an Empowerment Ownership Plan which records the deemed ownership level in paragraph 2.1 above, the structure of recognised transactions, and a summary of key terms thereof, which the Minister will approve

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within 6 months for execution and registration of a Notarial Deed of Amendment/Variation within a further 30 days.

- **Pending applications for mining rights**

Pending applications for mining rights will be dealt with under the provisions prior to the Reviewed Charter save that paragraph 22 above will apply.

- **New mining rights**

New mining rights:

- must achieve 26%
- will not be subject to any top-up requirements
- must have attached an Empowerment Ownership Plan.

- **Prospecting rights**

There will be no empowerment requirements for prospecting rights.

- **Disposals and consolidations**

- An acquirer is deemed to have attained the ownership percentage which is deemed to be held by the disposer.
- An application for consolidation in terms of s102 of the MPRDA must be accompanied by a consolidated Empowerment Ownership Plan embodying the deemed ownership percentage for each right which is being consolidated.

- **Acknowledgment letters**

The Minister will from time to time issue to each holder acknowledgment letters acknowledging the holder's empowerment credentials, the empowerment percentage of the holder, and the consequences of previous deals.

2.2 PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT

The Mining Charter needs to clarify what is meant by a "BEE compliant enterprise" or a "BEE compliant company" or "small business development". The Codes of Good Practice do not refer to a "BEE compliant enterprise or company" but rather rates companies according to their levels of compliance to the codes or whether it is a Large Enterprise or an Empowering Supplier or a Qualifying Small Enterprise or an Exempt Micro Enterprise.

The Mining Charter has increased the target under Capital Goods by 20 percentage points, 20 percentage points for consumables and 10 percentage points for services. In addition, the targets also introduced local manufacturing for capital goods and consumables. In alignment with the BBEE codes, the differentiation between capital goods, consumables and services should be removed. If it is retained, clear definitions of these categories need to be provided.

2.2.1 Suggestions on the Procurement Element

This is a priority element in terms of the B-BBEE Codes and the Chamber proposes that this should be retained as a priority element within the Mining Charter.

The BBEE Codes measure the denominator against which procurement targets are weighted in terms of the Total Measured Procurement Spend (TMPS). The Charter only makes reference to actual spend. This could affect companies negatively as specific non-procurement items and items procured from foreign domiciles may be included in the value of actual spend which may disadvantage mining right holders if they were to be measured against B-BBEE Codes.

Localisation of competitive supply is fully supported. Targets for local content should, however, be informed by comprehensive studies that indicate local capabilities and will probably differ by types of mining e.g. surface mining, underground coal, underground hard-rock, etc.

BEE compliant companies need to be defined more specifically e.g. Level 4 compliant company according to the B-BBEE Codes.

Targets for small business development should be removed since they interfere with supplier development.

This element now includes criteria previously under the Sustainable Development element of the 2010 Mining Charter of 100% samples analysed at local facilities. This will be problematic for companies as

the DMR has not assessed and confirmed whether there already exists enough processing capacity by local black owned research organisations to meet this requirement. Singling this out as a service is not supported.

The onus should be on suppliers and not with mining right holders to verify local content with the SA Bureau of Standards (SABS).

The existing multi-national supplier levy has been a failure. Mining companies do not have the legal right to collect such funds. All that the levy does is increase the cost of doing business for the mining companies.

Members do not support the Multinational supplier contribution since this contradicts efforts to localise competitive supply. To give effect to this goal a completely different approach than what is included in the Mining Charter will be required. It will probably take about one year to develop a 5-10 year strategy with the requisite targets, incentives, etc. It is proposed that an enabling clause be included in the Mining Charter that will give mining right holders the opportunity to be exempted from this element of the Mining Charter as it stands once a Mining Strategic Sourcing and Supplier Development strategy is developed in consultation with the Dti.

The Chamber will be making proposals on the revised aligned scorecard for this element.

2.3 BENEFICIATION

Beneficiation is defined as the transformation of a mineral (or a combination of minerals) to a higher value product, which can either be consumed locally or exported. The term is often used interchangeably with mineral "value-addition" or "downstream beneficiation".

This element is misplaced as a stand-alone and it is our considered view that this in effect should form part of the criteria under the Ownership element.

Beneficiation is one way of promoting industrialisation in South Africa and further strengthening the linkages between mining and manufacturing especially black industrialisation. The scorecard is very silent on how the beneficiation initiatives by mining companies will be recognised as this is the means of strengthening the linkages between mining and manufacturing.

2.3.1 Suggestions on the Beneficiation Element

It is necessary for the avoidance of confusion for the Mining Charter to set out clearly the measurement principles to be applied for beneficiation. The Mining Charter allows for the off-setting of the value/percentage achieved through beneficiation against the ownership scorecard, at a maximum of 11%. As mentioned under paragraph 2.1 above, the Chamber submits that the limitation to 11% in the 2010 Charter and now in the Reviewed Charter is ultra vires and that there should be no such limitation.

A proposal will be presented on how beneficiation should be treated to benefit those who are involved in beneficiation initiatives who have achieved the 26% Ownership target, whilst at the same being used as an offset of up to 100% of the 26% reserved for Black people for those mining right holders who have not achieved the required 26% ownership target.

2.4 EMPLOYMENT EQUITY

The Chamber and its members remain committed to workplace diversity and equitable representation at all levels to promote social cohesion, transformation and competitiveness of the mining industry.

The Mining Charter proposes employment equity targets that are set out in the DTI Codes without any modification. Achieving such targets at core occupational categories remains a challenge and therefore special consideration needs to be given for the mining sector to set stretch targets that are realistic for the conditions in the mining sector.

Whilst the industry has met and in some cases exceeded the targets in the current Mining Charter there are limitations in this area; in particular the promotion of black females in middle, senior management and executive positions. Much of the focus has been on programmes targeted towards meeting the target of 10% women participation (inclusive of white females) for Women in Mining projects. It would assist the industry to utilise provincial EAP targets as per the Employment Equity Act with progressive targets over 5 years. These targets should be more realistic in line with industry workplace profiles and aligned to EAP statistics as reported by the Commission on Employment Equity annually. It would be useful to propose an EAP formula to be used by the mining industry. An important initiative will be the streamlining of Skills Development interventions to ensure a sufficient talent pool for career-pathing.

2.4.1 Suggestions on the Employment Equity Element

The following are recommendations to be considered under this element:

- Mining Charter targets to align with the Employment Equity Act five year planning cycle it is proposed that progressive targets be set.
- Accidents affect all employees working at core operations irrespective of their race. South Africa has a serious issue in respect of disabled person's unemployment. For this reason targets for people with disabilities should be inclusive of all races and the mining industry is committed to ensuring that it plays its part in the absorption of those classified as disabled- The target should therefore be 2% of all employees working on surface.
- Clarification is required on the consequences of not meeting the targets and weighting points within the element.

The Chamber will be making proposals on a scorecard for The Employment Equity element.

2.5 HUMAN RESOURCE DEVELOPMENT

The Chamber supports the categorisation of this pillar as a ring-fenced (priority) element.

The mining industry is currently experiencing significant economic challenges that have a negative impact on the industry. Protracted low commodity prices, poor commodity demand from international markets, including above inflation labour cost increases have affected employment conditions in the mining industry. These conditions have led to many companies resorting to right sizing and reducing their staff complements. As a "knowledge based industry", mining companies remain committed to training their employees for career growth as well as providing them with skills that will enable them to attain employment outside of mining.

The Mining Charter proposes a target of 5% annual payroll; 5% of this needs to be invested in South African academic institutions, research organisations, Research and Development Initiatives and with a further 15% contribution (of the 5% payroll) towards a Ministerial Skills Development Fund. We do not support the establishment of a Ministerial Skills Fund as it is a duplication of the 1% levy currently being paid towards the National Skills Fund.

The mining industry contribution to the skills levy is equal to approximately R1.14bn per annum and the MQA alone received at least R915m in the 2014-2015 Financial year. More than R200m is allocated to the National Skills Fund from the mining sector alone and the latter funds are dedicated towards the training of the unemployed. Research Institutions like Mintek stand to double dip into these funds as they can claim from the proposed Ministerial Trust Fund as well as the 5% mentioned above that is reserved for research institutions.

Of concern is whether the Minister would not be contravening the National Treasury regulations by imposing his own skills levy from the mining industry?

It must further be noted that the Mining Industry is the only industry that is required to invest in community development projects, some of which include expenditure in basic education for the unemployed, and ad hoc scholarship programmes.

The prescriptive manner in which these funds have to be used as well as prescriptive allocations will reduce the training spend on employees who need to be developed for career progression or training in alternative skills in this environment where many are faced with the real threat of retrenchment.

2.5.1 Suggestions on the Human Resource Development Element

The Chamber proposes that this element be titled Skills Development to reflect the investment on ~~employees as well as community members to better align with the B-BBEE Codes.~~

In the spirit of alignment with the B-BBEE Codes, consideration will need to be made for the following key measurement principles in respect of Human Resource Development (HRD):

a) SETA regulations

Approval of Work Place Skills Plans, Annual Training Reports to track training programmes provided by mining companies

b) We recommend the usage of an industry learning programme matrix to determine the value applicable to training programmes, i.e. are internal training programmes weighted equally to external programmes? Are the administration costs of programmes (internal) weighted equally to programmes offered by SAQA/QCTO accredited learning institutions? What is deemed legitimate training expenditure?²

c) Legitimate Expenditure: will employees be required to pay back funds expended should they not successfully complete a learning programme?

d) Treatment of mandatory sectoral training- the codes do not recognise this as legitimate training expenditure

e) It is unclear how the Mining Charter will treat the expenditure on non-employee individuals? The Codes allow for 6% of expenditure to be expended on unemployed black people.

The Chamber does not support the 15% Ministerial Skills Fund.

We will make submissions on a proposed scorecard for this element.

² A proposed list of courses which will form part of the Learning Programme Matrix will be presented to the DMR

2.6 MINE COMMUNITY DEVELOPMENT (MCD)

The MPRDA Preamble articulates that the state is the custodian of the country's mineral resources, the benefits of which should accrue to all the people who live in it.

In principle, labour sending areas are not limited to areas within the borders of South Africa. Does this imply that the activities carried out by the mining sector to redress the economic imbalances of the past regime will be applied to the SADC countries?

The BEE Codes specifically refer to redressing the economic imbalances affecting only South African citizens disadvantaged by the Apartheid legislation.

This definition of Labour Sending Areas is also difficult to interpret as people move around in the country, buy houses, start families and live in different areas from where they originate. The definition is open for different interpretations and causes confusion.

2.6.1 Suggestions on the Mine Community Development element

The DMR needs to clarify the term "labour sending areas".

It is suggested that MCD be measured in the same manner as **Socio-Economic Development (SED)** in the B-BBEE Codes as follows:

If a project is implemented, the mine should prove that at least 75% of the beneficiaries are Black as defined. This is possible because a company is supposed to conduct ethnographic assessment through community consultative and collaborative processes to delineate community needs. On that basis 100% of the costs will be taken into account in scoring the mine, taking into account the SED Benefit Factor Matrix.

However, in instances where the black beneficiaries are less than 75%, then expenditure will be recognised on a pro-rata basis. Reference can be made to Annexure 500 (A) of the BEE Codes to assist with the calculation.

Of significant concern under this element is the target setting of 1% Annual Turnover towards a Ministerial Social Development Trust Fund, which is not endorsed by the Chamber. This type of ad

valorem tax is extremely regressive, undermines marginal or loss-making mines and is not supported. Is this similar to the Multi-national Suppliers Contribution towards a Social Fund whose contribution was set a target of 1% Net Profit after Tax (NPAT) and previously included under the Procurement element?

The Chamber does not support the target of 1% Annual Turnover and instead proposes 2% of NPAT towards SED.

It is important to note that non-monetary contributions are not considered under this element. The Chamber further proposes enhanced recognition of technical and capacity building programmes as part of this element as they facilitate municipalities' ability to deliver more effective services. Furthermore, we propose that collaborative endeavours (with other companies, government departments, development finance institutions etc.) also be given enhanced recognition as recognised in the Codes.

The following is proposed as criteria under this element:

- Approved mine and community rural development projects with an annual contribution of 2% NPAT

The following principles will be applied:

- Enhanced Recognition (Multiplier of 1.2) for Collaboration Projects (Government, DFIs etc.)
- All benefits that accrue to contractors and small businesses will be counted under Enterprise Development provided the beneficiary qualifies as per the requirements of B-BBEE.
- Only initiatives that benefit the community, NPOs, NGOs, and Co-Ops will be claimed under SED, 100% of the spend (monetary or non-monetary) will be recognised the moment the black beneficiaries base (BBB %) reaches 75%. If the BBB% is less than 75%, then the spend will be pro-rated.

Measuring MCD projects in terms of money spent is not adequate as it does not demonstrate the real contribution of mining at community level. There should be enough points allocated for both actual spending and also completion of projects. The total points allocated for this element should be commensurate with the amount of money spent on the projects needed to reach compliance stage

and effort by the mines. The aim is to come up with a formula for testing compliance that will adequately measure the progress in improving the legacy issues in the mine communities.

~~To avoid confusion, there must be a unified agreed definition for the measurement of compliance.~~

Perhaps the mining industry can learn from the BEE Codes. The real intention should be to measure with the aim of demonstrating the contribution of the mining industry towards community development.

It is imperative that there be specific guidelines set on the DMR approval of MCD projects to guard against protracted approvals which unfairly prejudice companies.

A proposed scorecard will be presented for this element.

2.7 HOUSING AND LIVING CONDITIONS

The Mining Charter has indicated the following as targets under this element:

- a) Maintain the occupancy rate of one person per unit and maintain family units
- b) Contribute towards home ownership options for interested mine employees in consultation with organised labour

The Mining Charter classifies this element as a "ring-fenced" element necessitating 100% compliance for life of mine. The Chamber submits that this should not be a Priority element and should be removed as a Mining Charter target after the three year transitional period. The significance of this element can be reflected through a higher weighting.

2.7.1 Suggestions on the Housing and Living Conditions Element

We support the Mining Charter proposal of integrated development as per the Department of Human Settlements Policies and relevant frameworks (Presidential Package, 2009 Revised Housing Standards etc.). In terms of company contributions towards home ownership, each company be allowed self determination to develop an appropriate housing policy which could include housing subsidies, usage of rental stocks etc.

The stipulation that companies should partner with finance institutions to provide guarantees for home ownership on behalf of employees is not supported.

The Chamber would like to propose a complete phasing out of housing allowance as it has created negative unintended consequences. A significant number of employees who receive this allowance still opt to stay in informal structures.

Definitions should be clarified (Family unit, Home, Hostel, Single room). There is a need for a clear definition of "conversion" to family units. Old hostels, although "converted" to family units, still have shared ablution and the structures of the buildings do not allow for structural changes to add ablution to units.

The following is proposed as criteria under this element:

- a) Provision of adequate and decent housing
- b) Percentage reduction of occupancy rate (progressive targets)
- c) Percentage conversion of hostels into single occupancy and or family units

d) Facilitation of Home Ownership

The Facilitation of Home Ownership options include:

- a) The mine must have an ownership scheme in place including rental, rent to own ; housing policy, proof of implementation of the scheme and housing register will be required as proof
- b) Is there a process to make the scheme affordable? (E.g. indebtedness program, financial training programs)
- c) Proof of a consultative process with internal and external stakeholders (employees, municipalities, traditional leaders, organised labour) – minutes, memos, signed attendance registers

The facilitation of Home Ownership should include rental, rent to own or home ownership in the domicile preferred by the employee.

Proposals will be made regarding a revised scorecard for this element.

IX. PART B: Proposal: Key Measurement Principles and Reporting Requirements

2.8 APPLICATION OF THE MINING CHARTER FOR PERMITS/LICENSES GRANTED UNDER THE PRECIOUS METALS ACT, 2005, AND THE DIAMOND ACT, 1986 AS AMENDED

- As stated in general terms in paragraph 2.8:

- .1 in terms of s6(1)(b) of the Precious Metals Act, 2005:

"(1) In considering an application for any licence, permit or certificate the Regulator –

...

(b) must have regard to the requirements of the broad-based socio-economic empowerment Charter developed in terms of section 100 of the Mineral and Petroleum Resources Development Act, 2002 ...";

- .2 in terms of s5(2)(a) of the Diamonds Act, 1986:

"(2) The Regulator may:

(a) when considering an application for any of the licences or permits provided for in this Act, have regard to the broad-based socio-economic empowerment Charter contemplated in section 100 of the Mineral and Petroleum Resources Development Act".

The above provision in the Precious Metals Act is peremptory ("must") whereas the above provision in the Diamonds Act is only directory ("may").

- 3 Other than to state that entities which are not holders of rights, permits or permissions in terms of the MPRDA (such as manufacturers of autocatalytic converters and of jewellery) may find difficulty in applying the provisions of the Mining Charter to their activities, the Chamber believes these companies should comply with the DTI Codes.

2.9 REPORTING (MONITORING AND COMPLIANCE)

Section 28 of the MPRDA makes provision for reporting. However, the Chamber is of the view that this pillar is not necessary as an element in the proposed Mining Charter but that the DMR should rather provide guidelines on how reporting should be complied with. We propose that such Guidelines should be developed for independent monitoring and verification. The Chamber accordingly requests that paragraph 2.9 of the Reviewed Charter be deleted.

2.10 APPLICABILITY OF TARGETS

The review of targets should be subject to a stakeholder engagement processes which should consider economic conditions, beneficiary dictates and broader policy shifts as proposed in relation to paragraph 2.13.

The Chamber recommends that the Ownership element be reserved until Judgement is reached on the Chamber's Declaratory Order, but in the meanwhile submits that as stated in relation to paragraph 2.1 above, holders be deemed to hold the greater of 26% or their actual empowerment percentage, and that they not be required to restore any loss of such level.

The Chamber further proposes that there be sub-minimums (40%) on Priority Elements which we recommend to be: Ownership, Procurement, Enterprise and Supplier Development and Skills Development.

2.11 TRANSITIONAL ARRANGEMENTS

The transitional arrangements which allow for a maximum of 3 years to comply with the revised targets are noted but are, as stated in relation to paragraph 2.1 above, not applicable insofar as ownership is concerned. This contradicts the gazetted Notice from the DTI on the development of Sector Codes which states:

3.1.11 No transitional period shall be provided for the implementation of a Sector Code

We therefore propose that for each element there be progressive targets, cumulatively from the Mining Charter Targets of 2014. The Chamber further submits that there be a transitional arrangement that allows for a period of 5 years to enable a legitimate industry alignment process.

We recommend that the sentence *"In terms of this Mining Charter performance shall be reported and audited against each element in respect of implementation for the applicable year of the report."* be removed as it is a duplication of Mining Charter paragraph 2.9: Reporting (Monitoring and Compliance).

2.12 NON-COMPLIANCE

For the reasons above, the Chamber submits that paragraph 2.12 should be deleted because the matter of non-compliance falls to be addressed by the MPRDA itself and not by the Mining Charter.

2.13 REVIEW OF THE CHARTER

For the reasons above, the Chamber submits that paragraph 2.13 should be deleted since this aspect needs to be governed by the MPRDA itself and not by the Mining Charter. However, insofar as paragraph 2.13 is nevertheless to be retained, and in the spirit of the Stakeholder Declaration (2010), the Chamber would recommend the following addition:

Review of the Mining Charter be subject of a consultative multi stakeholder process through the auspices of MIGDETT, the frequency of which to be determined by unanimous decision.

X. CONCLUSION

The Chamber reiterates its gratitude to the Minister for having afforded to the Chamber the opportunity of commenting on the Mining Charter, and extends an invitation to him for Chamber representatives to meet with the Minister's representatives in order to engage in constructive discussions on these comments and to assist in any way which the Minister might find desirable towards expeditious and beneficial finalisation of the Mining Charter alignment process.

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ANNEX 1: CATEGORISATION OF ENTITIES

Entity	Criteria	Turnover Threshold	BBBEE Code Threshold	Element
Exempt Micro-Enterprise (EME) Emerging Miners	Mining Permit Holder, Prospecting Right Start-Up	<R50 million	<R10 million	1 element Skills Development (HRD)
Qualifying Small Enterprise (QSE) Junior Miners	+R500mil capitalisation	>R50 million <R300 million	R10 million < R50 million	2 Priority elements (Ownership, HRD) and choice of 1 Procurement and or Mine Community Development
Generic Enterprise (GE) Major Miners		>R300 million	> R50 million	All Priority elements (Ownership and Beneficiation, Skills Development and Procurement, Enterprise and Supplier Development) and all other elements in the proposed scorecard.

ANNEX 2: PROPOSED REVISED MINING CHARTER SCORECARD

Pillar (Element)	Weighting	Code Series Reference
Ownership and Control (Priority)	25	100
Management Control (Employment Equity)	19	200
Skills Development (Human Resource Development) (Priority)	25	300
Procurement, Enterprise and Supplier Development (Priority)	40	400
Socio-Economic Development (Mine Community Development)	15	500
Housing and Living Conditions	12	600
Total Points	136 points	

ANNEX 2.1: OWNERSHIP

Ownership and Beneficiation	Weighting Points	Industry Target	DMMR Target	
Meaningful Economic Participation				
BEE Entrepreneurs	10	26%	26%	
Employees				
Community Interest				
Full Shareholder Rights				
BEE Entrepreneurs	15			26%
Employees				
Community Interest				
Bonus Points : Regional beneficiation into the African region	3	11%		N/A
Bonus Points : Invest in a refinery	2			N/A
Total Points (excluding Bonus points)	25			N/A

NB: Measurement of ownership to include the recognition of offset sale transactions that benefit or benefited transformation.

For Multinational companies, the basis of measurement is only the South African assets i.e. exclude the foreign asset base.

Recognition of continued consequences provision.

Incorporation of the flow through principles

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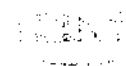
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ANNEX 2.2: PREFERENTIAL PROCUREMENT, ENTERPRISE AND SUPPLIER DEVELOPMENT

Preferential Procurement Enterprise and Supplier Development	Weighting	Industry Target
Preferential Procurement		
Spend from all Empowering Suppliers	5	70%
Spend from Empowering Supplier QSEs	2	10%
Spend from EMEs	2	10%
Spend from 51% Black Owned Empowering Suppliers	8	35%
Spend from 30% Black Woman Owned Empowering Suppliers	4	10%
Spend with 51% Black owned Sample Processors or Local Suppliers	4	2%
Bonus Points: Spend from 51% Black Owned Empowering Suppliers who are designated Groups	2	2%
Bonus Points: Spend from 51% Black Owned Black Industrialists	1	2%
Bonus Points :Spend with 51% black owned suppliers of Core services within the Mining Industry	1	5%
Supplier Development		
Annual value of all Supplier Development Contributions made by the measured entity as a percentage of the target	10	2% of NPAT
Enterprise Development		
Annual value of all Enterprise Development Contributions made by the measured entity as a percentage of the target	5	1% of NPAT
Bonus Points: graduation of one or more ED beneficiaries to SD level	1	Y/N
Bonus Points: creating one or more jobs directly as a result of ESD initiatives by the measured entity	1	Y/N
Total Points (excluding Bonus Points)	40	

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ANNEX 2.3: BENEFICIATION (PROPOSAL TO BE DEVELOPED SUBJECT TO DETERMINATION OF GUIDELINES AND DEFINITIONS)

ANNEX 2.4: Management Control (Employment Equity)

Criteria	Weighting	Industry Target	DMR Target
Board participation:			
Exercisable voting rights of black board members as a percentage of all board members	2	40%	50%
Exercisable voting rights of black female board members as a percentage of all board members	1	15%	N/A
Black Executive directors as a percentage of all executive directors	1	40%	N/A
Black female Executive Directors as a percentage of all Executive Directors	0.5	15%	N/A
Other Executive Management:			
Black Executive Management as a percentage of all Executive Directors	2	55%	60%
Black female Executive Management as a percentage of all Executive directors	1	15%	30%

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Criteria	Weighting	Industry Target	DMR Target
Senior Management			
Black employees in Senior Management as a percentage of all Senior Management	2	40%	60%
Black female employees in Senior Management as a percentage of all Senior Management	1	15%	30%
Middle Management			
Black employees in Middle Management as a percentage of all middle management	2	60%	75%
Black female employees in Middle Management as a percentage of all Middle Management	1	15%	30%
Junior Management			
Black employees in Junior Management as a percentage of all Junior management	1	70%	88%
Black female employees in Junior Management as a percentage of all Junior Management	0.5	30%	30%
Employees with disabilities			
Black employees with disabilities as a percentage of all employees non-operational (support services)	2	2%(inclusive)	2%
Core and Critical Skills	2	40%	40%
Total Points	19		N/A

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ANNEX 2.5: SKILLS DEVELOPMENT (HUMAN RESOURCE DEVELOPMENT)

Criteria	Weighting	Industry Target	DMR Target
Skills Development			
Skills Development Expenditure on Learning Programmes specified in the learning programme matrix for black people as a % of Leivable Amount	10	5%	5%
Skills Development Expenditure on Learning Programmes specified in the Learning programme Matrix for black employees with disabilities as a % of Leivable Amount	2	0.25%	N/A
Learnerships, Apprenticeships & Internships	4	1.5%	N/A
Number of black people participating in Learnerships, Apprenticeships & Internships as a % of total employees	5	1.5%	N/A
Number of black unemployed people participating in training specified in the learning programme matrix as a % of number of employees	2	2%	N/A
Support for Academic institutions and R&D	2	2%	N/A
Bonus Points	5	100%	N/A
Number of black people absorbed into the industry			
Total (excluding Bonus Points)	25		

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ANNEX 2.6: SOCIO-ECONOMIC DEVELOPMENT (MINE COMMUNITY DEVELOPMENT)

Criteria	Weighting	Industry Target	DMR Target
Approved mine and community rural development projects	15	2% NPAT	1% Annual Turnover
Bonus Points	5		N/A
Implementation of additional projects (due to demand from communities/municipality)	1	0% < 5% target	N/A
	2	5% < 10% target	
	3	10% < 15% target	
	4	15% < 20% target	
	5	20% < 25% target	
Total Points (excluding Bonus Points)	15		N/A

NB:

- Enhanced Recognition (Multiplier of 1.2) for Collaboration Projects (Government, DFIs etc.)
- All benefits that accrue to contractors and small businesses will be counted under ED provided the beneficiary qualifies as per the requirements of B-BBEE.
- Only initiatives that benefit the community, LPOs, NGOs, and Co-ops will be claimed under s60. 100% of the expenditure (monetary or non-monetary) will be recognised the moment the black beneficiary base (BBB %) reaches 75%. If the BBB% is less than 75%, the expenditure will be pro-rated.

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ANNEX 2.7: HOUSING AND LIVING CONDITIONS

Criteria	Weighting	Target	DMR Target
Provision of adequate and decent housing	2	100%	100%
Percentage reduction of occupancy rate towards 2014 targets	2	100%	100%
Percentage conversion of hostels into family units	2	100%	100%
Facilitation of Home Ownership	6	100%	100%
<ul style="list-style-type: none"> The mine must have an ownership scheme in place, housing policy, proof of implementation of the scheme and housing register will be required as proof 	(2)	100%	
<ul style="list-style-type: none"> Is there a process to make the scheme affordable? (E.g. indebtedness program, financial training programs) 	(2)	100%	
<ul style="list-style-type: none"> Proof of a consultative process with internal and external stakeholders (employees, municipalities, traditional leaders, organised labour) – minutes, memos, signed attendance registers with stakeholder 	(2)	100%	
Total Points	12		

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ANNEX 3: LEARNING PROGRAMME MATRIX

Category	Item	Description
A	Bursaries	<ul style="list-style-type: none"> Institutional instruction Institutions Degree, diploma, or certificate
B	Internships	<ul style="list-style-type: none"> Mixed mode delivery Institutions and workplace Degree, diploma or certificate
C	Learnerships	<ul style="list-style-type: none"> Structured learning Workplace Registration and licensing
D	Learnerships or Apprenticeships	<ul style="list-style-type: none"> Institutional instruction and experiential learning Institutional and workplace Professional qualification
E	Work integrated learning	<ul style="list-style-type: none"> Structured, supervised experiential learning Workplace, institutional as well as ABET
F	Informal Training	<ul style="list-style-type: none"> Structured information Institutions, conferences and meetings Professional development
G	Informal Training	<ul style="list-style-type: none"> Informal training Workplace Understanding job/work content

ANNEX 3 a): LEARNING PROGRAMME MATRIX TARGETS

Training Expenditure	Recognised
Category A-E	100%
Category F&G	15% of total skills exp.
Mandatory Training (e.g. Health and Safety)	0%
International Training	100% (meets SAQA requirements)
Incidental Costs (Accommodation, travel, catering)	15% total skills expenditure

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COLUMN DOCUMENT OF PUBLIC COMMENTS RECEIVED ON THE DRAFT REVIEWED MINING CHARTER, 2016.

JUNE 2016

ORGANIZATION	ELEMENTS	COMMENTS	MPR RESPONSE
1. Chamber of Mines (CoM)	I.	The Chamber respectfully submits that the process which has been adopted creates confusion, in that it is not possible to develop a Reviewed Charter which is based on concepts contained in the BBBEE Act and Codes, without first procuring an amendment to the MPRDA, for example to adopt the definitions from the BBBEE Act and Codes. And that is indeed the solution which the Chamber very respectfully suggests, namely that the present process relating to the development of a Reviewed Charter be terminated, and be replaced by the development of a further MPRDA Amendment Bill which gives effect to the present objectives, and in which the Reviewed Charter will appear as a schedule (Schedule III) to the MPRDA itself, and in which other provisions of the MPRDA (such as definitions) will be amended or replaced in such a way that the Reviewed Charter which appears in such schedule will be harmonized with such other provisions of the MPRDA itself.	i. The Charter is reviewed and aligned to the BBBEE Act and the Codes as the overarching regulatory instruments on transformation. The MPRDA will be amended to ensure alignment.
	II.	The outcome of the Declaratory Order court application will have major implications on the Reviewed Mining Charter as a whole. It therefore would have been prudent if the court case would have been concluded prior to the conclusion of the Mining Charter alignment process. There is no provision in the MPRDA for amendments to or review of the Mining Charter or for development of a new Charter in substitution of the Original Charter and hence both the 2010 Charter and the reviewed Charter are ultra vires the MPRDA itself. The Chamber is of the view	ii. The declaratory order is sub-judicare. The Department will not pre-empt the outcomes thereof. However, the Minister will proceed to exercise regulatory powers as conferred by the Act to

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		that the above problem needs to be resolved by amendments to the MPRDA itself and not the Charter.	review the Charter as contemplated in section 100. The powers review and amend the Charter are implicit the powers conferred to the Minister to Develop the Charter in terms of the Act.
	iii.	The Reviewed Charter imports definitions from the BBEE Act which are out of alignment with the definitions in the MPRDA this may create interpretation challenges.	Refer to point I above.
	iv.	The Chamber is concerned that the DMR does not provide clarity on when the Mining Charter can be used for purposes of granting mining rights as well as when it can be used for commercial purposes in the economy. The Reviewed Mining Charter creates confusion by introducing BEE Codes assessment ratings for compliance purposes when the Mining Charter score card itself is not properly aligned to that of the Codes. For purposes of the Mining Charter it would be ideal to clearly state how the regulator will apply the provisions of the MPRDA when some or all of the elements of the ring-fenced elements are not met.	<p>The department notes the concerns on misalignment of the Charter Score Card and the Dti. Codes, the principles of alignment of the Charter and Dti Codes do not apply to content/measures but confined to definition of terms and concepts... The Department will secure the requisite deviation approval from Dti as contemplated in section 10 of the BBEE Act where necessary. Noncompliance with any ring-fenced element/s amounts to noncompliance and</p>

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		the provisions of sections 93, 47, 98 and 99 of the MPRDA will be invoked. - The Department will further improve on the draft Score Card to provide clarity.	
		v. Refer to point IV above.	
		vi. The Department does not support inclusion of citation of specific section from referenced legislation.	
		vii. The net value principle in issue must be read consistent with the definition of meaningful economic participation in the Charter. The Department is also aligned to the Dti Codes which make provision for this principle.	
		viii. Refer to point II above.	
		ix. Refer to point II above.	
		x. Although the Charter is not a sector Code as per the definition of	
		v. The Chamber is concerned that the Reviewed Charter does not adopt the flexibility of the scorecard contained in the Dti Codes. The DMR scorecard is less flexible.	
		vi. The Chamber recommends that reference to other Acts such as the Companies Act, the Small Business Act etc. especially with regards to definitions, be referenced to specific sections in those Acts to allow for consistency in understanding.	
		vii. The last paragraph on page eight of the Reviewed Charter seems to be defining the net value principle. If this is the case, the Chamber does not agree to the principle of net value being included.	
		viii. There is no provision in the MPRDA for amendments to, or review of, the Mining Charter or for the development of a new Charter in substitution of the Original Charter and hence both the 2010 Charter and the reviewed Charter are ultra vires the MPRDA itself.	
		ix. The Chamber is of the view that the above problem should be resolved by amendments to the MPRDA itself and not the Charter.	
		x. Reference is made in the last two paragraphs of the Preamble to the Reviewed Charter, of alignment between the MPRDA and Mining Charter on the one hand, and the BBBEE Act and Codes on the other. The Chamber submits that those paragraphs disclose fundamental	

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		<p>misconceptions in regard to these issues. The Mining Charter was developed by the DMR Minister in terms of s100 (2) (a) of the MPRDA. The Mining Charter is not a code of good practice issued or gazetted by the Minister of Trade and Industry in terms of s9 of the BBBEE Act. It was in fact developed by the DMR Minister in terms of s100 (2) (a) of the MPRDA and gazetted as such furthermore the Mining Charter is also not a transformation Charter for the mining and minerals sector of the economy which was developed by major stakeholders in that sector and gazetted by the Minister of Trade and Industry in terms of s12 of the BBBEE Act. Again, it was in fact developed by the DMR Minister in terms of s100 (2)(a) of the MPRDA and gazetted as such. The need to align the Mining Charter with the BBBEE Act comes from the perceived conflict between the two. There is no such conflict in law.</p> <p>XI. The Chamber proposes that the term "ring fenced should be substituted with the term "priority element" as per the BEE Codes.</p> <ul style="list-style-type: none"> There is very limited evidence of alignment of the ownership element in the Mining Charter with the BBBEE Act and Codes. The scorecard does not mention any weighting points related to Ownership and uses "YES/NO" which will not assist in calculating the final weighting points that will lead to calculating the different levels of compliance. Inconsistent definitions e.g. BEE Compliant company, effective ownership. The Charter has adopted the BEE Black definition, however, the ownership scorecard still refers to HDSA ownership. The issue of Continuing Consequences is yet to be settled in the courts. In the amended Codes, the loss of shareholding mirrors the same number of years that the BEE 	<p>a sector code in terms of the BBBEE Act, there is an obligation on all organs of State to implement transformation objectives in term of the BBBEE Act.</p> <p>xi. Noted the Department will look into the wording (priority vs. ring-fenced).</p> <ul style="list-style-type: none"> The concern regarding the definition of terms (BEE Compliant Company HDSA ownership, effective ownership) is noted. Consequences of previous deal matter is before the Courts.
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	shareholder was in existence. The Chamber and its members would prefer that the consequences of previous transactions should be retained in perpetuity.	Xii The Department notes the concerns, however this requirement was intended to protect the interests of BEE partners (Esops and communities) and ensure that they actively and meaningfully participate in the empowerment transaction.
	<p>Xiii. The inclusion of a Special Purpose Vehicle to drive ESOPs is a concern as, especially the requirement to incorporate a registered Memorandum of Incorporation (MOI). They introduce a concept of a significant minority block that tends to stifle decision making at Board level. This is also against Company law and JSE Regulations and the Companies Act, 2008.</p> <p>Xiv. The Mining Charter will result in the unbundling of some existing transactions (some new, others recently re-financed) in terms of S2.11 (transitional arrangements), i.e. existing mining right holders have a maximum of three (3) years to align with the provisions of the charter. The Chamber is concerned as to whether implications of the requirement to restructure past and existing transactions have been considered by the DMR. The implications of the unbundling process and reorganizing BEE deals will result in increased transactions costs, with financial institutions being the main beneficiaries and no impact on the intended black beneficiaries. Furthermore, the beneficiaries will not have access to more diversified portfolios of mine ownership, and may be limited to only one. A company can apply to the Minister for permission to construct a consolidated transaction however the permission is not a fait accompli.</p> <p>Xv. The term "Effective Ownership" needs to be adequately defined and clarified to limit room for speculation and confusion within the mining industry.</p> <p>Xvi. There is a need to set clear definitions for the following terms on the Ownership Element, BEE Compliant Company, BEE Supplier, Codes, Meaningful economic participation.</p> <p>Xvii. The beneficiation offset only benefits those who have not achieved the 26% target and this is unfair to those companies that have invested in beneficiation in various forms and if they already</p>	<p>Xiii The highlighted implications are noted as part of the transition. Sufficient mechanisms will be developed to mitigate these implications taking into account the 3 years transitional arrangements provided. A consent to grant consolidation is subject to the terms and conditions of the right, the Act and all relevant considerations, it cannot be a fait accompli as suggested.</p> <p>Xiv Noted.</p> <p>Xv definitions of BEE Compliant Company, Meaningful economic participation are provided, however it is noted that BEE Supplier, Codes are not defined.</p>

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		<p>have achieved the 26% black ownership target. A workable formula to allow for beneficiation offsets should be developed.</p> <p>XVII. Ownership Target: The Chamber of Mines supports the target of 26% Black Ownership and further wishes to propose the application of the Modified Flow Through principle for all prospective applications for calculating voting rights and economic interest. The principle of including ESOPs, Communities and Black Entrepreneurs in the BEE structure is accepted. However, Mining Right holders should be allowed to choose vehicles that will work best in their particular structures.</p> <p>XVIII. The Chamber would like to see the introduction of debt (treatment thereof) for shareholders that do not have the funds. The Mining Charter does not cover this and its modalities. The concept of profit share as part of a model for ownership should be considered.</p> <p>XIX. The Mining Charter needs to clarify what is meant by a "BEE compliant enterprise" or a "BEE compliant company" or "small business development". The Codes of Good Practice do not refer to a "BEE compliant enterprise or company" but rather rates companies according to their levels of compliance to the codes or whether it is a Large Enterprise or an Empowering Supplier or a Qualifying Small Enterprise or an Exempt Micro Enterprise.</p> <p>XX. The Mining Charter has increased the target under Capital Goods by 20 percentage points, 20 percentage points for consumables and 10 percentage points for services. In addition, the targets also introduced local manufacturing for capital goods and consumables. In alignment with the BEEE codes, the differentiation between capital goods, consumables and services should be removed. If it is retained, clear definitions of these categories need to be provided.</p>	<p>XVI Mr Mabuza and Menoe to respond.</p> <p>XVII The Comment on the modified flow through principle is noted and will be considered. The Department notes the concern on type of vehicles to be used, however this requirement was intended to protect the interests of BEE partners (ESOPs and communities) and ensure that they actively and meaningfully participate in the empowerment transaction.</p> <p>XVIII Debt and funding models are commercial considerations (further consult with Mr Mabuza).</p> <p>XIX BEE compliant company is defined, the concept BEE compliant enterprise and small business development will be clarified.</p> <p>XX Mr Mabuza and Menoe to respond on this issue.</p>
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		<p>XXI. Procurement is a priority element in terms of the B-BBEE Codes and the Chamber proposes that this should be retained as a priority element within the Mining Charter.</p> <p>XXII. The BBBEE Codes measure the denominator against which procurement targets are weighted in terms of the Total Measured Procurement Spend (TMPS). The Charter only makes reference to actual spend. This could affect companies negatively as specific non-procurement items and items procured from foreign domiciles may be included in the value of actual spend which may disadvantage mining right holders if they were to be measured against B-BBEE Codes.</p> <p>XXIII. Localisation of competitive supply is fully supported. Targets for local content should, however, be informed by comprehensive studies that indicate local capabilities and will probably differ by types of mining e.g. surface mining, underground coal, underground hard-rock, etc. Targets for small business development should be removed since they interfere with supplier development.</p> <p>XXIV. The onus should be on suppliers and not with mining right holders to verify local content with the SA Bureau of Standards (SABS).</p> <p>XXV. The existing multi-national supplier levy has been a failure. Mining companies do not have the legal right to collect such funds. All that the levy does is increase the cost of doing business for the mining companies.</p> <p>XXVI. Members do not support the Multinational supplier contribution since this contradicts efforts to localise competitive supply. To give effect to this goal a completely different approach than what is included in the Mining Charter will be required. It will probably take about one year to develop a 5-10 year strategy with the requisite targets, incentives, etc.</p> <p>XXVII. The Beneficiation element is misplaced as a stand-alone and it is our considered view that this in effect should form part of the criteria under the Ownership element. The scorecard is very silent</p>	<p>XXI Noted the Department will consider the submission.</p> <p>XXII Mr Mabuza and Meno to assist with a response.</p> <p>XXIII Comprehensive study on local capabilities is noted. Small business development is government's policy prerogative.</p> <p>XXIV The Department interfaces with the right holder and not the suppliers.</p> <p>XXV The Department will create mechanisms to ensure that trust funds are implementable and managed within the prescripts of the law.</p> <p>XXVI See point XXV above.</p> <p>XXVII Noted (Noted Mr Mabuza and Meno to advise).</p>
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	on how the beneficiation initiatives by mining companies will be recognised as this is the means of strengthening the linkages between mining and manufacturing.	
	<p>XXVIII. On Employment Equity, It would assist the industry to utilise provincial EAP targets as per the Employment Equity Act with progressive targets over 5 years. These targets should be more realistic in line with industry workplace profiles and aligned to EAP statistics as reported by the Commission on Employment Equity annually. It would be useful to propose an EAP formula to be used by the mining industry.</p> <p>XXIX. It is suggested that Mining Charter targets must align with the Employment Equity Act five year planning cycle and it is proposed that progressive targets be set.</p> <p>XXX. It is suggested that targets for people with disabilities should be inclusive of all races and the mining industry is committed to ensuring that it plays its part in the absorption of those classified as disabled- The target should therefore be 2% of all employees working on surface.</p> <p>XXXI. Clarification is required on the consequences of not meeting the targets and weighting points within the element.</p> <p>XXXII. On the Human Resource Development element we do not support the establishment of a Ministerial Skills Fund as it is a duplication of the 1% levy currently being paid towards the National Skills Fund.</p> <p>XXXIII. The Chamber proposes that this element be titled Skills Development to reflect the investment on employees as well as community members and to better align with the B-BBEE Codes.</p> <p>XXXIV. On the Mine Community Development element, The DMR needs to clarify the term "labour sending areas".</p>	<p>XXVIII. Department of Labour to advise.</p> <p>XXIX. Department of Labour to advise.</p> <p>XXXI. Non-compliance with the targets of the charter and the terms and conditions of the right is already provided for in the MPRDA.</p> <p>XXXII. The development of the Ministerial Skills fund is intended to enhance development of skills in the mining industry.</p> <p>XXXIII. This element is not only limited to skills development, it also includes support towards South African based academic institutions, research and development.</p>

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<p>XXXIV The term is already defined in the Mining Charter. (Need to determine department's position on how far does "labour sending areas" extend?)</p> <p>XXXV Noted the department will consider.</p>	<p>XXXV. It is suggested that MCD be measured in the same manner as Socio-Economic Development (SED) in the B-BBEE Codes as follows: if a project is implemented, the mine should prove that at least 75% of the beneficiaries are Black as defined. This is possible because a company is supposed to conduct ethnographic assessment through community consultative and collaborative processes to delineate community needs. On that basis 100% of the costs will be taken into account in scoring the mine, taking into account the SED Benefit Factor Matrix. However, in instances where the black beneficiaries are less than 75%, then expenditure will be recognised on a pro-rata basis. Reference can be made to Annexure 500 (A) of the BEE Codes to assist with the calculation.</p>	
<p>XXXVI The 1% percent mentioned on the Mine Community Development element is not to be contributed to the MSD trust fund but to be contributed towards local economic community development and labour sending areas. The department rejects the Chamber's proposal to use 2% of NPAT.</p>	<p>XXXVI. Of significant concern under this element is the target setting of 1% Annual Turnover towards a Ministerial Social Development Trust Fund, which is not endorsed by the Chamber. This type of advalorem tax is extremely regressive, undermines marginal or loss-making mines and is not supported. Is this similar to the Multi-national Suppliers Contribution towards a Social Fund whose contribution was set a target of 1% Net Profit after Tax (NPAT) and previously included under the Procurement element? The Chamber does not support the target of 1% Annual Turnover and instead proposes 2% of NPAT towards SED.</p>	
<p>XXXVII The department acknowledges and accepts the recognition of non-monetary contributions, however this forms part of the mining company's social license to operate and it cannot be used to offset any of the mining charter targets.</p>	<p>XXXVII. It is important to note that non-monetary contributions are not considered under this element. The Chamber further proposes enhanced recognition of technical and capacity building programmes as part of this element as they facilitate municipalities' ability to deliver more effective services. Furthermore, we propose that collaborative endeavours (with other companies, government departments, development finance institutions etc.) also be given enhanced recognition as recognised in the Codes.</p>	

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<p>XXXVIII Housing and living conditions of employees remain critical factors to be complied with. This element represents the dignity and privacy of employees.</p> <p>XXXIX This proposal on providing guidelines on reporting is noted. However, the deletion of paragraph 2.9 is rejected, reporting remains a crucial requirement of the law (s28).</p>	<p>XXXVIII. The Chamber submits that Housing and Living conditions should not be a priority element (ring fenced) and should be removed as a Mining Charter target after the three year transitional period. The significance of this element can be reflected through a higher weighting.</p> <p>XXXIX. On Reporting (monitoring and compliance), section 28 of the MPRDA makes provision for reporting. However, the Chamber is of the view that this pillar is not necessary as an element in the proposed Mining Charter but that the DMR should rather provide guidelines on how reporting should be complied with. We propose that such Guidelines should be developed for independent monitoring and verification. The Chamber accordingly requests that paragraph 2.9 of the Reviewed Charter be deleted.</p>	<p>XL. The review of targets should be subject to a stakeholder engagement processes which should consider economic conditions, beneficiary dictates and broader policy shifts as proposed in relation to paragraph 2.13. The Chamber recommends that the Ownership element be reserved until judgment is reached on the Chamber's Declaratory Order, but in the meanwhile submits that as stated in relation to paragraph 2.1 above, holders be deemed to hold the greater of 26% or their actual empowerment percentage, and that they not be required to restore any loss of such level. The Chamber further proposes that there be sub-minimums (40%) on Priority Elements which we recommend to be: Ownership, Procurement, Enterprise and Supplier Development and Skills Development.</p> <p>XLI. We propose that for each element there be progressive targets, cumulatively from the Mining Charter Targets of 2014. The Chamber further submits that there be a transitional arrangement that allows for a period of 5 years to enable a legitimate industry alignment process.</p>
<p>XL. The department is committed to meaningful engagements on the review proposals. MIGDETT remains an important consultative forum for all relevant stakeholders. The court case is <i>sub-judice</i> and the Department proceeds to exercise its regulatory function as mandated by the MPRDA. The Department disagrees with the suggested 40 % subminimum for the priority elements.</p> <p>XLL The Department agrees with the progressive realisation of targets over the</p>		

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	<p>XLII. The Chamber submits that paragraph 2.12 should be deleted because the matter of non-compliance falls to be addressed by the MPRDA itself and not by the Mining Charter.</p> <p>XLIII. The Chamber submits that paragraph 2.13 should be deleted since the review of the Mining Charter needs to be governed by the MPRDA itself and not by the Mining Charter. However, insofar as paragraph 2.13 is nevertheless to be retained, and in the spirit of the Stakeholder Declaration (2010), the Chamber would recommend the following addition:</p> <ul style="list-style-type: none"> ▪ <i>Review of the Mining Charter be subject of a consultative multi stakeholder process through the auspices of MIGDETT, the frequency of which to be determined by unanimous decision</i> • The Chamber proposes a scorecard (see Chamber letter) 	<p>three years transitional period. The suggested 5 years transitional period is not supported. XLII The Charter derives from section 100 of the MPRDA. It is a material condition for granting of a mining right in terms of section 23 of the Act, noncompliance therewith is an offense. The Charter reinforces the provisions of the MPRDA relating to non-compliance and does not deviate therefrom.</p> <p>XLIII See point ii above. The Department Disagree with the suggested unanimous decision on formulation of review proposals. The Department proceeds to exercise its regulatory function as mandated by the MPRDA.</p>
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2. National Union of Mineworkers (NUM)	<p>i. The NUM is calling for the inclusion of "Meaningful consultation" in the definitions section, as we are currently finding it difficult to be meaningfully consulted in the implementation of charter targets and compilation of the mining charter report before submission to the regulator. The definition should read as follows: <i>The extensive consultation conducted by the mining right holders and its stakeholders. These will include the primary stakeholders (which includes employees/workers, organized labour unions and all forums or structures) and Secondary Stakeholders (including relevant local & district municipalities (including their representatives), traditional leaders or authorities).</i></p> <p>ii. We are propose the following additions in the Objectives section: <i>The Broad Based Black Economic Empowerment Charter for the South African Industry, herein referred as the "Mining Charter ", is a government instrument designed to effect sustainable growth and meaningfully transformation of the mining industry (through a meaningful consultation process, especially with primary stakeholders).</i></p> <p>iii. We call on the Department to have an incremental target for the ownership element, which will be 30% by 2018, 32% by 2020 and 35% by 2022 as a minimum targets.</p> <p>iv. On ESOPS our submission is in line with the above target on ownership, with employee's owning 10% by 2018, 12% by 2020 and 15% by 2022.</p> <p>v. We unreservedly reject the notion of a Special Purpose Vehicle, as its founding objectives that were aligned to the companies act are no longer in place. Thus it will only be used as a tool to frustrate communities and workers. We have seen many transactions in the industry that have become an albatross around our necks, thus we are submitting to own shares directly in the mining right holders and our employing company.</p>	<p>i. The Department supports meaningful consultations between stakeholders in giving effect to the relevant elements of the Mining Charter. Completion of the report is the prerogative of the right holder and it remains Government's responsibility to evaluate, enforce and monitor compliance with the Charter requirements.</p> <p>ii. The Department notes the suggested proposals to the objects of the Charter and supports same to the extent outlined in point number I above.</p> <p>iii. The Department supports progressive realisation of the Charter targets within the 3 years transitional period. Any suggestion to go beyond the transitional arrangement is not supported. The</p>
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	<p>VI. We are calling for all employees and community ownership transactions to be ring-fenced and funded by the mining right holder for free or with no obligation on the trust of future repayments or dividends withholding. The Mining Charter should also introduce a new concept of ESOP/Community Trust mandatory rules, namely:</p> <ul style="list-style-type: none"> a. A loan free scheme or employer funded scheme b. Economic interest in the hands of an entity (managed and controlled by participants) or individual employee c. Flow through principle as per 3.3 of the Generic Codes d. Returns, profit sharing or dividends needs to be paid out each time the company declares (85% as per the Generic codes). e. The vesting period needs to be maximum 5 years f. Beneficiary education should be mandatory g. Trustee continuous education is critical h. Significant Employee participation in the scheme i. Equal distribution of shares to all employees, especially Black People j. ESOP Trust representation in Annual General Meetings k. Limited risk to employees l. Trusts need to be independently managed outside the control of Management. <p>VII. We are not sure of the Industry's ability to achieve the 60% capital goods target, hence we would in line with other targets propose an incremental approach. That will see the industry starting on 40% locally manufactured goods by 2018, 50% by 2020 and 60% by 2022. The aim to ensure we have achievable targets and we give industry sufficient time to grow the market</p>	<p>Department will consider the proposed increase in targets.</p> <p>See response in III above.</p> <p>The Department notes the concerns, however this requirement was intended to protect the interests of BEE partners (Esops and communities) and ensure that they actively and meaningfully participate in the development of mining projects/s.</p> <p>Debt and funding models are commercial considerations (further consult with Mr. Mabuza).</p> <p>The Department to study the Dti's report on Management of Trust instruments and further improve the proposals in the Charter relating to Trusts.</p> <p>VIII The Department notes the concern and will reconsider the proposals.</p>
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	for the relevant absorption. The same principle should apply for the consumables, but their incremental targets should be 50% by 2018, 60% by 2020 and 70% by 2022 for consumables.	
VIII.	On Beneficiation The NUM is calling for the fast tracking of the current Amendment Bill in Parliament, in order for the DMR and DTI to fast track the implementation of the Beneficiation Strategy in line with the National Development and Industrial Policy Action Plan.	VIII. The Department notes the concern. The process to finalise the MPRDA Bill is managed by Parliament.
IX.	On Employment Equity the reporting scorecard should reflecting the income disparities among those in the same levels, to avoid people being appointed to key positions but are never remunerated equally or lacking relevant decisions making powers.	IX The Department of Labour to advise.
X.	On human resource development, the allocation of a percentage of mineral right holder's payroll to skill development, training and research is supported, but we think it's important for it to be aligned to the current 6% in the generic codes of good practice. The money spent should be restricted to actual fees paid for a course or programme and not miscellaneous logistical costs.	X The Charter 5% proposal excludes the mandatory 1% skills levy as per the Skills Levy legislation. (Verify with Dti).
XI.	We would like to call on the Department to revise the Housing and Living Conditions Standards that were gazetted in 2009.	XI The Department notes this concern and will address it accordingly upon finalisation of the Mining Charter.
XII.	We call on the Department of Mineral Resources to strengthen and capacitate the Mineral Regulations branch, as we believe the below compliance with Section 28 (2) (C) of the MPRDA is non-negotiable and compliance should be met with relevant corrective measures.	XII The Department notes this concern and will address it accordingly.
XIII.	We would like to again express our concern with the removal of the Sustainable Development element in the draft mining charter.	XIII The Department notes this concern and will address it accordingly.

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<p>3. Wits Centre for Sustainability and Mining (CIMS)</p>	<p>I. Socio-economic and skills development initiatives associated with the implementation of the Mining Charter should be streamlined. Specifically the Mining Charter makes no mention of the Social and Labour Plans (SLPs). This is a serious oversight and means that contributions to communities will become more fragmented despite increased revenue. The obligation placed on mining companies to contribute a minimum of 1% of turnover to local community development (2.6a) is very similar to the obligation imposed by the SLP. Is this obligation reflecting the same thing? We suggest linking to the SLP in this paragraph to clarify the similarity or difference. Going further, the measures in the draft Reviewed Charter are poorly expressed, specifically for Mine Community Development, but also for other elements of the Charter. We suggest that the measures be reviewed, and that the Scorecard be amended to include measures, as it does in the current (2010) Charter.</p> <p>II. Of additional concern here is the contribution of multinationals to socio-economic development of local communities. Thus the draft Charter states that multinationals must contribute toward "socio-economic development of local communities", but the mechanism proposed is through a single Social Development Trust Fund (SDTF). How is the SDTF going to direct spending to local communities? At best we suggest establishing SDTFs in each of the regions where multi-nationals supply goods. We also note that the trustees of the proposed SDTF do not have to include stakeholders from communities, and suggest that there must be community trustees. Alternatively, multinationals could make their contributions to the SLPs of the mines that they supply, through a transparent, ring-fenced allocation of funds. That would ensure that the funds are closely tied to the communities most affected by the goods that are supplied.</p>	<p>i. The Department will reconsider the relationship between the SLP and the Charter as different legislative requirements to ensure alignment and removal of ambiguities.</p> <p>ii. The Department will develop appropriate mechanisms for management of the Multinational Supplier Trust fund for the benefit of not only communities but all the People of South Africa.</p>
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	<p>III. Of equal concern are the proposals for human resource development (Section 2.5). This section establishes a Ministerial Skills Development Trust Fund (SDT). How does the SDT relate to the Mining Qualifications Authority (MQA)? The aim in 2.5(a) is to invest in essential skills development activities and those listed are exactly the remit of the MQA. We strongly suggest that these funds go to the MQA rather than to establish a new entity. If there are reasons why the MQA is not suitable, those reasons should be addressed, rather than creating a duplicate structure. We note that the governance of the SDT is also identical to that of the MQA: organized business, organized labour and government. If the SDT is retained, its relationship to the MQA needs to be clarified.</p>	<p>iii. The development of the Ministerial Skills fund is intended to enhance development of skills in the mining industry.</p>
<p>IV.</p>	<p>We recommend that guidance and/or a guideline of preferred practice would be a very useful addition to the draft Charter, to promote a beyond compliance approach. This will avoid the pitfalls of ticking boxes only whilst important issues are overlooked or conveniently forgotten. Guidance is suggested in the following areas:</p> <ul style="list-style-type: none"> • For setting up the Memoranda of Incorporation to ensure that all the participants are fairly considered and that the Special Purpose Vehicle (SPV) does not become just a mechanism for one of the parties to take control over the others. • For the establishment of a "conducive environment to ensure diversity". Given the discriminatory past of mining in particular the establishment of a diverse non-racist and non-sexist workplace cannot rely solely on compliance with quotas. We suggest that the draft Charter should provide a guideline on best practice for the advancement of Black individuals and for women of all race groups. The guideline can make clear options for demonstrable initiatives to support the career development of these groups. 	<p>iv. The Department will develop a guideline on reporting in respect of all the elements of the Charter. This should facilitate implementation of the Charter requirements.</p>

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	<ul style="list-style-type: none"> For regional collaboration between private, public and civil society stakeholders in mining regions concerning socio-economic and infrastructure development (including housing), regional mine closure, the mitigation of environmental impacts and environmental rehabilitation. 	
V.	Many of the issues that besiege mining today can only be resolved through collaboration between stakeholders including different mining operations in mining regions. This is expressed in the draft Charter (Section 2.5) but there is no follow through with respect to compliance with this. This is a serious oversight.	V. The Department supports collaboration and will elaborate on these aspects on the review proposals.
VI.	We suggest re-introducing the objective: "Promote sustainable development and growth of the mining industry". The reintroduction would serve to show a) that the Charter has not forgotten the need for environmental management and improved health and safety performance, and b) that the Charter is of larger value to the nation than just righting past wrongs, important as that is: it is also aiming to grow the wealth of the country.	VI The Department will reconsider this matter.
VII.	A focus on linkages rather than just beneficiation may be the answer and revising both the objective and the subsequent section of the Charter to this end is appropriate.	VII. Mr Menoe to respond.
VIII.	The Draft Charter will be strengthened by including a focus on the development and promotion of small scale mining.	VIII. The Mining Charter does not apply to small scale mining in terms of section 27 of the MPRDA.
IX.	OWNERSHIP (2.1): Section 2.1b specifies that the community, workers and Black entrepreneurs should share 5% of the 26% allocated to Black persons. There is an issue of clarity, on whether this is 5% each or 5% in total. Beyond this it is unclear why Black entrepreneurs are specifically listed? Entrepreneurs are the natural investors in mining ventures, and would be expected to	IX The Charter Intended to refer to a minimum of 5% to each category to ensure Broad Based and meaningful transformation.

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		<p>make up the full 26% if they could. We suggest that only workers and the community be listed explicitly as have minimum allocations within the 26%.</p> <p>X. The requirement that trusts must include representation from traditional authorities is a problem for three reasons: 1) There are regions in the country without traditional authorities, such as parts of the Free State, 2) The legitimacy of traditional leaders is contested in some communities, and 3) Conflict between communities and traditional leaders can easily cripple the effectiveness of the trusts to act, as they become mired in the disputes of their trustees.</p> <p>XI. The mechanism laid down in the draft Charter that every mining right must have an SPV may have an unintended consequence: it ring-fences investment by entrepreneurs or other "real" investors (as opposed to communities and workers who are gifted their stake in the company as recognition of the costs that they bear). That ring-fencing will create a form of second-class shareholder. While this will ensure that Black shareholding has some permanence, it is not a freely tradable share in the company, which is therefore a poor investment.</p> <p>XII. PROCUREMENT (2.2): The text is unclear in the sections on capital goods and consumables on whether 60% of capital goods must be manufactured locally, or whether 60% of locally manufactured goods must be from BEE compliant suppliers. If it is the second, then there is no regulation in the draft Charter of procurement of goods that are manufactured outside South Africa. We recommend that these regulations be made clear, and explicitly take into account local and foreign manufacture.</p> <p>XIII. BENEFICIATION (2.3): As discussed above, we strongly urge that the Charter give more weight to side-stream linkages and also consider up-stream linkages, and rename this section LINKAGES.</p>	<p>Entrepreneurs refers to Black entrepreneurs and these are essential to ensure Broad Based and meaningful transformation.</p> <p>X The Department notes the concern and will consider expanding on trust representation.</p> <p>XI The Department notes the concerns regarding SPV's and will reconsider the proposals and provide alternative mechanisms to structure the 26% BEE shareholding.</p> <p>XII They must both be from BEE compliant and locally manufactured. The definitions of these terms are provided.</p> <p>XIII Mr Manoe to respond.</p>
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			<p>XIV. EMPLOYMENT EQUITY (2.4): A "conducive environment to ensure diversity" is not created by quota alone. We suggest that the draft Charter should provide a guideline on best practice for advancement of Black individuals and women of all race groups.</p> <p>XV. The draft Charter does not deal adequately with gender equity, but regards it as a subcategory of race equity, which it is not. Targets for gender equity should be set in the first instance for all women. Specific targets for Black female representation can then also be set. The present targets at executive management level do not do justice to the significant contribution that all women can make in South Africa at a senior level.</p> <p>XVI. HOUSING AND LIVING CONDITIONS (2.7): This objective, as drafted, presents no further change to the previous version of the Charter. In fact, the housing objectives as stated here were reached, and the discussion in the sector has now moved on into further issues related to housing. We have two suggestions:</p> <p>There are many situations in which home ownership is not the desire of mine workers. Therefore, we suggest strengthening the recommendations on what mechanisms are needed to provide robust rental options for mineworkers.</p> <p>Home ownership options are closely tied to local development, so we suggest a need for meaningful consultation and cooperation within the region of mining companies and local government to plan housing and community development.</p> <p>XVII. REPORTING (MONITORING AND COMPLIANCE) (2.9): We urge that the DMR increase its capacity to oversee, rather than simply monitor and evaluate, the levels of compliance with the Charter.</p> <p>XVIII. A number of definitions are missing from the Charter, or are problematic:</p>	<p>XIV Empowerment of Black persons is National government policy and the Charter seeks to give effect to same.</p> <p>XV Empowerment of Black persons is National government policy and the Charter seeks to give effect to same.</p> <p>XVI. The reviewed Charter already provides for Integrated Housing Development in line with the DHS policies on Integrated human settlements including home ownership options.</p> <p>XVII Submission is noted.</p> <p>XVIII The Department notes the suggestions on definition of terms and concepts and will consider same in the review process.</p>
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		<ul style="list-style-type: none"> • The current definition of stakeholders only includes affected parties. We suggest it also include interested parties, as that it is part of the usual definition of a stakeholder. • The word "Black" is defined in the document, and is sometimes used as defined, with a capital letter, but it is also used with a small letter, "black", leading to a suggestion that it refers to a different concept. To avoid confusion, we suggest using "Black", the defined term, throughout. • The term "Black Entrepreneur" is used without definition in 2.1b. This is concerning as the definition of "Entrepreneur" is very wide and open to mis-interpretation. • There needs to be explicit recognition that many mineworkers are foreign national migrants. • It is not clear in the document whether "Labour sending areas" includes or excludes areas outside of South Africa. We suggest that this be made explicit. In particular, parts of the draft Charter suggest spending in labour sending areas. Can this spending be in neighboring countries? This needs to be made clear. • The phrase "enterprise development" is used in the draft Charter, without definition. • The section on Procurement, (2.2), uses the phrases "small business development which are BEE compliant" and "BEE compliant enterprise development". These two phrases need to be defined and the difference between them explained. • The definition of "Community" excludes foreign migrant workers, who are a major part of many near-mine communities. How does the Charter recognise these workers? • Core skills are defined with a list of examples that are all engineering and technical related. In the context of the draft Charter, mines require core skills in many areas,
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		<p>particularly in community development and wellbeing. We suggest that the definition of core skills be extended to include all professional skills required in mining, including but not limited to geology, ventilation, finance, community development and wellbeing, occupational hygiene and health. We also suggest a further need for development of skills related to community development such as business mentorship.</p> <p>XIX. The paragraphs on Employment Equity all use the phrase "Employment Active Population". The way that EAP is used is incorrect, so it would make more sense to remove it. For example, the Employment Active Population is about 88% black, 44% black female. To justify specifying that, for example, executive directors should be 25% black female is not in line with the EAP. We suggest the phrase be removed throughout.</p> <p>XX. In the section on procurement, 2.2, neither "multinational" nor "local mining companies" are defined. As written, it may allow London-based companies operating in South Africa to avoid making the specified contribution.</p> <p>XXI. At many places in the document, but particularly in 2.2 and 2.5, there are words like "60% Black, of which 30% is black females". This implies that 18% (60% x 30%) of the total should be black females, which is presumably not the intent. To add to the confusion, in 2.5c, it is the intent (15% x 5%). We suggest defining these percentages of percentages or being explicit through words such as "60% Black, 50% of whom are black females making up 30% of the total".</p> <p>XXII. In 2.1, 2.1b only mentions "workers", while clause 2.1j mentions "black workers" as being the same group. For consistency, one of the two must be changed, or an explanation added.</p> <p>XXIII. The last sentence of 2.1 on page 3 is unclear because it suggests that at any time a rights holder whose BEE participation drops below 26% may have three years to restore the situation. We</p>	<p>XIX The Department of labour to advise.</p> <p>XX Noted the submission will be considered in the review process (page 19 second last paragraph).</p> <p>XXI Submission is noted and further clarity to be provided. In consultation with the Department of Labour.</p> <p>XXII Noted reference to Black in 2.1 (j) will be deleted.</p>
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		<p>suggest: "For a mining right holder that, at the time of publication of the Charter review, has experienced a loss of BEE participation to below 26%, for whatever reason, that mining right holder must review its empowerment credentials within the three year transitional period from the date of publication of the amended 2016 Charter.</p> <p>XXIV. In 2.5, it needs to be clear that while 15% of the 5% goes to the Ministerial Skills Development Trust Fund, the mining industry has to manage the remaining 85%.</p> <p>XXV. At the end 2.5, there is reference to a mechanism for companies to offset ownership requirements by undertaking beneficiation. The mechanism for this is not clear, and beneficiation is not present on the scorecard. We suggest that this be clarified or removed.</p> <p>XXVI. In 2.6, as well as local municipalities, the Charter also needs to mention Integrated and Local Development Plans (IDPs) in 2.10, we suggest that the compliance process should occur more often than annually. We suggest that reporting may be annual, but that monitoring should be at least twice annually. (LDPs).</p> <p>XXVII. Please give further reference information on other Acts and documents. The Charter refers to other Acts and documents. In some cases it gives a complete reference, for example in paragraph 2.9, there is a reference to S28(2)(c) of the MPRDA. However, in many other places, the reference is vague or absent.</p>	<p>XIII Clarity regarding the correct interpretation of the three years transitional period will be clarified.</p> <p>XXIV This is implied in the Charter provision.</p> <p>XXV Mr Menoe to respond.</p> <p>XXVI The annual reporting requirement is sufficient. Inspectors are empowered to conduct inspections as and when the need arises.</p> <p>XXVII The Department notes the submission and will consider it in the review process.</p>
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4. Webber Wentzel	General,	<p>I. The development of the draft Mining Charter, like the 2010 Mining Charter, is beyond the scope of section 100 (2) (a), the empowering provision, and thus is <i>ultra vires</i>. In our view, the intention of the parliament in not endowing the Minister with the power to amend the draft Mining Charter was deliberate and designed to promote regulatory certainty within the mining industry.</p> <p>II. We are of the view that section 100(2)(a) of the MPRDA must be amended to give the Minister the requisite authority to amend the draft Mining Charter, before clause 2.13 of the draft Mining Charter can be enforced furthermore clause 2.13 of the draft Mining Charter must be amended so as to avoid vagueness and the consequent bestowal of such a wide discretion upon the Minister.</p> <p>III. When considering whether the draft Mining Charter could be applied by the Minister to mining rights granted under the Original Mining Charter or the 2010 Mining Charter, the first important consideration is that neither of the Charters are legislative provisions. Neither of the two Charters was subject to the usual parliamentary processes, and thus cannot be simply accepted as having the force of legislation. It would be a most anomalous position for the draft Mining Charter to apply, either retrospectively or retroactively, to rights which were granted with reference to the Original Mining Charter or the 2010 Mining Charter. The effect of this would be that a guideline, in the form of a charter, has the effect amending national legislation (the MPRDA). Such an interpretation would certainly be unconstitutional, for the simple reason that laws cannot be amended by way of guidelines published through a consultative process with the mining industry. The only manner of changing legislation is by promulgation of new legislation through the prescribed parliamentary process.</p>	<p>I. The powers to amend the Charter is implied from the powers conferred on the Minister in terms of section 100 (2) (a) to develop the Charter.</p> <p>(II) See comment (I) above, the MPRDA Bill proposes amendments to section 100(2) (a) to clarify any ambiguities.</p> <p>(III) The Department acknowledges the presumption against retrospective application of the law. This presumption is not absolute (refer to the <i>AgriSA Case</i>). The Charter proposes mechanisms in the form of transitional arrangements to deal with the retrospective effect. The Charter derives from section 100 and cannot be said to be <i>ultra vires</i> the Act, it gives effect to the objects of the Act (meaningful transformation) and section 23 and 100 of the Act.</p>
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			<p>(IV) Refer to point (III) above.</p> <p>(V) Refer to point (III) above.</p> <p>(VI) The Department notes the suggestions on definition of terms and concepts and will consider same in the review process. The Charters principal object is to align with the BBEE Act and the Dtl Codes. <i>BEE compliant means 100% black owned or 50+1 (Dtl to advise of BEE complaint Entity).</i></p> <p>(VII) Dtl to advise on the relationship between concept of net value and meaningful economic participation.</p> <p>VII The Department notes the concern on reference to "beneficiaries". It is the intention of the Charter that there must be share capital.</p>
IV.	The second consideration is that the draft Mining Charter does not state that it applies retrospectively. There is therefore no basis for the Minister to impose the requirements of the draft Mining Charter in relation to a right granted under the Original Mining Charter.		
V.	The final and most fundamental issue is that once mining rights are granted, there is no basis for the Minister to re-consider the decision to grant the right. The Minister is <i>functus officio</i> and can only cancel the right in the limited circumstances prescribed in section 47 of the MPRDA.		
VI.	The definition of "BEE Compliant Entity" does not specify what is meant by "compliant" in the context of the Codes of Good Practice on Black Economic Empowerment, 2013 (the "Codes"). The definition of the term "black people" in the draft Mining Charter matches the definition of this term in the Codes. While this is a positive development, we submit there must some form of grand fathering of the analogous definition previously used such "Historically Disadvantaged South African" ("HDSA") and the term "Historically Disadvantaged Person", which continues to be used in the MPRDA itself.		
VII.	Effective ownership" is defined under the draft Mining Charter as "the meaningful participation of black people in the ownership, voting rights, economic interest and management control of mining entities". The term has been used in clause 2.1 (ownership) of the draft Mining Charter: "[e]ffective ownership is a requisite instrument to effect meaningful integration of black people into the mainstream economy." The language of the definition of "meaningful economic participation" regarding the financing by third parties of BEE transactions should be brought into line with the language of the Codes and the concept of "net value" espoused therein.		
VIII.	We submit that the phrase "BEE shall have full shareholder rights..." is unintelligible. We submit that a noun should be inserted after "BEE" in order to rectify this error. We further submit,		

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	<p>however, that this word should not be 'beneficiaries' as this would lead to an untenable situation in which all BEE beneficiaries would be eligible for shareholders' rights, despite the fact that they may not be members of a company with share capital.</p> <p>IX. The draft Mining Charter needs to be amended to include definitions of the following terms in order to promote regulatory certainty, and prevent these clauses being taken on judicial review as a result of the wide and unguided discretion given to the administrator as a result of such vague clauses:</p> <ul style="list-style-type: none"> • "services" and "consumables" • "core and critical skills" • "material constraints" <p>X. It is concerning that the holder of a mining right must establish a Special Purpose Vehicle ("SPV") for each mining right held by it. This will not only be a costly exercise, but will also increase the administrative burden on empowerment partners. It is unclear whether the aforementioned requirements are applicable to the holders of prospecting rights.</p> <p>XI. Clause 2.1 requires mining companies to "consolidate the empowerment transactions". No further explanation is given in clause 2.1 as to the reason or the meaning of this requirement.</p> <p>XII. Clause 2.1 also requires mining companies to "align BEE transaction(s) concluded prior to the coming into operation of the amended mining charter 2010 with the reviewed mining Charter 2016". This requirement will severely impact the current BEE shareholders and their funding arrangements. We submit that the abovementioned aspects of this clause be rephrased in clearer language so as to promote regulatory certainty.</p>
	<p>IX. The Charter defines core and critical skills. The Department will consider the definitions of services and consumables. Material constraints are determinable on a case by case basis and thus difficult to define.</p> <p>(X) The Department notes the concern regarding a SPV per Mining Rights and will reconsider the proposal. The Charter applies to certain prospecting rights as per section 17 (4) of the MPRDA.</p> <p>XI Consolidation in terms of section 102 process.</p> <p>XII The Charter is clear that the existing right holders are to revise their empowerment credentials to align with the new requirements within the 3 years transitional period provided.</p>

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		<p>XIII. We note that the draft Mining Charter disregard the concept of "once empowered always empowered" by requiring mining companies to maintain a 26 per cent BEE shareholding at all times. This very question is the subject of court proceedings and it is inappropriate for the DMR to unilaterally dictate this matter.</p> <p>XIV. We also note that the "continuing consequence" principle has been done away with. The "continuing consequence" principle (as it is articulated in the Original Mining Charter and the 2010 Mining Charter) deals with the question of whether empowerment transactions which were previously implemented can be relied upon for the purposes of demonstrating that a further mining right should be granted to the applicant.</p> <p>XV. Clause 2.1 requires that the SPV must issue shares to an ESOP and the union must have representation on the Trust and SPV board. This is a key concern as not all mining operations have proper trade union representation. It is therefore unclear how smaller mining companies will comply with this ring fenced element.</p> <p>XVI. We note that ownership is intended to extend to "workers". There is a clear negative production impact in instances of mine or workplace stoppages either as a result of instructions in terms of section 54 of the Mine Health and Safety Act, 1996 ("MHSA"), employees exercising their rights in terms of section 23 of the MHSA or in the aftermath of workplace incidents and fatalities. These have historically been supported by, or at the very least had little push back from, employees and employee representatives. This dynamic will change in the event that employees will personally feel the effects of workplace stoppages and the regulator must be in a position to address these issues.</p>	<p>XII The Court process is note, however the Minister is not precluded from exercising regulatory functions in terms of the Act.</p> <p>XIV The Charter proposes that right holders should be BEE compliant at all times irrespective of whether the BEE partner has existed, sold shares to non-BEE entity.</p> <p>XV The Department notes the concern and will relook at the SPV proposals including Trust representation.</p> <p>XVI. DMR disagrees health and safety of employees at mines remains paramount.</p>
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		<p>XVII. Another key concern regarding clause 2.1 is the lack of clarity regarding the intersection between the terms "effective ownership" and "meaningful economic participation" within the context of clause 2.1. The requirement under "meaningful economic participation" that BEE transactions be concluded with identifiable beneficiaries in the form of BEE entrepreneurs, workers (including ESOPs) and communities, however, does not tie in with the requirement of "effective ownership", which, as discussed in 6.3 above, appears to preclude passive involvement of HDSAs, and as a result precludes non-operational partners such as ESOPs and communities, which generally neither exercise voting rights nor management control in respect of the relevant mining entity. Thus "meaningful economic participation" and "effective ownership" are contradictory and this perpetuates regulatory uncertainty in the mining sector.</p> <p>XVIII. On beneficiation, it is unclear how the 11 per cent is calculated and whether, once agreed, it remains in force indefinitely or whether it may be revoked. Furthermore, it is unclear how this relates to the requirement to establish a SPV. It is therefore unclear whether a company will be entitled to claim the same beneficiation credit percentage for each right.</p> <p>XIX. Further, the 30 per cent of the 60 per cent must be given to "small business development which are BEE compliant" and furthermore, 10 per cent of this 30 per cent must be reserved for BEE compliant enterprise development. It is not clear if (i) the 2016 draft Mining Charter is referencing some form of business incubation forum or actual BEE owned businesses or (ii) the DMR intends to put place business development programs or will rely on those that are already been developed by the Dti.</p> <p>XX. There does not appear to be a proviso in the revised charter requiring employers to consider whether the suppliers are able to meet the requirements of section 21 of the MHSA. The practical</p>	<p>XVII. The Department notes the concern on reference to "beneficiaries". It is the intention of the Charter that there must be share capital.</p> <p>(XVII) Mr Menoe to advise.</p> <p>Comment: The Department has a collective responsibility to contribute towards small business development. The Charter is aligned to the BBBEE Act and the Codes and well as small business development imperatives driven by the Dept of Small Business Development.</p>
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		<p>effect of this is that strict compliance with the draft Mining Charter in the absence of this assistance (which we propose should be provided by the applicable regulator or Government Agency) is that a scenario is created in terms of which the supplier is placed at risk of criminal sanction for failing to meet the obligations of section 21 of the MHSA and/or the supplier will not receive the necessary business from the surrounding operations on the basis that the health and safety criteria are not met, and thus small businesses will fail.</p> <p>XXI. The definition of a "mine community" is not sufficiently clear to enable mining companies to accurately determine who they are dealing when seeking that elusive "social licence to operate". It is also not clear who would become the voice of the relevant community given that there is a hardly consensus regarding leadership in certain communities. Assuming the community (and its representatives) are sufficiently identifiable and there is meaningful consultation and engagement with the relevant community, should that result in some form of written agreement between the mining company and the community? This aspect should be clarified.</p> <p>XXII. There are currently four policy documents that regulate housing and living conditions in the mining sector, being (i) the current Mining Charter, (ii) the Housing and Living Standards, 2009 ("H&LS") (iii) SLP Guidelines and (iv) Mining Codes. Whilst, in some respects, there are consistencies between these policy documents, there are also inconsistencies. The draft Mining Charter does not cure this inconsistency.</p> <p>XXIII. The draft Mining Charter also sets out eight elements with which a mining company is required to comply, including an element entitled "Housing and Living Conditions". A weighted scorecard accompanies the revised Mining Charter, but there is no weighting in regard to Housing and Living</p>	<p>XX Noted (MR Mokheoana to assist, does the MHSA apply to suppliers?).</p> <p>XXI The definition of mine community is clear. The DMR, COGTA and the National house of traditional leaders to collaborate to iron out issues with mine communities.</p> <p>XXII The Department will revise all the mentioned policy documents to ensure that there is alignment.</p> <p>XXIII The Housing and living conditions element is a priority element which requires 100% compliance at all times hence the yes</p>
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		Standard requirements, merely a "yes" or "no" requirement. Thus, the DMR may require strict compliance. Where measurable deliverables are not clearly set out determination on whether there has been compliance becomes purely a subjective exercise on the part of the Minister and goal posts may shift from time to time. That is not ideal in an industry severely plagued, in part, due to regulatory uncertainty.	and no requirement in terms of the score card.
XXIV.		It is questionable whether Employment Equity targets are realistic and achievable considering the current economic and market circumstances facing the industry as well as the lack of properly trained and experienced candidates from a HDSA background.	XXIV The Department of Labour to advise. The Charter has removed reference to HPSA and substituted same with Black people.
XXV.		The targets are also much higher than in any other industry. The targets in relation to black female representation are equally unrealistic particularly at the level of Engineers and technical personnel at senior level required in the Mining Industry. It would need to be accompanied by appropriately timed program.	XXV The Department of Labour to advise.
XXVI.		In respect of Human Resources Development ("HRD") mining companies are now required to pay 5 per cent of their annual payroll towards essential skills development. Such contribution is in addition to the existing mandatory skills levy (2 per cent of annual payroll) paid in terms of the Skills Development Act, 2008). Although mining companies are obtaining rebates in relation to the mandatory skills levy it is not clear whether there will be any additional Government assistance to mining companies in respect of skills development. A more coordinated approach in the mining sector SETA regarding skills development training is required.	XXVI The determination of rebates is a function of the Department of Finance (treasury).
XXVII.		Under the 2010 Mining Charter, white women are included within the definition of "historically Disadvantaged South Africans" and are therefore recognized as beneficiaries for the purposes of	XXVII The Department of labour to advise.

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		<p>broad based black economic empowerment initiatives. This is in alignment with the provisions of the</p> <p>the</p> <p>Employment Equity Act, 55 of 1998 ("the EEA"). However, the draft Mining Charter excludes white women from the minimum participation thresholds. Application of the thresholds may, therefore, be in conflict with the EEA and also result in a constitutional challenge to the draft Mining Charter as it currently stands.</p> <p>XXVIII. Employers will be required to employ 2 per cent of black employees with disabilities as a percentage of all employees. This does not however appear to consider the various regulatory obligations set out in the MHSA and the Chief Inspector of Mines' mandatory code of practice for minimum standards of fitness to perform work at a mine.</p> <p>XXIX. In order to legally achieve these targets while not increasing any risks to health or safety of employees at mines, this will require an assessment and update to the guideline as to what positions may be held by persons with disabilities at mines, the various levels of disabilities that may be regarded as "fit to perform work" and the restrictions that should be placed on various employees who have disabilities but who may be regarded as fit for certain tasks.</p> <p>XXX. The most concerning proposal, however, from a health and safety compliance perspective is the apparent explicit requirements that persons with core and critical skills be "fast tracked". This is directly contradictory to the requirements of the MHSA relating to competency in general and the criteria of experience in particular.</p> <p>XXXI. Section 47 of the MPRDA grants the Minister the authority to cancel or suspend any reconnaissance permission, prospecting right, mining right, mining permit or retention permit. There is no mention of the draft Mining Charter in section 47. Thus, the ability of the Minister to enforce will need to be assessed.</p>	<p>XXVIII Mr Mokhoanana to assist.</p> <p>XXIX Mr Mokhoanana to advise.</p> <p>XXX Mr Mokhoanana to assist.</p> <p>XXXI Compliance with the requirements of the Charter is a material terms and conditions of a mining right. The term "this Act" is defined to include any regulation and terms and</p>
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		conditions of a right granted in terms of the Act.
5. Black Business Council (BBC)	<p>I. The Beneficiation in the current Mining Charter is very thin on details how this will unfold. It is the view of the Black Business Council that under Beneficiation the overarching goal should be clear on the ways in which the mining sector can promote sustainable development; through the following: Backward linkages: the local and/or regional purchases of different required inputs. The prospects for the production of capital goods, supplies and services needed for investments and operations (e.g., transportation services) will be enhanced through the mineral venture's demand for these inputs. Forward linkages: downstream activities, such as processing, refining and fabricating the crude ores and concentrates. Since the extracted ores often have to pass a number of transformation stages before final use, the forward linkages can be significant. Final-demand linkages: the income that employees at the mine and their households spend on goods and services in the local community or the adjacent region. For instance, an employment multiplier of 3 would imply that for every job created in the mining industry, there will be an additional two jobs created in other sectors in the region. Fiscal linkages: the tax and royalty revenues used by regional governments to develop infrastructure and/or to purchase goods and services. The benefits of infrastructure investments (e.g., roads, electricity grids etc.) will typically not only be appropriated by the mining company but will also spill over to other companies as well as to households.</p> <p>II. The revised new targets for black people, black women and black disabled employees should be set to be in line with EAP (Economically Active Population) targets, to avoid over representation; The talent pool, has to be identified and fast tracked to ensure high level operational exposure in</p>	<p>(I) Mr Menoe to assist.</p> <p>(II) DMR agrees.</p>

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		terms of career path programs. Positions occupied in Mining Companies had to demonstrate related quality of relevance and not become window dressing; and Occupied positions had to demonstrate ongoing development of candidates as managers and as executives.	
	III.	Maximisation of local procurement where possible by actively encouraging procurement officers to engage with local suppliers and explore opportunities offered by local markets. As part of meeting their local procurement percentage, mining companies must increase supplier development initiatives and further introduce simpler terms and conditions of payment that would accommodate the needs of small and medium enterprises. It is critical to financially empower the HDSA to enable them to have the expertise to supply capital goods. Prescription of local contents of local goods and services will avoid HDSAs being simply middlemen, but encourage production and participation in these goods and services. Support for local production of imports - Government must have explicit policies and programs to create capacity among HDSA to support local production of imported inputs. Location of decision making is crucial to procurement and the benefit of local suppliers. If decision making rests with corporate offices, which are usually far from the mine operation, then it is highly unlikely that the local procurement objectives would be realised.	III DMR agrees.
	IV.	the Mine Community Development aspect of the Charter must clearly state that mining companies must work with local black businesses to help them in understanding how to do business with extractives companies, including how their bidding processes work, the standards of quality and safety required, and steps to acquire international certification.	IV The DMR play a contributory role in supplier development and small business development, these are however prerogatives of the Dtl and Dept of small business development. The community development element in the Charter is sufficient.
	V.	Surely the South African mine community development aspect of the Mining Charter should adopt a notion of the entrepreneurial state that promotes institutional modes of coordination	

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	<p>between the public and private sector to shape industrial capabilities for generating and absorbing new technologies in the process of economic development.</p> <p>VI. On HRD, the BBC is proposing that MQA's skills development interventions aimed at the alleviation of skills shortages which focus mainly on the development of HDSAs. This must include Management development of HDSA and entails the development of the technical competencies required in management positions (and thus places a focus on the development of professional skills), as well as the subsequent development of managerial skills. Environmental skills - The importance of skills that will support sustainable natural resource use and environmental conservation and rehabilitation is critical. As these skills are likely to become increasingly important in the future, they need to be incorporated into the skills development priorities and interventions of the Mining Charter. Training and development of retrenched employees. The training of employees who have already been retrenched or who stand to be retrenched must be a priority aspect of the new Mining Charter. It is important to start the training for positions outside mines for the workers as early as possible before retrenchment, while the workers are still in employment. The main aim would be to provide these employees with skills for life beyond mining, which are in demand in other sectors.</p>	<p>V see point iv above.</p> <p>VI These issues are addressed in the SLP requirements and not subject of the Charter. They will be considered in detail in the SLP review process.</p>
6. South African Institute of International Affairs (SAIIA)	<p>i. Clause 1.(e) states that the Charter seeks to 'promote beneficiation of South Africa's mineral commodities', with beneficiation defined as per the MPRDA. This objective stands unqualified in the Draft Insofar as the draft does not indicate which version of the MPRDA is relevant, and the level of downstream beneficiation to be achieved remains unspecified, both in the revised Charter and in the MPRDA. Downstream beneficiation is desirable only where it makes optimal economic</p>	<p>i. Mr Menoe to advise.</p>

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	<p>sense, and evidence suggests that it should not be viewed as a panacea for growth or employment uptake in the South African economy.</p> <p>II. Regarding ownership, it is a little-recognised fact that financial institutions, including pension funds, own the majority of mining shares, the owners of which are - in the case of state pension funds - mostly black South Africans. This is not reflected in the discussion of transformation in company ownership or the related targets.</p> <p>III. The preamble of the draft states that "interests of mineworkers and communities are typically held in nebulously defined Trusts, which constrain the flow of benefits to intended beneficiaries". However, clauses (c)-(e) of section 2.1 maintain an emphasis on trusts as a vehicle to manage the interests of empowerment beneficiaries. The draft Charter should more clearly define the specific shortcomings of trusts and provide detailed guidance on how these shortcomings may be addressed.</p> <p>IV. Section 2.1 (e) should provide more detail on exactly what kind of representation is required by specific stakeholder groups. It should be noted that the inclusion of traditional authorities in community trusts and questions around benefit sharing and decision-making power with regard to mineral resources remains controversial and has contributed to numerous conflicts.</p> <p>V. Offsetting against the particular ownership requirements is permitted through the value of beneficiation "as provided for by Section 26 of the MPRDA". However, questions around the definition and requirements related to beneficiation outlined in Section 26 of the amendments to the MPRDA (passed through the National Assembly in 2014) informed the decision by the President to send the Bill back to Parliament for further engagement. Concerns have been expressed that the MPRDA's requirements with regard to beneficiation may violate South Africa's</p>	<p>II. The funding of BEE transactions through pension funds in empowerment transactions is not meaningful and broad based ownership as envisaged in the Charter.</p> <p>III. Noted and Trust management issues to be clarified in the review process.</p> <p>IV. The definition of mine community is clear. The DMR, COGTA and the National house of traditional leaders to collaborate to iron out issues with mine communities.</p> <p>V Mr Menoe to advise.</p>
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		<p>commitments under World Trade Organization regulations. Until there is clarity over this legislation and the relevant definition of beneficiation in law, it may be premature to build offset targets into the draft Charter.</p> <p>VI. If clause 2.1 of the draft were to remain, given "straitened financial circumstances, it would be profoundly damaging to those investors [existing shareholders] and to SA's reputation as an investment destination.</p> <p>VII. It is apparent that the requirements outlined in sections 2.1 and 2.10 calling for empowerment targets to be continually maintained may have significant negative unintended consequences, and may indeed work against the stated principle of empowering historically disadvantaged South Africans. It is therefore recommended that these requirements be revisited.</p> <p>VIII. The draft requires that 'a mining right holder must procure a minimum of 60% locally manufactured capital goods from BEE compliant manufacturing companies... a minimum of 70% of locally manufactured consumables from BEE compliant manufacturing companies... a minimum of 80% services from BEE compliant and locally based companies.' It is not clear that these requirements are either economically plausible or internationally congruent with WTO regulations on trade and competition policy, to which South Africa is subject. They may also violate South Africa's own Competition Act, one of the aims of which is to "provide for markets in which consumers have access to, and can freely select, the quality and variety of goods and services they desire".⁹ The draft has not built in any qualifying criteria such as whether the prescribed procurement is affordable or meets appropriate standards. It may also inadvertently lead to the exclusion of local suppliers who are not BEE-compliant but who nevertheless do employ South African workers.</p>	<p>VI Broad based and meaningful transformation of the mining industry is a government imperative, the Charter will be reconsidered where necessary to provide requisite clarity.</p> <p>VII Broad based and meaningful transformation of the mining industry is a government imperative, the Charter will be reconsidered where necessary to provide requisite clarity.</p> <p>VIII Transformation is Government's policy imperative and fall under the WTO exceptions. (Dti to further advise). The Charter provides for quality (local content) verification by the SABS.</p>
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		IX. The Charter should include clear and transparent timelines for evaluation, rather than the current formulation permitting review "as and when the need arises". This will promote a more stable and predictable regulatory environment	IX The Department will consider prescribing the review timelines to create regulatory certainty.
7. SOUTH AFRICAN CHAMBER OF COMMERCE AND INDUSTRY (SACCI)		<p>I. SACCI believes that the objectives of the mining charter are commendable but queries whether the beneficiation of South Africa's mineral commodities is the role of mining companies or whether it should rather be a downstream function.</p> <p>II. SACCI notes the statement that where a BEE partner or partners have exited, BEE contract has lapsed or the previous BEE partner has transferred shares to a non-BEE company the mining right holder must within the three years transitional period from the date of publication of the Charter review its empowerment credentials consistent with the amended 2016 mining Charter. SACCI queries if it is intended that only a review will be needed within 3 years, or will a new dispensation need to be implemented by then? SACCI believes that a review would be acceptable, but given the circumstances facing the industry, a new round of empowerment could place a great strain on finances and impact negatively on investment and even on continued profitability of mining companies.</p> <p>III. The new provisions will make it desirable for mining companies to structure new deals differently. An unintended consequence could be to add a dimension to the deal that ensures that those who are empowered retain that status in preference to losing it after a period. Alternatively, the sale of equity could only be to another black entity. This could result in the creation of a two-tier share market, with BEE shares being worth substantially less than standard shares, for which the market is infinitely larger. This outcome will hamstring entrepreneurs.</p>	<p>I. Mr Mence to advise.</p> <p>II. The Charter requires a review of the existing targets within the three years transitional period. After the three years, all mining right holders (existing and new) must comply with the new dispensation.</p> <p>III. The department notes the concerns raised regarding the unintended consequences of the current proposal and will review same.</p>

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IV.	<p>SACCI notes the provision that mining rights holders must verify local content for capital and consumer goods with the South African Bureau of Standards (SABS). SACCI questions why it should be the responsibility of the mining company to verify the content of capital and consumer goods with the SABS. It would be to the advantage of the supplier to obtain the certificate which can be provided to the mining company. Assuming more than one mine uses the same supplier, the SABS verification would have to be obtained by each mine, whereas if the supplier gets it, it would only need to be done once. This will save time, costs and red tape.</p> <p>V. SACCI queries what would happen if the facilities for the testing of mineral samples are not available in South Africa or verification from a second facility is deemed necessary, but there is not one in the country. SACCI seeks clarification on whether the Minister's written consent will be required each time this occurs, if consent would be given for a number of operations, or if it would be given once - to expire when facilities are established in South Africa.</p> <p>VI. SACCI believes that by making mining companies responsible for beneficiation it is encouraging vertical integration of the sector. SACCI recalls extensive debate that took place in the liquid fuels industry where participation of the oil companies in service stations was frowned on. SACCI proposes that the benefits and disadvantages of this provision be carefully studied before mining companies are r... It is noted that up to 11% of the 26% ownership requirement can be allocated to beneficiation. SACCI believes that Instruments such as the Manufacturing Competitiveness Enhancement Fund, the Black Supplier Development Programme, Incubation Support Programme, Small Enterprise Finance Agency and National Empowerment Fund should also be tapped for support. required to undertake beneficiation.</p>	<p>IV. The Department interfaces with the mining right holder. The proposal is to place an obligation to furnish proof of verification on the Mining right holder. (DMR to consider revising wording to capture the correct intention).</p> <p>V. Ministerial consent will be granted on a case by case basis if no local facilities exist.</p> <p>VI Mr Menoe to advise.</p>

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			VII Department of Labour to Advise.
VII.	SACCI recognizes the need for women to be empowered. However, the targets must be considered in the light of the number of women who voluntarily become Interested and follow careers in the mining industry. Between 650-700 women, of which 230 -300, are black are currently studying mining engineering at universities in South Africa. Careers in the sector have only relatively recently been taken up by women. SACCI believes that given the relatively small number of woman with expertise required for the achievement of the targets, be it for senior or middle management, mining companies will face challenges in meeting them.		
VIII.	Regarding the employment of persons with disabilities It must recognized that there are many occupations in the Industry that place severe constraints on the employment of persons with disabilities due to a number of factors, not least the dangerous nature of the operations. This will place a restriction on the available positions that can be filled by persons with disabilities.		VIII Mr Mokhoanana to advise.
IX.	On HRD, While the need to improve the skills levels of not only employees in the mining sector, but in the country as a whole, is an imperative, the cost of skills development must be seen in the light of the current operating environment. Added to the 1% of total payroll paid in respect of the Skills Development Levy, the additional 5% called for in the draft Charter in respect of the Ministerial Skills Development Fund makes the total contribution to skills development 6% of total payroll. The 5% can be construed as an additional tax payable, albeit for a predetermined cause. SACCI believes that cognisance must be taken of the current global situation, the decline in the commodity markets and the fall in local production. This increase in "operating costs" as commendable as it may be, could have a serious negative impact on the continued sustainability of the operations of some mines.		IX The DMR notes the concern.

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		<p>X. On Mine Community Development, it is an imperative to improve the environment and living conditions of South Africans, be it in mining communities or elsewhere in the country. An anomalous outcome of improved conditions, however, is that the area becomes a magnet for migration of people seeking improved standards and jobs. This often results in the growth of informal settlements where living conditions are unsatisfactory. This scenario becomes a vicious circle of improvements in the environment and living conditions, migration into the area, development of informal settlements, improvements in the environment and living conditions. Such a situation is unsustainable. There is therefore a great need for local government to be involved in seeking and implementing solutions to the dilemma.</p> <p>XI. Oh Housing and living Conditions, obviously housing subsidies are or will be part of the employment packages offered to employees. SACCI trusts that the beneficiaries will be treated by SARS in the same way as those in other organisations where similar benefits are considered taxable fringe benefits.</p> <p>XII. SACCI believes it will be onerous qualifying small enterprises that have a metal usage value of 1,5kg – 5kg per annum at a value of R1million to R3,8 million to comply with the procurement, employment equity and human resource development requirements if the company is not owned by black people.</p> <p>XIII. While the charter requires 100% compliance at all times and ring fences these elements, and while the mining company can provide the housing and good living environment, it cannot, and should not be required to, interfere with the private lives of employees in order to ensure that the facilities are kept in good condition.</p>	<p>X The department agrees with the suggestion and supports integrated and sustainable mine community development.</p> <p>XI the Department agrees.</p> <p>XII. The Regulator to advise on exemption of these qualifying small enterprises.</p> <p>XIII There Charter does not have a requirement to interfere with private lives of employees.</p>
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			XIV. SACCI notes that mining rights holders must align existing target cumulatively from the mining charter 2014 within three years to meet the revised target. SACCI queries what is meant by "cumulatively".	XIV It means progressively.
			XV. SACCI calls for all extenuating circumstances to be taken into account when compliance is considered. The sanctions provisions in the MPRDA are substantial and if applied have the potential to bring a mining company to its knees. They could also have a damaging impact on South African mining sector, and therefore on South Africa, as a desirable investment destination. South Africa desperately needs investment, and everything possible should be done to encourage it.	XIV. Clause 2.9 states that the Department shall monitor and evaluate implementation of the Charter taking into account the impact of material constraints which may result in not achieving the targets.
			XVI. SACCI believes that the reviewing of the charter by the Minister of Mineral Resources as and when the need arises could lead to uncertainty in policy. One of the main deterrents to investment is policy uncertainty. Business needs to know what will take place and when. SACCI proposes that in order to improve predictability, a time frame should be defined such as every five years.	XVI The Department will consider prescribing the review timelines to create regulatory certainty.
			XVII. While the Charter shows a firm stance on an obligation of mining companies and their suppliers to cut down on debt incurred by employees and the issuing of garnishee orders, SACCI points out that neither mining companies nor their suppliers should be held responsible for debt incurred by employees.	XVII. The Charter does not create any obligations for mining right holder and suppliers to take up employee's debt.
			XVIII. SACCI is concerned that the draft charter was published without prior consultation with stakeholders. SACCI fears that there could be a backlash from mining communities given the strong stance and vociferous demands that they be included in decisions relating to mining operations that they made in the Berea Declaration – the Declaration by the Coalition on the	XVIII The Charter was gazetted to solicit public views and the Department is open to further meaningful and progressive engagements on the Charter.

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8. Anglo American Mining	<p>MPRDA – 26 March 2015 Barea Johannesburg. The industry can ill-afford any repercussions from communities.</p> <p>i. In respect of mining rights contained in section 2(g) of the MPRDA, it is essential that the of the Reviewed Mining Charter apply retrospectively to Existing Mining Rights with the view to withdrawing the relevant provisions from the Reviewed Mining Charter; and unequivocally and explicitly confirming in the Reviewed Mining Charter that the ownership requirements set out in paragraph 2.1 of the Reviewed Mining Charter are not applicable to Existing Mining Rights.</p> <p>ii. The principle of "transformation in a sustainable manner" is also eroded by the proposals in sub-paragraphs (a) - (i) of paragraph 2.1 of the Reviewed Mining Charter which prescribe a "one-size-fits-all" empowerment structure in respect of each mining right in order to achieve the ownership target. No regard is given for the circumstances relevant of a particular mining company or its empowerment partners, or the fact that this prescribed model may in some instances constrain the extent to which the transformation objectives of the mining industry can be achieved by that mining company.</p> <p>iii. The requirement of a minimum target of 26% ownership by Black People per mining right in paragraph 2.1(a) has the effect of unfairly and irrationally excluding BEE mining companies that have any level of direct or indirect participation by persons other than Black People from participating in empowerment transactions ignoring indirect participation by Black People in mining companies; and ignoring the indirect participation of Black People via pension funds and collective investment schemes.</p> <p>iv. The requirement for a guaranteed dividend flow to the empowerment partners throughout the term of the investment in order for there to be "meaningful economic participation" of</p>	<p>i. The Department acknowledges the presumption against retrospective application of the law. This presumption is not absolute (refer to the Agrisa Case). The Charter proposes mechanisms in the form of transitional arrangements to deal with the retrospective effect. The Charter derives from section 100 and cannot be said to be ultra vires the Act, it gives effect to the objects of the Act (meaningful transformation) and section.</p> <p>ii. The Department notes the submission and will reconsider the type(s) of vehicles to be used to effect transformation. However the minimum 5 % allocation each to communities, ESOPs and</p>
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		<p>Black People in a mining company is commercially unsound and ignores the provisions of the Companies Act, which prescribe the basis upon which a company may legally and validly make distributions to its shareholders.</p> <p>V. The requirement for a minimum 5% holding by certain categories of shareholders in sub paragraph (b) of paragraph 2.1 of the Reviewed Mining Charter is unlikely to be appropriate under all circumstances and once again ignores the commercial realities and differing circumstances of both mining companies and BEE parties.</p> <p>VI. The presumption that it is always optimal and correct that empowerment partners participate in a single structure; and empowerment partners with differing interests can nevertheless always speak with a single voice will in many instances unreasonably and unfairly restrict the meaningful participation of Black People in empowerment structures.</p> <p>VII. We note that the Reviewed Mining Charter no longer provides for the continued recognition of empowerment transactions concluded prior to the promulgation of the MPRDA in calculating offsets against the ownership target, which was permitted under the Original Mining Charter and is presently permitted in the Current Mining Charter. Albeit for a prescribed period, the recognition for the conclusion of previous transactions is provided for under the DTI Codes and we can see no justifiable basis for the deletion of this provision from the Reviewed Mining Charter.</p> <p>VIII. Furthermore, we note that the Reviewed Mining Charter does not provide for the recognition of disposals by mining companies which have resulted in the transfer of a mine or an interest in a mine to HDSAs or Black People. We can see no justifiable basis for such transactions not to be recognised for purposes of an offset against the ownership target. We respectfully request that</p>	<p>Entrepreneurs will be maintained to ensure broad based and meaningful transformation of the mining industry.</p> <p>III The objective of the Charter is to achieve direct, meaningful and effective participation by Black People in the mining industry.</p> <p>IV The Charter does not require a guaranteed dividend flow to the empowerment partners but requires that whenever a dividend is due part must service the debt and the other part should serve as cash flow to BEE partners.</p> <p>V The 5% minimum is to give effect to the notion of broad based and meaningful transformation of the industry.</p> <p>VI. The differing positions of parties will be resolved through an agreed MOI between the SPY parties which includes a dispute resolution mechanism.</p>
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		<p>this be considered by the Minister with a view to including the appropriate provisions in the Reviewed Mining Charter together with a calculation methodology to facilitate the measurement of the offset.</p> <p>IX. As far as we are aware, the proposals made in paragraph 2.1 of the Reviewed Mining Charter are not supported by a Regulatory Impact Assessment which justifies and balances the need for additional and substantial cost to be incurred by mining companies in order to meet the ownership requirements, and the impact that such cost will have on the furtherance of the transformation objectives. Furthermore the proposals are not underpinned by an assessment of the long-term impact on the sustainability of mining companies or of the viability of such measures to ensure that the mining industry remains globally competitive. We believe that the category-based procurement targets in paragraph 2.2 of the Reviewed Mining Charter do not successfully drive transformation, local economic upliftment or job creation as they have been proposed in an unclear manner and seemingly without regard for their impact on the mining industry and the stakeholders who are intended to benefit from the setting thereof.</p> <p>X. The targets do not recognise the development by mining companies of small businesses into sustainable high-revenue businesses, but rather promote the unsustainable rotation of suppliers. This is contrary to the national economic development aims of local industrialisation and job creation, as well as the national transformation objectives. To illustrate this point, if a mining company has developed a small business in the past, once such a business reaches a certain threshold a mining company is inadvertently prevented from continuing to support such a business because it will need to redirect its spend to as smaller business with a lower threshold. This is counter-productive and is contrary to the objective of growing black industrialists.</p>	<p>VII. Transformation is not an event but a process. The continued consequences in respect of empowerment concluded prior to the promulgation of the MPRDA cannot be made to apply perpetually but must be appropriately timed taking into account the nature of the transactions concluded.</p> <p>VIII. See point VII above.</p> <p>IX. The Department has done a detailed SEIAS (a cost benefit analysis) with the support of DPME.</p> <p>X. Dtl to advise on supplier development (Measurement and scorecard).</p>
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		<p>XI. We believe that the proposed targets for all categories, including the associated targets for small business and enterprise development, would be unachievable for the mining industry given, amongst other things, the limited scale of local suppliers, and are therefore irrational. If category-based targets are to be stipulated in the Reviewed Mining Charter, the targets must be reconsidered following a Regulatory Impact Assessment that takes into account the financial and economic impact thereof.</p> <p>XII. The targets for the development of "BEE compliant" enterprises and small business participation are ambiguous. For locally manufactured goods, it is not clear if 30% the above 60% equates to 30% of all procurement or 30% of procurement from 30% of BEE compliant companies" (i.e. 18% of total procurement).</p> <p>XIII. The proposed definition of a "BEE compliant company" is also not clear. Under the DTI Codes generic scorecard, a company with a score of more than 10% (or more than 40 points equating to Level 8 or above) is deemed to be compliant with the DTI Codes. It is therefore not clear if a "BEE compliant company" is simply a company that has been verified as anywhere from a Level 1 to Level 8 Contributor in terms of the DTI Codes. If this is the intended definition, the result is a material departure from the requirements under the procurement and enterprise development element of the Current Mining Charter that are set in relation to "BEE entities", which have been defined as entities having a minimum of 25%+1 vote of share capital directly owned by HDSAs as measured using the flow through principle. We do not believe that this will have the desired effect of contributing towards the socio-economic development of the areas in which mining companies operate.</p>	<p>XI Noted, the Department will relook into the submission.</p> <p>XII Mr Menoe to advise.</p> <p>XIII. Noted, the Department will reconsider the submission.</p>
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		<p>XIV. It is not clear if the definition of "locally manufactured" in respect of capital goods is meant to apply to all areas of capital expenditure. For example, would capital project expenditure to build infrastructure be recognised?</p> <p>XV. The targets and metrics in paragraph 2.2 of the Reviewed Mining Charter have not been fully translated under the scorecard for the Reviewed Mining Charter for measurement purposes. For example, the scorecard does not provide for reporting of spend towards small businesses or spend reserved for enterprise development. We are concerned that the proposed imposition of targets in respect of local content for capital and consumable goods and, to some extent, services may place South Africa at risk of being in violation of its international trade law obligations.</p> <p>XVI. The proposed requirement that mining right holders utilise South African facilities for the analysis of 100% of each mineral sample (unless consent is secured from the Minister) is impractical. In many instances, global standards require samples to be tested independently in specific laboratories outside of South Africa, and it is standard practice for grading analyses to be conducted in respect of exported minerals prior to them being offloaded in a different country.</p> <p>XVII. In relation to the proposed target regarding multinational suppliers contributing 1% of annual turnover generated from local mining companies into a Social Development Trust Fund, we are concerned that the target will unreasonably penalise locally-based multinationals, and will deter them from investing in developing manufacturing capabilities in South Africa. Additionally, the target will inevitably be factored into supplier pricing, translating to an additional cost for mining companies and, therefore, further impacting profitability and sustainability of mining companies.</p> <p>XVIII. The levies proposed for Social Development Trust Fund need to be considered, and the implementation thereof developed, in consultation with National Treasury to the extent that such</p>	<p>XIV No.</p> <p>XV The Department will consider measuring all targets (small business, enterprise development etc). Transformation is Government's policy imperative and fall under the WTO exceptions. (Dti to further advise).</p> <p>XVI The Charter provides for Ministerial Consent for exemption on a case by case basis.</p> <p>XVII The Department will create mechanisms to ensure that trust funds are implementable and managed within the prescripts of the law.</p> <p>XVIII The Department will create mechanisms to ensure that trust funds are implementable and managed within the prescripts of the law.</p>
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		<p>a consultation has not already taken place. Until such time as the requisite processes have been concluded and the necessary legislation passed, multinational suppliers cannot be obliged to make contributions to the proposed Social Development Trust Fund.</p> <p>XIX. As with the Original Mining Charter and the Current Mining Charter, the Reviewed Mining Charter does not provide guidance on how Beneficiation should be quantified, and as such how this might be translated into a percentage offset.</p> <p>XX. Similar to health and safety (which is regulated by the Mine Health and Safety Act) and environmental management (which is regulated by, amongst others, NEMA) employment equity is regulated by the Employment Equity Act. Furthermore, similar to the Mine Health and Safety Act and NEMA, non-compliance under the Employment Equity Act is subject to the levying of a severe penalty by the Department of Labour. We therefore have difficulty in understanding the need to duplicate this compliance function in the Reviewed Mining Charter and believe this to be unnecessary and irrational.</p> <p>XXI. The proposed 1% of annual turnover target to be contributed towards local community development and labour sending areas would be unachievable for the mining industry and would further weaken the sustainability of mining operations, placing current employment levels and transformation initiatives at risk.</p> <p>XXII. As the performance of mining companies against the commitments made in relation to community development is already monitored in SLPs, we believe that the DMR is creating an unnecessary duplication of functions in seeking to impose obligations in relation to mine community development that must also be complied with in the Reviewed Mining Charter. It would be more appropriate for the Reviewed Mining Charter to provide a framework for how</p>	<p>XIX Mr Menoe to advise.</p> <p>XIX. Employment Equity is not a preserve of the Department of Labour, the DMR as part of government collective has a contributory role to play in addressing the historical imbalances in the mining industry.</p> <p>XXI The 1 % will be maintained as it is a uniform percentage applying to all operations irrespective of the size and nature of the operation.</p> <p>XXII The Department will reconsider the relationship between the SLP and the Charter as different legislative requirements to ensure alignment and removal of ambiguities.</p>
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		<p>mine community development can be achieved in accordance with the provisions of the SLP attached to the mining right.</p> <p>XXIII. It is unclear whether "local community" is intended to refer to "mine community" as defined in the Reviewed Mining Charter. However, assuming that it does, this definition is not sufficiently clear to enable a mining company to determine what its obligations are under this proposal. For example, would a "local community" be the community that falls within the local municipality in which a mining company operates, or is it only that portion of a community that falls within a certain radius of the mining company's operations? We propose that this not be defined for all mining rights in the Reviewed Mining Charter, but that it be determined per mining right and included in the associated SLP.</p> <p>XXIV. The term "labour sending areas" read together with the requirements under paragraph 2.6 of the Reviewed Mining Charter, require mining companies to contribute to developing areas within the entire Southern Africa, and not just within the borders of South Africa. This requirement would exceed what is envisaged under sections 100(2)(a) and (b) of the MPRDA and we assume that this is not the intention of Government.</p> <p>XXV. It is unclear whether the provisions of paragraph 2.7 of the Reviewed Mining Charter are intended to replace those under the Housing Standards. It is further unclear which of these documents is to take precedence in the event of a conflict between the provisions if the provisions of the Housing Standards are intended to continue to apply.</p> <p>XXVI. For the avoidance of doubt, our representations in respect of the proposed retrospective application of the ownership requirements under the Ownership element apply equally to any proposal to retrospectively impose the ownership requirements on existing licences or permits</p>	<p>XXIII Noted, the Department will reconsider aligning the definitions.</p> <p>XXIV Noted, the Department to provide a response later.</p> <p>XXV The Department will reconcile the documents to ensure alignment.</p> <p>XXVI The submission on thresholds is noted and The Department acknowledges the presumption against retrospective application</p>
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	<p>Issued in terms of the Precious Metals Act or Diamonds Act (whichever is applicable). The thresholds applicable to the diamond industry need to be clarified as this is not immediately clear from the table on page 10 of the Reviewed Mining Charter</p> <p>XXVII. We would like to highlight certain commercial considerations relating to industries regulated by the Precious Metals Act below which make the imposition of targets of the Reviewed Mining Charter impractical and, in many instances, commercially unachievable:</p> <ul style="list-style-type: none"> the majority of the processing undertaken for third parties within the refineries in Anglo Platinum are undertaken for BEE producers without their own facilities thereby eliminating a commercial barrier; the configuration of a refinery is primarily specific to the producer who commissioned it and is not all always suitable for third parties given the specialised nature of processing operations. It is therefore not always a commercially viable investment for a BEE partner in many instances, as is the case for Anglo American Platinum, there is no external market for the processed product produced in the volumes produced by Anglo American Platinum. The vast majority is processed for the Anglo American Group and its joint venture partners; refineries and processing plants are capital intensive and have a low level of return, therefore empowerment ownership is not always optimal because of high capital required and low returns made on such investments; and increasing energy costs make BEE investments into processing assets on a stand-alone basis unattractive. 	<p>of the law. This presumption is not absolute (refer to the AgraSA Case). The Charter proposes mechanisms in the form of transitional arrangements to deal with the retrospective effect.</p> <p>XXVI Noted, the submission to be discussed with the SADPMR.</p>
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9. Bulelani Mkonto		<p>XXVIII. Section 100 of the MPRDA does not authorise the Minister to extend the scope of sections 47, 93, 98 or 99 of the MPRDA as the Reviewed Mining Charter seeks to do. Furthermore, the provisions of the MPRDA do not empower the Minister to revisit his decision to grant a mining right with a view to suspending, revoking, cancelling or terminating it on the basis of non-compliance with the provisions of the Reviewed Mining Charter.</p> <p>XXIX. We note that the Reviewed Mining Charter contains very little guidance in paragraph 2.9 as to the methodologies to be applied by mining companies when determining their performance against the targets in the Reviewed Mining Charter for the purpose of reporting on this to the DMR. We would welcome a discussion with the DMR to develop such methodologies once the concerns we have raised in our Submission have been considered.</p>	<p>XXVII Compliance with the requirements of the Charter is a material terms and conditions of a mining right. The term "this Act" is defined to include any regulation and terms and conditions of a right granted in terms of the Act. The powers to amend the Charter is implied from the powers conferred on the Minister in terms of section 100 (2) (a) to develop the Charter.</p> <p>XXIX The submission is noted, the Department will consider development of a guideline.</p>
<p>9. Bulelani Mkonto</p> <p>MK</p>		<p>I. I just want to state it clear that the black community would like far more than 26%. Black people are approximately 89% of the population, Coloureds, Indians and Whites sharing the remaining 11%. That means that should be the percentage you should make amendments in proportion to. 26% is an insult to our democracy- because democracy means the majority shall rule, however your Department of Mineral Resources, is counter-revolutionary.</p> <p>II. Your department should learn a lot from the SABC.....we want 90% across the board. That mean in terms of ownership, skills development, enterprise development, black representation at executive level and black representation on all boards (directorship), organisations, charters and councils.</p> <p>III. I wish our concerns will be considered by you! We demand 90% and not 26%. Thank you for being conscious driven.</p>	<p>I. The suggested 26% is a minimum, there is nothing that precludes a mining company from going beyond this minimum target. The Department is open to alternative proposals to help drive meaningful, broad based Black Economic transformation.</p> <p>II. See point I above.</p> <p>III. See point I above.</p>

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10. AFRISAM	<p>I. AfriSam recommends that the Ownership element be reserved until judgment has been reached on the Declaratory Order (on the "once empowered, always empowered" issue). It seems likely that companies will lock-in BEE partners for the life of mine to safeguard the 26% and (which in AfriSam's view goes against equity and empowerment). In AfriSam's view, new acquisitions should retain the 26% ownership requirement. AfriSam requires clarity on what the implications will be if the BEE partner in question exits prior to the end of a particular assessment period, and cannot be replaced prior to the end of that assessment period.</p> <p>II. The creation of trusts provisions, in AfriSam's view, create an additional administrative burden on the mining right holder in respect of the registration and administration of the trusts to be created and may also lead to additional costs. Who will be responsible for the administration of the Trusts (that is, the SPV or the mining right holder)?</p> <p>III. In AfriSam's view, the empowerment transaction should only be at Group level. In AfriSam's view, Ownership ought to be consolidated at Group level, as opposed to "per mining right". This will avoid the unbundling and the resultant different ownership structures.</p> <p>IV. AfriSam requires clarity on "consolidation." Does this mean the consolidation of all transactions at Group level?</p> <p>V. AfriSam requires clarity on the status of the Public Investment Corporation SOC Limited (representing the Interest of the Government Employees Fund) as a major shareholder having regard to its status as a BEE Facilitator in terms of the B-BBEE Act.</p> <p>VI. BEE transactions are in our view rather complex (especially where third party financing is required) and finalising such transactions within 3 (three) years seems in our view not be practical.</p>	<p>I. The Department acknowledges the court case but the Minister is not precluded from exercising regulatory powers as conferred by the legislature. The BEE transactions should be structured in such a manner that exit and entry of BEE partners occurs simultaneously.</p> <p>II. The trusts will be created and registered by the Trustees of the respective empowered BEE partners. The concern regarding the costs and administrative burden will be carried by the trust.</p> <p>III. The concern is noted and the Department must formulate a position (Mr Mabuza).</p> <p>IV Yes.</p> <p>V The Dti to advise.</p> <p>VI the Department disagrees, the 3 years transitional period is sufficient.</p>
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VII.	On capital goods, the requirement for 30% reservation for SME's and a further 10% for ED is onerous on AfriSam, due to the type of capital goods purchased by AfriSam. Most are engineering equipment manufactured to specifications or imported.	VII The Department to consider introducing a provision for exemptions with the Ministers consent to import the requisite equipment.
VIII.	On consumables, The requirement for 30% reservation for SME's and a further 10% for ED will be very onerous upon AfriSam.	VIII Refer to point VII above.
IX.	What form of local content verification would be acceptable and how is this proof to be submitted, and will a supplier's statement of SABS compliance of its products be adequate?	IX The statement will not be sufficient, the Department requires a certificate of the extent of local content from the right holder as provided by the supplier.
X.	AfriSam does not support the Multinational supplier contribution of 1% turnover and instead propose 1% Net Profit after Tax (NPAT) as per the previous Charter.	X Treasury has advised that turnover is the suitable option.
XI.	AfriSam will require clarity on the tracking Social development Trust Fund. That is, will the DMR track this requirement, or will the onus be on AfriSam to advise the DMR? AfriSam notes further that the Trust Fund has not been set up by the DMR to date. Further, if no trust fund is set up, can companies create a fund and utilise the money for SED?	XI The Department maintains the 1% turn over and will develop the necessary tools (create the trust) to implement same.
XII.	It would be preferable for DMR to develop guidelines on how the off-setting of 11% of the shares towards beneficiation will be calculated and measured. For example, will the DMR requirements/calculation for beneficiation be the same or different than the royalty tax calculation? It would also, in our view, be preferable for beneficiation to be calculated at a Group level (and not at the level of each mining right holder	XII Mr Menoe to advise.
XIII.	On Employment Equity, In relation to AfriSam's current Board position, 50% are black people and 33% are black females. However, an increase of 25% in target does not, in AfriSam's view, seem realistic from an industry perspective, and it may be challenging for AfriSam to sustain this target percentage.	XIII The said compliance levels are commendable, the increase of 25 percent can be progressively realised within the 3 years transitional period.

		<p>XIV. In relation to Afrisam's current Exco and SML position, 38% are black employees and 20% are black females. An increase of 50% in target does not, in Afrisam's view, seem realistic. In Afrisam's circumstances, the targets will be a challenge to meet, especially in this employment category due to low staff turn-over at both Exco and SML Levels. The slightest turnover of black employees in this level will have a huge negative impact (for example, YTD Afrisam has had a 3% turnover in black employees in the SML and this has resulted in a major drop with regards to representation). The targets are especially challenging due to the industry in which Afrisam operates being in decline (which makes it especially difficult to attract and retain black female employees). The inclusion of provincial EAP targets will be another challenge to Afrisam, as we operate in different provinces, and the use of national EAP targets may make it even more difficult for Afrisam to achieve these targets. In particular, attracting engineers to the industry in which Afrisam operates is challenging due to the competition for these scarce resources.</p>	XIV refer to point XIII above.
		<p>XV. In relation to Afrisam's current Middle Management position, 45% are black employees and 36% are black females. An increase of 88% in target does not, in Afrisam's view, seem realistic.</p>	XV refer to point XIV above.
		<p>XVI. In relation to Afrisam's current Junior Management position, 58% are black employees and 16% are black females. A 120% increase in target, in Afrisam's view, does not seem realistic.</p>	XVI refer to point XIV above.
		<p>XVII. On Human Resources Development, the minimum target for Skills Development as contained in the revised BBBEE Codes is 6%. In our view, 6% therefore should be the target. In addition, the stated 5% in the Mining Charter, 2016 is in line with the previous Mining Charter targets. In Afrisam's view, alignment between the BBBEE Codes and the Mining Charter is important in order to ensure that companies can record their full investment into Skills Development. Afrisam is of the view that 5% of annual payroll on core and critical skills, bursaries and learnerships. Afrisam</p>	<p>XVII To confirm with Dti whether their 6% includes or excludes the mandatory 1% Skills levy. The concern about the 15% percent of the 5 percent is noted.</p>

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		<p>does not, however, support the 1.5% stipulated as it is an addition to the 1% skills levy that is already paid to the National Skills Fund. In effect, only 0.25% annual payroll will go towards upskilling of employees.</p> <p>XVIII. On Mine Community development, AfriSam will require clarity on whether this requirement is per mining operation. AfriSam is of the view that this requirement ought to be assessed on a corporate level and be allocated (perhaps based on revenue), to each mining operation.</p> <p>XIX. On Housing and Living Conditions, the affordability aspect in relation to AfriSam subsidising its employees' purchase of houses is a concern. In addition, AfriSam is not in support of the suggestion in relation to guarantees.</p>	<p>XVIII The suggestion is noted, the Department to formulate a position.</p> <p>XIX The Department disagrees.</p>
<p>11. Association of Black Securities and Investment Professionals (ABSIP)</p>	<p>General, Ownership, Reporting</p>	<p>i. To place more emphasis on BBBEE (rather than BEE alone) we believe that additional incentives or credits should be given to broad based employee, broad based community schemes and the percentage of Black peoples' proportionate share held via retirement funds. Mining companies should be encouraged to look through retirement funds ultimate beneficiaries for BBBEE ownership. Black People and Black Women are slowly holding a greater proportion of retirement funds assets. This will in the longer term contribute to a significant reduction in the inequality gap in South Africa.</p> <p>ii. ESOP's and Community Trusts must be represented by fiercely independent fiduciaries that will look after the interests of a broad base Black People who are the intended beneficiaries.</p> <p>iii. The mining charter should also place explicit obligations on mining companies and its suppliers on reducing the amount of emolument attachment orders ("garnishee orders") of its employees and contract workers that may have been obtained by less than acceptable ethical practices.</p>	<p>i. The Department does not regard Black people's participation in the retirement funds as meaningful transformation within the Charter context.</p> <p>(ii) The Department agrees.</p> <p>(iii) The Department would support interventions by mining companies and their supplier to assist their debt trapped</p>

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	<p>iv. Every mining company must report its level of compliance with the Mining Charter annually, as provided for by Section 28(2) (c) of the MPRDA. However in addition to this requirement, this report must be made publically available on the company's website and easily available within six months of the relevant reporting period and verified by a Sanas approved verification agency. Reporting should disclose the detail progress on each element of the Mining Charter.</p>	<p>employees, however this cannot be prescribed in the Charter.</p> <p>(iv) The Department notes the suggested proposals.</p>
<p>12. Centre for Applied Legal Studies (CALS)</p>	<p>i. Opportunities for public participation in the draft Reviewed Mining Charter appear to have been less than adequate. First, the Department of Mineral Resources (the DMR), when it published the draft Reviewed Mining Charter on Friday 15 April 2016 in the Government Gazette, did not upload the bill on the website. As a result the bill was inaccessible to much of the public who do not enjoy ready access to a government gazette. This is likely to disproportionately exclude mine-affected communities, workers as opposed to well-resourced groups and individuals. For many stakeholders, therefore, the month period cannot be regarded as commencing from 15 April. Further, given the significant barriers experienced by members of directly affected groups such as mine-affected communities in relation to resources, location and language, and the need for a charter to reflect their needs and priorities, it is vital that more extensive public participation be undertaken than a mere 1 month notice and comment period on a finished draft</p> <p>ii. It is apparent from reading the obligations set out in the draft Reviewed Mining Charter that the interests of communities are still not accorded central priority. This is illustrated by the failure to include community development expenditure as one of the targets for which anything short of 100% compliance is non-compliance. The benefits conferred by the Charter are still not commensurate with the sacrifices they undergo in order for mining to occur. A far larger share than a portion of 5% (designated for communities and workers) should go to community development.</p>	<p>i. The Department submits that the 30 days period for public comments was sufficient and is open to further engagements on the draft Charter before it is gazetted for implementation.</p> <p>ii. The communities are allocated stake in the ring fenced ownership element as part of the comprehensive benefits including the 1% community development requirement. The said percentages</p>

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		<p>III. There are community calls for effective and independent grievance mechanisms for rights violations and failure to meet social obligations by mining companies and an Independent capacity development fund to assist communities in accessing the economic planning, ecological and legal (etc) knowledge enabling communities to make informed decisions and participate in decision-making on an equal footing with companies.</p> <p>IV. The draft Reviewed Mining Charter, under the 'mine community development' section provides that mining companies contribute a minimum of 1% of their annual turnover to towards local community development and labour sending areas. Reading the draft Charter does not yield certainty as to whether this 1% is to constitute SLP expenditure or is required over and above SLP expenditure. If the former interpretation is correct, the use of actual (as opposed to projected) turnover is problematic as lower than projected turnover could result in SLP expenditure being revised downwards.</p> <p>V. There is no reference at all to SLPs in the draft reviewed mining charter. We therefore call for the clarification, in legislation and policy, of the respective roles of the Charter and SLP systems and for their alignment.</p> <p>VI. In CALS' preliminary research on the implementation of the SLP system, a persistent theme echoed across a variety of role players in community organisations, local government and in the mining sector is of a lack of effective communication and co-ordination. The draft Reviewed Mining Charter does not indicate the mechanisms for co-ordination or provide guidance on how this should be achieved. In this regard, the development of a new Charter represents a missed opportunity.</p> <p>VII. The Charter does not recognise the need to compensate for environmental losses as a result of mining. The lack of attention to environmental justice is also reinforced by the removal of sustainable development from the objectives of the Charter.</p>	<p>are just minimums and a mining operation is not precluded from going beyond the stated minimum percentages.</p> <p>III. Communities are welcome to approach the Department for assistance with the challenges regarding mining operations.</p> <p>IV. The Department will consider reconciling the Charter and SLP to remove any ambiguities. The 1% is intended to create certainty and the Department supports actual expenditure.</p> <p>V. The Department will consider reconciling the Charter and SLP to remove any ambiguities.</p> <p>VI. Refer to point V above.</p> <p>VII Compensation is regulated in terms of section 54 of the MPRDA read with NEMA and MHSA. The Department will consider</p>
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	<p>VIII. We welcome what appears to be a new requirement that the procurement targets for capital goods and consumables must be manufactured in South Africa. This is critical as if the ultimately goes offshore to purchase goods, for example from developed countries, the desired impact of stimulating domestic industrial development and job creation is largely negated. However, the effect of this is blunted by the ambiguity of the wording used which, in both cases of capital goods and consumables refers to 'a minimum of...of locally manufactured consumables from BEE compliant manufacturing companies,' if read literally, this would mean, rather than requiring a specific percentage of goods that are both procured from BEE compliant companies and are locally manufactured, that instead only those goods that are manufactured locally need to be from BEE compliant companies. To achieve what seems to be the purpose of the provision, this ambiguity should be removed</p> <p>IX. There should be a requirement that companies, where possible, procure a proportion of goods and services from local BEE compliant companies based within the area surrounding the mine or the municipality and for companies to report on this.</p> <p>X. Our concerns regarding the Social Development Trust Fund (SDTF) are that provisions do not indicate how spending will be directed to communities. Furthermore communities are excluded from list of stakeholders who must be trustees. We suggest that multinationals should be required to contribute to the SLPs of the mines they supply, 'through a transparent, ring-fenced allocation of funds.'</p> <p>XI. It is important that the charter regulates the composition of the board of trustees for the community trusts. However, by only requiring traditional leadership to serve as community representatives on the board, the effect is to entrench the power of traditional leaders and undermine the self-determination of members of traditional communities. There is a pattern of community members alleging that traditional authorities are usurping the community share for their own benefit. It is</p>	<p>reinstating the sustainable development element.</p> <p>Viii. The concern is noted, the Department will reconsider the wording used.</p> <p>IX The Department disagrees.</p> <p>X The Department will consider broadening the scope of representation in the Trusts to include communities. Management of trust moneys will be governed by the trust instrument.</p> <p>XI Refer to point X above.</p>
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		therefore critical that democratically elected community organisations should also be accorded a right to be represented on the board. It is critical that communities are able to choose their representatives.	
	XII.	The draft Reviewed Mining Charter represents an improvement in that there are gender specific targets (for black women) representation at various levels of the company. It is not clear whether the targets refer to the percentages of the share of the positions to be held by black people or a percentage of all positions. If the former is the case, these targets are very low. For example, the draft Reviewed Mining Charter provides for a minimum of 50% Black executive directors, '25% of which must be black female.' The literal meaning of this would be that 25% of 50% of executive directors are to be black women, i.e. 12.5%. This would be a very low target. The other interpretation would be 25% of directors would be black women.	XII The submission is noted, the Department will rework the wording and percentages used.
	XIII.	The Amended Charter still falls to respond to the manner in which the externalised costs of mining fall predominantly on women. These costs include the loss of economic autonomy, where many women in rural areas lose access to arable land. Where agriculture is replaced by mining, relatively few women, in practice, are employed on the new mines with the result that the economic marginalisation of women is exacerbated.	XIII. The MPRDA provides for compensation in terms of section 54.
	XIV.	Further the Charter does not address barriers to the advancement of women in the workplace. It does not provide for measures to address harassment and gender-based violence on mines. It does not set a deadline for all mines to have equipment for women, separate bathrooms and sanitation needs for women. It does not require a timeframe for on-site childcare facilities for parents working on the mine.	XIV This is addressed in the Mine Health and Safety Act, 1996.

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13. GOLD ONE GROUP LIMITED	General	<p>The Draft Mining Charter 2016:-</p> <ol style="list-style-type: none"> I. is a nullity in law, II. Retrospective in its application, therefore a violation of the rule of law and the principle of legality, thus violating section of the Constitution. III. An arbitrary deprivation of property, thus violating section 25(1) of the Constitution. IV. Prescriptive regulatory instruments unjustifiably interfering with commercial agreements. V. Impacts negatively on foreign direct investments thereby negating some of the objects of the MPRDA. 	<p>(i) The Department does not agree, the Charter derives from section 100(2) of the MPRDA and gives effect to its objects in section 1 and the requirements of section 23.</p> <p>(ii) The Department acknowledges the presumption against retrospective application of the law. This presumption is not absolute (refer to the AgriSA Case). The Charter proposes mechanisms in the form of transitional arrangements to deal with the retrospective effect. The Charter derives from section 100 and cannot be said to be ultra vires the Act, it gives effect to the objects of the Act (meaningful transformation) and section 23 and 100 of the Act.</p> <p>(iii) See point ii above.</p> <p>(iv) See point ii above.</p> <p>(v) See point ii above.</p>
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14. South Africa China Economy and Trade Association (SACETA).	General, Transitional period, Procurement, Ownership,	<p>I. The Charter gives the Minister to broad a discretion to amend it as and when the need arises, it would be preferable if the requirements of the charter were to be incorporated in the principal Act and thus only amendable through the normal legislative process.</p> <p>II. The three year transitional period is inadequate.</p> <p>III. We are happy to comply with the procurement provisions provided that there are sufficient local companies to procure from, in the absence of such companies we recommend that exemption be granted to companies to source good offshore.</p> <p>IV. Instead of the requirement of 1% on Multinational Companies we suggest that mining companies be offered tax incentives to procure locally.</p> <p>V. The 1% levy on turnover is unaffordable in the current investment climate.</p> <p>VI. The charter must impose an obligation on BEE entities to only exit empowerment transactions by selling to other BEE entities.</p> <p>VII. The requirement of an empowerment transaction per mining right is impractical, in that a company with 10 mining rights would have to enter into 10 empowerment transactions.</p> <p>VIII. It gives rise to difficulties to force BEE parties (communities, workers and entrepreneurs) into one SPV.</p> <p>IX. The Draft Charter is retrospective and thus unconstitutional for violating the rule of law.</p>	<p>I. The Department does not agree, the Charter derives from section 100(2) of the MPRDA and gives effect to its objects in section 1 and the requirements of section 23. The Department will consider prescribing the review timelines to create regulatory certainty.</p> <p>II. The Department disagrees, the 3 year period is sufficient to allow for progressive/cumulative transition into the new dispensation.</p> <p>III. The Department will consider providing room for exemptions with prior written consent of the Minister.</p> <p>IV. The determination of tax incentives is competency of National Treasury. The Department will keep the 1% from Multinationals and create the</p>
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			requisite mechanisms for implementation.
			V. The Department notes the submission. Clause 2.9 of the Charter addresses this challenge.
			VI. The Department notes the submission and will address it in the review exercise.
			VII. The Department notes the submission and will address it in the review proposals.
			VIII. See note VII above.
			IX. The Department acknowledges the presumption against retrospective application of the law. This presumption is not absolute (refer to the AgrISA Case). The Charter proposes mechanisms in the form of transitional arrangements to deal with the retrospective effect. The Charter derives from section 100 and cannot be said to be ultra

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15. Institute of Race Relations (IRR)	General, Ownership, Procurement, Employment Equity, Human Resource Development, Mine Community Development, Housing and Living Standards, Scorecard	<p>I. The use of the concept "Black People" also contrary to Section 9 of the Bill of Rights, which bars any form of racial discrimination by either the state or private persons.</p> <p>II. When BEE investors 'exit' an ownership deal, a mining company must do whatever additional deals might be needed to keep BEE ownership at 26% overall (and at 5% for each of the three categories of BEE beneficiaries identified in the draft charter). These obligations will require mining companies to keep diverting scarce capital into ever more ownership deals, which in turn will inhibit the sustainability and development of many mines.</p> <p>III. Requirements to set up and establish trusts for employee and community stakes in particular ways will add to compliance costs, both direct and indirect. Having to establish an SPV for each BEE transaction will also be complex and costly, and will have major tax implications which seem not to have been considered. Already, the financing of a BEE deal costs some 30% of the total amount, and the additional complexity required under the draft charter is likely to add significantly to these costs.</p> <p>IV. Particularly damaging is the demand that all mining rights holders should re-do all the BEE ownership deals they have already concluded so as to bring them into line with the new requirements. Retrospective rule-making of this kind is contrary to the rule of law. Yet the Constitution stresses the 'supremacy' of the rule of law and makes it clear that it cannot simply be ignored.</p>	<p>vires the Act, it gives effect to the objects of the Act (meaningful transformation) and section 23 and 100 of the Act.</p> <p>I. Section 9 (2) allows for positive discrimination meant to redress the past imbalanced. The objects of the Charter are to give effect to this provisions.</p> <p>II. The Department disagrees, the intention is for mining companies to have 26% BEE transaction in place for the life of the mine. If a BEE partner exists it must be replaced with another BEE partner or if it sells it must sell to another BEE partner or to the Empowering Company.</p> <p>III. The Department will reconsider the proposed SPV model taking into account alternative models. Trusts will also be reconsidered in</p>
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line	with the trust	Report
IV.	<p>The Department acknowledges the presumption of the retrospective application of the law. This presumption is not absolute (refer to the AgriSA Case). The Charter proposes mechanisms in the form of transitional arrangements to deal with the retrospective effect.</p>	<p>The current wording of the Charter will be refined to provide clarity.</p>
V.	<p>The Department will maintain the current percentages/targets. Consideration will be given to provide for exemptions with Ministerial consent in respect of Capital goods imports. The Charter also provides for supplier</p>	
VI.	<p>Many of the draft charter's provisions in this sphere are also vague and difficult to interpret. This further contradicts the rule of law, which requires that laws and regulations be certain and precise. What does the draft charter mean, for instance, when it says that mining rights holders must 'consolidate the empowerment transactions' (see Clause 2.1(i))? And what does it mean when it states that 'the mining rights holder must...review its empowerment credentials', in the final paragraph of Clause 2.1? The wording of the draft charter provides no clear answer.</p>	
VII.	<p>On procurement, the increase from 40% to 60% for capital goods is a major shift, which may not be realistic and could add significantly to input costs, as many local manufacturers are less competitive than global ones. The expectation that 30% of this 60% should come from small businesses is particularly unreasonable.</p>	
VIII.	<p>The DMR should be wary of imposing additional financial burdens on multinational companies with a wide range of faster-growing countries in which to operate. The international trade law implications of the provision imposing a 1% levy on turnover of multinational companies generated from South African mining companies are significant and seem to have been overlooked.</p>	
IX.	<p>The targets on the Employment Equity element, like the Employment Equity Act of 1998 (the EE Act) on which they are based, assume that, because black South Africans make up 77% of the economically active population (EAP), they should make up 77% of executive, senior, and middle managers too. But the EAP includes all those between the ages of 15 and 64 who either work or wish to be employed. Given the youthfulness of the black population – more than half of black people are under the age of 25 – the EAP includes many black teenagers who have never obtained a matric or worked at any job at all.</p>	

	<p>By contrast, executive, senior, and middle managers must have appropriate experience and skills. In 2015, only 40% of blacks fell within the 35-64 age cohort that might be considered eligible for such management posts. In addition, though degrees or diplomas are often necessary or advisable for such jobs, only 5% of the black population then held any kind of tertiary qualification. This means that the pool of black people from which such managers can realistically be drawn is far smaller than the draft charter assumes.</p> <p>IX. On Core and Critical Skills, the draft charter adds that mining rights holders 'must ensure that a minimum of 40% black people are represented in the mining company's core and critical skills by diversifying their existing pools. To this end, it says, the rights holder must 'identify and fast track their existing pools', while 'the abovementioned fast tracking of pools must be a proportional representation of the workforce'. These requirements, particularly the last one, are so badly phrased as to be virtually unintelligible.</p> <p>X. On Human resource development, the draft charter requires the mining industry to 'invest 5% of annual payroll' in essential skills development activities, 'such as artisanal, bursaries, literacy and numeracy' (sic). It indicates that this allocation must be 'reflective of the proportional representation' (sic). Again, this provision is poorly drafted and difficult to understand. Mining companies should have the choice of spending the full amount of the levy on in-house training, or support for academic institutions, both of which are likely to be more effective in meeting their training needs.</p> <p>XI. The target of 1% on turnover for mine community development should be based on net profit after tax, rather than on annual turnover.</p>	<p>development by the mining right holder.</p> <p>VII. The Department disagrees the 1% requirement from Multinational suppliers to be retained and implementation tools provided.</p> <p>VIII. The Department of Labour to assist with verification of the figures.</p> <p>IX. The wording of the Draft Charter will be refined to provide clarity.</p> <p>X The Department disagrees the requirements of tis element are clear and will be maintained.</p> <p>XI Treasury has advised that turnover is the appropriate text to use in this instance.</p>

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		<p>XII. The draft charter fails to recognise the difficulties that mining companies may have, in practice, in helping to provide employee housing where the necessary land or infrastructure has not been made available by municipalities or other organs of state.</p> <p>XIII. It is unreasonable to expect companies to maintain 100% compliance with costly housing and skills development obligations during periods of limited or no profitability.</p> <p>XIV. Given the magnitude of the increases in many of the targets, a three-year transitional period is far too short.</p> <p>XV. The scorecard provided in the draft charter is also intrinsically vague. Though each target is supposedly now to be weighted, and each mining right holder will earn a score between 0 and 100, the scorecard does not set out the points attainable on each element. Thus, though it identifies 26% as the 'minimum target for HDSA (sic) ownership', it does not say how many points mining companies will score for meeting this target. Likewise, it sets out the targets for procurement on capital goods, consumables and services, but it does not say how many points will be available for full (or partial?) compliance with this element. This makes it impossible to determine how points will be allocated, which in turn makes it impossible for scores to be computed.</p>	<p>XII The Department supports Integrated development (co-operation with local government and municipalities) and its doors remain open at all times to address challenges experienced by mining operations in delivering on their transformation commitments.</p> <p>XIII Clause 2.9 states that the Department shall monitor and evaluate implementation of the Charter taking into account the impact of material constraints which may result in not achieving the targets.</p> <p>XIV The Department disagrees the proposed 3 years transitional period is sufficient for progressive realisation of the charter targets.</p> <p>XV The Draft scorecard will be revised to address the identified loopholes. (Mr Menoe to assist).</p>
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16. Thabacheu Mining	General, Ownership, Employment Equity, Beneficiation, Human Resource Development, Mine Community Development, Housing and Living Conditions.	<p>I. Companies which have sold shares to BEE partners, mostly at a discount, which have been traded afterwards cannot be held non-compliant if they do not sell further shares to other BEE partners.</p> <p>II. It seems that the charter does not cater for small mining operations.</p> <p>III. Some small scale mining operations have no workers but rather contractors.</p> <p>IV. The elements should be linked to the company owning the mining rights/s rather than linking them to an operation.</p> <p>V. The revised employment equity targets will be difficult to meet as the skills pool is limited.</p> <p>VI. Unions should not necessarily represent workers in the SPV, as there could be better qualified workers to undertake this task.</p> <p>VII. The methodology of the offsets of beneficiation are not clear.</p> <p>VIII. The requirement of an empowerment transaction per mining right is burdensome. In our company there are 4 mining rights, therefore we must set up 8 trusts (4 for the workers and another 4 for the community), did the Minister check that the CIPC can handle the administration.</p> <p>IX. The rules on procurement are complicated, cumbersome and impractical. It is impossible to keep track of where what was purchased, it places a huge administrative burden on companies.</p> <p>X. SABS is not geared to certify local content.</p>	<p>I. The Department notes the submission and will consider it in the review process.</p> <p>II. The Charter does not have a differentiated approach to operations by virtue of their size. It applies to all mining right holders without exception.</p> <p>III. The Charter does not apply to small scale miners (holders of mining permits in terms of section 27 of the MPRDA). Section 1 of the MPRDA defines employee to include contractors. Section 101 of the Act obliges the right holder to be responsible for contractors.</p> <p>IV. The Department disagrees, a decision to be made on whether the Charter must apply at right level or at company/holding level.</p> <p>V. The Department of labour to advise.</p>
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			<p>vi. Union representation is a more structured and formal forum for worker representation.</p> <p>vii. Mr Menoe to advise.</p> <p>viii. The Department disagrees, a decision to be made on whether the Charter must apply at right level or at company/holding level.</p> <p>IX The Department notes the submission and will take it into account in the review process.</p> <p>X The Department disagrees.</p> <p>XI The Ministerial approval is not required for mineral sampling locally.</p> <p>XII The Department disagrees.</p> <p>XIII The Charter makes provision for Employment Active Population (EAP) and not demographics.</p> <p>XIV The Department notes the submission. This is not a new target.</p> <p>XV 1 % represents the Companies social license to operate and should be delinked from the ownership element.</p>	
		<p>XI. If mineral sampling are to be done by South African companies the ministerial approval process must be simplified.</p> <p>XII. The requirement of 50% black representation at board level is unacceptable.</p> <p>XIII. The demographics of where the mine is situated must be used.</p> <p>XIV. The 5% on turnover to be used for human resources development is simply unaffordable.</p> <p>XV. The 1% on turnover for community development is also unaffordable and a duplication since the community will have shares in the operation.</p> <p>XVI. The prescriptions on housing and living conditions are vague and unclear.</p> <p>XVII. The three year transitional period is too short.</p> <p>XVIII. The concept of ring fenced elements is disturbing since 100% compliance at all times is impossible.</p>		

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			<p>XVI The Department notes the submission and will revise the Housing and living Standards to ensure that there is alignment.</p> <p>XVII the Department disagrees.</p> <p>XVIII The Department disagrees.</p> <p>The Charter was gazetted for a 30 days period as defined in the MPRDA to solicit public comments on same. The Department is open to further meaningful and progressive proposals on the draft Charter.</p>
17. Serudumo Sa Rona Community Based Organization (CBO)	General,	<p>I. Serodumo acting on behalf of its members wishes to exercise the right to equally voice the concerns on the draft reviewed Mining Charter. However, given the time period allocated for making submissions, it is not practical for the CBO to adequately brief its members residing in the far flung rural areas and engage meaningfully on these important issues.</p> <p>II. We plead for a sixty (60) days extension for the "meaningful participation" to indeed take place within our communities and constituency.</p>	
18. Zurel Bros SA	Procurement, beneficiation	<p>I. The mining Charter provides for a mechanism for companies to offset up to 11 percentage of the 26% of the ownership reserved for black people. how this 11% can be calculated, what amount of procurement or HR development is needed?</p> <p>II. Why does mineral beneficiation fall under the mining charter in the first place? I know the mining charter is mentioned in the Diamond Amendment Act No 29 of 2005 and the regulations, as well as the Precious Metals Act of 2005 and its regulations, but surely that is a mistake? In section 6 of the precious metals act, it even goes as far as giving the SADPMR authority to consider the application for a licence or permit if the mining charter is not met.</p>	<p>I. The 11% offset for beneficiation relates exclusively to the ownership element and does not apply to procurement and HRD.</p> <p>II. Mr Menoe to advise.</p>

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<p>III.</p>	<p>The mining charter is clearly for mines and mining, all the wording ("Mining rights holders") is set around these core operations, however mineral beneficiation is roped into it. We trying to understand why this is, is it maybe because we are working with minerals that are mined? But with that reasoning, the metal industry, motor cars etc should also fall under the mining charter as the metal used to make cars and engines come from mining, also the building industry should fall under the mining charter as the bricks and cement are a result of mining.</p>	<p>III The Charter does not apply to beneficiaries but to mines who chose to beneficiate. The Department to further consult with the SADPMR regarding PART B of the draft Charter.</p>
<p>IV.</p>	<p>In our opinion, the diamond and Jewellery Industry should not be part of the mining charter, sure transformation must be a factor, but why can't the SADPMR not rather request a BBBEE score as a minimum requirement, example level 4 or 5 compliant? With the BBBEE score card, there is room to score points on different categories to assist the companies that score low on other categories? Also, when we are dealing with other companies and government departments, they request anyway our BBBEE certificate and don't recognise the mining charter score card. Just the other day the DTI requested our BBBEE certificate and we told them that we fall under the mining charter and we have a mining charter scorecard, they didn't accept it, we had to swear an affidavit of our BBBEE status.</p>	<p>IV The Department to further consult with the SADPMR regarding PART B of the draft Charter.</p>
<p>V.</p>	<p>The mining charter talks to mining community development, housing and living conditions and it even gives mines points for beneficiating their products locally, how can this be for us (diamond and jewellery shops and factories)? Furthermore our concern is that? It's clearly meant for mines only as how do we get those points on the scorecard, we can't beneficiate our product, it has already been beneficiated from a mine in South Africa? Most diamond and jewellery factories and shops are small businesses, but their turnover exceed the R3.8M as its costly to buy the raw product, and once sold</p>	<p>V The Department to further consult with the SADPMR regarding PART B of the draft Charter.</p>

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19. SAMBCO	Ownership	<p>the profit margins are low but they all add up when it comes to turnover, for example my turnover can be R4M but only approximately 20% of that was actual profit.</p> <p>VI. Our concern is that the SADPMR will enforce as the DMR requires as they are an agency of the DMR. Diamond and Jewellery companies must apply and renew diamond licences and jewellery permits with the SADPMR and that is where the mining charter requirements are being checked for compliance, if we not compliant, no licence or permit and hence no more business. This is very important to our existence, the industry has already shrunk to record lows because of the availability of economically viable rough diamonds to purchase and cut in South Africa. The remaining companies really cannot survive another blow.</p>	<p>VI The Department to further consult with the SADPMR regarding PART B of the draft Charter.</p>
		<p>I. According to the Definition of the BBBEE Act's first two Objectives:</p> <ul style="list-style-type: none"> > The number of Historical disadvantaged people must be increased in Management, Ownership, Control of Enterprises or Co-Operatives and Productive assets. > B. Facilitating Ownerships and Management of enterprises and Productive Assets by Communities, Workers, Co-Operatives and other collective enterprises. <p>At SAMBCO we believe that the Two Primary objectives of the BBBEE Act can be easily achieved in the Mining Charter through Mining and Beneficiation Co-Operatives. Co-Operatives have proven to be inclusive in Nature and can benefit a larger portion of the Nation/population taking into account the poorest of the poor.</p> <p>At SAMBCO we believe that "Meaningful Economic Participation" can only be achieved through BEE Transactions with Co-Operatives in the form of Community Co-Operative, ESOP's Co-Operatives and Workers Co-Operative, such Co-Operatives will be able to diversify into Services Co-Operatives, Consumables Co-Operatives and Capital Goods Co-Operatives, Housing Co-Operatives and Health Co-Operatives.</p>	<p>I. The Department will consider alternative models to give effect to broad based and meaningful transformation of the mining industry.</p>

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	<p>According to the Mining Charter's first two Objectives:</p> <ul style="list-style-type: none"> ➤ Promote equitable access to the Nation's Minerals resources to all the people of South Africa. ➤ Substantially and meaningfully expand opportunities for black people to enter the mining and minerals industry and to benefit from the exploitation of the nation's mineral resources. <p>At SAMBCO we have seen Mining Co-Operatives benefiting their communities in BRICS member countries like Brazil, China and India. Black people opportunities are more increased in the form of Co-Operatives through Tax Incentive, Grants and Soft Loans. SAMBCO is also partnered to a number of International and Local Educators in Mining and Beneficiation, to insure on the success of our Co-Operatives</p> <p>At SAMBCO we see ourselves as partners in the BBEE Act as the poorest of the poor and the BBEE Act recognizes Co-Operatives as an alternative for the poorest of the poor.</p>	
<p>II.</p>	<p>We Request the Mining Charter to give a minimum of 10% ownership per Mining Right unto Co-Operatives to enable the growth of Co-Operatives or Artisanal Small-Scale Miners and a Minimum of 26% were there is no BEE partner or the Miner is struggling to find suitable BEE partners.</p>	<p>II. Refer to point I above.</p>
<p>III.</p>	<p>It is requested the DMR to empower Co-Operatives with the 6 152 Abandoned Mines, We also request that the mining Dumps be given to Co-Operatives, The dumps are terrorizing communities with illegal miners or Zama-Zamas and Co-Operatives in the form of Communities, un-employed women and youths will eradicate the Zama-Zamas from the face of our economic landscape.</p>	<p>III. The suggestion is noted.</p>

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20. SADC YOUTH IN MINING	Definitions	<p>I. "Broad-Based Black Economic Empowerment", we submit that sub section (b) should also specifically include the youth.</p> <p>II. "Meaningful economic participation", we submit that BEE transactions shall only be acceptable and compliant if concluded with clearly identifiable partners in the form of BEE entrepreneurs, youth, workers and communities.</p> <p>III. "Ministerial Skills Development Trust Fund", we submit that the Ministerial Skills Development Trust Fund shall dedicate a minimum of 40% of its expenditure to skills development for youth beneficiaries.</p> <p>IV. "Social Development Trust", we submit that the Social Development Trust shall dedicate a minimum of 40% of its expenditure to enterprise and supplier development for youth beneficiaries.</p> <p>V. "Youth", for the purposes of the Mining Charter shall mean South Africans between the ages of 22 and 35 years and whose racial composition shall reflect the national racial demographics of South Africa.</p>	<p>(i) The submission is noted.</p> <p>(ii) The submission is noted.</p> <p>(iii) The submission is noted.</p> <p>IV The submission is noted.</p> <p>V The age of majority is legislated. (18 to 35).</p>
	Objectives	I. We submit that there should be an additional objectives of the charter as follows: (f) Facilitate mainstream participation of the youth in the mining industry to achieve sustainable development, seamless succession and value creation throughout the entire spectrum of the mining industry.	The submission is noted.
	Ownership	We submit that the 26% BEE ownership stake will only be acceptable and compliant if a minimum of 5% thereof is owned by a youth. Where a BEE partner or partners exit or BEE contract has lapsed, the BEE shares may only be acquired by another qualifying BEE partner to avoid non-compliance with the 26% BEE ownership target, 5% of which shall be held by youth.	The submission is noted.
	Procurement	We submit that:	The submission is noted.

	<p>➤ Capital Goods: A mining right holder must procure a minimum of 60% of locally manufactured capital goods from BEE compliant manufacturing companies. These supply contracts must have a minimum of 30% youth ownership and management participation.</p> <p>➤ Consumables: A mining right holder must procure a minimum of 70% of locally manufactured consumables from BEE compliant manufacturing companies. These supply contracts must have a minimum of 30% youth ownership and management participation.</p> <p>➤ Services: A mining right holder must procure a minimum of 80% of services from BEE compliant manufacturing companies. These supply contracts must have a minimum of 30% youth ownership and management participation.</p>		
Beneficiation	Beneficiation should be used to create additional opportunities for the youth in downstream linkages. the department of mineral resources should adopt a policy that progressive increases local beneficiation of south african mined commodities.		The submission is noted.
Employment equity	<p>We submit that:</p> <ul style="list-style-type: none"> ➤ Executive Management (Board): A minimum of 5% must be youth. ➤ Senior Management (EXCO): A minimum of 5% must be youth. ➤ Middle Management level: A minimum of 10% must be youth. ➤ Junior Management level: A minimum of 20% must be youth. ➤ Core and Critical Skills: Mining right holders must ensure that a minimum of 10% youth is represented in the mining company's core and critical skills by diversifying their existing pools. 		The submission is noted.
Human Resources Development	We submit that 40% of all Human Resources Development target expenditure shall be dedicated to youth beneficiaries.		The submission is noted.

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21. PETA Attorneys	Definitions	The term BEE Transactions should be defined.	Noted, the Department will consider defining the concept.
	Ownership	We suggest that a paragraph (h) should be added, which will include the definitions differentiating between BBEE transactions versus an empowerment transaction.	Noted, the Department will consider defining the concepts.
	Procurement	It is suggested that the percentage which should be given to small business development, should be given to majority black owned/HDSA enterprises as opposed to merely BEE compliant.	Noted, the Department will consider the suggested proposal.
22. Mamokgethi Mofopyane and Gargi Mishra Creative Voodoo Consulting & Mining Innovation	Part B: Reporting (Monitoring and Compliance)	It is our view that the MPRDA be amended to ensure that non-compliance with the provisions of both the Charter and the Act is severely penalized. Mining companies need to file compliance report annually.	This is already provided for in the MPRDA and the Charter. The MPRDA Bill which is currently before parliament proposes increased penalties linked to a percentage of annual turnover of a mining operation.
23. SEESA	Scope of Application	There is no scope of application provided to indicate which entities will be subject to this sector code. It is suggested that the Mining Sector Code should be applicable to the bigger mining companies and not your small sand washers who also have a mining license. These types of businesses will also not be able to comply with this sector code seeing as they do not have the infrastructure to sustain this scorecard and its requirements.	The Charter does not have a differentiated approach to operations by virtue of their size. It applies to all mining right holders without exception.
	General comment/suggestion	It will also be more effective if the Mining Sector fall under the DTI for verification purposes. Then accredited B-BBEE certificates can be issued under SANAS or IRBA. This will ensure that all Mining Sector Codes that are issued is done so by an accredited verification agency. This will give the B-BBEE certificate also more weight as being verified by an accredited B-BBEE verification agency. Therefore the fact that the Mining Sector is not	The suggestion is noted however the Regulator is responsible for monitoring compliance and evaluation.

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	part of DTI and that there is no accredited B-BBEE verification agencies to issue certificates creates a big problem for entities who fall under this sector code.		
Ownership Scorecard	It is suggested that the trust as part of Ownership structure must comply with the requirements as set out in the Codes of Good Practice. To ensure that the trust is managed correctly and to ensure that the trust is not circumventing any of the requirements of the B-BBEE Act.	All the trust proposals will be revisited in-line with the detailed Trust Report commissioned by the Dti.	
Procurement, Supplier and Enterprise Development	There is no mention of Empowering Supplier status in this scorecard. If a B-BBEE certificate is issued in terms of the Mining sector the entity will not be able to use this certificate in the sense that their clients will not be able to use it for procurement purposes. The first problem is that this is not an accredited B-BBEE certificate and secondly the Mining Entity will not be measured as an empowering supplier.	The Department interacts with mining operations not suppliers. Suppliers account to Dti. Further consultation with Dti will be done to clarify this matter.	
Employment Equity	Clarification needs to be provided whether the EAP targets are going to be applicable to this element and also the calculation method needs to be provided.	The Department of labour to assist.	
Housing and Living Conditions	It is suggested that there should be an alternative scorecard for Mining Entities who does not have any accommodation for workers. Like for instance In smaller mining entities whose employers have their own living arrangements and accommodation and who lives in town?	This element is a priority element and operations must endeavour to comply with all its requirements including provision of subsidies, guarantees etc.	
Part B – Application of the mining charter	It is suggested that the brackets for determining whether an entity is an EME or a QSE must be amended to be in-line with the Codes of Good Practice. Below is the list of how the codes of good practice measures its entities : <ul style="list-style-type: none"> ➤ EME – Turnover below R10 million; ➤ QSE – Turnover between R10 – R50 million; ➤ Large – Turnover more than R50 million; 	The Department to further consult with the SADPMR.	

	Reporting (monitoring and compliance) Applicability of targets	Clear indication should be provided as to what's the consequences if an entity does not comply with the scorecard or in the alternative not reach the set targets. Ownership, Housing and living conditions and human resources development elements are classified as ring fenced which require 100% compliance at the time. Therefore it is suggested that there should be a provision which enable mining entities to obtain pro-rata points on these elements.	Provisions of sections 93, 47, 98 and 99 of the MPRDA will be invoked. The Department disagrees with the suggestion.
24. IVANPLATS	The Timing of the Reviewed Mining Charter	Since the global mining industry is currently experiencing a particularly difficult time, with low commodity prices exacerbated by a global recession, an extreme shortage of capital for mining, especially for green fields mining projects, growing political uncertainty and increased production costs. We believe that potential providers of capital to the South African mining industry will be focused on the practical costs of implementing the Reviewed Mining Charter, and thus, we would suggest that the Regulator consult with the industry as to the cost of each proposed change so as to better appreciate the balance between a particular change's costs and benefits. We submit that such an approach is consistent with the Reviewed Mining Charter's goal of "sustainable transformation and growth of the mining industry". Furthermore we would wish the Minister to discuss the cost of doing business in South Africa, in the mining industry in particular, how this compares to the cost of mining in other jurisdictions and the expectations of investors, so that the Reviewed Mining Charter can incorporate those initiatives that will best incentivise new investment in the South African mining industry.	The Department has done a cost benefit analysis (SEIAS) with the support of DBME.
	The Mining Charter in relation to the B-BBEE Act and Codes	We note that the Reviewed Mining Charter explicitly deviates from the B-BBEE Act and the Codes in a number of important respects, such as the setting of employment equity targets which far exceed the targets set by the Codes, and the explicit rejection in the Reviewed Mining Charter of the so-called "once empowered, always empowered" principle, whereas the Codes allow measured entities to retain ownership credits for	Alignment process relates mostly to use of terms and concepts, the Department is allowed to deviate and set its own targets with the approval from the Minister Dtl.

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	shares sold or lost by black shareholders under normal circumstances. If the Reviewed Mining Charter could be aligned with the Codes, it would be a vast improvement on the current draft.		
Procurement	<p>The Platreef Mine which Ivanplats is constructing near Mokopane, in Limpopo Province, is not a typical, South African underground mine. The planned mechanised underground mining method necessitates the use of hi-tech equipment operated by highly skilled employees. In this context, the requirements in relation to procurement of capital goods, under section 2.2 of the Reviewed Mining Charter, will be extremely difficult to meet. A significant portion of capital goods to be procured by Ivanplats will be hi-tech, underground mining vehicles and machinery for primary development. There is no South African manufacturer of such vehicles and machinery; in fact, Ivanplats would have to import nearly all of the relevant equipment from countries such as Sweden or Australia, which are the leading countries for producing such equipment. By this Ivanplats find itself in the position that it is extremely difficult, if not impossible, for it to comply with the abovementioned provisions, simply because its ore body is different and the local, South African market is not set up to cater for highly mechanised underground mining. Furthermore, the Reviewed Mining Charter cannot be reconciled with the supply of such expensive equipment by a "small enterprise", as defined.</p> <p>Another problematic provision is the requirement that mining right holders must utilise South African based facilities for the analysis of 100% of each company's mineral samples across the value chain. In our experience, there are not enough South African-based facilities available to do this, which has resulted in unacceptable delays in decision-making and reporting.</p>	The Charter provides for Ministerial Consent for exemption on a case by case basis. The Department will consider introducing an option for exemption in relation to Capital goods.	
Employment Equity	The new proposed targets in respect of employment equity, especially in relation to the proportion of black employees to be employed in junior- and middle management positions, are extremely high and will be difficult to comply with during the proposed transitional period of three years. It is suggested that either the	The Department disagrees, the proposed 3 years transitional period is sufficient in respect of both EE targets and targets for women.	

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		<p>targets be changed, or the transitional period be extended until the education system is capable of catching up and fulfilling the demand.</p> <p>The target percentages of women to be employed in mining companies. Whereas the Charter previously required 10% women in mining (including in core critical mining activities), the philosophy now appears to be that black women should roughly comprise half of the total black staff complement at all levels. In our experience, there simply are not enough black female candidates to fill positions, and the shortage is more acute in respect of core critical mining. This aspect should be considered and negotiated with the industry and labour. We would suggest that the employment equity targets postulated in the Reviewed Mining Charter cannot be met within a three year transitional period and are not aligned with those of the B-BBEE Act, the Codes, and/or the National Development Plan, 2030. While it is a laudable goal that employment should broadly reflect the demographics of the country, this should, to some extent, be allowed to happen over time, and not be forced upon an industry regardless of the cost of such compliance, otherwise the net result may be fewer jobs for all in the South African mining industry.</p>		
	Ministerial consent provisions	<p>In a number of instances, the draft Reviewed Mining Charter contains provisions which require ministerial consent or ministerial determinations for certain actions. These include:</p> <ul style="list-style-type: none"> ➤ ministerial consent for consolidation of empowerment transactions (clause 2.1(i)); ➤ ministerial consent for conducting sample analyses using foreign-based facilities (clause 2.2 point (c) under the heading "Services"); ➤ Possible ministerial exemption from the requirement to invest 15% of the 5% payroll levy in the Ministerial Skills Development Fund " ...in the event of having partnered and supported State owned entity (e.g. Mintek) in respect of research and development". 	<p>The Department will consider development of a consent guideline to outline the process, timeframe and requirements for Ministerial consent.</p>	

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	<p>We respectfully submit that ministerial consent and determination provisions should be deleted altogether, or at least, should be amended to set out clearly the parameters for those decisions, so that everyone is clear about the rules.</p>	
Specific comments on provisions	<p>Definition of "effective ownership":</p> <ul style="list-style-type: none"> > We believe that the term "meaningful participation" in the definition is vague, in that there is no objective measure for what "meaningful" participation entails. This should be clarified in order to remove vagueness and uncertainty, and to provide an objective measure for determining whether there is effective ownership. This may be achieved by linking this definition to the definition of "meaningful economic participation". Which we discuss below. <p>Definition of "meaningful economic participation": in using the words "...includes, inter alia, the following key attributes...", this definition leaves open room for introducing additional "attributes" of what meaningful economic participation entails. These additional attributes should be specifically listed and included in the definition, or the term "meaningful economic participation" should be limited to the attributes already mentioned in the definition. We are of the view that a failure to do so leads to unacceptable uncertainty about the "compliance" of empowerment transactions, and/or gives the Regulator an unacceptable level of discretion in adjudicating these transactions. This increases the scope for arbitrary decision-making and reduces transparency and investor confidence.</p> <p>Definition of "Ministerial Skills Development Trust Fund" read with clause 2.5:</p> <ul style="list-style-type: none"> > We do not support the establishment of such a fund. Mining companies already contribute to the relevant sector education and training authorities ("SETAs"). Many SETAs are currently unable to spend their budgets and end up returning large sums of money to the national treasury. Government 	<p>The Department will reconsider the definition of meaningful participation by removing the word "include" and prescribing the relevant BEE partners alternatively delete the definition and prescribe the BEE partners in the substantive provisions of the Charter.</p>
		<p>The Department disagrees with the submission.</p>

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	<p>should look at increasing the effectiveness of the SETAs instead of imposing what is essentially a new "tax" on mining companies. Moreover, the Reviewed Mining Charter is not clear about the nature and structure of the trust, how the trustees will be elected and/or appointed, how the beneficiaries will be selected, and the manner in which the trustees are to exercise their fiduciary duties. In its current form, this provision is too vague to be enforceable and there is a risk that dishonest trustees may abuse the funds in the trust.</p> <p>Definition of "Social Development Trust" read with clause 2.2:</p> <ul style="list-style-type: none"> ➤ To the extent that this fund has not yet been established, we do not support its establishment, for substantially the same reasons as set out in relation to the "Ministerial Skills Development Trust Fund". <p>Empowerment Trusts (clause 2.1(d)):</p> <ul style="list-style-type: none"> ➤ It is unclear what is meant by the requirement that these trusts must "report" to the South African Revenue Services and the Department of Mineral Resources. What level of detail and/or content would this reporting entail? <p>The effect of traditional authority representation as referred to in clause 2.1(e):</p> <ul style="list-style-type: none"> ➤ The requirement for traditional authority representation on a community trust has the potential to be highly problematic in certain situations. Over the years, the mining industry has noticed that the involvement of traditional leadership in empowerment transactions can lead to a proliferation of internal political strife within communities. We submit that traditional representation should not be 	<p>The Department disagrees with the submission.</p> <p>The Department will reconsider proposals on trusts in line with the Trust Report commissioned by the Dti.</p> <p>These differences will be provided for in the MOI's which includes dispute resolution mechanisms.</p>
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		<p>a strict requirement for effective and substantial ownership change – instead, mining companies should be allowed the latitude to reach agreement with communities on terms that are acceptable to both the mining company and to the majority of members of that community.</p> <p>The meaning of the term "enterprise development" (clause 2.2):</p> <p>➤ The term "enterprise development" is used a few times in this clause, and it apparently has a very specific meaning, which differs from "small business development". We respectfully submit that the Reviewed Mining Charter will benefit from a clear definition for this term.</p> <p>Verification of local content for capital and consumer goods (clause 2.2):</p> <p>➤ The draft Reviewed Mining Charter stipulates that "Mining right holders shall before submitting the annual mining charter report to the Department verify local content for capital and consumer goods as provided for above with the South African Bureau of Standards (SABS)." This provision seems highly impractical and/or speculative, at least for the foreseeable future, as we are not aware of any process for verifying local content of goods with the SABS.</p> <p>Multinational supplier contributions to Social Development Trust Fund (clause 2.2):</p> <p>➤ This provision appears rather odd, in that it places an obligation on suppliers to the mining industry, as opposed to mining companies themselves. To the extent that mining companies themselves might be expected to "enforce" compliance with this provision, it places an unfair obligation on mining companies, who are not in control of such multinational companies' expenditure. Moreover, the provision in its current form is vague: it is not clear which entities would qualify as "multinational</p>	<p>The Department will reconsider the use of this term and definition thereof.</p> <p>The Department to consult with SABS/DtI on this submission.</p> <p>The Department will consider defining Multinationals, the Department interfaces with right holders and they have a duty to account for their suppliers.</p>
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25. Empowerdex (Pty) Ltd.	overarching provisions that have not been addressed in this Charter:	suppliers", what the level of supply should be before this provision becomes applicable, and how exactly the "1% of annual turnover" would be calculated.	
		<p>Beneficiation:</p> <ul style="list-style-type: none"> ➤ There should be clear provisions stipulating how beneficiation credits can be achieved and how many credits will be awarded for varying levels of beneficiation. <p>Non-Compliance (Clause 2.12):</p> <ul style="list-style-type: none"> ➤ From a legal perspective, the Reviewed Mining Charter is not legally enforceable in the same way as legislation, and hence non-compliance does not automatically equate to contravention of the MPRDA. This provision should be deleted and compliance with the provisions of the MPRDA should be measured against the provisions of the MPRDA itself. <p>Review of the Charter (Clause 2.13):</p> <ul style="list-style-type: none"> ➤ The Minister is not empowered by the MPRDA to review the Mining Charter. Furthermore, any review should be based on concurrence by all relevant stakeholders. 	<p>Mr Meno to advise.</p> <p>The Charter derives from section 100 and cannot be said to be ultra vires the Act, it gives effect to the objects of the Act (meaningful transformation) and section 23 and 100 of the Act.</p> <p>Refer to the reply above.</p>
		<p>I. The clarification notice 408 of 2015 (gazette 38766) issued by the Ministry of Trade and Industry on 6th May 2015 which detailed specific procedures to develop and gazette transformation charters. In this regard, it is a requirement for the relevant industry body and its Line Ministry (the DMR in this instance) to apply to the Dtl in writing for such charter, in addition to that, they must provide evidence of compliance with S12 iv of the B-BBEE Act. The Constitution and MPRDA alone do not satisfactorily address the objectives set forth in</p>	

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		<p>this document to address the process of redressing the past inequalities in the economic participation of South African citizens.</p> <p>➤ We recommend that the Charter document in the first paragraph of the preamble make specific reference to the alignment process required of an industry charter as set out in the B-BBEE Act, the B-BBEE Codes.</p> <p>ii. The Charter document makes no reference to the empowering supplier provisions¹, which in terms of the Codes are the ticket to trade and non-compliance with these provisions results in non-compliance of the scorecard for entities.</p> <p>iii. We recommend that stylistically; reference to other Acts such as the Companies Act, the B-BBEE Act, etc. especially with regards to definitions, be referenced to specific sections in those acts rather than being spelled out in the document. This is because, when the specific Acts referenced are amended for any reason, it will become necessary to amend this Charter as well, whereas, if reference is made to specific sections, then any amendments to those sections will be effective without necessitating an amendment to this Charter document.</p> <p>iv. In respect of the preamble, the last paragraph on page 8 of this document seems to be defining the net value principle, if this is the case, we recommend that reference is made to Code Statement 100 of the Codes with a formula which allows measured entities to calculate the proportion of debt free equity that is allocated to black people and thus the benefit that flows to black people as a result of this.</p> <p>v. This Charter will result in unbundling of some existing transactions (some new, others recently re-financed) in terms of S2.11 (transitional arrangements), i.e. existing mining right holders have a maximum of three (3) years to comply with the provisions of the charter. Have the implications of the requirement</p>
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		<p>to align been carefully considered by the DMR, is this not going to perpetuate the theme of the ultimate beneficiaries of B-BBEE continuing to be the deal makers and funders of these transactions rather than true empowerment for the beneficiaries? The implications of the unbundling process and reorganizing BEE deals will result in increased transactions costs -with financial institutions being the main beneficiaries - and no impact on the black intended beneficiaries. Furthermore, the beneficiaries would not have access to more diversified portfolios of mine ownership, and may be limited to only one. We are aware that a company can apply to the Minister for permission to construct a consolidated transaction, however, the permission is not fait accompli.</p> <p>VI. The fronting provisions in terms of the B-BBEE Act have not been referenced in this Charter. It is a requirement of a valid Charter to refer to the Act in this instance.</p> <p>VII. In November 2015, the mining sector was afforded a temporary reprieve from the requirement to align to the Codes, the BBBEE Act has a trumping effect in respect of any other law that is contradictory to the provisions of this Act. Section 3 (2) provides that in the event of any conflict between this Act and any other law in force immediately prior to the date of commencement of the Act, this Act prevails if the conflict specifically relates to a matter dealt with in this Act.</p> <p>VIII. "The exemption is intended to avoid creating uncertainty for the mining and upstream petroleum industries as to the application of the BBBEE Act, the DTI Codes, the MPRDA and the Mining Charter. The classification of the mines into EMEs (small), QSEs (medium) and Generic (big), has been aligned to the National Small Business Act. The Act defines the entities in terms of sectors, number of employees and the turnover per annum. This definition proved to be ineffective and thus the Codes came up with their criteria for classifying or categorizing entities. We would recommend a process similar to that applied in Section C for whatever the correct section is where reference is made to Diamond Act).</p>
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	<p data-bbox="309 1532 331 1771">BEE Compliant Company</p> <p data-bbox="347 757 496 1749">➤ Whereas this Mining Charter defines a B-BBEE compliant company as one that complies with the B-BBEE Act and the Codes, a mining rights holder and/or mining entity complying with this Charter will not in terms of the Codes be deemed to have satisfied the requirements set out in the Codes as critical measurements are not accounted for in this Charter, such as the Empowering Supplier Provisions.</p> <p data-bbox="560 1653 582 1787">Calendar Year</p> <p data-bbox="598 757 911 1749">➤ Clarity is sought in this regard to determine if reference to a calendar year in this charter relates to the measurement period of mining rights holders / mining companies? The Codes (draft verification manual) require that a measured entity's measured period be aligned to its financial year end, the Charter is therefore misaligned as some Charter participants may not complete their measurement periods on the basis of a calendar year, but rather on the basis of a financial year which may not match the calendar year. The misalignment of the period may result in increased costs of the verification and increased risk in respect of the credibility of data used to determine the scores for the mines where management accounts rather than audited financial results are used.</p> <p data-bbox="975 1592 997 1787">Effective Ownership</p> <p data-bbox="1013 757 1204 1749">➤ The Codes measure and define effective ownership in terms of the provisions of Statement 100 of the Codes which specifically measures voting rights, economic interest and Realisation in the hands of black people. The Charter on the other hand falls short significantly in determining the appropriate vehicles that may be used to carry out the objectives for ownership in particular, The term 'meaningful' is used instead, with no measurement criterion linked to it.</p>
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		<p>Level of management</p> <ul style="list-style-type: none"> ➤ There is reference to applying the EE Commission's Economically Active Population (EAP) Targets to the Board and Executive Management levels of the Charter Scorecard. This may prove impractical simply because of the numbers of individuals who form part of boards. If alignment is the envisaged end goal, we recommend that application of the EAPs be limited to the senior, middle and junior management levels of management rather than the board and executive management levels. <p>Meaningful Economic Participation</p> <ul style="list-style-type: none"> ➤ This definition is difficult to measure as "meaningful" as opposed to meaningless participation by black people in the economy is not defined. The definition does not give rise to capital appreciation on assets / mining rights for participants, which is an essential measure of ownership as opposed to 'leasing'. It limits the participation of black people in the ownership of interests in the mining sector to voting rights and economic interest in the form of dividend flows and not specifically to the capital appreciation earned by black people through the servicing of any debts raised to acquire their interest. It also does not cater for the participation of black people who do not require up front funding, nor for those structures which are vendor funded with no upfront debt to the black shareholders. In essence, it is prescriptive, and may not achieve the desired outcomes. <p>Ministerial Skills Development Trust Fund</p> <ul style="list-style-type: none"> ➤ Does this fund already exist, if yes, what are its current objectives, how is it governed? Do the Santiago principles in respect of sovereign funds apply? Is there not a risk that the establishment of such fund 	
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		<p>may be seen as a duplication of efforts by participants in the sector as they are already carrying out initiatives aimed specifically at improving and increasing the skills quality and levels of the labour force in the sector? Is this not an additional tax burden on the mining companies, is the National Treasury one of the key stakeholders for this fund from a governance perspective?</p> <p>Social Development Trust</p> <p>➤ Does this fund already exist, if yes, what are its current objectives, how is it governed? Do the Santiago principles in respect of sovereign funds apply? Is there not a risk that the establishment of such fund may be seen as a duplication of efforts by participants in the sector as they are already carrying out initiatives aimed specifically at improving lives of members of communities where the mines are located? Is this not an additional tax burden on the mining companies, is the National Treasury one of the key stakeholders for this fund from a governance perspective?</p>	
	Objectives	<p>It is necessary to obtain clarity as to whether the Charter's objectives are limited to the issuance of mining rights by the DMR specifically as the scorecard in the Charter, although mentioned to be aligned, still proves quite difficult to match to those issued for non-mining companies, i.e. With the absolute nature of the weightings in the mining sector scorecard, proportional achievements will not be taken into consideration, whereas the Codes allow for proportional weighting with appropriate points allocated to each of the scorecard areas. Is the DMR expecting mining companies to still produce generic codes certificates for other procurement processes with the private sector and other government agencies and departments?</p>	
	Ownership	<p>1. Alignment to the Codes has not been achieved in respect of the ownership provisions as the following critical facets of the Codes have not been addressed:</p>	

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		<p>A Sale of Assets provisions,</p> <ul style="list-style-type: none"> ➤ Continuing consequences provisions, ➤ Exclusion of South African Mandated Investments from the value of the equity ➤ The Exclusion of Foreign operations from the value of the equity ➤ The consideration of equity equivalency participation for foreign multinationals ➤ Application of the Modified Flow Through Principle <p>All the above are currently viewed as allowable enhancements to the measurement of equity held in the hands of black people, however the charter makes reference to compliance with its ownership provision as the absolute attainment of 26% direct equity in the hands of black people (split between individuals, ESOPS and BBOS equally. The charter does not make provisions for the indirect provisions catered for in the Codes</p> <p>ii. Vehicles which may be utilised to house shares held for the economic benefit of black people other than SPV's unless it is intended to structure the SPVs to house all forms of juristic persons as allowed in terms of the companies Act. a. This Charter requires there to be an SPV for each mining right which may result in some black shareholders never realising any benefit from their participation if the particular mine to which they hold rights is not profitable for the life of the mine.</p> <p>III. Consolidation of the mining rights is only permissible with the express permission of the Minister, it is quite possible for the requirement to require the participation of black people at specific mining properties to render the transactions unattractive for some investors (and even funders), as a consolidated operation of more than one operation may be more profitable than one specific property.</p>	

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Procurement, Supplier and Enterprise Development	<p>I. The Codes measure the denominator against which procurement targets are weighted in terms of the Total Measured Procurement Spend (TMPS). This Charter on the other hand only makes reference to actual spend. This is misaligned to the Codes as specific non-procurement items and items procured from foreign domiciles may be included in the value of "actual procurement" which may disadvantage the mining entities under measurement for B-BEEE performance. We recommend that in the spirit of alignment with the Codes, the principles for measurement be considered.</p> <p>II. Specific reference is made to enterprise development and its measurement, i.e. (check the table on page 788 of the document). Is the charter intending on spending 10% of procurement in supplier development? The above targets, if interpreted correctly, will be taxing for the mining houses. The Mining Charter uses the word "preferably", and the question to be asked is: Does this make it optional for mining houses to support Enterprise and Supplier development in the Reviewed Mining Charter? What is "BEE compliant Enterprise development"? This needs to be defined, to guide against ambiguous terms being used in the Charter. Additionally, this is a priority elements in terms of the Codes which needs to be set out exactly how the mines should foster supplier development and enterprise development within the mining industry. These significant issues and definitions need to be adequately covered by the Charter, to fully align to the Codes.</p> <p>III. Multinational suppliers are required to contribute 1% of their annual turnover generated from local mining companies to a Social Development Trust fund to be established by the Minister of Mineral Resources.</p> <p>➤ Does this fund already exist, if yes, what are its current objectives, how is it governed? Do the Santiago principles in respect of sovereign funds apply?</p>
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		<p>➤ Is there not a risk that the establishment of such fund may be seen as a duplication of efforts by participants in the sector as they are already carrying out initiatives aimed specifically at improving lives of members of communities where the mines are located?</p> <p>➤ Is this not an additional tax burden on the mining companies, is the National Treasury one of the key stakeholders for this fund from a governance perspective?</p>	
Beneficiation	<p>1. Beneficiation is defined as the transformation of a mineral (or a combination of minerals) to a higher value product, which can either be consumed locally or exported. The term is often used interchangeably with mineral "value-addition" or "downstream beneficiation". It is necessary for the avoidance of confusion for the Charter to set out clearly the measurement principles to be applied for beneficiation. This Charter allows for the off-setting of the value/percentage achieved through beneficiation against the ownership scorecard, at a maximum of 11%. However, guidance is required in terms of the following:</p> <p>Calculation methodology based on the following possible examples in the Codes:</p> <ul style="list-style-type: none"> ➤ Cost of sales, ➤ Sale of assets, ➤ Equity equivalents 		
Employment Equity	<p>1. There is reference to applying the EE Commission's Economically Active Population (EAP) Targets to the Board and Executive Management levels of the Charter Scorecard. This may prove impractical simply because of the numbers of individuals who form part of boards.</p>		

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		<p>II. If alignment is the envisaged end goal, we recommend that application of the EAPs be limited to the senior, middle and junior management levels of management rather than the board and executive management levels.</p> <p>III. The core and critical skills requirements are likely better placed with the Human Resource Development provisions rather than the Employment Equity provisions.</p>	
Human Resource Development		<p>I. In the spirit of alignment with the Codes, consideration will need to be made for the following key measurement principles in respect of Human Resource Development (HRD):</p> <ul style="list-style-type: none"> ➤ SETA regulations <p>Approval of Work Place Skills Plans, Annual Training Reports and Pivot Reports to track training programmes provided by mining entities</p> <ul style="list-style-type: none"> ➤ The use of a learning programme matrix to determine the value applicable to training programmes, i.e. are internal training programmes weighted equally to external programmes?, are the administration costs of programmes (internal) weighted equally to programmes offered by SAQA accredited learning institutions?, what is deemed legitimate training expenditure? etc. ➤ Where employees are required to pay back the funds expended if they have not successfully completed a learning programme, is this still deemed to be legitimate expenditure by the company (claw-back policies?) ➤ Treatment of mandatory sectoral training- the codes do not recognise this as legitimate training expenditure? 	

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		<p>➤ How will the Charter treat the expenditure on non-employee individuals? The Codes allow for the 6% of expenditure to be expended on black employees, unemployed black people and black people employed by other companies.</p> <p>II. The Minister intends to establish a Ministerial Skills Development Trust fund</p> <p>➤ Does this fund already exist, if yes, what are its current objectives, how is it governed? Do the Santiago principles in respect of sovereign funds apply?</p> <p>➤ Is there not a risk that the establishment of such fund may be seen as a duplication of efforts by participants in the sector as they are already carrying out initiatives aimed specifically at improving appropriate skills development initiatives for employees of the mining companies?</p> <p>➤ Is this not an additional tax burden on the mining companies, is the National Treasury one of the key stakeholders for this fund from a governance perspective?</p>	
	Mine Community Development	<p>The Charter requires that mining entities spend a minimum of 1% of annual turnover on local community development. This target is quite steep in comparison to the target on socioeconomic development set out in the Codes, i.e. 1% of Net Profit after Tax. This target may prove to be unattainable for mining houses.</p> <p>➤ Is this not an additional tax burden on the mining companies, will the National Treasury be consulted to weigh in on the matter of deemed taxed levied on companies?</p>	
	Recognition levels	<p>Please advise on the compliance levels as level 1 is above 100%, and since there are no points for the different pillars, or bonus points, what is the relevance of the levels. If they intend using this for procurement purposes only, it should be clarified. Then also clarify how mining houses are to be measured for their suppliers other than DMR.</p>	

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	Non-compliance	What does non-compliance mean and what does it mean in relation to a level 5? If a mine has anything less than a level 5, will that be viewed as non-complaint? Will the provisions of the Charter and the MPRDA kick in, rendering the mining company in breach of the MPRDA and subject to the provisions of Section 47 read in conjunction with Section 98 and 99 of the Act?	
16. the Centre for Environmental Rights (CER)	General comments	<p>I. While we recognise that section 100(2)(b) of the mining charter provides that: "The Charter must set out, amongst others how the objects referred to in section 2(c1), (d), 2 (e), 3 (f)4 and (f)5 can be achieved", we submit that the language of section 100 does not preclude the charter from dealing with other objects such as one referred to in section 2(h) – "give effect to section 24 of the Constitution by ensuring that the nation's mineral and petroleum resources are developed in an orderly and ecologically sustainable manner while promoting justifiable social and economic developments." This is particularly so if the object in question is on line with the stated mission of the mining charter, which is to promote transformation and give effect to section 9 of the Constitution in the context of mining.</p> <p>II. The disregard by the draft mining charter of the promotion of an environment that is not harmful to health or wellbeing, as guaranteed by section 24 of the Constitution, reflects a failure to recognise the reality of the disproportionate burden of environmental impacts borne by communities near mining operations. It is well established that the air and water pollution caused by mining results in detrimental health impacts on communities living around the mines, which are mostly black. The failure of the draft mining charter to address these disproportionate environmental and health impacts borne by communities is contrary to the requirements of section 9 (right to equality) of the Constitution, which provides that everyone in South Africa is entitled to benefit from the extraction of mineral resources; instead, the environmental and health costs are only limited to largely black communities living near and around the mine.</p>	

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		<p>iii. This inequality may be addressed by introducing, through the mining charter, programmes that will promote environmentally compliance. These programmes could include training of community members on public participation processes to facilitate meaningful consultation, and compulsory stakeholder forums so that communities are given an opportunity to express their environmental concerns to mining companies on a regular basis. This inequality can also be addressed by compulsory rehabilitation programmes to be undertaken by mining companies of historical environmental impacts caused by mining affecting communities.</p>	
Objectives	<p>i. The draft mining charter proposes to remove "promote sustainable development and growth of the mining industry" as an objective of the mining charter. We contend that this removal is contrary to the vision of the mining charter which is "to facilitate sustainable transformation, growth and development of the mining industry".</p> <p>ii. Sustainable development is development that meets the needs of the present, without compromising the ability of future generations to meet their own needs⁶. Sustainable development is a principle that is introduced by the Constitution and more specifically when dealing with the use of natural resources (which include mineral resources). The principle was further entrenched and expanded upon in the National Environmental Management Act, 1998. The National Framework for Sustainable Development in South Africa, published by the then Department of Environmental Affairs and Tourism in July 2008, states that sustainable development is about enhancing human well-being and quality of life for all time, in particular those most affected by poverty and inequality.</p> <p>iii. The preamble of the MPRDA recognises "...that minerals and petroleum are non-renewable natural resources". Sustainable development is clearly an important principle that must not only be observed but</p>		

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		<p>promoted by an industry such as the mining sector which is reliant on finite natural resources. The mining charter must promote efficient use of resources as well as intergenerational equity as some of the principles guiding transformation and the giving effect of section 9 of the Constitution.</p> <p>It is therefore recommended that the promotion of sustainable development and growth of the mining industry be retained as an objective of the mining charter, because its removal undermines the overall vision of the mining charter – to facilitate transformation and promote equality.</p>	
	Mine community development	<p>I. The CER welcomes the addition of 'meaningful consultation' as a requirement for meaningful contribution towards mine community development. Unfortunately, the draft charter does not go far enough to ensure that communities and other interested parties are properly consulted on development decisions that will affect them, particularly by not providing a definition for 'meaningful consultation'.</p> <p>II. While communities are required to participate in consultation processes if they want a say, the draft charter does not make provision for communities and interested and affected parties to be provided with complete and accessible information prior to these processes commencing so that they can give valuable and well-considered inputs. There are also no measures that oblige mining companies to report back to communities and interested and affected parties or respond to concerns raised. Our experience is that mining companies treat consultation processes as box-ticking exercises whereby inputs from interested and affected parties and communities are simply ignored. This is only possible because 'consultation' – even 'meaningful consultation' is such a low standard for the permitting of mining.</p>	

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27. African Rainbow Mining (ASSMANG)	Definitions	<p>iii. It is submitted that the standard that ought to be applied is not merely consultation, but free, prior and informed consent (FPIC). The adherence to FPIC as a standard for mine community development will serve to reverse the injustice that was created by historical mining laws and practices on largely black mining-affected communities. FPIC will give communities a real voice on the negotiating table for community development projects they would like to get from the mining of their land.</p> <p>IV. Land owners and occupiers have no real bargaining position when it comes to mining on land that they own and occupy - mining can be permitted whether they like it or not. This means that communities that occupy the land on which mining is proposed have no real bargaining power in terms of the developments or benefits they want to get for their communities from the mine. The failure by the draft charter to include FPIC as a standard perpetuates the historical discrimination of historically disadvantaged people, and is thus in contravention of section 9 of the Constitution.</p> <p>V. It is therefore submitted that a definition of 'meaningful consultation' be included in the mining charter and the definition should include FPIC as a requirement for 'meaningful consultation'.</p>	
		<p>i. BEE compliant Company</p> <p>The exact level of BBBEE compliance of suppliers to the mines is not clearly defined in the Review Mining Charter (RMC). It is unclear if a level 5 or better level in the RMC - Annexure A, page 30, refers to the compliance by the mines only, or to suppliers and mines. It is recommended that the DMR to use the dti recognition levels to calculate procurement score of the mines, as this mechanism has proven to be effective to increase competition amongst suppliers to improve BBBEE levels. The dti levels also indicate</p>	

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		<p>levels of compliance that allow for comparison and avoid dissolution by suppliers that have to invest & restructure HR and its BEE programmes to become compliant.</p>	
	<p>II. Enterprises development</p> <p>Enterprises that are owned or managed by black people and investments in enterprises that are owned or managed by black people, It is not prescribed in the RMC targets or measurement for procurement of mines. Although the definition of black owned enterprises is mentioned in the Reviewed Charter, procuring from black owned and black female owned suppliers is nowhere measured in the RMC scorecard. We recommend that DMR to apply a target for procurement from blackowned and female owned suppliers as follows:</p> <ul style="list-style-type: none"> ➤ Capital -procure 15% of capital goods from black owned suppliers. ➤ Consumables - procure 40% of capital goods from black owned suppliers and 6% from black female owned suppliers. ➤ Services - procure 40% of capital goods from black owned suppliers and 6% from black female owned suppliers. 		
	<p>III. Small Business</p> <p>The misalignment with the dti codes creates loopholes & is confusing. All industry charters and codes apply the EME, QSE and generic definitions. Also, in terms of the Small Business Act a business can have up to 200 employees, which will not promote small business development start-ups. We recommend that DMR to utilise the dti definitions and rules for EME, QSE and generic companies as suppliers. EME's &</p>		

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		<p>QSEs who are more than 51% black owned are automatically level 2, if they are more than 75% black owned, they are automatically level 1. Both must be conform to the ES definition.</p> <p>IV. Locally manufactured goods</p> <p>The local manufacturing definition is impractical as the SABS currently also approve imported items that conform to SABS standard and it will create an administrative bottleneck as most large suppliers have thousand of items on its catalogues. The BBBEE auditors already confirm the ES status of all companies. The ES definition will create jobs, increase local beneficiation and manufacturing and assist black owned enterprises. We suggest that the DMR to use the Empowering Supplier definition for all Capital, services and consumables suppliers that will create jobs and ensure localisation. Note: if a supplier fails to comply with the definition of ES, the BBBEE status/certificate of the supplier is worthless and cannot being counted by the mine on its scorecard.</p> <p>V. Locally based companies</p> <p>The benefit of local companies is continued in the definition of ES in the dti codes. It is suggested DMR to use the Empowering Supplier definition for all Capital, services and consumables suppliers that will create jobs and ensure localisation. Note: if a supplier fails to comply with the definition of ES, the BBBEE status/certificate of the supplier is worthless and cannot being counted by the mine on its scorecard.</p> <p>VI. Social Development Trust</p>
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	Organised business & labour will not be equipped to participate at ground level for community projects. We recommend that the DMR to Use dti rules and prescribe trustees & trust deeds that represent business and labour, to be approved by the Department of Economic Affairs in the relevant province.	
PROCUREMENT, SUPPLIER & ENTERPRISE DEVELOPMENT	<p>i. Capital goods</p> <p>What is a manufacturing company? how will assembly count?, Does companies that have local production & that mix local content with imports , of which the Tier 2 suppliers cannot be determined, qualify? What about large value components imported into SA with local value add? what about current large capital suppliers that employees 1000's of people, of which products are too low volume for South African manufacturing. We recommend that the DMR to apply the ES definition, apply the 80% target for BEE Compliant suppliers (level 1-8), use the 15% and 6% targets for black owned and women suppliers and give bonus points for migrating from enterprise development to supplier development. Set a target of NPAT for supplier (2%) and enterprise development (1%) for the mine, as per the dti codes to fund the development of black suppliers, according to the dti benefit factor schedule.</p> <p>ii. Consumables and Services</p> <p>We suggest that DMR to apply the ES definition, apply the 80% target for BEE Compliant suppliers (level 1-8), use the 40% and 12% targets for black owned and black women suppliers and give bonus points for migrating from enterprise development to supplier development. Set a target of NPAT for supplier (2%) and enterprise development (1%) for the mine, as per the dti codes to fund the development of black suppliers, according to the dti benefit factor schedule.</p> <p>iii. Multinational suppliers of goods</p>	

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		<p>Taking into consideration that if the number of multinationals increase that can contribute, the more funding will flow to communities & black owned enterprises. The definition of multinational must be clarified. The 1% must be on all sales from multinational suppliers. Are multinational suppliers that are BEE compliant exempt from the 1%, and at which level, taking the dti definition into consideration? We recommend that DMR to use the dti definition for multinationals which: "Means a measured entity with a businesses in the RSA and elsewhere and which maintains its international headquarters outside the RSA". DMR to apply the 3% of NPAT of the mine for ED (2%) and Supplier development (1%).</p> <p>IV. Mining right holders</p> <p>SABS will not have the capacity or know how to categorise the items, and the raw material analysed in the components and consumables for tier 1, 2, 3 suppliers. We recommend that DMR to use approved verification agencies to determine ES status of suppliers. Suppliers with no ES status do not count for the mines scorecard.</p> <p>V. The trustees of the Social development trust</p> <p>We recommend that the DMR must use rules that are already known in the industry and to apply dti definitions for trustees and governance, involve the Provincial Department of Economic Affairs to be part of trust.</p> <p>VI. Other Recommendations</p> <p>Not mentioned or defined</p>	
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		<p>➤ "Non-discretionary procurement expenditure" means expenditure that cannot be influenced by a mining company, such as procurement from the public sector and public enterprises; we suggest that the DMR to use rules that are already known in the industry and DMR to use dti prescription for exclusions and measurable procurement.</p> <p>➤ "Enterprise development" means monetary and non-monetary support for existing or fostering of new HDSA companies in the mining sector of the economy, with the objective of contributing to their development, sustainability as well as financial and operational independence; We recommend that DMR to use dti rules of supplier 2% of NPAT and enterprise development 1% of NPAT. SD candidates must be supported for 3 years.</p> <p>➤ percentage of samples analysed using local facilities, we recommend a prescribe minimum level 4 of BBBEE compliance of analysing company and classify it as multinational prescribe level 4 compliance for local firms and 1% of sales for overseas testing companies</p>	
	MINE COMMUNITY DEVELOPMENT	<p>I. Annually contribute a minimum of 1% of annual turnover towards local community development & labour sending areas. We recommend that the DMR to apply 1% of NPAT for community development and specify a minimum 75% of beneficiaries must be African, coloured & Indian South Africans as per dti codes.</p> <p>II. Mine community refer to communities where mining takes place and labour sending areas. We recommend that DMR to apply 1% of NPAT for community development and specify a minimum 75% of beneficiaries must be African, coloured & Indian South Africans as per dti codes.</p>	

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		<p>NB. Check page 6 of the document with a suggested scorecard</p>
the Jewellery Council of South Africa ("JCSA")	Ownership	<p>The "once empowered always powered" principle should remain the guiding principle whereby effective control over one's business can be maintained through shareholding. The principle has, despite its many critics assisted our members to be and remain compliant to this element of the Mining Charter. The proposal for 5% of the 26% shareholding to be transferred to ESOPS is far reaching and may prove to be insurmountable (see clause 2.1 (b)). It shall cause administrative delays with the transferring, not to mention the time that is usually spent on the drafting of shareholding agreements. The administrative costs and time that will be spent on the "special purpose vehicle" as proposed in the Government Gazette under discussion at clause 2.1(d) shall especially in the short and medium term cause a further administrative burden on the B.E.E partner. In practical terms further auditing costs are a reality which shall be at the expense of the B.E.E partner.</p> <p>We propose that the business model which allowed for trusts to be used as a vehicle should be provided more time to establish progression and effectiveness as a specific purpose vehicle through which compliance can be attained and maintained by our members</p>
	Preferential Procurement	<p>Our members believe that the target of 70% for locally manufactured consumables is achievable. The proposed target under capital goods may be challenging. This is due to significant technological advances in the development of manufacturing equipment overseas and which is not locally manufactured.</p> <p>A further issue is the maintenance of B.E.E accreditation of suppliers that fall outside the scope of our members' control. We propose that latitude be granted to our members in this regard and that specific thresholds that are reasonable and attainable for our members be negotiated.</p>

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	Employment Equity	<p>The vast majority of our members are micro or small business enterprises and do not include the management levels.</p> <p>Even those members that may be considered to have large corporate structures do not include the management levels as proposed. There are also an insufficient number of competent blacks in present positions whereby attainment of the envisaged targets will be reasonable. Our members shall not for the aforementioned reasons be able to comply, but every attempt shall be made for a revision of the different management structures amongst our large members.</p>		
Non-Compliance	<p>The non-compliance of any of the ring-fenced components, in terms of the proposed Government Gazette, shall mean non-compliance of all the elements. This will have an enormous effect on the continuation of already developed jewellery businesses in South Africa and the knee jerk reaction (that is anticipated) would be the closure of many members who shall not qualify for their respective licenses due to non-compliance.</p> <p>The JSCA herewith propose its policy plan in broad terms which may become the basis upon which a Jewellery Charter can be established.</p>	<p>1. The BEE term</p> <p>The term BEE used throughout the Draft Mining Charter is not properly articulated and defined. It is imperative that the term 'BEE' used and defined in the Draft Mining Charter, be properly defined in alignment with the BBBEE Act, as the former term is superseded by the term 'BBBEE' which is expressed in the BBBEE Act.</p> <p>II. Black People</p> <p>> Is defined as "a generic term which means Black Africans..."</p>	<p>1. Input on the alignment of BEE and Black Africans or People with BBBEE Act have been noted.</p> <p>(II) Noted supra.</p>	

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	<p>We recommend that any reference made to "Black Africans" in the definition thereto, be aligned with the proper definition of 'black people' in the BBBEE Act. The BBBEE Act expressly embraces "Africans" and not "Black Africans" as it is used in the Draft Mining Charter. Therefore, we propose a reconstruction of the definition to give effect to the above, as it may possibly suggest a complete new definition, which is not defined and/or included in the BBBEE Act.</p>	<p>(iii) Noted definition of Community will be aligned with that of other relevant legislation. Department is to align the Reviewed Mining charter with the SLP which also calls for the employment of the workers from the mining host countries.</p>	<p>(iv) Noted the input on the difference between ordinary and preferent shares and their implications and we will consult relevant section(s) within the department for further inputs.</p>
	<p>III. Community and Mine Community</p> <p>The definition seems to make reference to the definition of 'Traditional community' defined by the Traditional Leadership and Governance Framework Act 41 of 2003 ("Governance Framework Act"). As a result, if this is the intention of the legislature to define such communities where the majority of mining activities are undertaken, then it is prudent for the Legislature going forward, to align the definitions accordingly, to reduce uncertainties. We are of the view that the drafting of the Legislature, does not provide an ambiguous interpretation of the expression 'community', if the intended beneficiaries of these mining activities are traditional communities as defined and existing in the mining industry.</p>		
MK		<p>IV. Effective Ownership</p> <p>The definition should take cognizant of BBBEE transactions that are not only found in commercial arrangements, but largely in the mining industry where Black people seem to own shares (in particular black people who would own ordinary shares, and their counterparts would own preferent shares with guaranteed economic benefit and control of the day to day activities of the mining activities). Accordingly, those shares are not linked to any guaranteed economic interest or direct control of the mining entity. We recommend that the current definition of Effective ownership be articulated to link and include black ownership. In a</p>	

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	company that has proven and shown a guaranteed economic interest, from short to medium term returns and direct control in the mining entity.		
	<p>V. Meaningful economic participation</p> <p>What is presented in the definition is more like an ideal transaction and not realistic. No mining company will pay dividends in the event where expenses exceed income, particularly in the first few years where the mining company does not break even, given the depressed commodity prices that seem to be dominating the mining industry.</p>	(v) Noted and department consider the aspect of payment of dividends carefully.	
Ownership	<p>I. Sub-Clause (f)</p> <p>The provision of clause 2.1(f) suggests that "black empowerment stake" or shareholding in a mining company must create an SPV to manage 26% of the shareholding. We do not agree with this provision for the reason that, since 26% of the shareholding emanates across as the absolute maximum. We propose that the expression "at least" be inserted before the number 26%.</p> <p>II. Sub-Clause (i)</p> <p>This provision of Clause 2.1(i) is ambiguous and clarity is sought as to whether all the black shareholdings of a mining entity should form one SPV.</p>	<p>i. Department disagrees with this input in that the draft clearly that 26% is minimum not as an absolute maximum as indicated here.</p> <p>ii. Noted and the department is to relook at the proposal for the establishment of the SPV vis-a-vis other alternatives.</p>	
PROCUREMENT, SUPPLIER AND ENTERPRISE DEVELOPMENT	<p>I. Capital Goods, Consumables and Services</p> <p>It may be difficult for the Minister to support the provisions of this clause since local content models fall within the ambit of DTI, which are extensively regulated. The Legislature has to engage with the DTI and look into the mining industry value chain and declare certain services within the industry, as designated sectors as the</p>	<p>i. input noted and the Department will highlight the same during its engagement with the DTI on the</p>	

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		DTI is placed to regulate and monitor designated sectors. This shall enable the Minister and/or the Legislator to align the local content models products and services required in the mining industry, with the established DTI's requirements, which shall curb the effect of reinventing of the wheel.	alignment of the transformation tools.	two
	Mine Communication Development	<p>I. We are mindful of that figures that were produced for the 2014 assessment report, which provide that the mining entities have dslmally failed to contribute the minimum threshold of 1% of their annual turnover to local community development. We recommend that continuous failure to achieve the set target must be linked to a penalty in the form of a royalty payable to the affected community, equal to an amount of 1% of the mining entity's annual turnover, payable six months after annual returns.</p> <p>II. We further recommend that community development be enhanced by a recruitment target set to employ a certain percentage of labourers from the community in which the mining activities are undertaken. The labour requirements must not only be confined to unskilled labourers or low skilled labourers, but rather to all levels of employment across the mining industry.</p>	<p>Noted and department agrees that companies failure to reach set targets must be addressed through penalties as espoused in the Mining industry's legislative framework.</p> <p>The department will align the Reviewed Draft Mining Charter with SLP document which calls for the employment of the people from the mines' host communities amongst others.</p>	
30. Geological Society of South Africa	Definitions	<p>I. Core Skills and Critical Skills</p> <p>Geological skills need to be added to the definition of Core Skills and Critical Skills to align with the Department of Home Affairs definition as gazetted in notice 37716, June 3, 2014. Most resource management and ore body modelling in the mining environment, along with many other functions, are performed by SACNASP-registered earth scientists and this needs to be recognized in the Charter.</p> <p>II. Ministerial Skills Development Trust Fund</p> <p>Skills development and professional growth is a key issue to the GSSA membership. Therefore, more information is required around the management of the funds in the proposed Ministerial Skills Development</p>	<p>I. Noted, department will consider aligning the definition of Core and Critical Skills is aligned with the relevant legislation to include "Geological skills".</p> <p>II. Department agrees with this input and it will engage all relevant</p>	

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	Trust Fund. This is an area of concern as it might have a substantial impact on the professional development activities carried out by the GSSA.	stakeholders for inputs on the establishment of such a fund.
Procurement, Supplier and Enterprise Development	<p>This section largely talks to enterprise and supplier development, which has been lacking in the mining industry. The GSSA strongly believes that large mining companies, suppliers, and analytical laboratories should create or develop locally empowered companies to supply services and goods.</p> <p>The DMR also needs to recognise that targets for Capital Goods and Consumables acquisition may be too onerous in the mining industry. For example, one piece of equipment required in a small operation may cost many tens of millions of Rands and may well not be manufactured locally or by BEE-compliant companies based elsewhere. Some specialist consumable goods may also fall into this category. More flexibility is required; it might not be viable to set up a local company to produce capital goods for which there may be limited demand. In these cases flexibility should be applied as long as the proper process has been followed to attempt to procure locally first.</p>	<p>Department agrees with this input and it will relook at the inputs from the stakeholders on the targets set on procurement element.</p> <p>Department notes proposals on the flexibility relating to the local production of goods in the form of exemptions.</p>
Human Resource Development	<p>Recognition of the role that various professional societies (including the GSSA) have in skills development needs to be addressed; those efforts should be explicitly included as possible beneficiaries in Sub-clause (b) in particular. Professional societies provide important technical training in a variety of fields at low cost to members and need to be recognized in the Charter.</p> <p>Currently this clause seems biased toward state owned enterprises. The GSSA is of the opinion that this should extend to a wider audience inclusive of all stakeholders, such as universities and particularly the private sector, if growth in the economy is to be achieved. It must be noted that private sector companies are major</p>	<p>Department appreciate the input on the availability of professional bodies offering skills development trainings. However, disagrees with the individual naming of such institutions or bodies in the Mining charter since they may change or cease to operate at any given time. Where possible trainings will be provided by State Own Institutions created for that purposes and work together with private</p>

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		<p>drivers in Research and Development and there should be a drive to enhance cooperation between the private sector and government in this, while not detracting from the creation of private sector service provision.</p> <p>It is further suggested that The Honourable Minister needs to consider the inclusion of a "Skills Transfer" clause as a matter of urgency. The mining industry should have effective skills transfer and training mechanisms because it will be natural for some South Africans to feel isolated by the proposed amendments.</p>	<p>institutions to enhance their efficiencies. Department agrees with input on the skills transfer and training mechanism.</p>
	Sustainable Development	<p>Clause 2.8 of the 2010 draft, namely 'Sustainable Development and Growth of the Mining Industry', has been removed from the new draft, and 'sustainable development' has been removed from the definitions section. 'Sustainable development and growth' has also been removed from the objectives section. This is concerning because it leaves open the possibility of managing mineral resources and reserves with less regard to long term health and growth of the industry. It may directly and negatively affect the employment and career paths of those earth scientists involved in those aspects of the sector (for example environmental geologists, geohydrologists, mineral resource managers). Deletion of the clause increases the possibility of poor long term resource management, which could result in greater volumes of stranded or sterilized resources.</p>	<p>Department notes the concern on the removal of the element on Sustainable development. However, it should be noted that certain functions have to be transferred to other relevant organs of the State for their best implementation and to avoid duplication of tasks.</p>
31. Mining Equipment Manufacturers of Southern Africa	Procurement	<p>I. The Draft Charter's usage of the term "locally manufactured capital goods" is welcome, but the definition, "Locally manufactured goods: refers to goods manufactured within the Republic of South Africa", fails to set a minimum South African content (local value added in the goods supplied). We would suggest that this be aligned with international norms at 65% SA value added.</p> <p>II. The Draft Charter's alignment with the national Broad-Based Black Economic Empowerment Act 2003 (Act No. 53 of 2003) and its Codes of Good Practice (DTI Codes) for supplier companies is welcome, however the maintenance of the "multinational supplier" loophole (1% of sales value instead of BBBEE compliance)</p>	<p>1. Noted the Department will reconsider the definition as suggested.</p> <p>(ii) The Department disagrees the 1% requirement from Multinational suppliers to</p>

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		<p>appears to be unnecessary, because the foreign suppliers can now be BBBEE accredited and ranked, as per South African suppliers.</p> <p>Accordingly we strongly recommend that the "multinational suppliers" loophole be removed as it is now superfluous (move to national BBBEE Act/Codes).</p> <p>III. The Draft Charter obliges a mineral right holder to "procure a minimum of 60% locally manufactured capital goods from BEE compliant manufacturing companies". However, it is unclear at what level (status) "BEE compliant" is set at. Given that the Draft Charter attempts to advance both our national transformation and local economic activity imperatives, maybe we should combine the two into a single index for procurement?</p> <p>Consequently we would recommend that the eligible procurement metric be the product of the BBBEE Procurement Recognition Level (% as per the BBBEE Act) of the supplier and the value of the South African content (local value added) of the goods supplied (this would encourage both transformation – BBBEE – and local content – value added)1.</p> <p>IV. The procurement targets are set at 60% for capital goods, 70% for consumables and 80% for services in the Draft Charter. However, a long-established miner will have had the advantage of developed local supplier networks built over many years, whilst a new mining investor will need time to develop BBBEE/local suppliers.</p> <p>Consequently, we suggest that the procurement targets be staggered over the life of the mining right (30y): (a) targets to be met from year 1 to 10 of the right (current targets); (b) enhanced targets from year 11 to 20 of the right; (c) further enhanced targets from year 21 to 30 of the right (right holders that converted from old order rights would be assessed from the commencement of the old order right- see Annexure B).</p>	<p>be retained and implementation tools provided.</p> <p>(iii) The concern noted, the Department will consider prescribing the requisite levels in terms of the BBBEE Act and the DII Codes.</p> <p>IV The 3 years transitional period is sufficient.</p>
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	<p>V. The Draft Charter states that for capital goods procurement "30% of the above 60% must preferably be given to small business development which are BEE compliant, a minimum of 10% of the 30% must be reserved for BEE compliant enterprise development." It is unclear what "BEE enterprise development" means here, and how it is different from small businesses that are BEE compliant.</p> <p>Maybe "BEE enterprise development" should be rephrased as "10% of the 30% must be reserved for enterprises that are greater than 50% Black owned".</p> <p>VI. Finally, on procurement, the development of Black suppliers and SA local content would be greatly assisted by the establishment of a national "Mining & Processing Procurement Database" that would provide suppliers with a good idea of the local market, particularly for imports replacement.</p> <p>Accordingly all mining rights holders should contribute to a national mining procurement database with their annual purchases data (item, quantity, imported value & local content value) to be managed by an entity designated to do so by the Minister³. This data would greatly facilitate the establishment and development of Black suppliers and local content.</p>	<p>V Noted, to further consult with the Dtl.</p> <p>VI Noted, the Department to consider the submission in the review exercise.</p>	
Human Resources Development	<p>i. The Draft Charter acknowledges that the mining industry is "knowledge-based". However, the mining supplier industry is even more knowledge intensive, particularly capital goods, and is critically dependent on core skills and R&D for its survival. Thus the obligation of a 5% corporate spend by mineral rights holders on skills development is a necessary requirement for the survival and growth of both the mining industry and its linkages sectors.</p> <p>We would recommend that the obligation be refined to finance core and critical⁴ skills development, literacy and numeracy, rather than skills development in general.</p>	<p>I. Noted, the Department will consider the submission in the review exercise.</p>	
Research & Development (R&D)	<p>i. R&D is essential for the survival of the mining/processing industry, but even more so for the backward and forward linkages sectors. Since democracy, national R&D capacity in mining technology development has</p>	<p>COMRO, is being revived through the operation Phakisa process. The submission is</p>	

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		<p>been devastated and is now but 10% of its former strength, particularly since the demise of COMRO and the relisting/exit of several Mining Houses.</p> <p>Consequently it is strongly recommended that the obligation to fund local R&D should not be diluted into the HRD obligation (5% of payroll, under 2.5 (b)), but should be a separate obligation for all mining rights holders to spend at least 2% of turnover (sales) on R&D in South Africa. The determination of what qualifies as eligible R&D could be done by the existing Treasury Committee for the R&D Tax Allowance (Income Tax Act, Section 11D).</p>	supported and will be taken into account in the review process.
32. Mineral Law in Africa (MLA)	Preamble	<p>1. "Historically disadvantaged" vs "black"</p> <p>It is in this context, in particular the obligations expressed in section 100(2)(a) of the MPRDA that the current intended revisions to the Draft Charter are undertaken. The MPRDA's own statement of objective, however, refers to "historically disadvantaged persons", rather than "black" persons, as does the Mineral and Petroleum Resources Development Bill of 2013. Preference given to the descriptor "black", rather than "historically disadvantaged" is most likely intended to align the Charter with the Broad-Based Black Economic Empowerment Act 53 of 2003 ("BEE Act"), as the Draft Charter states.</p> <p>Recommendation: For the descriptor preferred in the Draft Charter to be altered as intended, a legislative change to the MPRDA is needed, in that references in the MPRDA to "Historically disadvantaged persons" must be amended to denote "black persons" only, or the definition of "historically disadvantaged persons" must be amended to express the same intention.</p>	Submission is noted, the Department is aligning to the BBBEE Act and the Pitt Codes. Amendments will be made to the Principal Act to ensure alignment of definitions and concepts as suggested.
	Definitions	<p>1. Community</p> <p>The Draft Charter defines "community" and "mine community", but it does not define "host community". "Community" or "host community" generally refers to a traditional community coordinated in terms of</p>	<p>i. Submission noted, the Department will reconsider the</p>

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		<p>custom and having certain rights or interests to the land where mining takes place. "Mine community" is much broader and in terms of the definition in the Draft Charter it refers to the communities where mining takes place and labour sending areas.</p> <p>Recommendation: It is advisable to clarify whether "community", when used without the accompanying descriptor "mine" in the Draft Charter should be understood in the broader sense as described above, or in a narrower sense. It may be necessary to distinguish by referring to "host communities" as opposed to "mine communities".</p> <p>II. Effective Ownership</p> <p>The BEE Act does not contain a similar definition. In terms of the generic BEE scorecard, ownership and management control are two separate elements. In the Mining Charter, management control is measured as part of Employment Equity. In terms of Companies Act 71 of 2008, a clear distinction is drawn between the management of a company and the ownership or shareholding in a company. This definition of "effective ownership" conflates the elements of ownership and management control by equating "effective ownership" to i.e. meaningful participation in management control.</p> <p>Recommendation: It is recommended that the relation between "effective ownership" and management control is dealt with explicitly in the definition, and that meanings are aligned with the terms used in the BEE Scorecard and the Companies Act.</p> <p>III. Meaningful economic participation</p> <p>It is not clear why provision is made explicitly for BEE entrepreneurs, especially in the light of the criticism levelled against BEE for creating a black elite at the cost of other black persons and communities.</p>	<p>definitions of "community" and "mine community".</p>
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		<p>Recommendation: If provision is made for "BEE entrepreneurs" as a category of beneficiaries, qualifying criteria should be stipulated to provide clarity as to who will be regarded as a BEE Entrepreneur. This category of beneficiaries should not benefit from mining activity at the cost of the workers or communities directly affected by the same activity.</p> <p>IV. Trust funds</p> <p>The definitions of "Ministerial Skill Development Trust Fund" and "Social Development Trust" allude to the creation of funds, without that there are any further reference to legislative provisions determining how such funds are / will be governed.</p> <p>Recommendation: It is recommended that these definitions be completed by including reference to the legislative provisions in terms of which the mentioned funds are (to be) established and governed.</p>	<p>The submission is noted and the Department will consider removing reference to management control in the definition of effective ownership.</p> <p>The submission is noted, the definition of BEE entrepreneur to be provided.</p> <p>The funds will be created in consultation with National Treasury in terms of the Trust Property Control Act. The definitions will be improved accordingly.</p>
Policy shift manifested in Draft Charter		<p>We are concerned about the consequences that the shift from "socio-economic" empowerment to "black economic" empowerment will have for transformation in the mining industry.</p> <p>Recommendation: The Department is urged to rethink the implications of its policy shift away from socio-economic empowerment and towards black empowerment. The interest groups that stand to be most severely affected by such a policy shift are the ones most directly affected by mining activity, namely the people living around the mines ("mine communities").</p>	Reference to Socio to be retained.
Employment Equity	1.	<p>These figures aspire to reflect the racial demography of the country. In this respect, the quota-initiative is laudable. We submit, however, that casting these figures in absolutist terms for immediate compliance is unrealistic at present. Requiring absolute and immediate compliance at these levels may also result in inadvertent and unintended discrimination; and may be detrimental to the mining industry and the country's economy.</p>	To consult with the Department of Labour.

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	<p>Recommendation: To avoid the creation of an artificial skills shortage, a more proactive model for promoting affirmative action should be devised: one that rewards and incentivizes companies that creates shared-value approaches towards affirmative action; and one that allows for a versatile recruitment process that is free from discrimination in the employment context. One possibility would be to reward levels of affirmative action employment by scaling BEE status levels according to the employment demography within the company at each level of management. Introducing such a model would require more far-reaching legislative changes than what can be achieved in the Charter.</p> <p>ii. We strongly support the sentiment in the Charter (section 2.5) in favour of human resource development which is integral to social transformation. The country's resolve to promote BEE will be successful if there are sufficiently developed skills to allow for meaningful empowerment.</p> <p>Recommendation: We urge the drafters of the Charter to strengthen requirements on mining companies to support education and skills development, especially within the "mine" communities - those around their mines. This could be done by further incentivising the formation of educational trusts and incentivising private sector support of especially secondary and tertiary education initiatives. Such support could take the form of scholarships and sponsorships, or support in developing specialized training that would serve both the mining sector and the communities affected by mining.</p>		
Ownership	<p>Recommendation: It is recommended that the Draft Charter incorporates guidelines on what fair allocation of the shares to workers, black entrepreneurs and communities must entail. It is further recommended that the allocation of the black entrepreneurs' share be regulated more precisely. Furthermore, to ensure the efficacy of the envisaged ownership deals, the Mining Charter should engage with the provisions of the Companies Act and stipulate more precisely how certain of the alterable provisions of the Companies Act should be addressed in order to assure that the objectives of the Mining Charter are achieved.</p>	<p>The Department will reconsider alternative models for fair allocation of shares, however the 5% as mining shares to each of the three categories will be retained.</p>	

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	Mine Community Development	<p>The terminology here does not align with the definitions provided: does the Draft Charter here refer to (traditional) communities or mine communities as defined? Reference to "local" community here is confusing and inconsistent.</p> <p>Recommendation: The text of the Draft Charter needs to be revised to achieve consistency between definitions and terminology actually employed.</p>	Submission noted, the Department will revisit the definitions and terms used to ensure alignment.	
South African Diamond Manufacturer's Association (SADMA)	<p>Part B: Application of the Mining Charter for Permits/Licences Granted under the Precious Metals Act, 2005, and the Diamonds Act, 1986, as amended</p> <p>Policy considerations</p>	<p>Clause 2.8 is impermissibly vague and create uncertainty about whether or not the Draft Reviewed Charter is, in fact, intended to apply to the downstream diamond industry and, if so, how. This vagueness and uncertainty is potentially unconstitutional. The rule of law, a foundational constitutional principle enshrined in section 1(c) of the Constitution of the Republic of South Africa, 1996, which is justiciable, provides that laws must be stated in clear and unambiguous terms, and that they should appropriately constrain and guide the exercise of administrative discretion. Clause 2.8 of the Draft Reviewed Charter, as it stands, is vague, creates regulatory uncertainty as to whether the downstream diamond industry falls within its ambit, and, depending how it is interpreted, may be in conflict with the Diamonds Act and/or lead to uncertainty as to how the Regulator should go about its decision-making process when considering applications for licences and permits.</p> <p>It is, furthermore, submitted that there are good policy reasons why the drafters of the amendments to the Diamonds Act in 2005, which inserted section 5(2) into the Diamonds Act, left the application of the Mining Charter to the discretion of the Regulator, and did not seek to apply to Mining Charter "holus bolus" to the downstream diamond industry as a matter of course. It is SADMA's respectful submission that onerous legislative requirements imposed on the downstream diamonds industry have contributed in no small part to its decline. In fact, the legislative compliance requirements (including the discretionary application of the mining charter by the Regulator in terms of section 5(2) of the Diamonds Act) have significantly contributed to the industry's downward spiral. We are of the view that, while regulation is necessary in our sector,</p>	<p>The concerns are noted and the Department will consult with the SADPMR.</p>	

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	unnecessarily burdensome regulation, such as the application of the mining charter, have proven to be counter-productive. The current onerous legislative framework has discouraged serious big investors and outright strangled small players. Matters of social importance that are covered in the mining charter are already covered by other applicable legislation. Issues of employment equity, procurement The end-goal should be to have an enabling legislative framework that encourages even a one-man, low-budget player to have a fighting chance to survive in this difficult industry, with the hope that the more people that participate, and the more people will find employment in the sector, which is obviously a positive for the economy. It is SADMA's submission that the non-discretionary application of the Draft Reviewed Charter to the downstream diamond industry (as potentially envisaged by Part B of the Draft Reviewed Charter) could be a mortal blow to an already beleaguered sector.	
Beneficiation	Finally, it should be noted that Clause 2.3 of the Draft Reviewed Charter, which provides specifically for beneficiation, mentions that "the Mining Charter provides a mechanism for companies to offset up to 11% of the 26% ownership reserved for black people" without providing further detail, not least a formula by means of which a beneficiation offset may be calculated. It is submitted that clarity is required in this regard in order for there to be regulatory certainty going forward and to avoid the relevant provision falling foul of the rule of law, and its requirement for clarity and certainty, as discussed above.	Mr Menoe to advise.
44. Rough Diamond Dealer's Association of South Africa	Ownership The "once empowered always powered" principle should remain in the guiding principle whereby effective control over one's business can be maintained through shareholding. Many of our large members do not have the sufficient cash flow available for the business model proposed under this element. Hence financing is already an issue for most of our members.	Noted, alternative proposals will be explored.

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	<p>The proposal for 5% of the 26% shareholding to be transferred to ESOPS is far reaching and may prove to be insurmountable (clause 2.1 (b)). It shall cause administrative delays with the transferring, not to mention the time that is usually spent on the drafting of shareholding agreements.</p> <p>The administrative cost and time that will be spent on the "special purpose vehicle" as proposed in the Reviewed Mining Charter under discussion at clause 2.1(d) shall especially in the short and medium term cause a further administrative burden on the expense of the BEE partner.</p> <p>It is proposed that the business model which allowed for trust to be used as a vehicle should be provided more time to establish progression and effectiveness as a specific purpose vehicle through which compliance can be attained and maintained by our members.</p>		
Preferential Procurement	<p>The proposed target under capital goods may be challenging. This is due to significant technological advances in the development of manufacturing equipment overseas and which is not locally manufactured.</p> <p>A further issue is the maintenance of BEE accreditation of suppliers that fall outside the scope of our members' control. We propose that latitude be granted to our members in this regard and that specific thresholds that are reasonable and attainable for our members be negotiated.</p>	<p>The foreign based manufacturing companies are to setup shop locally within the three years transitional period falling which the affected mining operation will be required to motivate to the Minister for procuring from foreign based manufacturing companies.</p>	
Employment Equity	<p>The vast majority of our members are micro or small business enterprises and do not include the management levels envisaged in the Reviewed Mining Charter. Even those members that may be considered to have large corporate structures do not include the management levels as proposed.</p> <p>There are also an insufficient number of competent Blacks in present positions whereby attainment of the envisage targets will be reasonable, our members shall not for the aforementioned reasons be able to comply,</p>	<p>The Department will consider exemptions for qualifying small enterprises including increasing the thresholds. Transformation is a national imperative and all stakeholders including government, organised business have an obligation to contribute to training and</p>	

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		but every attempt shall be made for a revision of the different management structures amongst our large members.	capacitation of Black people to take up the relevant positions in the mining operations.
	Non-Compliance	The non-compliance of any of the ring-fenced components, in terms of the proposed Reviewed Mining Charter, shall mean non-compliance of all the elements. This will have an enormous effect on the continuation of already developed diamond businesses in south Africa and knee jerk reaction would be the closure of many members who shall not qualify for their respective licenses due to non-compliance.	it is the government's intention that noncompliance with the ring-fenced elements is a breach of material conditions of the MPRDA and the Charter and section 93, 49, 98 and 99 of the MPRDA will be imposed irrespective of the size or nature of the offending operation.
South African Local Government Association (SALGA)	Policy and legislative/ General Comment	SALGA notes that one of the objectives of the Reviewed Mining Charter review process is to take into account the need to align and integrate government policies and legislation to remove ambiguities in respect of Interpretation and to create regulatory certainty. The Reviewed Mining Charter, however, is limited in respect of the extent to which it takes into account existing legislation and policies regulating municipal planning processes which impact on certain regulatory requirements and processes within the mining sector. Specific reference is made to the recently promulgated Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) (SPLUMA) and the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) (MSA) which provide guidance on coherent approaches to mine community development.	The Department supports integrated approach to mine community development, in this regard the Charter requires meaningful consultation and co-ordination between mining companies, communities and local municipalities. The Charter does not have to make specific reference to the suggested municipal legislation. Right holders will interact with local municipalities in terms of their LED/IDP projects to ensure alignment.
	COHERENT PLANNING AND REGULATION FOR	1. The Reviewed Mining Charter is ambiguous and does not provide a clear directive in its proposition of meaningful consultation and coordination between mining companies, communities and local municipalities. The ambiguity of mining legislation creates regulatory uncertainty on how to align mining	1. Meaningful consultation will be defined in the regulations. It is the responsibility of the municipalities

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Socio-Economic Impact	<p>companies' Social and Labour Plans (SLP) to the municipal Integrated Development Plans (IDP). No guidelines are given on how engagement with local government should take place or how SLPs should be aligned to IDPs. Many municipalities have experienced a lack of meaningful participation of mining companies in IDP formulation and implementation.</p> <p>II. The Reviewed Mining Charter does not require the mining companies reporting on compliance to include consultation with local government. The monitoring of the Reviewed Mining Charter Scorecard does not provide for discussion with local government on the compliance of mining companies with the Charter objectives. The direct reporting line to the Department of Mineral Resources is an impediment to the effectiveness of socio-economic initiatives and presents challenges in cooperative governance. The current system has created an environment where there are inconsistencies with regards to which rules and guidelines mining companies should follow and which not follow. An accurate representation of the implementation of an SLP cannot be gained without taking into account the development plans and programmes of the municipality's entire municipal area. All monitoring and evaluation should require the joint monitoring of outputs and impacts of SLP and Mining Charter activities.</p> <p>III. Moreover the language used in the Reviewed Mining Charter and the Scorecard does not communicate the importance of fulfilling the principles of the Charter in so far as mine community development is concerned. Mine community development, like the other indicators/targets listed in Section 2.10 of the Reviewed Mining Charter, requires 100% compliance because the impacts of this target span wider than the host mine community and labour sending area in which the mining companies invest. Moreover, the 100% compliance requirement speaks to the need to create sustainable settlements that are able to exist</p>	<p>to develop guidelines on how investors should contribute to development within the municipality. The guideline DMR will develop will be restricted to consultations with communities on aspects relating granting of mining rights.</p> <p>ii. It is DMR's mandate to evaluate and monitor compliance with the Charter. DMR will devise means to ensure that local municipalities are engaged in evaluation and monitoring of compliance with the Charter. DMR to consider a measurement of the 1% in the Charter Score Card. (A tripartite structure to be explored). A proposal to have a memorandum of understanding with DMR, Municipality and the mining operation.</p>
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		beyond the life of the mine. The ambiguous wording in the Reviewed Mining Charter contributes to the limited impact of mining legislation on mine community development and local economic development.	<p>iii. The Department to engage with COGTA on the submission.</p>
SwissCham Southern Africa – South Africa Chapter (SwissCham)		<p>i. SwissCham finds the envisaged retroactive application of the Charter worrying since it would result in a double jeopardy to our members who, under the previous BEE legislation, had made efforts in engaging empowerment partners.</p> <p>ii. Acknowledging the South African Government's efforts in aligning the new Mining Charter with the B-BBEE codes, SwissCham is concerned that the fragmented nature of B-BBEE and consequent inconsistencies and/or overlaps create a regulatory environment with which Swiss firms find it difficult to comply.</p>	<p>i. The Department acknowledges the presumption against retrospective application of the law. This presumption is not absolute (refer to the AgriSA Case). The Charter proposes mechanisms in the form of transitional arrangements to deal with the retrospective effect. The Charter derives from section 100 and cannot be said to be ultra vires the Act, it gives effect to the objects of the Act (meaningful transformation) and section 23 and 100 of the Act.</p> <p>ii. The Department notes the concern regarding proper alignment and will further refine the draft Charter to address the concerns.</p>
ANGLO GOLD ASHANTI	Acknowledgement of units of	i. We note that the Reviewed Mining Charter is silent on the recognition of empowerment transactions concluded prior to the promulgation of the MPRDA in calculating offsets against the	i. The Department acknowledges the presumption against

production ownership deals pre- and post-MPRDA and MINING CHARTER	ownership requirement, which was permitted under the Original Mining Charter 2004 and is presently permitted in the Current Amended Mining Charter 2010. Albeit for a prescribed period, the recognition for the conclusion of previous transaction is provided for under the Broad-Based Black Economic Empowerment Act 53 of 2003 and the BBBEE Codes of Good Practice and we can see no justifiable basis for the exclusion of this provision from the Reviewed Mining Charter.	retrospective application of the law. This presumption is not absolute (refer to the AgriSA Case). The Charter proposes mechanisms in the form of transitional arrangements to deal with the retrospective effect. Transformation is not an event but a process. The continued consequences in respect of empowerment transaction concluded prior to the promulgation of the MPRDA cannot be made to apply perpetually but must be appropriately timed taking into account the nature of the transactions concluded.
CONTINUING CONSEQUENCES WHEN RENEWING MINING RIGHTS	1. Once again it should be made patently clear in the Reviewed Mining Charter that any new empowerment requirements in regard to ownership as encapsulated in the Reviewed Mining Charter should apply only to new applications and should not be applied to extensions of existing rights to accommodate new areas and renewals of current rights, as, once again, the imposition	1. The terms and conditions for renewal of mining rights will be negotiated at the renewal stage

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		of the new requirements under the Reviewed Mining Charter to such extensions or renewals would give effect to retroactive or retrospective enforcement of legislation.	consistent with international best practice.
	FOREIGN ASSET BASE EXCLUSION FROM CALCULATING OWNERSHIP	I. BEE is a local South African requirement and thus has no bearing on foreign held assets. In order to calculate effective Black Ownership on South African domiciled multinationals, ownership held by Black people in an entity should be evaluated against the local operations and not the entire asset base, to avoid dilution of Black Ownership by foreign assets. Currently the DTI Codes of Good Practice only allows exclusion of foreign owned assets up to 40%, which effectively makes the base for local operations 60%.	I. Noted, the Department to consult with Dti/Mr Mabuza for a way forward.
BAARD Mining equipment (Pty) Ltd	Procurement, Supplier and Enterprise Development	I. Paragraph 2.2 provides for an obligation that the procurement policies of a Mining Right holder as well as its actual procurement "...is aligned to the following". Thereafter follows three headings, namely "Capital goods", "Consumables" and "Services". Under each of these headings are paragraphs which are numbered (a), (b) and one paragraph is numbered (c), all which make it very difficult to refer to the different paragraphs of this element of the 2016 charter	
		II. The introductory paragraph of the procurement, Supplier and Enterprise Development in the 2016 Charter, little need to be said about the introductory paragraph save to point out that however laudable these aspirations may be, they completely ignore the fact that mining companies will always procure capital goods, consumables and services having regard to quality and price. For this reason, Mining Companies should, in circumstances where imports are in fact cheaper than locally produced items, be rewarded if they purchase from local suppliers. This incentive can take the form of higher aggregated score for procurement on the Scorecard to be attached to the 2016 Charter if the purchasing takes place from South African companies, even if they are more expensive. [Does this make sense?]	

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		<p>III. Clause 2.2, if implemented in its current form, could furthermore actually reduce competition in that South African suppliers are allowed to deliver inferior products at higher prices rather than to encourage local suppliers to improve the quality of their products and price their products competitively. Mining Companies should furthermore be incentivized under the 2016 Charter, to fund research and development of capital goods and equipment for the mining industry to improve quality and competitive pricing.</p> <p>IV. What is required from mining rights holders is to ensure that their procurement policies and actual procurement is "aligned". In the online oxford dictionary the word "align" is said, amongst others, to "give support to a cause". That is the only meaning given by the dictionary that could possible inform the meaning to be ascribed to the word "aligned" in paragraph quoted earlier. Applying that meaning it would mean that a mining right holder must ensure that its procurement policies and actual procurement supports the causes set out in the Procurement, Supplier and Enterprise Development of the 2016 Charter. Clearly it would have been more precise merely to state that the policies and procurement must comply with the requirements sets out in the paragraphs that follow the introductory paragraph.</p>	
MAK	Capital goods	<p>I. In paragraph (a) of the paragraph under the "capital goods" a Mining Right Holder is required to procure a minimum of 60% locally manufactured capital goods from "BEE compliant" manufacturing companies. Section 10(b) of the BBBBEE Act provides that an organ of state and a public entity must take into account any code of good practice issued in terms of section 9 in developing and implementing preferential policies. Minister of DTI issued a generic code of good practice which includes, as annexure to the regulations, various principles for measuring</p>	

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	<p>"Enterprise Supplier Development" which refers to the purchase of goods from BEE compliant companies.</p> <p>> In regulation 8.1 of GN 1019 the BBBEE generic scorecard provides for "Weighting" amongst others, enterprise and supplier development at a level of 40 points. Depending on the number of points a measured entity scores, clause 8.2 provides for a measured entity to be provided a BBBEE status at various levels such as "level 1 Contributor and a Non-compliant Contributor"</p> <p>The drafts-person of the 2016 charter chose not to use the defined term "BEE compliant company", He or She chose to use an undefined term "BEE compliant manufacturing companies"</p>	
	<p>II. It is clear what exactly "locally manufactured capital goods" means. Does that mean that every component in the good referred to must be locally manufacture? If, for instance, motor vehicle which are purchased as part of a mining company's capital requirements are assembled in South Africa but contain some imported parts, does that satisfy this requirement? To what extent must a mining company enquire into the local content of the goods it purchases?</p> <p>III. Paragraph (b) under the heading "capital goods" also creates more questions than answers. It requires that a mining right holder must "preferably" purchase 30% of the 60% from "small business development which are BEE compliant". The requirement is ambiguous. Does it mean 20% of the total capital good purchased or a half of the 60% referred to in paragraph (a)? The further requirement that "a minimum of 10% of the 30% must be reserved..." is equally ambiguous. Does that mean 3% of the total capital goods purchased or one third of the 30% referred to in the first sentence of paragraph (b)?</p> <p>IV.</p>	

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	<p>V. This 10% must be "reserved for BEE compliant enterprise development". No-one can understand what that means</p> <p>VI. The word "preferably" expresses a wish rather than a peremptory requirement. Does that mean that a mining company can be compliant even if it does not procure the required percentages from BEE compliant enterprise development?</p> <p>VII. What is "small business development which are BEE compliant"? These words are also used the heading "Consumables" and "Services" in this element of the 2016 Charter but the meaning therefore is not explained anywhere in the document. Nor is there what one could refer to as a normal grammatical meaning that can be given to the term having regard to the context within which it is used. How can one, in any event, procure anything from something called "enterprise development"?</p> <p>VIII. What is the difference between "business development" and "enterprise development"? Although the term "enterprise development" is part of the name of Procurement, Supplier and Enterprise Development element of the 2016 Charter, the two concepts are not defined and only used in this element of the 2016 Charter. It is impossible to determine what is envisaged by the terms and how they differ.</p>	
Consumables	<p>IX. The two paragraphs under "Consumables" are almost word for word the same as the wording discussed above under the heading "capital goods"</p> <p>X. The word "of" underlined in paragraph (a) in the quoted above was added to the same wording under the "capital goods" heading. This does not make any difference to the meaning. Also the word "preferably" was omitted from the similar wording in paragraph (b) under the "Capital goods".</p>	

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		<p>XI. The words "A minimum of..." were added at the beginning of paragraph (b) under the heading "Consumable". That implies that the percentage of capital goods that must be "given to small business development..." under paragraphs (a) under the heading "Capital goods" must be exactly 30% while the consumables "given to small business development..." may exceed 30%. If this literal meaning is given to the absence of the phrase "A minimum of..." in paragraph (b) under "Capital goods" heading it would be absurd. This difference in the wording between the two paragraphs should probably be ascribed to bad drafting rather than a different intention by the drafts person of the 2016 Charter.</p>	
Services	<p>XII. Paragraphs (a) and (b) are similar to paragraphs (a) and (b) under the headings "Capital goods" and "Consumables" save for the amendments necessary to distinguish companies from which services are procured from companies who manufacture capital goods or sell consumables.</p> <p>XIII. In fact, paragraphs (b) under the heading "Services" reads exactly the same as paragraph (b) under the heading "Consumables". It differs from paragraph (b) under the heading "Capital goods" in that paragraph (b) under the heading "Services" also commences with the phrase "A minimum of..." this difference was already discussed above.</p> <p>XIV. Paragraph (a), however, deviates from the provisions under the other headings in that it refers to "BEE compliant and locally based companies". What are locally based companies? Are they companies who are registered in South Africa or could it include international companies who have local branches?</p>		
		<p>XV. The unnumbered paragraphs under this element requires mining right holders to "...verify local content for capital and consumer goods as provided for above with the South African Bureau of Standards". This must be done before the annual mining charter report is submitted to the DMR.</p>	

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SIBANYE GOLD NOTED	2016 CHARTER ISSUES/ General	<p>The practicality of this requirement is questionable. Surely this verification "...before the annual mining charter report is submitted to the DMR..." it is too late. What if it turns out that the local content of the goods procured by the mining company is not what the mining company believed it was.</p>	
	I.	<p>The principle of the rule of law requires policy and legislative requirements to be drafted in such a manner that a person who is required to comply with such requirements is able to do so with certainty on reading of the document in which such requirements are contained. It is evident from a review of the 2016 Charter that many of the provisions contained in the draft 2016 Charter breach the principle of the rule of law as they are ambiguous and open-ended and create uncertainty regarding how applicants for rights or Holders (as defined in section 1 of the MPRDA) of rights are required to comply with the provisions in the 2016 Charter.</p>	I. The Charter should be read with the MPRDA. Applicants of rights or right holders are required to comply with the provisions of the 2016 Mining Charter as outlined on the Charter.
MK	II.	<p>The "Mission" of the 2016 Charter may be used to interpret the rather loose wording in the effective provisions of the document itself. The "Mission" reads as follows: "To give effect to section 100(2)(a) of the MPRDA, section 9 of the Constitution and harmonise Government transformation policies". A thorough analysis of the 2016 Charter shows that the document does not in fact give effect to section 100(2)(a) of the MPRDA but often contradicts that provision. Furthermore, rather than to give effect to section 9 of the Constitution, it appears as though the document entrenches discrimination through the removal of the definition of HDSA (as stated in the 2010 Charter) and the inclusion of the definition of "Black people" in its place, which is a far more limited definition than was previously provided. This cannot be the intention of the Minister and, therefore, it is proposed that the wording of the definition be reviewed to ensure a more appropriate and inclusive approach be adopted.</p>	<p>The definition of "HDSA" was removed in order to align with the BBBEEA, 53 OF 2003 by replacing it with the word "Black People". In terms of section 9 (5) of the Constitution of the Republic of South Africa discrimination on one or more of the grounds listed in subsection (3) is unfair unless it is established that the discrimination is fair. In this context, discrimination to redress historical social and</p>

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		<p>III. It must be noted that the word "community" is not confined to a group of Black people in the MPRDA, whereas in the 2016 Charter a community means a "coherent, social group of Black persons [our emphasis] with interest or rights in particular area of land which the members have or expect's communally in terms of an agreement, custom or law". The MPRDA specifically refers to a group of "Historically Disadvantaged Persons" and not to "Black persons". To amend a definition which occurs in the MPRDA by way of a subsidiary document such as the 2016 Charter is ultra vires the powers of the Minister. This amendment to the category of persons who qualify as Black people for purposes of the 2016 Charter read with the MPRDA has significant impacts throughout the document and, therefore, it is imperative that this definition is correctly worded.</p> <p>IV. A transitional period of 3 years has been provided to mining companies in order to review and align their empowerment structures with the prescribed terms stipulated in the 2016 Charter. This provision has a retrospective effect which will require every empowerment transaction which has been concluded to date to be unbundled or restructured to align with the prescriptive requirements set out in the 2016 Charter. Such an exercise will inevitably impact on the financial circumstances of a company, will no doubt deter further investment in the industry and will consequently erode shareholder value. The implications for a company, such as Sibanye, which either holds shares in a mining company or holds mining rights and prospecting rights will be significant in that the existing shareholders that had previously met the empowerment obligation will be required to dilute their shareholding in order to accommodate the prescribed structures set out in the 2016 Charter.</p>	economic inequalities is allowed by using the word Black People.
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II. The Department notes the concern raised. However it should be noted that we are in the process of aligning with the 888EEA 53 of 2003 and the MPRDA will be amended also to align.

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<p>The Department disagree, a three year transitional period is sufficient for reviewing and aligning with the 2016 Mining Charter.</p>	

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	Ownership	<p>V. The minimum threshold requirement of 26% ownership by Black people of shares in a company which holds rights remains the requisite threshold for purposes of compliance with the ownership requirement in the 2016 Charter, however, the manner in which mining companies are required to meet this threshold is far more prescriptive than in the 2004 and 2010 Charters.</p> <p>Vi. the obligation on stakeholders to comply with the 2016 Charter is inappropriate in the circumstance given that a stakeholder is defined as "... a person, group, organisation or system which affects or can be affected by an organisation's actions which may relate to policies</p>	<p>V. The Department will relook into the proposal of whether the 26% of ownership of shares by black people will be on companies that holds rights or per operation before the finalisation of the 2016 Mining Charter.</p>
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		<p>intended to allow the aforementioned to participate in the decision making in which all may have a stake". Clearly the requirements listed in paragraphs (a) to (k) of the Ownership element in the 2016 Charter which must be complied with, can never be complied with by the persons Included in the definition of "stakeholders". One would expect that these requirements should be complied with by the applicant and/or the Holder of a right as they are the only persons whose compliance is measured and who is penalised for non-compliance pursuant to the provisions of the MPRDA. The compliance requirement cannot logically be extended to "stakeholders", as defined. If the intention is indeed to place such compliance obligation on a "stakeholder" (as defined), it is submitted that to hold a Holder of a right liable for the non-compliance of other stakeholders is a serious threat to the security of tenure of the Holder of a right. The effect would be the penalising of Holders of rights for events which they have no control over. These implications should be reassessed by the Minister.</p> <p>VII. Paragraph (a) of the Ownership element of the 2016 Charter The reference to the Companies Act In paragraph (a) of the Ownership element implies that the assets that must be transferred to Black people must be shares in a company. This ignores the fact that the previous Charters focused on the sale of mining rights (which is further contemplated in section 11 of the MPRDA) and not only shares. In addition, In terms of the MPRDA, mining rights may be held by joint ventures where the mining rights are held in undivided shares by several entities such as companies, close corporations, trusts or even by individuals. There is nothing in the MPRDA that prohibits such entities holding a mining right. It is submitted that it is ultra vires the powers of the Minister to try and regulate the manner in which mining rights must be held by way of a policy document, such as the 2016 Charter.</p>	<p>VI. The Department will relook into the definition as proposed</p>
		<p>VII. The Department notes the concern. However, the MPRDA is subject to be amended to align with the BBBEEA Section 37(2) of the deals with issued shares of a company and has nothing to do with the issue of the mining rights held by joint ventures or mining rights with undivided shares. However every mining right must</p>	

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		<p>VIII. The requirement in paragraph (b) of the Ownership element introduces the new concept that the 26% ownership of mining assets (however defined) of the Holder of or applicant for a mining right may not conclude an empowerment transaction in terms of which the entire 26% is held by one Black person and furthermore, that all existing empowerment transactions in which a HDP held the 26% stake in the Holder of a right, would be required to dilute his/her shares and restructure to allow for the inclusion of an ESOP, a community and perhaps a black entrepreneur (however defined). The word "respectively" in paragraph (b) implies that each of the three categories of persons must hold at least 5% of the 26% ownership that must be allocated to Black people, in other words 15% in aggregate. The requirement that the 5% shares must be "... equally distributed amongst..." the three categories of persons implies that the allocations to each of the three categories must be the same. This prescriptive requirement may render an absurd and unworkable result and, therefore, stands to be challenged.</p> <p>IX. The requirements in paragraphs (f) and (g) of the Ownership element create far more questions than providing certainty with regard to the nature of the empowerment transactions that must be concluded by Holders of and applicants for mining rights. For instance: what is meant by the word "manage"? How does one "manage" various ownership stakes? Must the shareholding of all the empowerment shareholders in the SPV be proportional to their respective shareholding in the company that holds the mining right? Must this SPV, as the holder of all the various owners of shares in a Holder of a mining right, act jointly in exercising the voting rights which vest in the various owners as shareholders (or board members) of the Holder of the mining right? Not only does paragraph (f) of the Ownership element create confusion and uncertainty as pointed out above, it is immediately contradicted by paragraph (g) of the Ownership element which requires</p>	<p>achieve a minimum of the 26% ownership of black people and a three year transitional period has been provided for companies or mining right holders to align with the provisions of this Mining Charter.</p> <p>VIII. This is to allow transformation to be Broad Based as intended by the Mining Charter. The 5% shares equitably distributed amongst workers (in the form of ESOPs, black entrepreneurs, and the community respectively is just a minimum requirement. The Department disagree that this provision renders an absurd and unworkable result.</p> <p>IX. The Department will relook into the matter of SPV's and its management.</p>
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		that "each empowerment transaction must register a SPV" It would now seem that it is required by paragraph (g) that, where more than one person holds a share of the 26% shares or other mining assets referred to in paragraph (a) of the Ownership element each one of the empowerment transactions in which the various portions of the ownership is transferred, must be held in a separate SPV. It is contended that this is unworkable and results in an absurd outcome.	
	X.	Paragraph (i) of the Ownership element seems to suggest that the sale of the 26% ownership of the Holder of a mining right must eventually be provided for in one transaction. Earlier in the Ownership element it was required that 5% ownership stakes must be transferred to the three categories of persons contemplated in paragraph (a) of the Ownership element, respectively.	X.
	XI.	The 2016 Charter now expressly inserts a provision which negates the "once empowered always empowered" principle. It is apparent from the 2016 Charter that the Minister does not agree with the "once empowered, always empowered" principle, as it has been colloquially referred to. It is proposed that all mining companies will be required to retain a 26% empowerment shareholding in order to remain compliant with the 2016 Charter, either by locking-in Black shareholders or by continually being required to conclude a replacement empowerment transaction every time a Black shareholder sells his/her shares in order to facilitate continued compliance with the Ownership element in the 2016 Charter. Failure to comply with this principle is an offence and will result in the company being non-compliant with the provisions of the MPRDA. It is submitted that such a construct leads to an absurd result as mining companies will be required to continuously conclude transactions with Black people (as defined) to satisfy the Ownership component of the 2016 Charter if, for valid commercial reasons, such as taking advantage of a	XI.
			Paragraph (i) of the 2016 Mining Charter makes provision for consolidation of the empowerment transactions with the prior written consent of the Minister. The 26% ownership of the holder of a mining right must eventually be provided for one transaction and a three year transitional period has been provided for.
			This provision is intended to ensure that companies remain compliant with the empowerment provision.

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	commodity cycle, Black people were to sell their shares in those mining companies to realise value for their investment.	
Procurement, Supplier and Enterprise Development	<p>XII. In paragraph (a) of the paragraphs under the heading "Capital goods" a mining right Holder is required to procure a minimum of 60% locally manufactured capital goods from BEE compliant manufacturing companies. It is unclear what a "BEE compliant manufacturing company" is as this term is not defined. It is not clear what exactly "locally manufactured capital goods" means either. Does that mean that every component in the goods referred to must be locally manufactured? Unfortunately this element in its current form, creates more questions than answers. Sibanye, through its current contracts with local suppliers could be compliant with this requirement, however, on the other hand, the DMR could be of the view that they do not comply. Such uncertainty needs to be clarified so as to ensure that it is not contrary to the rule of law and stands to be set aside in its current form.</p> <p>XIII. Paragraph (b) under the heading "Capital goods" requires that a mining right Holder must "preferably" purchase 30% of the 60% from "small business development which are BEE compliant". The requirement is ambiguous. Does it mean 20% of the total capital goods purchased or half of the 60% referred to in paragraph (a)? The further requirement that "a (sic) minimum of 10% of the 30% must be reserved ..." is equally ambiguous. Does that mean 3% of the total capital goods purchased or one third of the 30% referred to in the sentence of paragraph (b)?</p> <p>XIV. The word "preferably" expresses a wish rather than a peremptory requirement. Does that mean that a mining company can be compliant even if it does not procure the required percentages from BEE compliant enterprise development? It is uncertain what the term "... small business development which are BEE compliant" means. These words are also used under the headings</p>	<p>XII. The Department notes the comment.</p> <p>XIII. The Department will relook into the wording on percentages.</p> <p>XIV. The intention is to develop Small Businesses. However, DMR will relook into the wording e.g preferably.</p>

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		<p>"Consumables" and "Services" in this element of the 2016 Charter but the meaning thereof is not explained anywhere in the document, nor is there a normal grammatical meaning that can be given to the term having regard to the context within which it is used. There is, therefore, a gap in the understanding of this element which requires clarification.</p> <p>XV. One of the paragraphs under the heading "Services", however, deviates from the provisions under the other headings in that it refers to "BEE compliant and locally based companies". It is uncertain what "locally based companies" are as this term is not defined? Are they companies who are registered in South Africa or could it include international companies who have local branches? Again uncertainty prevails. Furthermore, the requirement that mining rights holders must only utilise South African based facilities for the analysis of its mineral samples "across the mining value chain" is vague. It is unclear what this means and how a mining company is required to comply with this requirement so as to avoid having its mining right cancelled or suspended in terms of the provisions of the MPRDA.</p> <p>XVI. Furthermore, reference is made to the Social Development Trust that was defined in the "Definitions" section of the 2016 Charter. The definition suggests that this fund has already been established. We are not aware of this fund ever having been established. Furthermore, the last paragraph under the Procurement, Supplier and Enterprise Development element of the 2016 Charter provides that the trustees of the Social Development Trust shall include stakeholders from organised business, organised labour and Government which suggests that the trust still has to be established. Also the definition also makes reference to "local communities" without explaining what that term means.</p>	<p>XV. The term Locally based companies has been defined. However the Department will relook into the definition so as to clarify whether these includes international companies who have local branches or only Companies registered in South Africa.</p> <p>XVI. The definition is clear. For all its mining production(s) Mining right holders must only utilise South African based facilities for the analysis of its mineral samples "across the mining value chain". The Department is of the view that there could be exceptions for this requirement and it will relook into the wording.</p> <p>XVII. The Department will facilitate the establishment of this fund.</p> <p>XVII. The Department note the omission of the definition of local communities.</p>
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	Beneficiation	<p>XVIII. This paragraph repeats a provision in the 2010 Charter which deals with the Ownership element of that Charter, however, the following amendments have been effected since the 2010 Charter was developed, which amendments have clearly not been taken into account in the 2016 Charter. It is almost impossible to determine from the wording in the 2016 Charter, exactly what "beneficiation" means even read with the new definition of "beneficiation" in the MPRDA and the amended section 26 thereof. Even if it can be determined what "beneficiation" means for purposes of the 2016 Charter, there is no basis whatsoever either in the 2016 Charter or the MPRDA for determining the percentage that can be offset from the 26% of the ownership of "mining assets" reserved for "Black people".</p>	<p>XIX. Mr Menoe to advise.</p>
	Employment Equity	<p>XX. In the first unnumbered paragraph of the Employment Equity element of the 2016 Charter the Minister explains the purpose of the Employment Equity Act, 1988. That Act is, in any event, applicable to mining companies and, therefore, it is unclear why these provisions are being applied in this context again. It appears to be a duplication.</p> <p>XXI. Paragraph (a) then continues to provide that "75% of which must be black female..." On a proper grammatical interpretation of the words "of which" one is led to the conclusion that 15% of the 50% black people must be "black female". One calculates this to mean 7.5% of the total number of people at Executive Management Level must be black females. The words "... In line employment active population (EAP))" in paragraph (a) qualifies the requirement that 15% of the 50% black people on the board must be black females. It is not possible to attribute any logical meaning to the quoted phrase. The phrase does not only appear in paragraph (a) under the "Executive Management" heading, but qualifies each and every target where black females are referred to under the subsequent headings under the Employment Equity element. It is therefore</p>	<p>XXII. The purpose of this paragraph is just to give a background on Employment Equity Act, 1998 and its applicability on this Mining Charter.</p> <p>XXIII. The Department note the concern on percentages and will relook into it.</p>

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	<p>concluded that all the Black female targets must be "... in line with the employment active population ..." whatever that may mean. This phrase makes it impossible to determine how a Holder of a mining right must comply with the Employment Equity element of the 2016 Charter.</p> <p>Paragraph (b) under the heading Executive Management refers to "A minimum of 50% Black people proportional represented at the Executive Directors level a percentage of all executive directors." It would seem that this paragraph differs from paragraph (a) in that paragraph (a) refers to all directors (executive or non-executive) on the board while paragraph (b) only refers to executive directors i.e. persons employed by the mining company on a permanent basis. Was this the intention of the Minister?</p> <p>XXII.</p>	XXIV. The Department will relook into the wording.
	<p>The further headings under the Employment Equity element of the 2016 Charter are similar and also contain the phrase "... as a proportional representative percentage of all..." Senior Management, Middle Management or Junior Management as the case may be. This phrase is vague and does not assist applicants with determining the meaning of the requirement and how applicants are required to comply.</p> <p>XXIII.</p>	XXV. The Department will relook into the wording.
	<p>The paragraph under the heading "Employees with disabilities" reads as follows: "(a) 2% of Black employees with disabilities as a percentage of all employees." The question is how does one calculate the 2%? Is it 2% of black employees or is it 2% as a percentage of all employees? The requirement is ambiguous and impossible of a proper understanding and application.</p> <p>XXIV.</p>	XXVI. The Department will relook into the wording on percent and percentages.
	<p>The last heading under the Employment Equity element is the "Core and critical skills" which requires that all mining right holders "... must ensure that a minimum of 40% Black people are represented in the mining company's core and critical skills by diverting their existing pools." Does that mean that the mining company must ensure that 40% of all the people employed in what is</p> <p>XXV.</p>	XXVII. The Department will relook into the wording on percent and percentages.

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		referred to as the " ... core and critical skills" must be Black people, or does it require that each different core and critical skills pool of employees must be occupied by Black people? There is no answer to this question nor can the answer be discerned from what is stated in the sentence quoted above. If the latter of the two possible interpretations (that each different core and critical skills pool of employees must be occupied by Black people) is the correct one, then one finds oneself confronted with the question, what if the pool of, for instance, metallurgical engineers (being one of the core and critical skills referred to in the definition of that concept) consists of only one person, how must a mining company then comply with this requirement?		
Human Resource Development	XXVI.	The Human Resource Development element of the 2016 Charter is aimed at compelling mining companies to contribute money to skills development. This is evident from the words in the last sentence of the introductory paragraph of the Human Source Development element, namely, " ... the mining industry must ... " which suggests that individual Holders of mining rights need not comply with this requirement but that the mining industry must be measured to determine whether there has been compliance with this element of the 2016 Charter. A heading "Human Resource Development" is included in the scorecard and then is qualified by the phrase stating that "this element is measured in terms of the national demographics as per the statistics of economically active population". It would seem, therefore, notwithstanding the indication that the "mining industry" rather than individual mining companies must comply with the Human Resource Development element of the 2016 Charter, the scorecard will measure compliance by mining companies. This contradiction must be addressed so as to provide clarity.	XXVII. The Department note the concern: The wording will be revised to indicate mining rights and not mining industry.	
Mine Community Development	XXVII.	Several concepts are referred to in this paragraph, namely "communities", "local municipalities" and "labour sending areas". Although the concept "communities" is defined, it is defined in a		

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		<p>general manner and one cannot identify the community with which the "meaningful consultation" contemplated in the quoted passage, must be conducted. Not only is it difficult to determine what exactly a mining company must do to identify the persons with whom it should have "meaningful consultation and co-ordination", it also becomes clear in paragraph (a) under this element that "labour sending areas" are included amongst the "persons" where money must be spent on community development. It may be argued that the content of the Mine Community Development element of the 2016 Charter is not enforceable against any mining company due to its open-ended and indeterminate content and, therefore, evident breach of the rule of law.</p>	
	Housing and Living Conditions	<p>XXVIII. All of the requirements under this heading are already included in the Housing and Living Conditions Standards for the Minerals Industry developed by the Minister in terms of section 100(1)(a) of the MPRDA. It is submitted, therefore, that there is no need to include this element in the 2016 Charter. It is not clear why these requirements have been repeated in the 2016 Charter.</p> <p>XXIX. The introductory phrase that states that "the contribution for home ownership options include but not limited to the following...." can only be interpreted to mean that there is more than one option available and makes it impossible for the Holder of a mining right to know exactly what it must do to satisfy the requirements under this heading because it is left open ended by providing that the listed options are not the only requirements which need to be complied with. This means that it is left open to the officials of the DMR to insist that any additional requirements be complied with. Such an open ended description of what a mining company must comply with does not comply with the rule of law and is, therefore, unconstitutional.</p>	<p>XXX. This is a ring-fenced element and cannot be dealt away with.</p> <p>XXX. The Department will relook into the wording.</p>

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0 The United Nations Children's Emergency Fund (UNICEF)	Preamble	I. The preamble states "...a proliferation of communities living in abject poverty continues to be largely characteristic of the surroundings of mining operations" This raises the issue of mining companies' responsibility towards communities, children and youth when a mine closes. The social impacts of mine closure specifically on children should be addressed during operations and addressed appropriately through SLPs and other vehicles.	The Department will relook into the wording to align with the SLP.
	Vision	II. Include reference to the growth and development of South Africa including the mining industry, communities, children and youth.	(ii) The Department disagree. The vision is clear and straight forward.
	Mission	(iii) Reference should be made to the Sustainable Development Goals (SDGs). The most important SDGs which apply to the mining sector, are the following goals: <ul style="list-style-type: none"> ➤ Goal 1: End poverty in all its forms everywhere~ ➤ Goal 3: Ensure healthy lives and promote well-being for all at all ages~ ➤ Goal 4: Ensure inclusive and quality education for all and promote lifelong learning ➤ Goal 5: Achieve gender equality and empower all women and girls. ➤ Goal 6: Ensure access to water and sanitation for all. ➤ Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all. ➤ Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all. ➤ Goal 9: Build resilient infrastructure, promote sustainable industrialization and foster innovation. ➤ Goal 10: Reduce inequality within and among countries. ➤ Goal 11: Make cities inclusive, safe, resilient and sustainable. ➤ Goal 12: Ensure sustainable consumption and production patterns 	(iii) The Department disagree.

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		<p>➤ Goal 13: Take urgent action to combat climate change and its impacts.</p> <p>➤ Goal 15: Sustainably manage forests, combat desertification, halt and reverse land Degradation, halt biodiversity loss.</p> <p>➤ Goal 16: Promote just, peaceful and inclusive societies.</p> <p>➤ Goal 17: Revitalize the global partnership for sustainable development.</p>		
Definition	(iv)	<p>The definition of "Mine Community" is not clearly defined as this can be open to Interpretation which then further impacts on development for affected communities which may be excluded due to differing Interpretation of Definition. UNICEF suggests that mines apply a Zone of influence definition which should be obtained through consultation, taking into account history, social and economic dynamics, and environmental impacts.</p>	(iv) The comment noted. The Department will relook into the definition.	
Procurement, Supplier and Enterprise Development	(v)	<p>Companies should take steps to ensure that child labour is eliminated throughout the supply chain by making a commitment to respecting and supporting children's rights and by establishing relevant management processes including relevant clauses in all contracts with suppliers and establishing monitoring and accountability mechanisms etc.</p>	V. The Department note the comment	
	(vi)	<p>The 1% of annual turnover which must be contributed by multinational suppliers of goods ought to be extended to multinational suppliers of services as well. In addition, the funds from the Social Development Trust Fund should contribute towards impactful and sustainable development of communities, capacity building and services which also specifies services for children, youth, mothers and families which includes but is not limited to early childhood development facilities, schools, healthcare facilities, safe play areas in communities. It is important that this is not only limited to infrastructure but also human capacity which includes but is not limited to early childhood practitioners, nurses, doctors, educators, social workers who should ideally be</p>	VI. The Department note the comment	

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		<p>- recruited from the community to create employment opportunities especially for young people and develop self-sustaining communities.</p> <p>(vii) Aside from the prescribed 1% of annual turnover, efforts should be made to invest in skills development (bursaries, scholarships and apprenticeships) of youth (with a gender equity lens to ensure that the gender gap within South Africa is addressed) with the vision of them eventually becoming employees in specialised roles such as mining engineers, geologists, mine managers or in other industries.</p> <p>(viii) The trustees of the Social Development Trust should include representatives from communities which will be recipients of these funds and social workers, com. Munity workers or other relevant child rights representatives to represent the interests of children and youth. A clear consultative engagement mechanism should be outlined/developed when engaging with the various stakeholders to enhance consultative engagement, collaboration and ensure that community priorities are effectively addressed.</p>	Vii. The Department note the comment.
	Employment Equity	(ix) UNICEF supports the stated process to achieve employment equity especially the consideration to an increase of females in senior roles.	IX. Noted.
	Human Resource Development	(x) Efforts should be made to skill individuals who can provide essential services for children and youth and the communities which they live in, these services include health care, education (early childhood development through to adult education and training), protection services to ensure safety and security. A social worker or community worker or other relevant child rights representative should represent the interests of children and youth as a trustee of the Ministerial Skills Development Trust Fund.	(xi) The wording on the Trusts to be relooked into after consultation with DTI.

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<p>Mine Community Development</p>	<p>(xii) The contribution of companies towards community development should be made towards sustainable and scalable programmes and projects should the mine close it ensures longevity.</p> <p>(xiii) A "Child Friendly Communities" model needs to be developed and introduced to ensure that children and youth have access to sustainable essential services (health education, protection). Labour should be recruited from within the community and provided with skills development opportunities to avoid labour migration, disruption of the family unit and children and youth growing up with "absent" parents.</p> <p>(xiv) In the annual required minimum spend of 1% of annual turnover towards focal community development and labour sending areas we propose standardize consultative processes and the involvement of the community in decision making processes. This should also include the interests of the special care and support required for children and youth who come from these areas.</p> <p>(xv) The SLP is an important document which legally binds companies to their responsibility to communities and the integral role they play in mine community development, the SLP has not been included within the draft Reviewed Mining Charter and we propose that it be included in the Mining Charter with the following caveats:</p> <ul style="list-style-type: none"> ➤ A social worker or community worker or other relevant child rights representative should represent the interests of children and youth in the discussion, formulation and all steps towards developing an SLP. ➤ A standardised interpretation of the SLP requirements need to be developed to ensure uniformity, reduce ambiguity and improve effectiveness. This will negate conflicts between mining companies and government regarding their roles and responsibilities in 	<p>XII. The Department note the comment.</p> <p>XIII. This is not the responsibility for the Mining industry or holders, the Department of health and education are there to assist and they have their initiatives or programmes for the proposal made.</p> <p>XIV. Children and youth will benefit from the Local Economic development projects by mining right holders towards those communities.</p> <p>XV The Department will relook into the issue of SLP and Mining Charter where there is duplications and omissions.</p>
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		<p>the implementation of the SLP which should be linked to the Integrated Development Plans, developed every 5 years by the local municipalities.</p> <ul style="list-style-type: none"> ➤ Communities are rarely equipped for dialogue with mining companies and other stakeholders around SLPs. Community forums need to be facilitated by DMR and other government departments and ensure that communities are adequately resourced and suitably represented. Communities should be informed and involved in all steps of the mine community development process and their agreement should be sought as part of the process. ➤ Government needs to capacitate local government (municipalities) to manage local development. This includes the relevant human capacity and the revenue to implement which should be sourced from royalties and taxes paid by mining companies to government- this will need to be accompanied by effective financial accountability systems to prevent and negate mismanagement or theft of resources and limit political interference. ➤ Mining companies should develop and share SLPs with communities, the documentation on SLPs should be user-friendly and concise to adequately inform and update communities on all mine community development plans. This provision of information empowers communities and increases their ability to engage with mining companies and government in a more meaningful way. ➤ Mining companies should also collaborate with each other, especially when they are serving the same communities.
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		<p>A Localised sustainability reports need to be produced for sharing with communities, this will ensure transparency and accountability to local communities. This will empower communities to shadow monitor the SLPs. When done consistently, this will build trust between mining companies and communities which will result in increased collaborative arrangements for working towards common goals.</p> <p>A A commitment to community development beyond legal compliance needs to be developed. Mining companies are guided by legislation to engage in social economic development programmes but it is imperative there be a strategic interest in community development in order to facilitate the country's transformation agenda. Outside of the mandatory SLPs, mining companies should continue to engage in strategic social Investment initiatives or supporting the National Development Plan 2030 that addresses poverty, inequality and unemployment.</p>	
Housing and Living condition	(xvi)	<p>UNICEF sup ports that family units should be maintained. Decent accommodation should be provided which meets the rights of mine workers and their families, especially children and youth in accordance with Chapter 2 of the Constitution. Housing goes far beyond ownership and companies must check and consider the conditions for children and young people in all housing solutions and models provided to workers, including the living out allowances model.</p>	<p>XVI The provision that Mining industry must maintain the occupancy of one person per room and maintain family units implies that children are included as they form part of that families.</p>
Reporting	(xvii)	<p>There needs to be a clear reporting timeline.</p> <p>A The methodology for monitoring and evaluation needs to be fully outlined to remove any ambiguity which may exists, furthermore there needs to be a clear process to validate data and compliance to The Mining Charter and SLPs.</p>	<p>XVII The Department note the comment.</p> <p>A Methodology for reporting will be put in place.</p>

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		<p>➤ The review of The Mining Charter and its effectiveness every five years should be incorporated.</p> <p>➤ When reporting and monitoring compliance and reviewing the effectiveness of the Mining Charter the impact on children needs to be included as they are distinct stakeholders with special needs.</p>	<p>➤ The issue of SLP's and Mining Charter will be looked into.</p> <p>➤ The Mining Charter makes a provision that it will be reviewed as and when required.</p> <p>➤ This is implied.</p>
	Applicability	(xviii) UNICEF supports the 100% compliance of housing and living conditions and human resources development. It is proposed that the 100% compliance to the rights of the child be included in accordance with Chapter 2 (28) of the Constitution and supplemented by the Children's Act.	XVIII. Transformation as envisaged by the Mining Charter will benefit to everyone living in South Africa.
	Non-Compliance	(xix) The specific period which renders a company non-compliant needs to be specified, which in terms of Clause 2.11 of the draft Review Mining Charter is a period of three years.	XIX The three year transitional period has been provided for companies to align with the Charter.
11. Tshipi & Ntle Vangane and vsimbintle Mining		<p>i. The provisions on ownership are unduly prescriptive and do not take into consideration the commercial, social and other factors ordinarily taken into account in determining the most optimal manner in which to structure an empowerment transaction. We therefore submit that it is inappropriate for the structure of a transaction concluded for the purposes of the 2016 Charter to be prescribed by the Minister. Provided that the structure of the transaction makes provision for a minimum collective 26% ownership participation by empowered entities, the 2016 Charter should allow flexibility for empowerment transactions to be structured in a manner that is most optimal.</p>	<p>i. The Department note the comment.</p>

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	II The Department will relook into the matter of SPV's.	
II.	The assumption that empowerment partners participate in a single structure i.e. the requirement for all BEE parties to form one SPV; and empowerment partners with differing interests speak with a single voice is impractical and unreasonable and will restrict the meaningful participation of black people in empowerment structures.	
III.	The introductory paragraph refers to "mining assets" which was the focus of the 2004 Charter. This concept is, however, contradicted by several of the paragraphs listing the required attributes of the Ownership element in paragraphs (a) to (k) of the Ownership element. It appears as though the term "mining assets" is used interchangeably with the term shares in mining companies, which are separate concepts and should not be confused.	
IV.	The concept of "meaningful economic participation" referred to in paragraph (a) of the Ownership element of the 2016 Charter and as defined in the 2016 Charter introduces inaccuracies and is open-ended as a result of the wording in the definition not actually defining the concept "meaningful economic participation" with sufficient accuracy to allow mining right holders and/or applicants for mining rights to determine what they must do to comply with this requirement.	
V.	The distinction described in relation to "meaningful economic participation" ("BEE entrepreneurs", "workers (including ESOPs)" and "communities") is an important part of the Ownership element of the 2016 Charter where mining right holders or applicants for rights are now required to conclude transactions in which each one of these three categories of entities must be accommodated. We are of the view that this prescription is not necessary and creates structural difficulties.	
VI.	Furthermore, it is obligatory for the BEE partners (as referred to in the 2016 Charter) to receive a cash payment or trickle dividend throughout the term of the transaction and to structure the	
	VI. The Department note the comment.	

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	<p>transaction with the assistance of a financial institution. This principle may be in violation of the Companies Act which requires that any distributions made to shareholders must be subject to certain requirements, including the requirements to meet solvency and liquidity provisions set out in the Companies Act. Therefore, mining companies cannot simply agree to pay a "guaranteed" dividend to certain of its shareholders. It also puts mining companies in the precarious position of having to part with working capital in economic conditions where cash preservation is critical to short and medium term survival. Tshipi appreciates that perhaps it was intended to ensure the encumbered shares still see benefits flowing. However, in Tshipi's case, its shareholding is unencumbered.</p> <p>VII. Also, the compulsory requirement that a mining right holder allocate 5% of its ownership to a community creates several problems, including the determination of the difference between a "community", "mine community" and "labour sending areas", as defined in the 2016 Charter. The ambiguity created by the definition of these three concepts is, therefore, applicable to the requirement that the 5% ownership must be allocated to a "community".</p> <p>VIII. The 2016 Charter is also proposed to apply retrospectively and mining companies are required within a 3 year period to align current empowerment structures with the provisions of the 2016 Charter. This is problematic for Tshipi for the various reasons stated above but in particular, despite Tshipi's extensive array of Black shareholders and broad-based shareholding structure, including, inter alia, women's groupings, communities, companies which lobby for communities surrounding the mines, those mining companies of which Ntsimbintle is a shareholder (and Tshipi itself), it will be required to restructure their shareholding to dilute the Tshipi stake in favour of a community trust, ESOP or BEE entrepreneur (however that may be defined). It will similarly be</p>	<p>VII. The Department t will relook into the definitions.</p> <p>VIII. The Three year transitional period is sufficient for mining companies to align with the 2016 Mining Charter. The empowerment transaction should be Broad-Based.</p>
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	extremely prejudicial to existing HDSA shareholders of Tshipi, which are extremely broad based and achieves in a significant manner the objectives of providing for meaningful and broad based objectives of transformation in the mining industry. It is unclear whether the implications of such restructuring has been contemplated by the Minister.	
IX.	On procurement, Mining Companies have different operating models. Tshipi's operating models based on the outsourced business model, as opposed to owner managed model. This means that Tshipi as the mining right holder appoints a mining contractor to conduct its mining operations under its supervision. This is a business decision driven by the onerous capital and operational risk on a new mining company. Tshipi therefore requests that such circumstances be taken into account by the Minister in relation to the procurement targets.	IX. The Department note a comment.
X.	We request that the Minister considers revising the Procurement targets downwards by at least 8%. The proposed targets for all categories, including the associated targets for small business and enterprise development, would be unachievable for the mining industry given, amongst other things, the limited scale of local suppliers.	X. The issue of percentages will be relooked into.
XI.	The targets for the development of "BEE compliant" enterprises and small business participation are ambiguous. For locally manufactured goods, it is not clear if "30% of the above 60%" equates to 30% of all procurement or 30% of procurement from "BEE compliant companies" (i.e 18% of total procurement).	XI. The issue of percentages will be relooked into.
XII.	It is not clear if the definition of "locally manufactured in respect of capital goods is meant to apply to all areas of capital expenditure. For example, would capital project expenditure to build infrastructure be recognised? This is also an entre for fronting and corruption. A mining company's core business is not construction and therefore in order to manage its capital risk, it	XII. Clarity on this issue will be provided.

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		<p>would usually opt for a turnkey solution, which means that all procurement is done by the company responsible for designing and building the plant infrastructure. This is the case with Tshipi as it is about to embark on the construction of its permanent secondary processing plant. This will entail a large two year capital investment but will have a material impact on our long term cost of production, which in prevailing market conditions represents Tshipi's only hope to keep the business sustainable for the future. Very high targets with respect to goods being locally manufactured will simply be passed onto the construction company who simply increases their price to mitigate their own perceived risk. This will have unintended consequences of putting mining companies' long term business under severe financial and sustainability risk. The Minister needs to consider these aspects when proposing targets under procurement.</p> <p>XIII. On mine community development, the proposed 1% of annual turnover target to be contributed towards local community development and labour sending areas will be detrimental financially for mining companies, particularly companies that have not been in existence for many decades and that have one mining operation such as Tshipi. This requirement can amount to a 1000% increase in the current commitment. We accordingly suggest that this requirement be restored to the prevailing status quo of 1% of the net profit after tax.</p> <p>XIV. On Housing and Living Conditions, all of the requirements under this provision are already included in the Housing and Living Conditions Standards for the Minerals Industry developed by the Minister in terms of section 100(1)(a) of the MPRDA ("Housing Standards Policy"). We therefore submit that the need to include this element in the 2016 Charter is not clear to us and will give rise to unintended ambiguities and inconsistencies.</p>	<p>XIII This is in line with Treasury Regulations, to confirm with Treasury.</p> <p>XIV The Department to revise Housing Standards Policy.</p>
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		<p>XV. The requirements of facilitation of home ownership do not take into account the economic impact thereof or whether employees would want to own homes near the mine. We strongly believe that employees have a voice in terms of whether they wish to rent or purchase homes (and in which locations) and rental options must also be considered carefully. Not all employees of mines consider home ownership in a mining area viable given that their families are often living in non-mining areas and demand pressure on current commodity prices means that the future of mining companies are uncertain.</p> <p>XVI. The financial impact and implications for mining companies to facilitate or guarantee loans for ownership options may be prejudicial and impact on the mining companies' ability to carry out investment as mining companies may require to reflect such obligations on their balance sheets. The financial and social impact of this proposal is not fully understood and we are of the view that prior to imposition of such targets, a full assessment by the Minister be conducted in this regard. The definitions for "interested employees" and "offering housing" have not been sufficiently defined.</p>	<p>XV. There are options provided and is not limited to home ownership.</p> <p>XVI The Department disagree.</p>
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DRAFT REVISED MINING CHARTER CONSULTATION ACTION PLAN
DEPARTMENT OF MINERAL RESOURCES
MINERAL POLICY AND PROMOTION BRANCH
JUNE/JULY 2016

DELEGATION	DATE	TIME	VENUE	STATUS	
Government Departments and Regulatory bodies.	Planning Monitoring and Evaluation (DPME).	8 th June 2016 (Wednesday).	09h00-12h00.	DMR Exco Boardroom.	Done.
	Department of Trade and Industry (DtI).	01 st July 2016 (Friday).	09h00-15h00.	DMR Exco Boardroom.	Done.
	SADPMR	4 th July 2016 (Monday).	10h30-16h30.	DMR Exco Boardroom.	Done.
	Junior/emerging Mining consultative forum.	5 th July 2016 (Tuesday).	09h00-16h30.	Collieries Training Centre, Emalahleni, Mpumalanga.	Done.
	CoM delegation.	8 th 2016 (Friday).	09h30-17H00.	DMR Exco Boardroom.	Done.
Chamber of Mines (CoM).					
Department of Labour.	Labour Delegation.	12 th July 2016 (Tuesday).	9h00-14h00.	DMR Exco Boardroom.	Done.
Solidarity.	Solidarity Delegation.	13 th July 2016 (Wednesday).	9h00-12h30.	DMR Exco Boardroom.	Done.
UASA.	UASA Delegation.	13 th July 2016 (Wednesday).	09h00-12h30.	DMR Exco Boardroom	Done.

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National Union of Mine Workers (NUM).	NUM Delegation.	14 th July 2016 (Thursday).	9h00-16h00.	Midrand.	Done.
	1. Anglo American.	15 th July 2016 (Friday).	09h00-10h00.	DMR Exco Boardroom.	Done.
	2. Assmang Iron Ore/Atlas Copco SA/African Rainbow Minerals/Meiso.	15 th July 2016 (Friday).	10h00-11h00.	DMR Exco Boardroom.	Done.
	3. Anglo Gold Ashanti	15 th July 2016 (Friday).	11h00-12h00	DMR Exco Boardroom.	Done.
	4. Gold One Africa	15 th July 2016 (Friday).	12h00-13h00	DMR Exco Boardroom.	Done.
	5. Afrisam.	15 th July 2016 (Friday).	14h00-15h00.	DMR Exco Boardroom.	Done.
	6. Ivanplats.	15 th July 2016 (Friday)	15h00-16h00	DMR Exco Boardroom.	Done.
	1. Ntsimbiintle Mining (Pty) Ltd/Tshipi e Ntle Manganese Mining (Pty) Ltd.	18 th July 2016 (Monday).	09h00-11h00	DMR Exco Boardroom.	Done.
	2. Sibanye Gold.	18 th July 2016 (Monday).	11h00-12h00	DMR Exco Boardroom.	Done.
	3. PPC	18 th July 2016 (Monday).	12h00-13h00	DMR Exco Boardroom.	Done.

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4. Tronox	18 July 2016	14h00-15h00	DMR Exco Boardroom.	Declined.	MK
DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	
1. Zurel Bros SA.	19 th July 2016 (Tuesday).	09h00-10h00.	DMR Exco Boardroom.	Done.	
2. United Nations Children Fund.	19 th July 2016 (Tuesday).	10h00-11h00	DMR Exco Boardroom.	Done.	
3. Centre for Merchandise Mining system.	19 th July 2016 (Tuesday).	11h00-12h00	DMR Exco Boardroom.	Done.	
4. Centre for Environmental rights.	19 th July 2016 (Tuesday).	12h00-13h00	DMR Exco Boardroom.	Done.	
DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	
5. Mining Affected Communities United in Action (MACAU).	19 th July 2016 (Tuesday).	14h00-15h00	DMR Exco Boardroom.	Done.	
6. Serodumo SA Rona Community Based Organization.	19 th July 2016 (Tuesday).	15h00-16h00	DMR Exco Boardroom	Done.	
7. Bulelani Mkhonto	19 th July 2016 (Tuesday).	16h00-17h00	DMR Exco Boardroom	Done.	
DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	
1. Bowman Gilfillan.	20 th July 2016 (Wednesday).	09h00-10h00	DMR Exco Boardroom.	Done.	

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Legal Fraternity, accountancy and consultancy.	2. Webber Wentzel.	20 th July 2016 (Wednesday).	10h00-11h00	DMR Exco Boardroom	Done.
	3. Centre for applied legal studies	20 th July 2016 (Wednesday)	11h00-12h00	DMR Exco Boardroom	Done.
	4. Peta Attorneys	20 th July 2016 (Wednesday)	12h00-13h00	DMR Exco Boardroom.	Done.
	5. Dlamini Attorneys	20 th July 2016 (Wednesday)	14h00-15h00	DMR Exco Boardroom	Outstanding.
	6. Prof Henri Mostert, UCT, Mineral Law in Africa.	20 th July 2016 (Wednesday).	14h00-15h00	DMR Exco Boardroom.	Done.
	7. KPMG Services (Pty).	20 th July 2016 (Wednesday).	15h00-16h00	DMR Exco Boardroom.	Done.
Associations, Societies, Institutes and Councils.					
	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE
	1. Empowerdex (Pty) Ltd	21 st July 2016 (Thursday)	9h00-10h00	DMR Exco Boardroom.	Done.
	2. South African Institute of Race Relations (SAIRR).	21 st July 2016 (Thursday).	10h00-11h00	DMR Exco Boardroom.	Done.

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3. Seesa	21 st July 2016 (Thursday).	11h00-12h00	DMR Exco Boardroom	Done.
4. SADC Youth in Mining.	21 st July 2016 (Thursday).	12h00-13h00	DMR Exco Boardroom	Done.
5. South Africa-China Economy and Trade Associations (SACETA).	21 st July 2016 (Thursday).	14h00-15h00.	DMR Exco Boardroom.	Done.
1. South African Institute of International Affairs (SAIIA).	22 nd July 2016 (Friday).	9h00-10h00.	DMR Exco Boardroom.	Done.
2. South African Local Government	22 nd July 2016 (Friday).	10h00-11h00	DMR Exco Boardroom	Done.

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Association (SALGA)				
3. Amplats	22 nd July 2016 (Friday).	11h00-12h00	DMR Exco Boardroom	Done: MK
4. South African Mining and Mineral Processing Capital Goods Manufacture (MEMSA)	22 nd July 2016 (Friday).	12h00-13h00	DMR Exco Boardroom	Done: MK
5. Black Business Council	22 nd July 2016 (Friday).	14h00-15h00	DMR Exco Boardroom.	Outstanding.
6. SA Chamber of Commerce and Industry	22 nd July 2016 (Friday).	15h00-16h00	DMR Exco Boardroom	Outstanding.
7. Geological Society of South Africa	22 nd July 2016 (Friday).	16h00-17h00	DMR Exco Boardroom	Outstanding.
8.				
1. AMCU	25 th July 2016 (Monday).	10h00-12h00	DMR Exco Boardroom	Done.
1. South African Capital	26 th July 2016 (Tuesday).	09h00-10h00.	DMR Exco Boardroom.	Done.

	Equipment Export Council (SACEEC).				
	2. South African Mining and Beneficiation Co-operatives (SAMBCO).	26 th July 2016 (Tuesday).	10h00-11h00.	DMR Exco Boardroom.	Done.
	3. Deloitte	26 th July 2016 (Tuesday).	11h00-12h00	DMR Exco Boardroom.	Done.
	4. SAMDA	26 th July 2016 (Tuesday).	12h00-13h00	DMR Exco Boardroom.	Done.
	5. Vergenoeeg Mining	26 th July 2016 (Tuesday).	14h00-15h00	DMR Exco Boardroom.	Done.
	6. Jewellery Council of South Africa	26 th July 2016 (Tuesday).	15h00-16h00	DMR Exco Boardroom.	Outstanding.
	7. Aardme	26 th July 2016 (Tuesday).	16h00-17h00	DMR Exco Boardroom.	Cancelled.
	DAILY CLOSURE	DAILY CLOSURE	15h00		
	1. SADMA	27 th July 2016 (Wednesday)	09h00-15h00	DMR Exco Boardroom.	Done.

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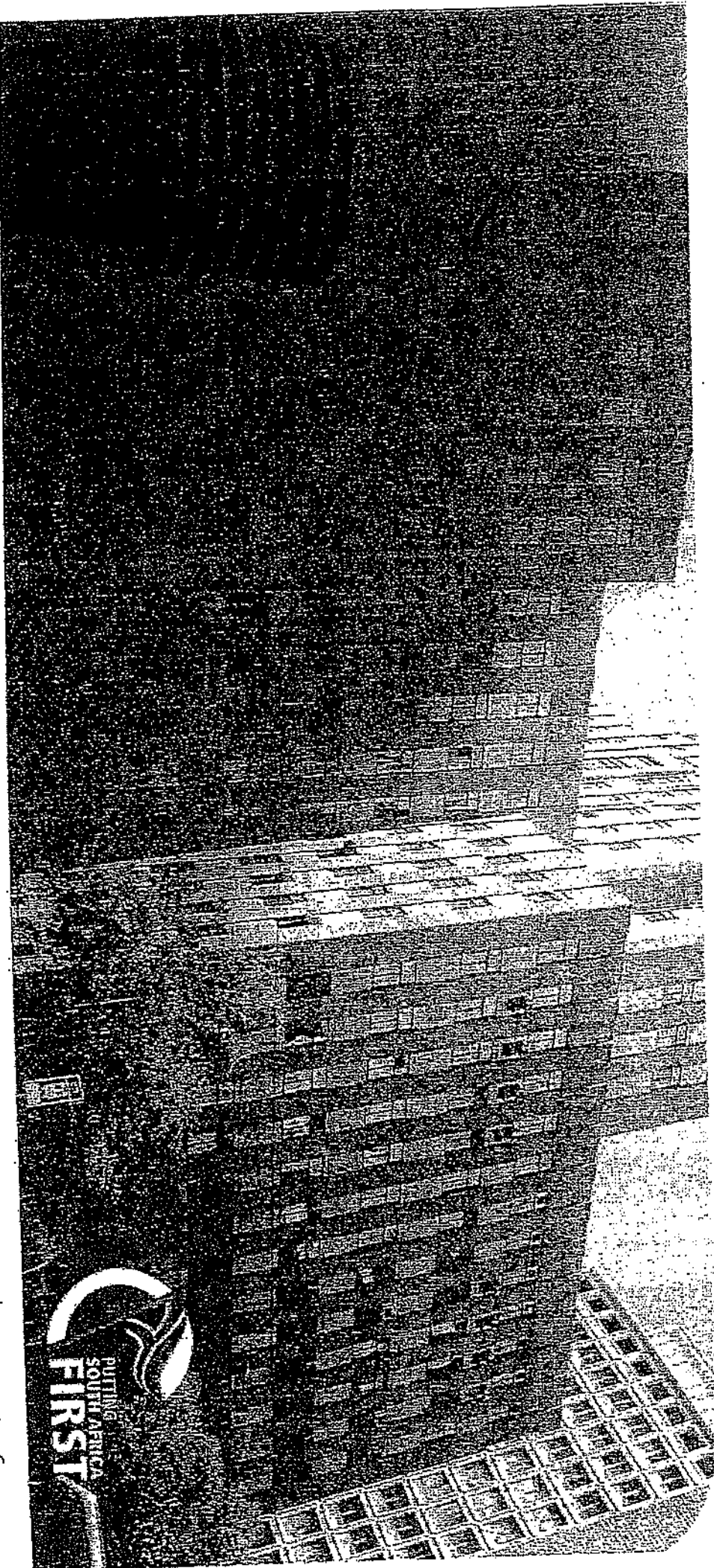
DAY CLOSURE		DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE
1. Standard Bank	28 July 2016 (Thursday)	11h00-13h00	DMR Exco Boardroom	Outstanding.	
2. Nedbank	28 July 2016 (Thursday)	14h00-15h00	DMR Exco Boardroom	Outstanding.	
DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE
1. Creative Voodoo Consulting	29 th July 2016 (Friday)	09h00-10h00	Gemstone Boardroom	Done.	
2. Anglo American	29 th July 2016 (Friday)	14h00-15h00	Gemstone Boardroom	Done.	
3. RMB	29 th July 2016 (Friday)	11h00-12h00	Gemstone Boardroom	Outstanding.	
4. Lafarge	29 th July 2016 (Friday)	15h00-16h00	Gemstone Boardroom	Outstanding.	
DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE
DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE	DAY CLOSURE
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CHAMBER OF MINES
of South Africa

REVISED DRAFT SUBMISSION ON DMR DRAFT REVIEWED
BROAD BASED BLACK-ECONOMIC EMPOWERMENT
CHARTER FOR THE SOUTH AFRICAN MINING INDUSTRY

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Presentation Outline

Background
Proposed Scorecard
Reviewed Draft Mining Charter
Ownership
Procurement, Enterprise and Supplier Development
Beneficiation
Employment Equity
Human Resource Development
Mine Community Development
Housing and Living Conditions
Key Measurement Principles and Reporting Requirements

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Background

- As a representative body of major and emerging mining companies in South Africa the Chamber takes the opportunity to make this revised submission to the DMR in response to the DMR engagement of 8 July 2016
- Our understanding of the country's transformation imperative is informed by the following:
 - a. The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
 - b. MPRDA Act 2002 (Act No. 28 of 2002)
 - c. B-BBEE Act 2013 (Act No. 53 of 2003)
 - d. The National Industrial Policy Framework (NIPF)
 - e. The National Development Plan (NDP)
 - f. Recognition of the role that industry needs to play to redress systemic inequalities and to meaningfully contribute towards the promotion of an inclusive industry and economy
- Our understanding of the alignment process is informed by the following:
 - a. B-BBEE Act 2013 (Act No. 53 of 2003)
 - b. Government Notice 1047 OF 2015
 - c. *The use of a common scorecard by different stakeholders provides a basic framework against which to benchmark BEE process in different enterprises and sectors.*
 - d. *B-BBEE Sector Charter, gazetted in terms of Section 12 of the B-BBEE Act*
(Source: BEE Strategy)

Proposed Classification of Entities

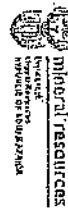
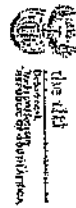
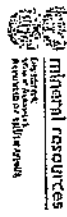
	Emerging Miners	Exempted Micro Enterprise (EME)	Qualifying Small Enterprise (QSE) Junior Miners	Generic Enterprise (GE) Majors
	< R50 million	< R10 million	R50 million - < R300 million	> R300 million
	R0.20 million (Micro)	R4 million (Very Small)	R10 million (Small)	> R50 million
	1 Priority element (Skills Development)		2 Priority elements (Ownership & Skills Development) plus 1 non-priority element	ALL

NB:

- The National Small Business Amendment Act (26 of 2003) defines business according to five categories established by the original act, namely, standard industrial sector and subsector classification, size of class, equivalent of paid employees, turnover and asset value – excluding fixed property.
- We propose that the classification of entities by turnover threshold as proposed be incorporated as part of the measurement principles in the Revised Mining Charter
- We propose that Sand and Quarries be classified as EME's

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Proposed Scorecard



Reporting	Y/N
Ownership	Y/N
Housing and Living Conditions	Y/N
Mining Community Development	15%
Sustainable Development and Growth (I.e. Enviro, Health & Safety, R&D etc.)	29%
Procurement & Enterprise Development	15%
Employment Equity	15%
Human Resource Development	25%
Beneficiation	0%
Total	100%

Ownership	25
Socio-Economic Development	5
Enterprise and Supplier Development	40
Management Control	15
Skills Development	20
Total	100

Ownership	Y/N
Housing and Living Conditions	Y/N
Human Resources Development	Y/N
Mine Community Development	30%
Procurement & Enterprise Development	40%
Employment Equity	30%
Beneficiation	0%
Total	100%

Ownership & Beneficiation	25
Skills Development	25
Housing and Living Conditions	6
Socio-Economic Development	15
Procurement & Enterprise Development	40
Management Control	19
Total	130

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Proposed Scorecard

Pillar (Element)	Weighting	Total including Bonus Points
Ownership and Beneficiation [Priority]	25 (5)	30
Management Control (Employment Equity)	19 (0)	19
Skills Development (Human Resource Development) [Priority]	25 (5)	30
Procurement, Enterprise and Supplier Development [Priority]	40 (6)	46
Socio-Economic Development (Mine Community Development)	15 (5)	20
Housing and Living Conditions [Priority]	6 (6)	12
Total Points	130 points	157

NB:

- This is a proposed scorecard. Further engagements to be held to agree an industry scorecard and guidelines for measurement.
- Values in brackets indicate bonus points

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Procurement Enterprise & Supplier Development

- Policy instruments to achieve broad based economic empowerment have not yielded desired outcomes-job creation:
 - Investment costs to set up manufacturing for capital goods not commercially sustainable
 - Limited volume of large body mining equipment in SA
 - Limited competitive advantage of old manufacturing plants abroad vs. a new plant
 - High current level of maintenance activities to save costs, thereby reducing volume of units
 - Fluctuating exchange rate which will compromise investment decisions
 - High import content of even locally based OEM's

However...

"In order to grow our economy, more enterprises are needed to produce value-added goods and services, to attract investment, to employ more of our people in productive activities" *South Africa's Economic Transformation: A Strategy for Broad-Based Black Economic Empowerment*

- Procurement, Enterprise and Supplier Development can be a catalyst for growth
 - Consumables and parts of the mining equipment can be produced economically in SA
 - SA industry has the expertise, funding support and baseline off take
 - The vision must be for a South African parts and consumables Hub for Africa and for operations of OEM locally and internationally (The Mining and Innovation Hub initiative is as an example)
 - Our expertise developed for local produced consumables and services can be exported

(Source: Johan Streuders)

Proposed Procurement Scorecard

Preferential Procurement Enterprise and Supplier Development		
Preferential Procurement	Weighting	Industry Target
Spend from all Empowering Suppliers	5	70%
Spend from Empowering Supplier QSEs	2	10%
Spend from EMES	2	10%
Spend from 51% Black Owned Empowering Suppliers	8	35%
Spend from 30% Black Woman Owned Empowering Suppliers	4	10%
Spend with 51% Black owned Sample Processors or Local Suppliers	4	2%
Bonus Points: Spend from 51% Black Owned Empowering Suppliers who are designated Groups	2	2%
Bonus Points: Spend from 51% Black Owned Black Industrialists	1	2%
Bonus Points: Spend from 51% black owned suppliers of Core services within the Mining Industry	1	5%
Supplier Development	10	2% of NPAT
Annual value of all Supplier Development Contributions made by the measured entity as a percentage of the target		
Enterprise Development	5	1% of NPAT
Annual value of all Enterprise Development Contributions made by the measured entity as a percentage of the target		
Bonus Points: graduation of one or more ED beneficiaries to SD level	1	Y/N
Bonus Points: creating one or more jobs directly as a result of ESD initiatives by the measured entity	1	Y/N
Total Points (excluding Bonus Points)	40	

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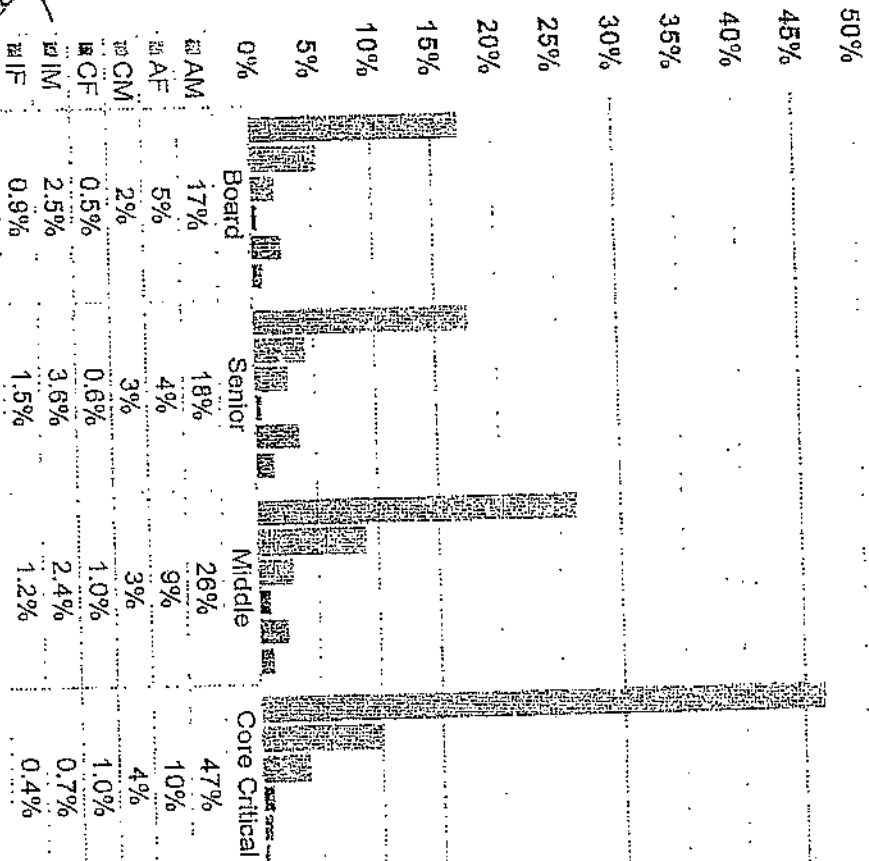
- Include incentives that promote partnering and collaboration
- Clear definition of what is expected from focused supplier development approaches as it relates to, inter alia, technical skills development of black businesses, mine entry requirements and quality
- The BEE Codes measure the denominator against which procurement targets are weighted in terms of the Total Measured Procurement Spend (TMPS) and the Reviewed Mining Charter is silent on the calculation. The Charter only makes reference to actual spend

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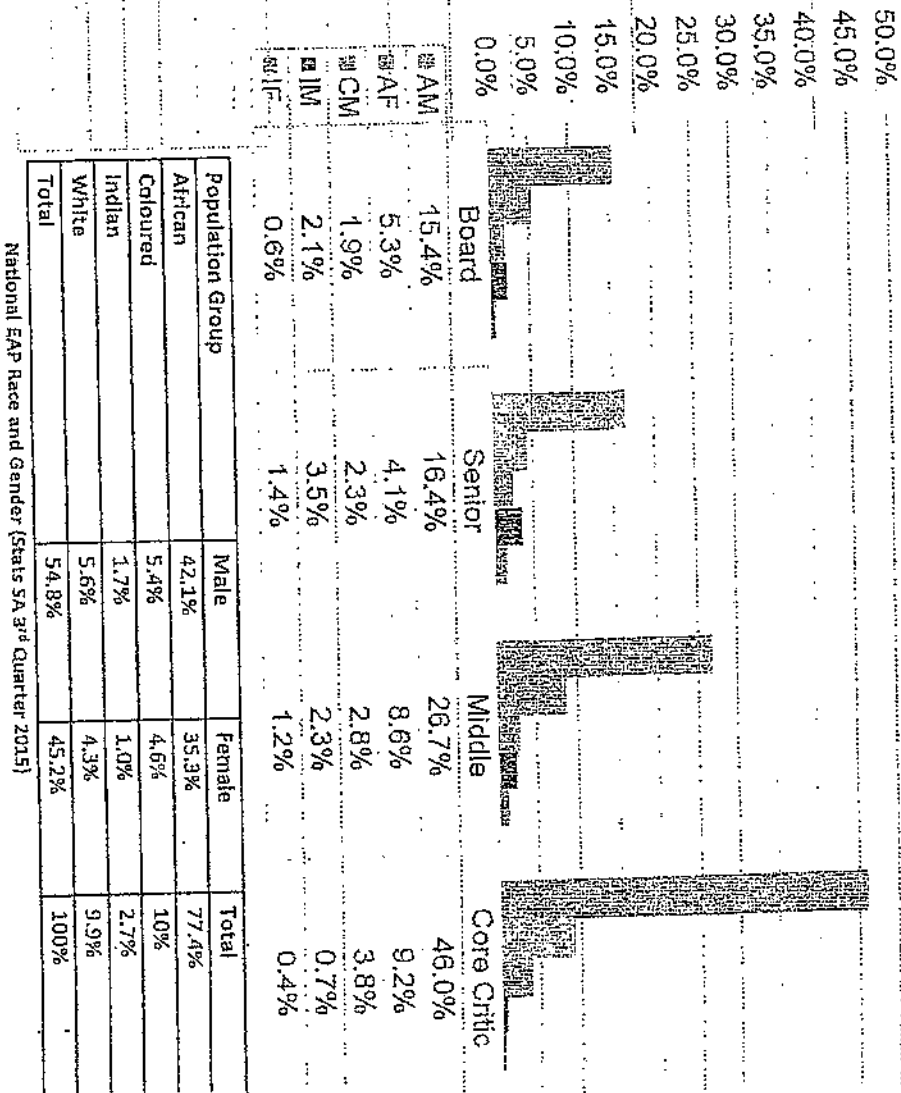
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Employment Equity

CEE Report Mining Workforce 2015



CEE Report Mining Workforce 2014



National EAP Race and Gender (Stats SA 3rd Quarter 2015)

Population Group	Male	Female	Total
African	42.1%	35.3%	77.4%
Coloured	5.4%	4.6%	10%
Indian	1.7%	1.0%	2.7%
White	5.6%	4.3%	9.9%
Total	54.8%	45.2%	100%

Employment Equity

- The Chamber and its members remain committed to workplace diversity and equitable representation at all levels to promote social cohesion, transformation and competitiveness of the mining industry
- The Mining Charter proposes employment equity targets that are set out in the DTI Codes without any modification which is problematic as previous Mining Charter targets were inclusive of white females (HDSA)
- We propose targets that are in line with industry workplace profiles and aligned to **regional EAP** statistics as reported by the Commission on Employment Equity annually
- Mining Charter targets to align with the Employment Equity Act five year planning cycle as it is proposed that progressive targets be set. These targets have to reflect:
 - Workplace profiles
 - Existing Talent Pool (internal plus external pipeline)
- According to the 16th Commission on Employment Equity Report (2015/2016) the mining industry had a workforce of **435,639 of which 8610 (1.97%) were reported as disabled**. This is an increase from 0.9% reported in 2014. The Employment Equity Act does not prescribe a target for Black disabled persons.
- Targets for people with disabilities should be inclusive of all races and the mining industry is committed to ensuring that it plays its part in the absorption of those classified as disabled; to address the absorption and employment of people with disabilities as the EE Act. The target should therefore be 2% of all employees. Companies to determine appropriate placements that will limit health and safety risks

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Revised Employment Equity Scorecard

Criteria	Weighting	Industry Target	DMR Target
Board participation:			
Exercisable voting rights of black board members as a percentage of all board members	2	40%	50%
Exercisable voting rights of black female board members as a percentage of all board members	1	15%	N/A
Black Executive directors as a percentage of all executive directors	1	40%	N/A
Black female Executive Directors as a percentage of all Executive Directors	0.5	15%	N/A
Other Executive Management:			
Black Executive Management as a percentage of all Executive Directors	2	55%	60%
Black female Executive Management as a percentage of all Executive directors	1	15%	30%

Revised Draft Chamber of Mines Submission: DMR Reviewed Mining Charter

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Revised Employment Equity Scorecard

Criteria	Weighting	Chamber Submission	DMR Target
Senior Management			
Black employees in Senior Management as a percentage of all Senior Management	2	50% (40%)	60%
Black female employees in Senior Management as a percentage of all Senior Management	1	20% (15%)	30%
Middle Management			
Black employees in Middle Management as a percentage of all middle management	2	60%	75%
Black female employees in Middle Management as a percentage of all Middle Management	1	20% (15%)	30%
Junior Management			
Black employees in Junior Management as a percentage of all Junior management	1	70%	88%
Black female employees in Junior Management as a percentage of all Junior Management	0.5	30%	30%
Employees with disabilities			
Black employees with disabilities as a percentage of all employees non-operational (support services)	2	2% (Inclusive)	2% Black
Core and Critical Skills	2	40%	40%
Total Points	19		N/A

NB: Items in red denote original submission

Revised Draft Chamber of Mines Submission; DMR Reviewed Mining Charter

Human Resource Development (Skills Development)

- The Chamber supports the categorisation of this pillar as a ring-fenced (priority) element
- Protracted low commodity prices, poor commodity demand from international markets, including above inflation labour cost increases have affected employment conditions in the mining industry
- These conditions have led to many companies resorting to right sizing and reducing their staff complements.
- As a "knowledge based industry", mining companies remain committed to training their employees for career growth as well as providing them with skills that will enable them to attain employment outside of mining.
- The Chamber proposes that this element be titled Skills Development to reflect the investment on employees as well as community members to better align with the B-BBEE Codes
- We recommend the usage of an industry learning programme matrix to determine the value applicable to training programmes, i.e. are internal training programmes weighted equally to external programme
- It is unclear how the Mining Charter will treat the expenditure on non-employee individuals? The Codes allow for 6% of expenditure to be expended on unemployed black people
- The Chamber does not support the 15% (of 5% annual payroll) contribution towards a Ministerial Skills Fund.

Learning Programme Matrix

A	Bursaries	<ul style="list-style-type: none"> • Institutional Instruction • Institutions • Degree, diploma, or certificate
B	Internships	<ul style="list-style-type: none"> • Mixed mode delivery • Institutions and workplace • Degree, diploma or certificate
C	Learnerships	<ul style="list-style-type: none"> • Structured learning • Workplace • Registration and licensing
D	Learnerships or Apprenticeships	<ul style="list-style-type: none"> • Institutional instruction and experiential learning • Institutional and workplace • Professional qualification
E	Work Integrated Learning	<ul style="list-style-type: none"> • Structured, supervised experiential learning • Workplace, institutional as well as ABET
F	Informal Training	<ul style="list-style-type: none"> • Structured information • Institutions, conferences and meetings • Professional development
G	Informal Training	<ul style="list-style-type: none"> • Informal training • Workplace • Understanding job/work content

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Proposed Skills Development Scorecard

Criteria	Weighting	Industry Target	DMR Target
Skills Development			
Skills Development Expenditure on Learning Programmes specified in the learning programme matrix for black people as a % of Leviable Amount	10	5%	5%
Skills Development Expenditure on Learning Programmes specified in the Learning programme Matrix for black employees with disabilities as a % of Leviable Amount	2	0.25%	N/A
Learnerships, Apprenticeships & Internships	4	1.5%	N/A
Number of black people participating in Learnerships, Apprenticeships & Internships as a % of total employees	5	1.5%	N/A
Number of black unemployed people participating in training specified in the learning programme matrix as a % of number of employees	2	2%	N/A
Support for Academic Institutions and R&D	2	2%	N/A
Bonus Points			
Number of black people absorbed into the industry	5	100%	N/A
Total (excluding Bonus Points)	25		

Mine Community Development (MCD)

- The MPRDA Preamble articulates that the state is the custodian of the country's mineral resources, the benefits of which should accrue to all the people who live in it
- Clarity is required on the definition of Labour Sending Areas is difficult to interpret
- Provide guidelines for the application and accrual of credits for Impact within the African region
- The target setting of 1% Annual Turnover towards local development is not endorsed by the Chamber
- Turnover based targets will be prejudicial to marginal mines and will increase costs for mining companies, (based on PWC 2015 and 2014 data, R3.3bn and R3.2bn respectively)
- According to research conducted by KPMG, the global average (top 100 companies) for social investment is 2.5% NPAT, of which the mining industry globally contributes on average 1.82%*
- We propose a maximum contribution of 2% NPAT towards Socio Economic Development
- It is important to note that non-monetary contributions are not considered under this element. The Chamber further proposes enhanced recognition of technical and capacity building programmes as part of this element as they facilitate municipalities' ability to deliver more effective services
- Furthermore, we propose that collaborative endeavours (with other companies, government departments, development finance institutions etc.) also be given enhanced recognition
- The real intention should be to measure with the aim of demonstrating the contribution of and impact that the mining industry has made towards community development, there must be a unified agreed definition for the measurement of compliance
- The Charter is silent on the alignment of the social and labour plans (SLP) to the mine and community development requirements. We propose that there should be a direct linkage between MCD contributions and the SLP.
- It is imperative that there be specific guidelines set on the DMR approval of MCD projects to guard against protracted approvals which unfairly prejudice companies

Source: KPMG International, Sustainable Insight: Unlocking the Value of Social Investment, May 2014

Proposed Mine Community Development Scorecard

Criteria	Weighting	Industry Target	DMR Target
Approved mine and community rural development projects	15	2% NPAT	1% Annual Turnover
Bonus Points	5		N/A
Implementation of additional projects (due to demand from communities/municipality)	1	0% < 5% target	N/A
	2	5% < 10% target	
	3	10% < 15% target	
	4	15% < 20% target	
	5	20% < 25% target	
Total Points (excluding Bonus Points)	15		N/A

NB:

- Enhanced Recognition (Multiplier of 1.2) for Collaboration Projects (Government, NGOs, DFIs etc.)
- All benefits that accrue to contractors and small businesses will be counted under ED provided the beneficiary qualifies as per the requirements of B-BBEE.
- Only initiatives that benefit the community, NPOs, NGOs, and Co-Ops will be claimed under SED 100% of the expenditure (monetary or non-monetary) will be recognized the moment the black beneficiary base (BBB %) reaches 75%. If the BBB% is less than 75%, the expenditure will be pro-rated.

Housing and Living Conditions

- The Chamber acknowledges that mining companies should assist and contribute to enabling employees who wish to own their own homes, to do so. However, the form and shape of this assistance should be determined by the particular circumstances prevailing in the different mining areas.
- The target set should take cognizance of the various factors that impact on housing delivery in the mining areas. These factors include the following:-
 - **Land Issues:** the challenges regarding access to land and the availability of land in municipal areas.
 - **Infrastructure and services:** the absence of and provision of bulk service infrastructure pose constraints in some areas.
 - **Access to finance:** this relates to, amongst others problems associated with the challenge of over-indebtedness, credit records, and the implementation of the Finance Linked Individual Subsidy Scheme (FLISP) etc.
- A one-size-fits-all approach that does not take account of the circumstances and challenges prevailing in the different mining areas, and the measures that some of the mining companies may have to implement in order to pave the way for housing, is problematic.
- Mining companies tailor their housing strategies, policies and programmes to respond to the specific circumstances and challenges prevailing in the different areas.

Housing and Living Conditions

- Although the Chamber initially submitted that this should not be a Priority element, *the industry recognises the impetus to redress historical imbalances and the need to contribute towards improved living conditions for existing and future mine operations*
- We therefore amend our earlier submission and support the classification of this element as a Priority (ring-fenced) element provided the DMR develops a quantitative measurement formula
- The stipulation that companies should partner with finance institutions to provide **guarantees** for home ownership on behalf of employees is not supported and we request the DMR to provide guidance and a clear definition of what "**guarantee**" entails
 - * How will the DMR determine fairness in terms of amount of contribution?
- Support the Mining Charter proposal of integrated development as per the Department of Human Settlements Policies and relevant frameworks and further **propose that the 2009 Revised Housing Standards be updated**
- The following is the proposed as criteria under this element:
 - **Provision of adequate and decent housing**
 - **Bonus Points**
 - Contribution towards home ownership options for interested mine employees in consultation with organised labour

Proposed Housing Scorecard

Criteria	Weighting	Chamber	DMR Target
Provision of adequate and decent housing (one person per unit and family units)	6	100%	100%
Bonus Points			
Contribution towards home ownership options for interested mine employees in consultation with organised labour and the Department of Human Settlements	6	100%	100%
<ul style="list-style-type: none"> The mine must have an ownership scheme in place, housing policy, proof of implementation of the scheme (housing register will be required as proof Process and policies to make the scheme affordable (E.g. indebtedness program, financial training programs) Proof of a consultative process with internal and external stakeholders (employees, municipalities, traditional leaders, organized labour) – minutes, memos, signed attendance registers with stakeholder 	(2) (2) (2)	100% 100% 100%	
Total Points	6		

NB:

- In terms of contributions towards Home Ownership, companies to have the wherewithal to determine a suitable policy for this contribution based on needs of employees. This may include subsidies towards rental accommodation and home ownership in the domicile of the employees' choosing
- Further engagements are required on this element

Key Measurement Principles and Reporting Requirements

- Entities which are not holders of rights, permits or permissions in terms of the MPRDA (such as manufacturers of autocatalytic converters and of jewellery) may find difficulty in applying the provisions of the Mining Charter to their activities, the Chamber believes these companies should comply with the DTI Codes
- We propose that Guidelines should be developed for independent monitoring and verification
- The review of targets should be subject to a stakeholder engagement processes which should consider economic conditions, beneficiary dictates and broader policy shifts as proposed
- The usage of Y/N as a basis of measurement should be removed on all elements
- The Chamber recommends that the Ownership element be reserved until judgement has been given in the Chamber's Declaratory Order, but in the meanwhile submits that holders be deemed to hold the greater of 26% or their actual empowerment percentage, and that they not be required to restore any loss of such level
- The Chamber further proposes that there be sub-minimums (50%) on Priority Elements [with the exception of Housing and Living Conditions which should have a target of 100%]

The Chamber remains committed to the country's transformation objectives...

- The Chamber welcomes the DMR's intention to align government policies and create regulatory certainty
- Transformation not only a regulatory requirement, but a business imperative and therefore appeal for a considered and inclusive approach to the development of an effective transformation instrument
- The Chamber is of the view that continued discussions are necessary with all stakeholders who are directly affected by the Mining Charter and the manner in which it is implemented.

CHAMBER OF MINES OF SOUTH AFRICA

CONTINUED STAKEHOLDER ENGAGEMENTS ON THE GAZETTED DRAFT REVIEWED MINING CHARTER, 2016.

LIST OF ENGAGEMENTS (AUGUST 2016 TO 21 APRIL 2017).

DATE OF ENGAGEMENT	NAME OF STAKEHOLDERS	
19/08/2016.	ARM AND MEMSA.	
19/08/2016.	National Treasury.	
5/09/2016	Government wide stakeholders (DtI, DPME, DHS) under the auspices of the Special Presidential Package, Presidency.	
19/10/2016.	National Union of Mineworkers.	
28/10/2016.	Department of Trade and Industry.	
03/11/2016.	Traditional leaders in North West. Province, Bojanala District.	
18/11/2016.	Community consultation in Free State Province, Matjhabeng Local Municipality.	
13/12/2016.	Community consultation in Limpopo Province, Mogalakwena Local Municipality.	
28/02/2017.	UASA and Solidarity, St George's Hotel, Irene.	
28/02/2017.	AMCU, St George's Hotel, Irene.	
28/02/2017.	BEE mining companies, St George's Hotel, Irene.	
02/03/2017.	National Union of Mine Workers, Tshwane.	
02/03/2017.	RMB and Afro-pulse (Tshwane).	

15/03/2017.	IDC, RMB and BEE mining companies, Fredman drive Sandton.	
21/04/2017	Department of Trade and Industry, DMR offices.	

DETAILS OF ENGAGEMENTS

DATE	STAKEHOLDER	COMMENTS	DMR RESPONSE
19/08/2016.	ARM AND MEMSA.	<ul style="list-style-type: none"> The Reviewed Charter must consider not only transformation and local value add in the mining industry but also backward, forward and side stream linkages. The definition of locally manufactured good is welcome but fails to set a minimum South African content, it is suggested that this be aligned with the international norms at 65% value add. 	<ul style="list-style-type: none"> Supported. The Draft Charter proposes that there must be 60% local content.

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		<ul style="list-style-type: none"> • The Reviewed Charter must remove the multinational supplier loophole as it is already dealt with in terms of the BBBEE Act and Dti Codes. 	<ul style="list-style-type: none"> • The Dti Multinational supplier requirements are linked to equity equivalence, the Department does not support the notion of equity equivalence. The proposal for multinationals in respect of the Charter relate to the 30% balance spend by mining right holders from multinationals. The Department will create mechanisms to ensure that this requirement is implementable.
	<ul style="list-style-type: none"> • It is not clear at what level BEE compliant is set at. It is recommended that the eligible procurement metric be the product 	<ul style="list-style-type: none"> • Noted. 	

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		<ul style="list-style-type: none"> • The Charter is discriminatory against new mining investors in that these will need time to develop BBBEE/local suppliers while it will be much easier for long established investors to comply with these proposed targets. Procurement targets should thus be staggered over the life of the mining right. • It is not clear what "BEE enterprise development" means. This must be rephrased and expanded for clarity. • In respect of HRD the obligation should be finance core and critical skills, in particular as the mining industry is more knowledge based. 	<ul style="list-style-type: none"> • Noted staggering of targets will be considered. • Noted clarity will be provided to talk to enterprise development. • Supported.
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		<ul style="list-style-type: none"> • R&D is necessary for survival of the mining industry, this aspect should not be conflated with HRD but should be a separate obligation for all mining right holders to spend at least 2% of turnover on R&D in South Africa. • The misalignment with the dti codes creates loopholes & is confusing. All industry charters and codes apply the EME, QSE and generic definitions. Also, in terms of the Small Business Act a business can have up to 200 employees, which will not promote small business development start-ups. We recommend that DMR to utilise the dti definitions and rules for EME, QSE and generic companies as suppliers. EME's & QSE's who are 	<ul style="list-style-type: none"> • Noted and this will be taken into account in the review process. • The Charter and the MPRDA does not provide for categorisation of companies in terms of size. All mining right holders must comply without exception. The Draft Charter does refer to the Small Business Act and this will be reconsidered.
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		<p>more than 51% black owned are automatically level 2, if they are more than 75% black owned, they are automatically level 1. Both must be conform to the ES definition.</p> <ul style="list-style-type: none"> • SABS will not have the capacity or know how to categorise the items, and the raw material analysed in the components and consumables for tier 1, 2, 3 suppliers. We recommend that DMR to use approved verification agencies to determine ES status of suppliers. Suppliers with no ES status do not count for the mines scorecard. • Mine community refer to communities where mining takes place and labour sending areas. We recommend that DMR to apply 1% of NPAT for community 	<ul style="list-style-type: none"> • The Department will engage with SABS to look into issues of capacity and related matters. • Noted. 	
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		<p>development and specify a minimum 75% of beneficiaries must be African, coloured & Indian South Africans as per dti codes.</p> <ul style="list-style-type: none"> • We recommend that the DMR must use rules that are already known in the industry and to apply dti definitions for trustees and governance, involve the Provincial Department of Economic Affairs to be part of trust. 	<ul style="list-style-type: none"> • Noted, The Department continues to engage the Dti to ensure that there is alignment. 	
19/08/2016.	National Treasury.	<ul style="list-style-type: none"> • National Treasury cautioned against the creation of Trust funds which will reside within the Department. • The levying of additional 1.5% towards a Ministerial Skills Development Trust may have tax 	<ul style="list-style-type: none"> • The Department is looking at possibilities of creating social development vehicles instead of Trusts (Agency). • Having met the companies that created the Multinational suppliers trust fund for their 	

		<p>implications. The creation of these trusts may need a special Money Bill which would have to be considered by Parliament. The Department needs to tread carefully around the creation of these trusts and consider all possibilities including the creation of a separate public entity to administer the funds.</p>	<p>own benefit, these companies shared the following information regarding the creation of the Trust to the Department and its implications on supplier pricing:</p> <p>(a) The Trust is an independent vehicle, with its own audited financial statements;</p> <p>(b) It has a trust account and trustees report to Premier;</p> <p>(c) Parties submit projects to the trust and projects are implemented based on service level agreements;</p> <p>(d) In respect of impact of supplier prices, suppliers are part of a Trust</p>
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		<ul style="list-style-type: none"> • National Treasury was supportive of creation of ESOPS as they are easily administered. It advised that in some jurisdictions workers are represented at board level and are 	
structure with a gearing effect;	(e)	For them it is not an additional cost, costs are handled in such a manner that it does not go into the product.	
	(f)	Can claim it under enterprise and social development. Don't have to add it into the price.	
	(g)	Has an element of sustainability if it is limited to supplier development.	
		<ul style="list-style-type: none"> • The Department noted Treasury advise on ESOPS and undertook to consider 	

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		<p>active participants in the running of businesses. In this regard the Department was advised to look at German empowerment model to further strengthen the Revised Charter proposal on Esops.</p> <ul style="list-style-type: none"> • National Treasury acknowledged the Bill and its potential to disadvantage employees. The Bill is currently being processes for tabling in Parliament. It was agreed that National Treasury will relay the Departments concerns to the drafters of the Bill and a meeting to mitigate the tax implications for Esops should be held within the next two weeks. 	<p>the issue of worker representation at board level.</p> <ul style="list-style-type: none"> • The implications of the draft Taxation Laws Amendment Bill were also discussed. This Bill was gazetted by National Treasury on 8th July 2016 for public comments. The Bill proposes a new section 8CA which is to the effect that dividends consisting of proceeds from the disposal or redemption of any underlying equity shares to the restricted
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			<p>equity instruments will be included in the income of the employees. Restricted equity instruments are defined to include ESOPS.</p> <ul style="list-style-type: none"> • This proposed section could be problematic if the ESOP's term is lengthy or if the scheme is structured to be restricted indefinitely to ensure prolonged fulfilment of the objectives of the Mining Charter and BBBEE legislation. This proposal potentially has negative implications for employees as it seeks to cast the net wider with regard to amounts being included in the income of employees, as opposed to
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		<ul style="list-style-type: none"> • National Treasury advised the Department to be explicit as to the percentage contributions towards labour sending areas. National Treasury further committed to avail its Local Governance Team to assist the Department in refining the Charter proposals on the interface between Social and Labour Plans and Mine Community Development. 	<ul style="list-style-type: none"> • The Department shared the challenges relating to the linking of Social and Labour Plan projects with the IDP's, due to the prevalent challenges of implementation capacity at municipal level. It was emphasised that the Mining Charter and SLP's are mutually reinforcing and that Municipalities, as constitutionally mandated institutions for community
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		development are responsible for development.
5/09/2016	Government wide stakeholders (Dti, DPME, DHS) under the auspices of the Special Presidential Package, Presidency.	<ul style="list-style-type: none"> • The removal of the Housing and living conditions as an element of the Charter was not supported. • The Department indicated that such removal is needed. to put specific focus and emphasis on this aspect. The Housing and living conditions standards to be reviewed and elevated into an enforceable instrument. • There was an indication that some IDP's are not necessarily budgeted for. • This must be further verified with COGTA/Treasury in the planned engagements. • Macroeconomics, empowerment/BEE could mean major contingent liabilities on compensation problems, • The Department was of the view that the law provides sufficiently for BEE transactions, there law can only go so far. BEE partner

		<p>environment etc class action currently in courts.</p>	<p>must be circumspect in concluding these transactions and not buy into deals that are under the water.</p> <ul style="list-style-type: none"> • Environmental aspects including contamination of water and rehabilitation are regulated in terms of dedicated legislation and should not be part of the Charter. Matters of compensation and the class action case are dealt with in terms of COIDA and related legislation. • Migrant labour remains a sensitive issue which needs specific focus.
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		<ul style="list-style-type: none"> • Empowerment/development/procurement etc should consider wider region (SADC) rather than just SA due to migrant labour system and need to also develop regional economy especially in labour sending areas in SA and neighbouring countries. • Human Resources / Skills – also cover areas directly or indirectly related e.g. occupational health and safety, laboratories for hygiene testing samples etc. • Health and safety needs to be brought back in given the problems with Mine Health & Safety Act – 	<ul style="list-style-type: none"> • Not advisable to provide a list of training areas as every stakeholder will want to be listed as well. It is advisable to keep this requirement general. • The sustainable development element will be reinstated with specific focus on health and safety. Environmental
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		<ul style="list-style-type: none"> note our benchmark tour to Australia last year! Especially issues related to mining, peri-mining communities – polluted water / air etc. Need to consider fund for post-mining future of towns in mining areas – your work on distressed mining communities. 	<p>aspects including contamination of water and rehabilitation are regulated in terms of dedicated legislation and should not be part of the Charter.</p>
19/10/2016.	National Union of Mineworkers.	<ul style="list-style-type: none"> The NUM is calling for the inclusion of "Meaningful consultation" in the definitions section, as we are currently finding it difficult to be meaningfully consulted in the implementation of charter targets and compilation of the mining charter report before submission to the regulator. The definition should 	<ul style="list-style-type: none"> The Department supports meaningful consultations between stakeholders in giving effect to the relevant elements of the Mining Charter. Compilation of the report is the prerogative of the right holder and it remains Government's

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		<p>read as follows: The extensive consultation conducted by the mining right holders and its stakeholders. These will include the primary stakeholders (which includes employees/workers, organized labour unions and all forums or structures) and Secondary Stakeholders (including relevant local & district municipalities (including their representatives), traditional leaders or authorities).</p> <ul style="list-style-type: none"> • We are propose the following additions in the Objectives section: The Broad Based Black Economic Empowerment Charter for the South African Industry, herein referred as the "Mining Charter ", is a government instrument designed to effect sustainable growth and 	<p>responsibility to evaluate, enforce and monitor compliance with the Charter requirements.</p> <ul style="list-style-type: none"> • The Department notes the suggested proposals to the objects of the Charter and supports same to the extent outlined above.
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		<p><i>meaningfully transformation of the mining industry (through a meaningful consultation process, especially with primary stakeholders).</i></p> <ul style="list-style-type: none"> • We call on the Department to have an incremental target for the ownership element, which will be 30% by 2018, 32% by 2020 and 35% by 2022 as a minimum target. • We unreservedly reject the notion of a Special Purpose Vehicle, as its founding objectives that were aligned to the companies act are no longer in place. 	<ul style="list-style-type: none"> • The Department supports progressive realisation of the Charter targets within the 3 years transitional period. Any suggestion to go beyond the transitional arrangement is not supported. • The Department notes the concern, consideration will be given to expand on the structuring of transactions, however this requirement was intended to protect the interests of BEE partners (Esops and communities)
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		<ul style="list-style-type: none"> On Beneficiation The NUM is calling for the fast tracking of the current Amendment Bill in Parliament, in order for the DMR and DTI to fast track the implementation of the Beneficiation Strategy in line with the National Development and Industrial Policy Action Plan. On human resource development, the allocation of a percentage of mineral right holder's payroll to skill development, training and research is supported, but we think it's important for it to be aligned to the 	<p>and ensure that they actively and meaningfully participate in the development of mining project/s</p> <ul style="list-style-type: none"> The Department notes the concern. The process to finalise the MPRDA Bill is managed by Parliament. The Department notes the concern and will reconsider the proposals. The Charter 5% proposal excludes the mandatory 1% skills levy as per the Skills Levy legislation
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		<p>current 6% in the generic codes of good practice. The money spent should be restricted to actual fees paid for a course or programme and not miscellaneous logistical costs.</p> <ul style="list-style-type: none"> • We would like to call on the Department to revise the Housing and Living Conditions Standards that were gazetted in 2009. • We call on the Department of Mineral Resources to strengthen and capacitate the Mineral Regulations branch, as we believe the below compliance with Section 28 (2) (C) of the MPRDA is non-negotiable and compliance should 	<ul style="list-style-type: none"> • The Department notes this concern and will address it accordingly. • The Department notes this concern and will address it accordingly.
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		<p>be met with relevant corrective measures.</p> <ul style="list-style-type: none"> • We would like to again express our concern with the removal of the Sustainable Development element in the draft mining charter. 	<ul style="list-style-type: none"> • The removal of this element will be reconsidered taking into account submissions received from stakeholders.
28/10/2016.	Department of Trade and Industry.	<ul style="list-style-type: none"> • Definition proposed for Capital goods – an intermediary sector that manufactures and supplies components for materials handling, environmental control, manufacturing process, drilling, digging, earthmoving and complete plants for inter alia the mining sector and supplying equipment such as pressure vessels; cyclones, crushers, screens, conveyors, mills, pumps and valves including capital 	<ul style="list-style-type: none"> • The submission is noted and will be considered in the review exercise.

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		goods used by contractors and leased fleet.	<ul style="list-style-type: none"> • Consumables: We also propose that the following consumables be excluded: water, electricity, land rates, oil and gas products and lubricants. • Services (this should be split into two definitions): Mining service providers – companies that provide services or products to the mining industry which are essential, classified as discretionary services to the mine and mining production process excluding, energy, fuel, utilities and hydrocarbons. General Service providers – services that are applicable to the entire company classified as non-discretionary 	<ul style="list-style-type: none"> • The submission is noted and will be considered in the review exercise. • The submission is noted and will be considered in the review exercise.
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		<p>services such as security, payroll, finance, medical, cleaning, insurance also services which are supplementary or optional to the mine or the mining production service. We further propose that the following services should not form part of the Charter: landscape, catering, road and housing/civils maintenance, basic housing construction in order to promote industrialisation imperatives.</p> <ul style="list-style-type: none"> • Locally manufactured – capital goods and consumables manufactured in South Africa achieving a minimum 60 percent threshold of local value add. Due to our experiences with the state 	<ul style="list-style-type: none"> • The submission is noted and will be considered in the review exercise.
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	<p>procurement programme the dti has the capacity to assist with monitoring and evaluation of "locally manufactured goods" concept</p> <ul style="list-style-type: none"> • BEE compliant company – is a company with a minimum BEE level 4 of the new codes and minimum 26 percent black ownership. • We recommend that this service be not limited to SABS but other modalities and possible bodies that can verify local content should be considered. Local content verification can be done in conjunction with BEE verification agencies or by establishing new verification agents solely focusing on verifying and certifying companies 	<ul style="list-style-type: none"> • The submission is noted and will be considered in the review exercise. • The Department will engage with SABS to look into issues of capacity and related matters. 	
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		on local content as opposed to SABS.	
		<ul style="list-style-type: none"> The dti reiterates that the proposed scorecard for the Draft Reviewed Mining Charter should enable companies to be issued with a B-BBEE certificate that they can use when they trade with companies in other sectors of the economy. In this regard the scorecard should make provision for allocation of points as well as the incorporation of the B-BBEE recognition level of the Generic B-BBEE Codes of Good Practice. It is the responsibility of our departments to ensure that the B-BBEE Act as amended 	
03/11/2016.	Traditional leaders in North West Province, Bojanala District.	<ul style="list-style-type: none"> The Department of Mineral Resources conducted an 	

	<p>engagement with the traditional leaders on the Gazetted Draft Mining Charter, 2016. The meeting was attended traditional leaders and was addressed by the minister of Mineral Resources and Premier of the North-West Province.</p> <ul style="list-style-type: none"> • The Department of Mineral Resources presented the draft Charter to the traditional leaders who expressed their support of the draft Mining Charter and enquired on how the draft document will assist them in applying Mining Rights for communities. They also highlighted their support for the beneficiation which can have spin-offs in addressing poverty and unemployment within their respective communities. 	<ul style="list-style-type: none"> • Submission noted. • Mineral beneficiation will further be elaborated on in the MPRDA Bill.
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		<ul style="list-style-type: none"> • They also indicated their hope for the establishment of factories which can provide them with fertilizers to be used for agricultural purposes. The traditional leaders raised their concern on the non-implementation of the mining related policy framework. In its respond the Department of mineral resources indicated that the communities have preference in terms of Section 104 of the MPRDA. • The Premier also outlined the province's strategy to improve communities lives through the Small towns and Dorpies strategy which can be complemented by the 	<ul style="list-style-type: none"> • Submission noted.
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18/11/2016.	Community consultation in Free State Province, Matjhabeng Local Municipality.	<p>benefits to be derived from the provisions of the Mining Charter.</p> <ul style="list-style-type: none"> • The Executive Major (Mr Speelman) of Matjhabeng Local Municipality opened the proceedings and welcomed everyone present. The Major thanked the DMR for keeping their promise of coming back to Welkom. However, the Major indicated ex-miners were promised to receive their money by the Deputy Minister during his state visit, and till today they have not received anything. The Major made a plea to the Department to give people of Matjhabeng licence to operate Mines. • IDP's will assist or drives the economy. The municipality had 	<ul style="list-style-type: none"> • The Deputy Minister is on a work trip overseas and will most definitely working hard to ensure the issues of ex-mine workers are resolved. • Department is committed to improving relations with its stakeholders and has an open door policy.
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	<p>identified one of the poorest IDP's in the municipality. There is no channel of communication between the municipality and the Department of Mineral Resources and needs to be improved drastically.</p> <ul style="list-style-type: none"> • Indicated that a forum has been created by the municipality and DMR is one of the members. The municipality is concentrating on the environmental impact of mining in the community. • MTDA is a duplication of MQA. • MHSA been used at the mine as a tool for retrenchment. • Black managers do not have powers at the mines • DMR does not have effective monitoring and enforcement body. 	<ul style="list-style-type: none"> • The Charter responds to the issue of alignment of SLP contributions to IDP's. • The Department is working on improving its capacity to monitor and evaluate implementation and enforcement of the law. • Issues of discrimination at work place are noted and must be elevated to relevant structure for attention.
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		<ul style="list-style-type: none"> Local Black people do not have procurement opportunities in Welkom, instead they take people from Johannesburg and there are lot of red tapes. Mining dumps are been rehabilitated by outside companies, and local people are not given opportunities because DMR states that they do not have jurisdiction over them. Transformation in the mining industry is taking too long to happen. The rate of poverty, unemployment and disease is very high in the Free State. It is very expensive to venture into mining. What type of legacy is the mining companies creating. 	<ul style="list-style-type: none"> The MPRDA and Charter provide for benefits for all South Africans from exploitation of mineral resources. The issues of mine communities who are negatively impacted by mining by virtue of their proximity are receiving the necessary attention. Transformation is an ongoing process and government will do all that is necessary to ensure that Broad based and meaningful economic empowerment becomes a reality.
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	<ul style="list-style-type: none"> • Harmony Gold is the biggest zama zama in Welkom. • The procurement does not work for Black people, and the tendering process must be amended. • Public participation must be regarded as critical process. • The department must hold meeting every Thursday to educate people about mining. • Most of the mining sites of Harmony are not rehabilitated. • Does the department conduct research before a mine can be closed? • What informs the department to close the mine. 	<ul style="list-style-type: none"> • Government is stepping up efforts to deal with issues of illegal mining and Zama-Zama's. A multi-stakeholder task team is dealing with these issues in a co-ordinated and multidisciplinary manner. • This will be taken up with the Ministry to ensure that the provisions of NEMA are complied with. Environmental inspectorate has been capacitated to deal with these kinds of transgressions.
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			<ul style="list-style-type: none"> Mine closure is informed by a variety of factors including completion of activities by the mining operation and lodgement of an application for a closure certificate. Some mines are put on care and maintenance and not necessarily closed.
13/12/2016.	Community consultation in Limpopo Province, Mogalakwena Local Municipality.	<p>Communities raised the following questions:</p> <ul style="list-style-type: none"> How is the mining industry redressing the imbalances of the past in the industry? What is the DMR doing to ensure transformation becomes a reality in the mining industry? 	<ul style="list-style-type: none"> The department responded that in the past women, Black people were not allowed to own minerals in South Africa. The charter is redressing the imbalances of the past by allowing women and Black people to own minerals and hold management positions in the mining companies.

	<ul style="list-style-type: none"> • More clarity on how the agency referred to on the presentation going to unfold. • What is the department doing to ensure that the mines comply with the procurement? • How will the department assist the locals to ensure that they adhere to the SABS standards? • Is the department doing something on skill outreach and is the charter linked with the job saving strategy of the country? • Development in the mining towns is very poor, what is the department doing to ensure that the SLP is aligned to the needs of the communities where mining is taking place? 	<ul style="list-style-type: none"> • Foreign suppliers are required to contribute 1% of the revenue generated from the South African mining industry towards the Mining Transformation and Development Agency. • The MTDA will be responsible for supplier and enterprise development (including community based companies). • Labour sending area is where most of the employees are sourced from within Southern African borders.
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		<ul style="list-style-type: none"> • Is the SLP not supposed to be discussed with the communities through consultation and engagement? • What are the consequences of none compliance with the SLP commitments? • The communities needed for explanation on the term labour sending areas. • What is the department doing with non-compliant companies? 	<ul style="list-style-type: none"> • Every mining company is being monitored with the terms and conditions of the contract. If the mining company does not comply, then the department can cancel or suspend the licence. Mining companies are given the opportunity to correct their mistakes before the department can issue suspension or cancellation of contract. • The social and Labour plans must be in line with the Municipalities IDP's. If the supplier buys goods in China and brings them in the country that would not be
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			<p>regarded as been procured locally. There are goods which can be procured locally and does not exclude people from other provinces to render the services. The SABS would conduct verification on goods. Mining companies must consult with the general public before they can be issued with a mining right and anyone in South Africa can object to the granting of such right. Section 26 of the MPRDA promotes beneficiation. Mining companies would be restricted to benefitate on certain strategic minerals.</p>
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28/02/2017.	UASA and Solidarity, St George's Hotel, Irene.	<ul style="list-style-type: none"> • Appreciated the brief on the latest developments with the Reviewed Mining Charter. • Expressed concern over lack of access to the actual document. • Concerned that the Employment equity targets are unachievable and will lead to poaching of workers between mining companies. • Questioned whether a regulatory impact assessment was done. • Welcomed the re-instatement of the Sustainable development element. • The proposal for 1% annual turnover and related contributions will impact on wage negotiations, 	<ul style="list-style-type: none"> • The concerns expressed were noted. • A Socio-Economic Impact Assessment has been done in consultation with the Department of Planning Monitoring and Evaluation and will be availed upon finalisation of the Charter for implementation. • Transitional arrangements are provided for to afford the industry time to progressively comply with the proposed targets. • Follow up meeting to iron out issues was agreed.
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28/02/2017.	AMCU, St George's Hotel, Irene.	<p>inhibit growth and lead to job losses.</p> <ul style="list-style-type: none"> • Overall not comfortable with the Charter but expressed appreciation for the engagement. • A follow up meeting must be arranged with the Deputy Minister to iron out issues of contention. 		
		<ul style="list-style-type: none"> • Is this still and open consultation process? • What is the latest on the Declarator with Chamber of Mines? • Mining Companies comply with the bare minimum. The proposed increase in targets is supported. • There is a need to strengthen community consultation and SLP provision through the Charter. 	<ul style="list-style-type: none"> • The Department welcomed Amcu's input and committed to engage further on the draft. • The Chamber matter is sub-judice and pronouncements will be made in due course. 	

		<ul style="list-style-type: none"> • The 10% increase for workers in the form of ESOPS is welcomed. 	
28/02/2017.	BEE mining companies, St George's Hotel, Irene.	<ul style="list-style-type: none"> • Charter should be clear regarding unencumbered net value in the hands of BEE partners. • The industry committed to facilitate 100 Billion towards transformation in 2004, has this been assessed and verified by the Department? • What about Black male empowerment as it relates to procurement? There may be unintended consequences for singling out women and youth. • Need to watch out for consolidation of rights; consequences of previous deals do not apply to new rights. • Why can't a BEE partner sell to another BEE partner? 	<ul style="list-style-type: none"> • The Department acknowledged the input received. It committed to improve on its stakeholder relations as suggested. It is working into issues of capacity to ensure better monitoring and evaluation of implementation and enforcement of the law. • The Charter will provide more clarity on a number of issues including active participation and control across the mine value chain.

		<ul style="list-style-type: none"> • The 3 years transitional period proposed in the Charter is too long, it must be reduced. • The minimum 29% for ownership must take into account the nature of the operations, whether open cast or underground, the duration of the right and related factors. The percentage must be increased for open cast mining. • The draft Charter must also consider the costs for BEE's before deciding on Black person shareholding. • There must be a databased or newsletter where people can be kept abreast of developments and register their interests. 	
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		<ul style="list-style-type: none"> • How will the procurement element apply to evergreen projects its more suited for long terms projects? • The Charter must provide for marketing of mining production to ensure that BEE partners participate meaningfully and control their proportionate share across the mine value chain including logistics (transportation). There is a mischief by mining operations of diverting benefits away from BEE partners. • The Charter is silent on monitoring structures. • It is futile to have good laws without proper monitoring and evaluation of 	
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		<p>implementation and enforcement of the law.</p> <ul style="list-style-type: none"> • The Department is lacking in this regard. • There must be measures to ensure that dividends are declared to BEE partners. • What are the benefits of pursuing mineral beneficiation, the Charter is not clear. • The Department needs to work on stakeholder relations. • It must provide support to communities to derive benefit from the proposals. • Procurement must be a ringfenced element. • The proposed stakes for women empowerment must be increased. 	
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02/03/2017.	National Union of Mine Workers, Tshwane.	<ul style="list-style-type: none"> • The definition of HDSA to Black is supported. • Developmental funding institutions must come on board. • The Charter is silent on creation of Black enterprises. 	<ul style="list-style-type: none"> • Submission and concerns noted. 	
02/03/2017.	RMB and Afro-pulse (Tshwane).	<ul style="list-style-type: none"> • The proposed transitional period on the Charter is too long and must be limited to 12 months. • How will the 18% cap on dilution be structured? • The obligation must be on the right holder to finance the ESOPS and community shareholding. • What steps to follow before gazetting? • Need clarity on the definition of net value and time graduation factor. 	<ul style="list-style-type: none"> • Submission and concerns noted. 	

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| | <ul style="list-style-type: none"> • Make provision for dilution on mining right holders who have claimed the 11% beneficiation offset. • Does net value include actual shareholding or cash flow or both? • Existing deals never realised any value. • BEE's are just enablers why are they waiting? • ESOPS must include free carry and trickle flow of dividends. • BEE entrepreneurs must be able to absorb an element of risk. Further unpack net value. • The Banks and financial institutions are the biggest stumbling block to transformation. • 3% to play with is not a good idea. | |
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		<ul style="list-style-type: none"> • 3% to be given to BEE entrepreneurs. • Further detail is needed on how communities will benefit from their shareholding. Whether to have free shares from day 1 or have an agreement on what will be a minimum despite the markets (share price). 	
21/04/2017	Department of Trade and Industry, DMR offices.	<ul style="list-style-type: none"> • The process to be followed in developing the Charter should be similar to that conducted by other sectors when developing their codes and be gazetted for 60 (sixty) days for public comments. Acknowledged that DMR has already conducted the consultation and indicated that the department tick the box on this aspect of engagement, which was 	<ul style="list-style-type: none"> • The mining industry's consultations have been conducted in terms of Section 100 of the MPRDA. The BBBEE Act process operates on the basis of consensus while the MPRDA process is based on consultations and this may cause challenges if the BBBEE Act process is to

		<p>already undertaken. If DMR can do as indicated there will be no need for seeking deviation on the stakeholder engagement.</p>	<p>be followed. The meeting agreed that there is a separate process led by the Deputy President which will decide and resolve on the process issues and the status of section 100 of the MPRDA and section 9 of the BBEE Act.</p>
		<ul style="list-style-type: none"> • Verification of BEE credentials: It indicated that dual compliance by suppliers should be avoided; • DTI indicated that it will support DMR's position provided that there is a unit or division within the department comprised of competent persons who can conduct such verification and system in place to implement such verification. DTI 	<ul style="list-style-type: none"> • DMR indicated that its position is to conduct in-house verification as opposed to independent verification agency

also undertook to engage with the BEE Valuation Regulator (SANAS)

in this regard. Another option was that the verification should be conducted by an independent

agency while DMR can do internal due diligence and this option could be confirmed with SANAS and feedback will be provided during the next meeting.

- DTI is fully supportive of the proposal for the increment of BEE ownership shareholding of 29% since it is not below the minimum of 25%;

- DTI supports 11% offset for beneficiation against the ownership element. However, it required clarity on the implementation of the same.

- DMR indicated that such clarity will be provided on the proposed amended Section 26 and regulation of the MPRDA thereof.

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	<ul style="list-style-type: none"> • DTI also sought clarity on the downward adjustment of the ownership shareholding to 18%, which has to be empowered within as stipulated timeframe. DTI was satisfied that this takes care of the provision of once empowered always empowered provision. • DTI proposed that DMR should consider the option of using Equity Equivalence on suppliers instead of 1% of foreign suppliers' annual turnover since most companies will opt for it despite of less benefits when comparing the two options. DTI undertook to provide detail information on this option during the next meeting. 	<ul style="list-style-type: none"> • Details of this to be shared during the next team engagement. • DMR indicated its main objective is to ensure that there is change of ownership completion of the mining industry. It expressed reservations regarding the equity equivalence suggestion.
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		<ul style="list-style-type: none"> • DTI proposes that women representation on the skills development be increased from 15% to 25% for it be in line with the Dti Codes of Good Practice. It proposes for the increase of the employment target of people living with disability (black) 2% to 3% in line the codes. • DTI raised concern on the proposed companies' contribution of 2% to a trust or agency. However, it was satisfied when DMR indicated that such contribution will be ringfenced for skills development and be contributed towards the MTDA and it is engaging the National Treasury in this regard. • DTI supports the collapsing of the capital and consumables goods into 	<ul style="list-style-type: none"> • DMR agreed to fully align with the Codes and the Employment Equity Act.
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one category and the target of 70% thereof. However, it proposed that the transitional period for the implementation of this target should be changed from 5 to 2 years.

- It proposes that the discretionary spend should exclude lubricants, coolants and energy;
- It also proposed that the verification of local content should include the country of origin.
- It further proposed for the alignment of the Mining Charter with the black industrialist Programme to be supported by the IDC and PIC while DMR can identify black people to be capacitated within the mining industry sector.

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		<ul style="list-style-type: none"> • DMR proposal for higher target of 60% local content is supported. • Discrimination among local and multinational suppliers. 1 % for multinationals is an add-on. Fair treatment. • The targets must be staggered and progressively achieved. • Dti advised that community development contributions (SLP) must explicitly be biased in favour of black communities. 	
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17 November 2016

Minister M J Zwane
Minister of Mineral Resources
Building 2 C, Trevenna Campus
Cnr Meintjies and Francis Baard Streets
Sunnyside
Pretoria

Sent via email: Queen.Poolo@dmr.gov.za

Dear Minister Zwane

Engagement Between the Minister and the Chamber

When we last met we agreed that it would be useful for the Minister and his team to meet with the Council of the Chamber on 19 November 2016 to discuss a range of issues impacting on the mining industry. The Chamber's Council met on the morning of 16 November 2016. It is the opinion of Council that it would be far more useful rather for there to be a more private engagement between the Minister, the senior Officials of his choosing and the Chamber's Office Bearers and CEO.

While there is some urgency in such an engagement taking place as soon as possible, I must unfortunately advise that only one of the Chamber's Office Bearers is available on 19 November 2016. Therefore, I propose that we seek a mutually convenient date for a private meeting that will allow both parties to have their full teams present.

2016 is fast coming to a close and a number of critically important issues still remain unresolved, despite the fact that there has been on-going engagement on some of such issues. Such irresolution is impacting heavily on the industry, on investor confidence and on the industry's ability fully to contribute to South Africa's development. Decisive action is required on issues such as:

- the Mining Charter and, in particular, the ownership element of the Charter (continuing consequences);
- the MPRDA Amendment Bill which has now been further delayed, and in respect of which the NCOP has the right to open discussions on all the Bill's provisions despite prior agreements having been reached in earlier legislative processes;
- the issue of environmental permits which, it appears, are sometimes dealt with outside the necessary statutory provisions;
- the inconsistent processing of s11 applications, where some are inexplicitly fast-tracked while others are subject to equally puzzling delays; and
- the inappropriate imposition of s54 safety closures.

These are the sort of issues that we would like to discuss with the Minister, and which need to be resolved if the industry is to move forward.

Equally important is the functioning of the Department of Mineral Resources (DMR). There is no use beating about the bush on this issue, we need to be



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forthright and honest about the situation. The industry is extremely concerned about the lack of leadership and bureaucratic stability at the DMR. Bluntly put, this simply has to be addressed.

We also cannot shy away from the State of Capture report which contains very serious and concerning allegations. While the report is still to be subject to a Judicial Review, the perception has been created that the report is describing a country, and a mining industry, that is in deep trouble. We need to face this head on.

The mining industry is in crisis. This crisis is exacerbated by the lack of resolution on critical issues. I hope that we will soon be able to meet as a small leadership team to agree on ways in which to rescue the industry and to come to an understanding about the definitive actions required to make this possible.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Mike Teke', written in a stylized, cursive-like font.

MIKE TEKE
PRESIDENT
CHAMBER OF MINES OF SOUTH AFRICA

MK M.S-2

PRIVATE & CONFIDENTIAL

26 January 2017

Mr David Msiza
Acting Director General
Department of Mineral Resources
Trevenna Campus
Corr Meintjies and Francis Baard Streets
Sunnyside
Pretoria

E-mail: David.Msiza@dmr.org.za/ Ms SE Mlawuli- busi.mlawuli@dmr.gov.za

Dear DG Msiza

MINING CHARTER OWNERSHIP ELEMENT AND THE NON-OWNERSHIP ELEMENTS IN THE REVIEWED MINING CHARTER

The Chamber of Mines Council met yesterday at which time the progress on the discussion regarding the ownership element of the Mining Charter and the non-ownership elements in the Reviewed Mining Charter were discussed. As per my telephonic discussion with you yesterday morning, the Chamber is extremely concerned that the DMR has inserted into the draft wording on the ownership element for the Reviewed Mining Charter a set of new issues that have never been discussed in the task team and which do not form part of the "V8" agreement. In particular, the Chamber is very concerned about the DMR's new proposal regarding the "New Rights Application" section where the new issue of curtailing the continuing consequences in new right applications to three years has been introduced. The existing V8 draft agreement document specifically provides that continuing consequences in respect of new mining right applications will apply for the duration of the mining right. The fact that the DMR only provided the Chamber with its new proposal at the eleventh hour of the task team meeting on Monday 23 January 2017 and did not provide any time for presenting the draft document is most disconcerting.

The Chamber's mandate on the ownership element is very clear. We require the conversion of the V8 draft agreement into of a proper agreement document for signing by the Minister and the Chamber, letters from the Minister confirming the empowerment credits of mining companies and the reflection of the signed agreement in the Reviewed Mining Charter. At the meeting of the Committee of Principals on Friday 20 January 2017 it was agreed by the Principals that the Task Team should finalise the V8 agreement, the letters and progress the discussions on the non-ownership elements of the Reviewed Mining Charter. The DMR at the Task Team meeting on 23 January not only introduced a draft



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ownership section that does not reflect the V8 agreement, but also suggested that the Chamber do away with the request for the letters by the Minister. We do not agree that the DMR officials have the right to unilaterally change the mandate given by the Principals

For the discussions to continue the Chamber insists on the following

- the DMR must withdraw the draft ownership wording document that it gave the Chamber on 23 January 2017; and,
- the DMR should revert with draft wording for the ownership element that reflects the wording of the V8 agreement.

The Chamber then requires the conversion of the V8 agreement into an agreement for signing by the Minister and the Chamber, the Minister's letters confirming the empowerment status of the individual mining companies and the proper reflection of the agreement in the wording of the ownership element in the Reviewed Mining Charter.

I must reiterate that only once these requirements have been complied with will the Chamber be in a position to consider withdrawing the declaratory order court case.

On the non-ownership elements of the Reviewed Charter we still have material concerns regarding some of the DMR's proposals. The Chamber's Council has confirmed our mandate set out below.

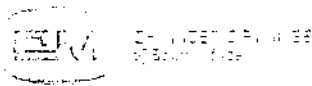
Mining Transformation Development Agency: The MTDA is not the solution for the DMR's perceived industry skills woes. Government and stakeholders are considering rationalizing centers of expertise and improving the outcomes of skills development entities. The DMR should not act unilaterally by going in the opposite direction. Furthermore, the proposed funding of the MTDA from a portion of the designated skills funds and multi-national company supplier spend is still not supported.

Mine Community Development: A turnover based target for mine community development is highly problematic. We hope we can find a solution that meets the objectives of both the DMR and the industry.

Employment Equity: The DMR had already resolved prior to our recent discussions to reduce some of the sub-targets in recognition of the industry's demonstrable challenges in meeting them. The discussions on this element had used that as a departure point in considering the 5-year transition to meeting the targets set. The DMR's backtracking on the reduced sub-targets is a real challenge for the Chamber.

Procurement: While the industry supports building the local manufacturing base, we still have not been provided with any scientific basis for the setting of the targets for locally manufactured goods. Current government initiatives and incentives have not yet yielded the requisite manufacturing base,

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and a satisfactory alignment between the capacity of local manufacturers and demand of the procuring mining companies has not been undertaken

Reporting & Scorecard: The DMR persistent aversion to independent verification is concerning. While committing to better definitions, guidelines, measurement principles and periodic assessments is commendable, independent verification would ensure good governance and also would go a long way in restoring the industry's reputation

While we have made progress on some of the non-ownership elements of the Charter, it appears from our perspective that the DMR and Chamber remain in fundamental disagreement on key issues. In this regard the Chamber will not support any statements at the Mining Indaba or in the SONIA that agreement has been reached. If the DMR does go out into the public domain and make statements that an agreement is close or to cherry pick where we have agreed and exclude the areas of non-agreement on the non-ownership elements we will be forced to refute this in public. Whether or not the Chamber's Declaratory Order court case is withdrawn pursuant to compliance with the above requirements relating to the ownership element, the Chamber reserves the right to institute new court proceedings in regard to the above non-ownership elements.

I am very concerned regarding the events of the past week. The Chamber has approached the discussions with a solution seeking mind-set. I am not sure that these discussions can continue until we have a meeting of the minds on exactly what we are trying to achieve.

Yours sincerely,

Roger Baxter
Chief Executive
Chamber of Mines of South Africa.
Tel No: 011 498 7563
Email: rbaxter@chamberofmines.org.za

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V8

STRICTLY CONFIDENTIAL DOCUMENT

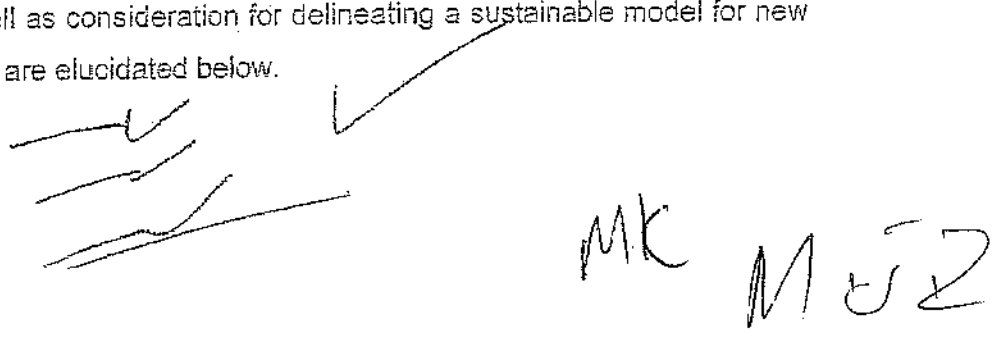
OUTCOME OF THE BI-LATERAL DISCUSSION BETWEEN THE DMR AND THE COM ON OWNERSHIP

1. Background

A Chamber delegation met with Minister Zwane and some of his Officials on 26 April 2016. Minister Zwane requested the Chamber's President, Mr Mike Teke, to report to the meeting the outcome of discussions that they had held on Sunday, 24 April 2016. Mr Teke informed the meeting that the Minister had offered that, if the Chamber were to withdraw the Declaratory Order case and agree to a new mining charter ownership target of 30%, government would be willing to recognise "the continuing consequences of previous empowerment deals".

The Chamber delegation responded by saying, on a without prejudice basis, that it would be prepared to accept a target of 28% subject to a number of in-principle provisos. The Minister subsequently revised his proposal to an ownership target of 29%. The Chamber delegation agreed with the proposal of 29% subject to the principles outlined in 2 below and indicated that they would take the proposal back to the Chamber's Council for consideration.

The 10-a-side meeting of 26 April established a Technical Task Team to propose modalities of resolving the dispute on the interpretation of the ownership element of the mining charter, including the introduction of the 29% threshold. Based on the extensive engagement of the Task Team, a set of principles has been developed for consideration by the Principals, in line with the proposed principles herein contained. The proposed modalities consider practical mechanisms to extricate a "win-win" solution for recognition of continuing consequences of previous deals for existing rights as well as consideration for delineating a sustainable model for new rights. These issues are elucidated below.

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In the pursuance of a common understanding, the parties agreed that it was important that the parties expressed their respective view for a transformed South African mining industry and as such, each of the parties expressed their respective views on the vision for industry as follows:

Department of Mineral Resources

The DMR's view on the transformation of the industry is located within the mutually symbiotic characteristic with inclusive, sustainable and competitive growth of the industry, consistent with the national developmental imperatives. At the core of transformation is participation of black people in the mainstream economy broadly, and the mining industry in particular. In this regard, transformation is the responsibility of government, business, Historically Disadvantaged South African (HDSA) entrepreneurs and other transformation beneficiaries, such employees and communities. It is in this context that the mining charter, as an instrument through which the transformation objective ought to be attained, must provide unambiguous technicalities that sufficiently address the issues of, inter alia.

- Meaningful and sustainable participation of HDSA in the ownership of mining industry, which is intended to de-racialise the historical ownership
- Notwithstanding the spirit of free trade, participation of the HDSA in the ownership must be augmented responsibility to achieve policy objective. This is intended to mitigate against possibilities of free trade enabling the reversal of the gains made in transforming the industry
- Leverage the benefit from hindsight, appropriate instrument be introduced to effect tangible benefit to employees and communities
- Provide for certainty of intent for investors, business, employees and communities alike and provide a basis for common narrative of a truly democratic South Africa success story

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In this context, the DMR asserts an urgent need for innovative solutions that effectively "re-imagine" the transformation of the sector in a manner that will secure competitive and sustainable development of the industry that remains in a state of sunshine for well over a century into the future.

The Chamber of Mines of South Africa

The Chamber's view is that although the initial objective of the founders of the Mining Charter of creating a critical mass of transformation that will become self-perpetuating and irreversible has been achieved, there is further work that needs to be done to arriving at this end goal of a transformed, competitive and prosperous South African mining sector.

The Chamber believes that there is no "one size fits all" solution to achieving its envisaged end game. The Chamber believes that the solution must be one that take cognisance of the following key elements: legacy issues (there has to be an acknowledgement of the past and learnings must be captured); competitiveness and growth (transformation must be pursued in conjunction with growth); the spirit of "doing the right thing" must be the central theme in how the solution is crafted; and the people's freedom of choice and trade must be recognised and protected.

2. Principles

The continuing consequences of existing and previous empowerment deals will be recognised as follows:

- 2.1 All historical transactions concluded in good faith that achieved the 26% empowerment target in respect of current right holders or mining companies will be recognised. Thereafter, such current holders of mining rights or mining companies will have three years to reach a revised empowerment target of 29%. All transactions which result in the current holders of mining rights or mining companies achieving the revised minimum empowerment

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15% in Ownership - 29% in Ownership - 29% in Ownership
The buyer (receiving holder) in this regard shall during the 3-years transitional period provided for by the mining charter, top up its BEE shareholding to 29% as agreed in paragraph 2.1 1.

- 2.6 Subject to a formal process, the DMR will provide each right holder or mining company, in accordance with paragraph 2.1, with a letter acknowledging the empowerment credentials of the rights holder or company, agreeing and accepting the percentage of empowerment for which the company or rights holder is recognised, and the continuing consequences of previous empowerment deals done in good faith. [Hon. MKV people]

3. New Mining Rights

New green-field projects will have a minimum empowerment target of 29%. The BEE ownership will be reviewed annually with the company's intent being to sustain the 29% and will be recognised for the duration of the right. In the event that the BEE wishes to exit, the holder's BEE percentage should not drop below 18%. [18%] under certain conditions

4. Process to achieve the above

The Chamber's declaratory order application in respect of *inter alia*, the interpretation of the ownership element of the Charter has not been set down. The parties undertake not to progress this matter pending the outcomes of the engagement process currently underway. In order to achieve the objectives set out herein, the parties agree to the following process:

- 4.1 The Minister will, subject to a formal process, issue written acknowledgement letters to each Mining Right holder recognizing the empowerment credentials of such holder, the percentage of empowerment of such holder, and the consequences of previous deals.

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- 4.2 The Minister will use his best endeavours to ensure that the draft Reviewed Mining Charter, 2016 incorporates the outcomes of the agreement between the parties herein.
- 4.3 The Chamber will, upon the gazetting of the finalized reviewed Charter which incorporates the outcomes of the agreement as set out in paragraph 4.2, withdraw its existing court application.
- 4.4 The parties will explore the methods to ensure that the objectives set out herein are not assailable by third parties which methods may include, without limitation, the embodiment of these objectives in a further MPRDA Amendment Bill

Outdated

Uniform Case

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Element	Detail of the Element and Targets	Chamber Views	Resolutions
1. Employment Equity	<ul style="list-style-type: none"> Board: 50% black, 20% of which must be female. Executive/Top Management: 50% black, 20% of which must be female. Senior Management: 60% black, of which 30% must be female. Middle Management: 75% black, of which 38% must be female Junior Management: 88% black, of which 44% must be female Core and Critical Skills: 40% black Employees with disabilities: 2%. 	<ul style="list-style-type: none"> Change of the designated group from HDSA to black, as it excludes white women who make-up up to 15% of EE contribution. The proposed targets do not have regard to current workplace profiles. Targets for people with disabilities should be inclusive of all races and not limited to Black persons as per the gazetted Charter. 	<ul style="list-style-type: none"> Concern over the sub-targets notwithstanding extension from 3 to 6 years and progressive targets (targets aligned to the BBBEEA) In principle agreed to: National and Regional EAP statistics would be taken into account Critical that there is alignment of this element with EE Act and reporting
2. Human Resource Development	<ul style="list-style-type: none"> The Gazetted Charter proposed the retention of the requirement for 5% of payroll to be invested towards skills development by mining right holders. The Charter further required companies to invest 15% of the above mentioned 5% towards a Ministerial Skills Development Trust Fund. 	<ul style="list-style-type: none"> The Chamber does not support the 15% of 5% leviable amount contribution towards a Ministerial Skills Fund and establishment of the MTDA. Lack of clarity over the treatment of non-employee HRD expenditure There are multiple private and government structures that have the mandate to drive these issues (MQA, IDC, NEF, Dept. of Small Business). International benchmarking research from Dept Higher Education & Training shows that SA has too many centres of expertise. 	<p>In principle agreed to:</p> <ul style="list-style-type: none"> 5% of leviable amount towards HRD DMR to provide data on historic disproportionate allocation of skills expenditure by gender and race for discussion HRD is beyond firm level and non-employee HRD expenditure is recognised and necessary Consultation with Chamber members on alternative and voluntary contributions to the MTDA Engagement on the structure, objects and funding of the MTDA (open mandate provided to 5-a-side by Minister to discuss)

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Element	Detail of the Elements and Targets	Chamber Views	Resolutions
3. Mine Community Development	<ul style="list-style-type: none"> The Gazetted Charter requires mining right holders to annually contribute 1% of turnover towards mine community development. 	<ul style="list-style-type: none"> Government has gazetted a proposal that 25% of skills spend be diverted to higher education. There are current discussions at NEDLAC looking at entirety of skills landscape regarding an independent skills agency looking at sectoral and cross-cutting skills. The National Skills Fund covers the same objectives as communicated by the DMR for the MTDA. The focus should rather be on utilising and/or fixing existing structures instead of creating new ones. 	<p>objectives, potential solutions and necessity of MTDA)</p> <ul style="list-style-type: none"> DMR to provide one pager brief on objectives of proposed MTDA <p>Not agreed to:</p> <ul style="list-style-type: none"> Establishment of the MTDA (Chamber) Allocation of 15% of the agreed 5% payroll to MTDA and 1% expenditure from MNC Chamber proposal for recognition of MHE training expenditure (DMR)
		<ul style="list-style-type: none"> The 1% turnover equivalent to an additional royalty and rather propose 2% net profit after tax (NPAT) Concern over alignment of the Mine Community and SLPs 	<p>In principle agreed to:</p> <ul style="list-style-type: none"> Collaborative SLPs (PPP)-to improve impact DMR to develop implementation guideline for SLPs and MCDs Explicit linkage and alignment between MCD contributions and SLPs <p>Not agreed to:</p> <p>Revenue vs NPAT (vs normalised earnings, operating profit, EBITDA),</p> <p>Open mandate to 5-a-side to look at practical solutions to arrive at a funding formula for community development</p>

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Element	Detail of the Element and Targets	Chamber Views	Resolutions
4. Procurement	<p>Policy instruments to achieve broad based economic empowerment have not yielded desired outcomes-job creation:</p> <ul style="list-style-type: none"> ✓ Investment costs to set up manufacturing for capital goods not commercially sustainable; ✓ Limited volume of large body mining equipment in SA; ✓ Limited competitive advantage of old manufacturing plants abroad vs. a new plant; ✓ High current level of maintenance activities to save costs, thereby reducing volume of units; ✓ Fluctuating exchange rate which will compromise investment decisions; ✓ High import content of even locally based OEM's. 	<ul style="list-style-type: none"> • Clarity on measures to ensure supplier development meets progressive target. • Consider use of Total Measured Procurement Spend (TMPS) vs. actual spend (exclusion of items procured from companies from foreign domicile) • Increasing procurement from local BEE manufacturers is supported. • Proposed target of 70% locally manufactured goods is a marked change and increase from previous target of 40% BEE expenditure. Achievability of target is not evidence based. • Current Dept. of Trade & Industry initiatives and incentives have not yielding the desired outcomes. • Industry study on locally manufactured goods relating to mining at a nascent stage. • The manufacturing sector has shrunk from 22% of GDP in 1985 to 13% in 2016 and manufacturing value added growth at 2.9% p.a. is half that of China and India. Until a proper 	<ul style="list-style-type: none"> • Concerned about the targets notwithstanding the extension of the transitional period from 3 years to 7 years for compliance- concern over 70% capital goods target (60% local value add). • Concern about capacity, and dilution of the supplier base (SMME development vs economies of scale), concern over flexibility of elements • One size fits all approach rather than nuance across commodities (coal vs. Pt) • Concern that the targets can be easily subverted by suppliers • DMR to arrange engagement with suppliers and Chamber submission of best practice (Anglo case) • Concern about the 1% on MNE and the flow-through of costs to the sector, propose alignment to the equity equivalents mechanism in the BBBEE Codes <p>In principle agreed to:</p> <ul style="list-style-type: none"> • The onus to verify local content lies with the suppliers • DMR to develop definitions for all criterion under this element

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Element	Detail of the Element and Targets	Chamber Views	Resolutions
		<p>analysis of the realistic targets that can be achieved for local manufacturing, it will be difficult for a proper target to be agreed.</p> <ul style="list-style-type: none"> Examine the issue of enhanced recognition for SME inclusion Supplier development initiatives /approaches have to be aligned to DTI prescripts Clarity sought on recognition of those BEE entities that are above R100m threshold Basis for calculations remains unclear and need clarity on discretionary and non-discretionary costs Propose BEE Scorecard approach to align Charter with BEE codes requirements to eliminate dual reporting Explore Equity Equivalent (MNC) programmes from other sectors to address MNC Supplier contribution 	<ul style="list-style-type: none"> DMR agreed to provide a one page summary of all the current government initiatives to promote local manufacturing in the capital goods cluster. <p>Not Agreed :</p> <ul style="list-style-type: none"> 70% blanket target for locally manufactured (capital) goods 1% turnover by MNCs
5. Housing and Living Conditions <i>M.K</i> <i>M.J.Z</i>	<p>Agreed</p> <ul style="list-style-type: none"> This element has been omitted from the charter and is accordingly being strengthened under Housing and Living conditions standards, as provided for in Section 100 (1)(b) of the MPRDA. Transitional arrangements pertaining to mine workers housing and living conditions are provided for, pending the finalisation of the standards. 		

Element	Detail of the Element and Targets	Chamber Views	Resolutions
6. Sustainable development	<ul style="list-style-type: none"> • The Gazette Charter omitted this element • Revised Charter reintroduces this element • Requirement for a 0.15% contribution of annual turnover towards R&D. 	<ul style="list-style-type: none"> • Sustainable development issues dealt with by relevant legislation and inclusion as an element may lead to duplication of reporting • R&D to be moved from Sustainable Development to HRD • The 0.15% annual turnover contribution towards R&D is an additional tax burden on mining companies as not all companies spend on R&D due to nature of operations and business. • Support of Academic institutions and R&D form part of the HRD element. • <u>Environmental Management</u>: As of Dec 2014, the mining industry has been following the <i>One Environmental System</i> which requires that environmental issues in the mining industry be governed in terms of NEMA and its regulations, with the DMR being the competent authority. • The Mining Charter is promulgated in terms of the 	<p>In principle agreed to:</p> <ul style="list-style-type: none"> • DMR would drop the 0.15% requirement. • Where a mining company is investing in R&D 70% of R&D spend must be utilised in the Country. 5 year transition period to enable that. • DMR to provide Chamber with data on basis of 70% target • Mechanisms to be developed to address capacity gaps in the transition period <p>Sustainable development as an element</p> <p>Need to engage on substance behind this element</p> <ul style="list-style-type: none"> • Mine Health & Safety: Implementation of Tripartite Action Plan as articulated in the MHSC Summit Resolutions is not fully supported. Agreed that the DMR should engage the MHSC on what the specific activities should entail. Once engaged by the DMR; the MHSC Office will develop proposals for consideration by the MHSC Board. • Adherence to Environmental Management Plan - provision for band of acceptable tolerance for non-compliance - DMR should reconsider inclusion. Concern over the environmental provisions and the indicators, alignment with NEMA provisions

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Element	Detail of the Element and Targets	Chamber Views	Resolutions
		<p>MPRDA and with the environmental provisions being moved to NEMA; there is no enabling legislative mechanism for measuring environmental performance in the MPRDA.</p> <ul style="list-style-type: none"> • In order to assess the compliance level of the mining industry in relation to environmental management, a qualitative analysis or assessment of each individual environmental requirement in terms of the law needs to be undertaken. Measures implemented beyond the requirements of the law should also be taken into consideration. It will be impossible to come to a conclusion of a particular percentage level compliance with the current scorecard. Thus, making it difficult to formulate tangible indicators to allow for quantitative measurements of environmental compliance level for the mining industry. • On the other hand, companies with EMP's approved in terms of the MPRDA would be deemed to having obtained an 	

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Element	Detail of the Element and Targets	Chamber Views	Resolutions
7. Applicability of the Mining Charter.	<ul style="list-style-type: none"> The Charter provides for 3 ring-fenced elements (Mine community development, HRD and Ownership) and mining right holders are required to maintain 100 percent compliance with these targets at all times for the duration of a mining right. 	<ul style="list-style-type: none"> environmental authorization in terms of NEMA. The Legal basis for inclusion of environmental issues is questionable and therefore the Chamber does not support the inclusion of this element in the Mining Charter. 100 percent compliance at all times in respect of the ring-fenced elements is not feasible: Ownership, HRD, Mine Community Development Periodic Review of Targets Charter to provide exemptions for small and medium sized operations in line with National Small Business Amendment Act (26 of 2003) Establishment of sub-minimums 	<p>in principle agreed to:</p> <ul style="list-style-type: none"> Transparency in enforcement as aligned to the legislation Remedies for each of the ring-fenced elements have been discussed and recommended. Periodic assessments to be consulted with stakeholders. 100% compliance is justifiable if agreement is reached on each of the 3 priority elements <p>Not agreed to:</p> <ul style="list-style-type: none"> Further exemptions for small and medium sized operations (DMR)
8. Independent verification.	<ul style="list-style-type: none"> The Charter obliges right holders to report their levels of compliance annually and empowers the Minister to review the Charter as and when the need arises. 	<ul style="list-style-type: none"> Chamber is concerned about the absence of a verification provision in the Charter. 	<p>Not Agreed to:</p> <p>Provision for independent verification (DMR). The responsibility to evaluate, monitor and enforce the law lies with the DMR.</p> <p>Agreed</p>

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Element	Detail of the Element and Targets	Chamber Views	Resolutions
9. General	<ul style="list-style-type: none"> DMR has undertaken a socio-economic impact assessment relating to the Mining Charter, which will be shared with the Chamber. 		<ul style="list-style-type: none"> Develop guidelines and measurement principles up front Periodic assessments will help track the progress over time.

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DMR/COM Mining Charter discussion document (Minutes & Version)

Element	Detail of the Element and Targets	Chamber Views	Resolutions
1. Employment Equity	<ul style="list-style-type: none"> Board: 50% black, 20% of which must be female. Executive/Top Management: 50% black, 20% of which must be female. Senior Management: 60% black, of which 30% must be female. Middle Management: 75% black, of which 38% must be female Junior Management: 88% black, of which 44% must be female Core and Critical Skills: 40% black Employees with disabilities: 2%. 	<ul style="list-style-type: none"> Change of the designated group from HDSA to black, as it excludes white women who make up 15% of EE contribution. "The proposed targets for all levels is too high and unrealistic." Targets for people with disabilities should be inclusive of all races and not limited to Black persons as per the gazetted Charter. 	<p>In principle agreed to:</p> <ul style="list-style-type: none"> Retain the mining charter targets aligned to the BBBEEA and implementation of the proposed targets progressively over a period of 5 years.
2. Human Resource Development	<ul style="list-style-type: none"> The Gazetted Charter proposed the retention of the requirement for 5% of payroll to be invested towards skills development by mining right holders. The Charter further required companies to invest 15% of the above mentioned 5% towards a Ministerial Skills Development Trust Fund. 	<ul style="list-style-type: none"> The Mining Transformation Development Agency (MTDA): The Chamber does not support the 15% (of 5% leviable amount) contribution towards a Ministerial Skills Fund and establishment of the MTDA. Mandatory training not recognised in the dti codes but recommend its recognition as part of the 15% payroll allocation. Recognition of MQA and its programmes Lack of clarity over the treatment of non-employee HRD expenditure 	<p>In principle agreed to:</p> <ul style="list-style-type: none"> 5% of payroll towards HRD DMR to provide data on historic disproportionate allocation of skills expenditure by gender and race Chamber to provide gender and race breakdown of 6,000 existing bursars HRD is beyond firm level and non-employee HRD expenditure is recognised and necessary Consultation with Chamber members on voluntary contributions to the MTDA <p>Not agreed to:</p> <ul style="list-style-type: none"> Establishment of the MTDA (Chamber)

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DMR/COM Mining Charter discussion document (Minister's Version)

Element	Detail of the Element and Targets	Chamber Views	Resolutions
3. Mine Community Development	<ul style="list-style-type: none"> The Gazetted Charter requires mining right holders to annually contribute 1% of turnover towards mine community development. 	<ul style="list-style-type: none"> The 1% turnover equivalent to an additional royalty and rather propose 2% net profit after tax (NPAT) Concern over alignment of the Mine Community and SLPs 	<ul style="list-style-type: none"> Allocation of 15% of the agreed 5% payroll to MTDA, loss of direct control Chamber proposal for recognition of MHS training expenditure <p>In principle agreed to:</p> <ul style="list-style-type: none"> Collaborative SLPs (PPP) DMR to develop implementation guidelines for SLPs and MCDs Explicit linkage between MCD and SLPs Maintain 1% of revenue projection of two and half years, applicable to a Social and Labour Plan (SLP's) for five (5) years cycle with provision for remedies in case of adverse economic environment.
4. Procurement	<p>Policy instruments to achieve broad based economic empowerment have not yielded desired outcomes-job creation:</p> <ul style="list-style-type: none"> Investment costs to set up manufacturing for capital goods not commercially sustainable; Limited volume of large body mining equipment in SA; Limited competitive advantage of old manufacturing plants abroad vs. a new plant; High current level of maintenance activities to save costs, thereby reducing volume of units; 	<ul style="list-style-type: none"> Concern on the availability of baselines on the current capacity Clarity on measures to ensure supplier development meets progressive target. Verification of local content responsibility of suppliers not the mining industry (consider capacity of the SABS) Consider use of Total Measured Procurement Spend (TMPS) vs. actual spend (exclusion of items 	<p>In principle agreed to:</p> <ul style="list-style-type: none"> Maintain proposed targets and extend transitional period from 3 years to 5 years for compliance- concern over 70% capital goods target (60% value add). The onus to verify local content lies with the suppliers <p>Not agreed to:</p> <ul style="list-style-type: none"> Chamber proposal to use of Total Measured Procurement Spend instead of Actual Spend

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DMR/COM Mining Charter discussion document (Minister's Version)

Element	Detail of the Element and Targets	Chamber Views	Resolutions
	<ul style="list-style-type: none"> ✓ Fluctuating exchange rate which will compromise investment decisions; ✓ High import content of even locally based OEM's. 	procured from companies from foreign domicile	
5. Housing and Living Conditions	<p>Agreed</p> <ul style="list-style-type: none"> This element has been omitted from the charter and is accordingly being strengthened under Housing and Living conditions standards, as provided for in Section 100 (1)(b) of the MPRDA. Transitional arrangements pertaining to mine workers housing and living conditions are provided for, pending the finalisation of the standards. 		
6. Sustainable development	<ul style="list-style-type: none"> The Gazette Charter omitted this element Revised Charter reintroduces this element Requirement for a 0.15% contribution of annual turnover towards R&D. 	<ul style="list-style-type: none"> Sustainable development issues dealt with by relevant legislation and inclusion as an element may lead to duplication of reporting R&D to be moved from Sustainable Development to HRD The 0.15% annual turnover contribution towards R&D is an additional tax burden on mining companies as not all companies spend on R&D due to nature of operations and business. Support of Academic institutions and R&D form part of the HRD element. 	<p>In principle agreed to:</p> <ul style="list-style-type: none"> Where a mining company is investing in R&D 70% of R&D spend must be utilised in the Country. Mechanisms to be developed to address capacity gaps in the transition period <p>Not Agreed to remove sustainable development as an element.</p>
7. Applicability of the Mining Charter.	<ul style="list-style-type: none"> The Charter provides for 3 ring-fenced elements (Mine community development, HRD and Ownership) 	<ul style="list-style-type: none"> 100 percent compliance at all times in respect of the ring-fenced elements is not feasible: 	<p>In principle agreed to:</p> <ul style="list-style-type: none"> Transparency in enforcement as aligned to the legislation

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DMR/COM Mining Charter discussion document (Minister's Version)

Element	Detail of the Element and Targets	Chamber Views	Resolutions
	and mining right holders are required to maintain 100 percent compliance with these targets at all times for the duration of a mining right.	<ul style="list-style-type: none"> Ownership, HRD, Mine Community Development Periodic Review of Targets Charter to provide exemptions for small and medium sized operations in line with National Small Business Amendment Act (26 of 2003) Establishment of sub-minimums 	<ul style="list-style-type: none"> Remedies for each of the ring-fenced elements have been discussed and agreed. Periodic assessments to be consulted with stakeholders <p>Not agreed to:</p> <ul style="list-style-type: none"> Further exemptions for small and medium sized operations. Establishment of sub-minimums
8. Independent verification.	<ul style="list-style-type: none"> The Charter obliges right holders to report their levels of compliance annually and empowers the Minister to review the Charter as and when the need arises. 	<ul style="list-style-type: none"> Chamber is concerned about the absence of a verification provision in the Charter. 	<p>Not Agreed to:</p> <p>Provision for independent verification. The responsibility to evaluate, monitor and enforce the law lies with the DMR.</p>

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CHAMBER OF MINES
of South Africa

T. +27 11 498 7100
E. info@chamberofmines.org.za

5 Holland Street, Johannesburg 2001
PO Box 61809, Marshalltown 2107

PRIVATE & CONFIDENTIAL

24 March 2017

Mr David Msiza
Acting Director General
Department of Mineral Resources
Trevenna Campus
Cnr Meintjies and Francis Baard Streets
Sunnyside
Pretoria

E-mail: David.Msiza@dmr.org.za

Dear DG Msiza

NON-OWNERSHIP ELEMENTS IN THE REVIEWED MINING CHARTER

Thank you for your letter dated 20 March 2017, which reflected the request by the DMR for further input on three important elements of the DMR's reviewed Mining Charter. In the short space of time available we have done our best to provide our point of view on the three areas and why we believe the DMR's targets are either not practical or not necessarily possible. Let me state at the outset that the DMR has not provided any documented substantiation on any of the proposed targets for employment equity or capital and consumable goods targets, nor has the DMR provided the expected written substantiation of why the DMR believes the Mining Transformation Development Agency should be established, its proposed modus operandi or governance structures.

We address each of the three areas raised in your letter in the order requested.

Employment equity

The Chamber and its members remain committed to workplace diversity and equitable representation at all levels to promote social cohesion, transformation and the competitiveness of the sector. This is demonstrated by our overwhelming compliance with the targets of the 2010 Mining Charter.

The DMR's proposed employment equity targets are simply too steep and not realistically achievable by the sector in the proposed time frames. This is despite the DMR providing a five year transition period to reach them, because the proposed targets do not have regard to the current workplace profiles and industry dynamics. The DMR has not provided the Chamber with any substantive basis for the adoption of the employment equity targets for the sector other than to say that they are on par with the Broad Based



COUNCIL OF THE CHAMBER: M Teke (President), A Sangqu (Vice President), N Froneman (Vice President) A Bam, R Baxter, P Dunne, M Fraser, T Goodface, C Griffith, J Han, N Holland, MJ Houston, L Kgalle, B Magara, N Mbazima, M Mgojo, T Mkhwanazi, M Mthoa, B Petersen, S Phiri, N Pienaar, W Potgieter, N Pretorius, MP Schmidt, PW Steenkamp, S Venkatakrishnan

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Black Economic Empowerment Codes (BBBEE Codes) and essential for alignment therewith.

The table below is a comparison of the Reviewed Mining Charter (RMC) targets (April 2016) against the mining industry performance on employment equity as per the Commission for Employment Equity reports (2011 to 2015), with 5-year and 10-year projections.

The following conclusions can be drawn from the information:

- Unless the industry makes a dramatic turnaround and achieves spirited growth (between 2-8% or more), the sector will not be able to meet the majority of its ten year employment equity targets by 2027.
- A five year transition period to meet the proposed targets is a major challenge as the targets are unachievable within that period in a low and normal growth scenario, unless the actual targets are reduced.
- The headline targets for "black people" and sub-targets "black females" pose serious challenges in all of the categories below unless the industry has strong growth.
- The DMR's first priority should be to grow the industry. A growing industry with the appropriate transformation framework means a more inclusive and transformed industry.

Reviewed Mining Charter	5-yr projections (to 2022)			10-yr projections (to 2027)			Mining 2015	Mining 2014	Mining 2013	Mining 2012	Mining 2011
	Low growth	Normal growth	Strong growth	Low growth	Normal growth	Strong growth					
Executive/Top Management: 50% black	22,4%	28,9%	57,3%	23,8%	36,2%	75,7%	21,70%	19,40%	21,60%	18,80%	17,60%
Executive/Top Management: 25% of which must be female (i.e.10%)	7,0%	15,3%	19,5%	7,2%	27,4%	41,3%	6,80%	6,40%	6,70%	4,30%	4,30%
Senior Management: 60% black	24,8%	30,4%	41,4%	25,3%	36,0%	61,2%	24,00%	22,20%	21,60%	20,80%	21,00%
Senior Management: 30% black female. (i.e.18%)	10,1%	11,1%	17,4%	13,9%	16,4%	35,6%	6,40%	6%	5,20%	5,20%	4,70%
Middle Management: 75% black	32,6%	46,1%	51,2%	33,3%	60,4%	72,3%	31,60%	31,80%	30%	28%	29,20%
Middle Management: 38% black female (i.e.28%)	11,6%	16,3%	28,5%	11,8%	21,4%	55,6%	11,20%	10,70%	11,20%	9,80%	9,10%

Assumptions:

Low growth scenario

- The mining industry grows at an average of 0.45% annually

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Normal growth scenario

- Annual growth in the mining industry averages between 2% and 8%

Strong growth scenario

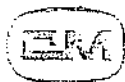
- The average growth is between 9% and 16%

What we know about the mining industry:

- It requires highly specialised skills.
- There is intra-movement of skills possible i.e. movement of skilled labour from one mining industry to the other; however mobility of labour from other industries to and from the mining industry is limited because of its specialised nature.
- Increasing the proportion of black labour in the sector is a function of two things: natural attrition and growth in the sector:
 - Natural attrition - people leaving through retirement or because they've found jobs in other industries. Of the two, movement as a result of people finding new jobs can speed up the process. However, because the mining industry is highly specialised labour tends to move within the industry itself.
 - Growth in the sector has been erratic. Unless something drastic is done, the sector is set for a difficult period
- The Chamber acknowledges that the mining industry in the past had a legacy predicated on race-based recruitment, promotions and skills development to the detriment of black people and women in particular. It further recognises that whilst the industry of today is markedly different than that of the past decades; more still needs to be done to ensure adequate representation of designated groups at all levels of mine operations, in particular key strategic decision making positions.
- The DMR, in its 2014 assessment report of the Mining Charter implementation, asserts: "Prior to the introduction of the Mining Charter, female representation in the mining industry was insignificant. The 2004 Mining Charter set a target of 10% for representation of women in mining by 2009, however, only 6% female representation was achieved. The overall representation of women in the mining industry has increased to 10.5% by 2014. The reported data shows that there is still a long way to go before women are fully represented in the mining industry."
- Whilst the industry has met and in some cases exceeded the targets in the 2010 Mining Charter there are limitations in this area; in particular the promotion of black females in middle, senior management and executive positions. Much of the focus has been on programmes targeted towards meeting the target of 10% women participation (inclusive of white females) for Women in Mining projects. It would assist the industry to utilise provincial EAP targets as per the Employment Equity Act with progressive targets over 5 years. These targets should be more realistic in line with industry workplace profiles and aligned to regional EAP statistics as reported by the Commission on Employment Equity annually.
- The pipeline of skills emerging from the universities is encouraging. For example, 32% of the students doing mining engineering at Wits University are black female. Given the time taken to develop these female engineers and to ensure that they are recruited, absorbed into the mining workplace and retained in mining, there are significant constraints to realizing the DMR targets.

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Other engineering fields have a greater bias against females (DHET), and mining is doing relatively better on a percentage basis.

Procurement targets

The industry supports the promotion of local manufacturing if it is done in a holistic manner looking at, among other things, supply, local and international demand, incentives and other key factors. The DMR has retained its differentiation and targets for goods (capital and consumable) and services, which is not aligned to the BBBEE Codes and has not provided clear definitions and guidance on calculations, nor its justification for not aligning with the BBBEE Codes.

The Chamber does not support the 70% blanket target for locally manufactured capital and consumable goods from BEE compliant companies as this target is not achievable for a number of minerals. This new formulation of 70% locally manufactured goods from BEE compliant entities is a marked change and increase from the previous target of 40% BEE expenditure and is untested. Any evaluation of the procurement target of 70% must have as its base a definition of what the 100% consists of. This is crucial to understand how such a target compares with the 'base line' (or current import propensity) and for the calculation of compliance. The definition of the base is uncertain.

Mining procurement of capital goods includes intermediate inputs and fixed capital investment. In 2015, the mining sector spent R90 billion in capital investment, of which 7% (R6 billion) was transport equipment and 53% (R 47 billion) was machinery and equipment. Various estimates suggest that the import component of capital goods varies from about 32% in gold to the 40%-50% level in open cast mining (iron ore and coal). Essentially, the import propensity (import multiplier for every R1million additional mining production) differs from one commodity to the next in the sector. So while the gold sector may be closer to being able to achieve a 70% target for locally manufactured capital goods, other minerals are not in the same category.

The contention is that these imported inputs are of a specialized nature, most likely not available in SA. In essence, South Africa is fabricating capital goods in a number of niche areas, but most of the heavy large scale equipment such as large scale rear dump hauler trucks (>60 tons) are imported (most are imported in kits and reassembled in South Africa). Looking at the practical example of dump trucks, the major South African producer Bell produces dump trucks up to 55 tons capacity. Largescale open cast mines would use multiple dump trucks at 170 tons or greater than 200 tons, which are not made by Bell. Global suppliers of this equipment including Komatsu, Caterpillar, etc., do not directly manufacture in South Africa.

The major challenge that South Africa faces is that the South African and African markets are not yet big enough to justify the establishment of manufacturing plant by some of the big equipment manufacturers from an economies of scale and market perspective. They would want a large and growing market, sufficient economies of scale and a competitive tax, legal and operating environment to manufacture capital equipment at competitive rates.

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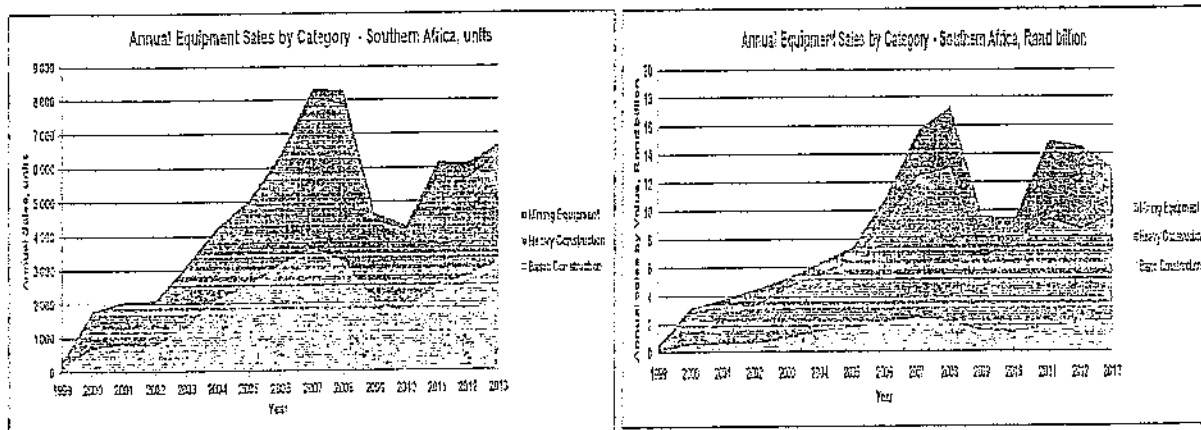
The South African market for mining equipment is small relative to the world market and therefore makes the production of specialized equipment at small scale for the SA market uneconomical.

Region	2017
North America	13
Western Europe	5
Asia/Pacific	66
Central & South America	8
Eastern Europe	4
Africa/Middle East	5

The share of Africa (including South Africa) and the Middle East of the world market demand for mining equipment is in the order of 5%. This is corroborated by the mainly SA producer of some specialized earthmoving equipment (Bell) that only 3% of its market for articulated dump trucks are in Southern Africa, and would therefore move a large portion of production to its facility in Germany. (Gary Bell, Sunday Times, 3 March 2017).

Source: *Freedonia Group Inc; 2016*

The international trend for the production of equipment closest to the regional markets has been confirmed by Dr Gotthard Wolf from the TU Bergakademie in Freiburg Germany at a recent international Metals Castings Conference in Johannesburg (March 2017). While production takes place in specific regions, close to suppliers of components, volumes of sales follow the markets mainly indicated by gross domestic product trends. The size of the SA market for heavy equipment is shown in the graphs below, by number and value.



Source: *The Construction & Mining Equipment Suppliers' Association; 2014*

Specifying a 70% capital goods target for local procurement by mining companies by local manufacturers will end up potentially penalising certain minerals where the large scale capital equipment manufacturers do not see the business case for establishing manufacturing facilities in South Africa. From this perspective a variation in the capital goods target (lower targets for certain minerals) would be more practical and appropriate.

Formulation for community investment target

The revised DMR proposal for contributions to mine community development of 1% of turnover over a 2.5 year period (i.e. 0.4% per annum) is a reduction from the 1% of annual turnover proposal of

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April 2016. However, it is still equivalent to a royalty being charged on an *ad valorem* basis and is the most regressive form of a tax, as even loss-making mines would be forced to contribute. The reduction of the target to 0.4% p.a. does not detract from the fact of it being revenue based and still amounts to c.R1.3bn (based on PWC 2015 data). The big challenge for the mining industry is that specific targets of community investment is not linked to the ability to pay.

In 2014 and 2015 the industry made an aggregate loss in each of these years as the companies battled to survive. A gross revenue formation in those years would have added R3,1 billion onto the cost structure of the companies, potentially pushing some over the precipice. At the same time a pure profits based formulation would have realized limited community spend in 2015 and 2016 because the industry was loss-making.

A more practical measure would be to look at a specific percentage of earnings before interest and taxes (EBIT) or earnings before interest, taxes, depreciation and amortization (EBITDA) as shown in the following table.

		R 'm				
		2016	2015	2014	2013	2012
As % of revenue (1% over 2,5 years)	0.4%	1,604	1,546	1,501	1,536	1,455
As percentage of net profit	2.0%	-	46	115	578	1,395
As percentage of EBITDA	1.0%	795	865	1,148	1,064	1,320
As percentage of EBIT	1.5%	433	657	1,136	972	1,513
As percentage of cash flow from operations	1.2%	997	858	950	958	1,442

The Chamber would support a reasonable earnings before interest and taxes (EBIT) based target for commitments to community development.

I hope this contribution will assist the DMR in realising practical targets for the Reviewed Charter.

Yours sincerely,

Roger Baxter
Chief Executive
Chamber of Mines of South Africa

MEETINGS WITH CHAMBER OF MINES ON THE DRAFT REVIEWED CHARTER.

SPECIAL MEETINGS IN DG'S BOARDROOM

DATE	VENUE	ITEM	ATTENDEES
(a) 05/05/2016	DG boardroom	Draft Reviewed Mining Charter	Chamber principals.
(b) 06/05/2016	DG boardroom	Draft Reviewed Mining Charter	Chamber principals.
(c) 03/06/2017	DG boardroom	Draft Reviewed Mining Charter	Chamber principals.

OTHER MEETINGS

DATE	VENUE	ITEM	ATTENDEES
(a) 31 st March 2016	DMR Exco Boardroom	Draft Reviewed Mining Charter	MIGDETT members
(b) 26 th April 2016	Johannesburg Country Club	Draft Reviewed Mining Charter	DMR & CHAMBER
(c) 4 th May 2016	DMR Exco Boardroom	Draft Reviewed Mining Charter.	DMR & CHAMBER

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(d) 12 th May 2016 (Meeting cancelled).	DG's Boardroom	Draft Reviewed Mining Charter	DMR & CHAMBER Executives
(e) 08 th July 2016	Exco Boardroom.	Draft Reviewed Mining Charter	DMR & CHAMBER workshop
(f) 18 th July 2016.	DG's Boardroom.	Draft Reviewed Mining Charter	DMR & CHAMBER Executives
(g) 18 th October 2016	Manhattan Hotel (Pretoria)	Draft Reviewed Mining Charter	DMR & CHAMBER (workshop)
(h) 17 th January 2017	Diep in die Berg	Draft Reviewed Mining Charter	DMR & CHAMBER (Principals meeting)
(i) 18 th January 2017	DMR Boardroom	Draft Reviewed Mining Charter	DMR & CHAMBER (legal teams)
(j) 19 th January 2017	DMR Boardroom	Draft Reviewed Mining Charter	DMR & CHAMBER (legal teams)
(k) 20 th January 2017	Diep in die Berg		

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		Draft Reviewed Mining Charter	DMR & CHAMBER (Principals meeting)
(l) 23 rd January 2017	DMR boardroom	Draft Reviewed Mining Charter	DMR & CHAMBER (Technical meeting).
(m) 15 th February 2017	DMR boardroom	Draft Reviewed Mining Charter	DMR & CHAMBER (Legal Teams meeting)
(n) 17 th February 2017	Diep in die burg.	Draft Reviewed Mining Charter	DMR & CHAMBER (Principal meeting)
(o) March 2017	Diep in die burg	Draft Reviewed Mining Charter	DMR & CHAMBER (Principals meeting)

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DEPARTMENT: MINERAL RESOURCES
REPUBLIC OF SOUTH AFRICA

MINING RIGHT

Granted in terms of section 23(1) of the Mineral and Petroleum Resources Development Act, 2002
(Act No. 28 of 2002)

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Protocol No: 720

File Ref No

Application No

LET IT HEREBY BE MADE KNOWN:

THAT on this DAY day of MONTH in the year YEAR, before me, SURNAME AND INITIALS a Notary Public, duly sworn and admitted, residing and practising at PLACE, in the NAME OF REGION Province of South Africa, and in the presence of the subscribing competent witnesses, personally came and appeared:

NAME AND SURNAME, Regional Manager, NAME OF REGION Region of the Department of Mineral Resources, and as such in his / her capacity as the duly authorised representative of:

THE MINISTER OF MINERAL RESOURCES

The said Regional Manager, being duly authorised thereto under and by virtue of a Power of Attorney granted by the DIRECTOR-GENERAL OR DEPUTY DIRECTOR-GENERAL: MINERAL REGULATION of the Department of Mineral Resources on the DAY day of MONTH in the year YEAR in terms of the powers delegated by the Minister on the 12th day of May 2004 in terms of section 103 (1) of the Act,

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AND

(REPRESENTATIVE'S SURNAME AND INITIALS) in his/her personal capacity or as the company's (POSITION OF REPRESENTATIVE) or as a Close Corporations Member, and as such, the duly authorised representative of (COMPANY NAME). Identification/ Registration number:

[illegible]

(Hereinafter together with his/her/its successors in title and assigns referred to as "the Holder", he/she, the said representative, being duly authorised thereto under and by virtue of a power of attorney/resolution of directors/members of the Holder, signed or passed at PLACE on the DAY day of MONTH in the year YEAR which power of attorney or a certified copy of a resolution has this day been exhibited to me, the notary, and remain filed of record in my protocol with the minutes hereof.)

AND THE MINISTER AND HOLDER DECLARED THAT:

WHEREAS The State is the custodian of the Nation's mineral and petroleum resources in terms of section 3 of the Act.

AND WHEREAS The Holder has applied for a mining right in terms of section 22 of the Act,

AND WHEREAS The DIRECTOR-GENERAL OR DEPUTY DIRECTOR-GENERAL; MINERAL REGULATION of the Department of Mineral Resources has by virtue of powers delegated to him, granted to the Holder, a mining right in terms of section 23(1) of the Act.

NOW THEREFORE THE MINISTER GRANTS A MINING RIGHT SUBJECT TO THE FOLLOWING
TERMS AND CONDITIONS:

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Definitions

In this mining right, the following words and expressions shall have the meanings assigned to them:

'Act' means the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) and includes the Regulations, guidelines, circulars, directives and orders made in terms of that Act;

'Effective date' means DAY day of MONTH in the year YEAR (being the date on which the environmental management programme is approved in terms of section 39(4) of the Act);

'Environmental Management Programme' is as defined in the Act and includes any other Environmental Management Programme approved in terms of the previous mining legislation;

'Financial year' means a complete financial year of the Holder which, at the time of the granting of this mining right, commences on DAY day of MONTH in the year YEAR; and ends on DAY day of MONTH in the year YEAR;

'Holder' is as defined in the Act, and specifically in relation to this right, it means NAME OF HOLDER, Registration No/Identification No ;

'Mineral' is as defined in the Act, and specifically in relation to this right means MINERAL/S APPLIED FOR;

'Mining Area' is as defined in the Act and includes any additional area of environmental liability as may be reflected on the Environmental Management Programme relating to this right;

'Mining right' is as defined in the Act and includes all the Annexures to it, agreements and inclusions by reference;

'Mining Work Programme' is as defined in the Act and as reflected in the attached Annexure to this mining right;

'Minister' means the Minister of Mineral Resources and includes the successors in title, the assignee or any person duly authorised to act in the Minister's place and stead;

'Regional Manager' is as defined in the Act and specifically in relation to this right means the Regional Manager for the NAME OF REGION Region of the Department of Mineral Resources; and

'Social and Labour Plan', is as contemplated in regulation 46 of the Regulations to the Act and is as reflected in the attached Annexure to this mining right.

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1. Description of the Mining Area

The Mining Area shall comprise the following:

Certain: FARM NAME, PORTION AND FARM NO

Situated: AREA Magisterial/Administrative District of NAME OF DISTRICT

Measuring: hectares in extent.

(In the case of various farms being involved, a list can be attached and referred to as Annexure);

Which Mining Area is described in detail on the attached Diagram/plan marked Annexure

2. Granting of Mining Rights

Without detracting from the provisions of sections 5 and 25 of the Act, the Minister grants to the Holder the sole and exclusive right to mine, and recover the mineral/s in, on and under the mining area for the Holder's own benefit and account, and to deal with, remove and sell or otherwise dispose of the mineral/s, subject to the terms and conditions of this mining right, the provisions of the Act and any other relevant law in force for the duration of this right.

3. Commencement, Duration and Renewal

3.1. This mining right shall commence on DAY MONTH YEAR and, unless cancelled or suspended in terms of this clause 13 of this right and or section 47 of the Act, will continue to be in force for a period of DURATION years ending on DAY MONTH YEAR.

3.2. The Holder must commence with the mining operations within a year from the date on which the mining right becomes effective in terms of section 23 (5) of the Act, or any later date as may, upon a written request by the Holder, be authorised in writing by the Minister in terms of the Act, failing which this right may be cancelled or suspended.

3.3. Any application for renewal must be submitted to the Regional Manager not later than 60 working days prior to the date of expiry of this right.

4. Amendments, Variation and Abandonment

4.1. The terms of this right (including by extension of the area covered by it or by the addition of minerals or a share or shares or seams, mineralized bodies, or strata, which are not at the time the subject thereof) may not be amended or varied without the written consent of the Minister.

4.2. The Holder shall be entitled to abandon or relinquish the right or the area covered by the right entirely or in part. Upon abandonment or relinquishment of the mining area or any portion thereof, the Holder must:

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4.2.1. Furnish the Regional Manager with all prospecting and /or mining results and/or information, as well as the general evaluation of the geological, geophysical and borehole data in respect of such abandoned area in so far as it applies to the mineral or any other mineral/s obtained in respect of this right and.

4.2.2. Apply for a closure certificate in terms of section 43 (3) of the Act.

4.3 With effect from the date the Holder has abandoned or relinquished a portion or portions of the mining area, and subject to section 43 of the Act, the Minister is entitled to grant any right, permit, or permission referred to in the Act in, on, or under the portion/s, so abandoned or relinquished, to any person/s.

5. Payment of Royalties

5.1. The Holder shall as contemplated in section 25 (2) (g) pay to the State throughout the duration of this mining right, royalties payable in terms of any Act or Amendment to an Act of Parliament implemented.

6. Payment of Interest

If mining fees, any fees, any levy, royalties or consideration referred to in clause 5 are not paid punctually, the Holder shall be in mora and shall pay interest thereon at the rate prescribed in terms of section 80 of the Public Finance Management Act, 1999 (Act 1 of 1999) reckoned from the date on which payment is due and payable, to the date of actual payment.

7. Restrictions and Obligations Imposed on the Holder

7.1 The Holder is entitled to the rights referred to in section 5(2), (3) and section 25 of the Act, and such other rights as may be contained in this mining right or such other right as may be granted to, acquired by or conferred upon the Holder by any other applicable law.

7.2 Mining operations in the mining area must be conducted in accordance with the Mining Work Programme and any amendment to such Mining Work Programme and an approved Environmental Management Plan.

7.3 The Holder shall not trespass or enter into any homestead, house or its curtilage nor interfere with or prejudice the interests of the occupiers and/or owners of the surface of the Mining Area except to the extent to which such interference or prejudice is necessary for the purposes of enabling the Holder to properly exercise the Holder's rights under this mining right.

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8. Conditions on disposal of Minerals and/ or Products Derived from Mining

It is a condition of the granting of this mining right that the Holder shall dispose of all minerals and/ or products derived from the exploitation of the mineral at competitive market prices which shall mean in all cases, non-discriminatory prices or non-export parity prices. If the minerals are sold to any entity, which is an affiliate or non-affiliated agent or subsidiary of the Holder, or is directly or indirectly controlled by the Holder, such purchaser must unconditionally undertake in writing to dispose of the minerals and any products produced from the minerals, at competitive market prices.

9. Mortgage, Cession, Transfer, Alienation

9.1 This mining right, a shareholding, an equity, an interest or participation in the right or joint venture, or a controlling interest in a company, close corporation or joint venture, may not be encumbered, ceded, transferred, mortgaged, let, sublet, assigned, alienated or otherwise disposed of without the written consent of the Minister, except in the case of a change of controlling interest in listed companies.

9.2 Any transfer, encumbrance, cession, letting, sub-letting, assignment, alienation or disposal of this right or any interest therein or any share or any interest in the Holder, without the consent of the Minister referred to in section 11(1) is of no force, no effect and is invalid.

10. Protection of Boreholes; Shafts, Edits and Openings.

All boreholes, shafts, edits, excavations, and openings sunk or made, by the Holder during the currency of this mining right shall be sealed, closed, fenced, made safe by the Holder in accordance with the approved Environmental Management Programme, the Mine Health and Safety Act, 1996 or any other applicable laws and Regulations.

11. Holder's liability for payment of Compensation for Loss or Damage

11.1. Subject to section 43 of the Act, the Holder shall, during the tenure of this right while carrying out the mining operations under this right, take all such necessary and reasonable steps to adequately safeguard and protect the environment, the mining area and any person/s using or entitled to use the surface of the mining area from any possible damage or injury associated with any activities on the mining area.

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- 11.2. Should the holder fail to take reasonable steps referred to above, and to the extent that there is legal liability, the holder shall compensate such person or persons for any damage or losses, including but not limited to damage to the surface, to any crops or improvements, which such person or persons may suffer as a result of, arising from or in connection with the exercise of his/her rights under this mining right or of any act or omission in connection therewith.

12. Inspection of Mining Area

The Minister and/or any person duly authorised therein in writing by the Minister shall be entitled to inspect the mining area, the Holder's mining operations and the execution of the approved Environmental Management Programme on the Mining Area as provided for in the Act, and any instruction conveyed in writing by the Minister to the Holder requiring the proper performance by the Holder of the Holder's obligations under this mining right shall be put into effect by the Holder in terms of the Act.

13. Cancellation or Suspension

- 13.1 Subject to section 47 of the Act, this mining right may be cancelled or suspended if the Holder;
- 13.1.1 Submits inaccurate, incorrect and or misleading information in connection with any matter required to be submitted under the Act;
 - 13.1.2 Fails to honour or carry out any agreement, arrangement, or undertaking, including the undertaking made by the Holder in terms of the Broad Based Socio Economic Empowerment Charter and Social and Labour plan, on which the Minister relied for the granting of this right;
 - 13.1.3 Breaches any material term and condition of this mining right;
 - 13.1.4 Conducts mining operations in contravention of the provisions of the Act;
 - 13.1.5 Contravenes the requirement of the approved Environmental Management Programme; or
 - 13.1.6 Contravenes any provisions of this Act in any other manner.
- 13.2 Before the Minister cancels or suspends this right, the Minister shall:
- 13.2.1 Give written notice to the Holder indicating the intention to suspend or cancel this right;
 - 13.2.2 Give reason/s why the Minister is considering the suspension or cancellation of this right;
 - 13.2.3 Give the Holder 30 days to show reasons why the right should not be suspended or cancelled;
 - 13.2.4 Notify, the mortgagee (if any), of the intention to suspend or cancel this right; and
 - 13.2.5 Direct the Holder, where it is possible to remedy any contravention, breach or failure, to comply or to take such specified measures to remedy any contravention, breach or failure to comply.
- 13.3 If the Holder does not take the measures as specified by the Minister to remedy a contravention, breach or failure, the Minister may cancel or suspend this right after considering representations made by the Holder in terms of clause 13.2.3.

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14. Records and Returns

- 14.1. The Holder shall maintain all such books, plans and records in regard to mining on the Mining Area as may be required by the Act and shall furnish to the office of the Regional Manager such reports and documents as may be relevant under this right.
- 14.2. The Holder shall furnish to the Regional Manager all such monthly returns contemplated in section 28 (2) A of the Act not later than the 15th day of the month following the month in respect of which it was reported.
- 14.3. The Holder shall furthermore at the end of each year following commencement of this mining right, inform the Regional Manager in writing of any new developments and of the future mining activities planned in connection with the exploitation/mining of the minerals on the Mining Area.

15. Minister's liability for Compensation

The Minister shall not at any time be liable or responsible for the payment of compensation of whatever nature to the Holder, the Holder's successors-in-title or assignee, or any person whomsoever as a result of the granting of this right.

16. Compliance with the Laws of the Republic

The granting of this Right, does not exempt the Holder and its successors in title and/or assigns from complying with the relevant provisions of the Mine Health and Safety Act, (Act No.29 of 1996) and any other law in force in the Republic of South Africa.

17. Provisions relating to section 2(d) and (f) of the Act

In the furthering of the objects of this Act, the Holder is bound by the provisions of an agreement or arrangement dated DAY MONTH YEAR entered into between the Holder/ empowering partner and NAME OF EMPOWERMENT PARTNER (the empowerment partner) which agreement or arrangement was taken into consideration for purposes of compliance with the requirements of the Act and or Broad Based Economic Empowerment Charter developed in terms of the Act and such agreement shall form part of this right.

18. Social and Labour Plan

- 18.1. The holder must annually, not later than three months before the end of its financial year, submit detailed implementation plan to give effect to Regulation 46(a)(i), (ii) and (iii) in line with the Social and Labour Plan.

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- 18.2 The holder must annually, not later than three months after finalisation of its audited annual report, submit a detailed report on the implementation of the previous year's social and labour plan.

19. Severability

Notwithstanding anything to the contrary, any provision of this mining right which is contrary to any provision of the Act or which is otherwise ultra vires, null and void, voidable, or unenforceable, shall be severable from the rest of this right, such rest thus being and remaining of full force, effect and enforceable.

20. Domicilia citandi et executandi

- 20.1. The parties hereto choose the following addresses as their *domicilia citandi et executandi* and for all purposes arising from this mining right, in particular for the purposes of serving of any notice in terms of this mining right, and any notice properly addressed to the under mentioned postal addresses of the parties shall be deemed to have been received by the addressee within 14 days if given in writing and posted by prepaid registered post addressed to the addressee at the relevant postal address:

20.1.1. In the case of the Minister.

Physical Address	Postal Address
Code	
Tel	
Fax	

20.1.2. In the case of the Holder.

Physical Address	Postal Address
Code	
Tel	
Fax	

- 20.2. Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a party at any place other than the chosen *domicilia citandi et executandi*

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shall constitute adequate notice or communication to the party notwithstanding that it was not sent to or delivered at such party's chosen *domicilium citandi et executandi*.

20.3 Either party shall be entitled from time to time to change the *domicilia citandi et executandi* or postal address furnished above after giving at least 14 days prior written notice of such change to the other party, failing which the above mentioned addresses will remain in force.

20.4 Any written notice or communication contemplated in this clause which is forwarded by one party to the other by registered post will be presumed to have been received by the addressee on the fourteenth day following the date of posting from an address within the Republic of South Africa to the addressee at the postal address of the addressee for the time being as determined in accordance with the provisions of this clause.

21. Costs

The Holder shall pay all costs and charges incurred in connection with the execution and registration of this prospecting right.

Thus done and signed at PLACE on the DAY day of MONTH in the year YEAR in the presence of the undersigned witnesses:

AS WITNESS:

For and on behalf of the Minister

AS WITNESS:

For and on behalf of the Holder

Notary Public

MC

M. J. Z



DEPARTMENT: MINERAL RESOURCES
REPUBLIC OF SOUTH AFRICA

PROSPECTING RIGHT

Granted in terms of section 17(1) of the Mineral and Petroleum Resources Development Act, 2002
(Act No. 28 of 2002)

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Protocol No: 120

File Ref No

Application No

LET IT HEREBY BE MADE KNOWN:

THAT on this DAY day of MONTH in the year YEAR, before me, SURNAME AND INITIALS notary public, duly sworn and admitted, residing and practising at PLACE, in the NAME OF REGION Province of South Africa, and in the presence of the subscribing competent witnesses, personally came and appeared:

NAME AND SURNAME Regional Manager, NAME OF REGION Region of the Department of Mineral Resources, and as such in his/her capacity as the duly authorised representative of:

THE MINISTER OF MINERAL RESOURCES

The said Regional Manager, being duly authorised thereto under and by virtue of a Power of Attorney granted by the Deputy Director General: Mineral Regulation of the Department of Mineral Resources on the DAY day of MONTH in the year YEAR in terms of the powers delegated to him by the Minister on the 12th day of May 2004 in terms of section 103 (1) of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002),

AND

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Definitions

In this prospecting right, unless the context indicates otherwise, the following words and expressions shall have the meanings assigned to them:

'Act' means the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) and includes the Regulations, guidelines, directives and orders made in terms of this Act;

'Effective date' means DAY day of MONTH in the year YEAR (being the date on which the Environmental Management Plan is approved in terms of section 39(4) of the Act);

'Holder' is as defined in the Act, and specifically in relation to this right, means NAME OF HOLDER, Registration No /Identification No. ;

'Mineral' is as defined in the Act, and specifically in relation to this right means MINERAL/S APPLIED FOR;

'Minister' means the Minister of Mineral Resources and includes the successors in title, the assignee or any person duly authorised to act in the Minister's place and stead;

'Prospecting Area' is as defined in the Act and includes any additional area of environmental liability as may be reflected on the Environmental Management Plan relating to this right;

'Prospecting right' is as defined in the Act and includes all the Annexures to it, Agreements and inclusions by reference;

'Prospecting Work Programme' is defined in the Act and is as reflected in Annexure to this prospecting right; and

'Regional Manager' is as defined in the Act and specifically in relation to this right means the Regional Manager for the NAME OF REGION Region of the Department of Mineral Resources.

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1. Description of the Prospecting Area

The Prospecting Area shall comprise the following:

Certain: FARM NAME, PORTION AND FARM NO

Situated: AREA, Magisterial/Administrative District NAME OF DISTRICT.

Measuring: hectares in extent.

(In the case of various farms being involved, a list can be attached and referred to as Annexure);

Which Prospecting Area is described in detail on the attached Diagram/plan marked Annexure

2. Granting of Prospecting Right and Permission to Remove

2.1 Without detracting from the provisions of sections 5 and 19 of the Act, the Minister grants to the Holder, the sole and exclusive right to:

2.1.1 Prospect for the Holder's own account, the mineral/s in, on and under the Prospecting Area, and:

2.1.2 Where a written permission in terms of section 20 (2) of the Act has been obtained, remove for the holder's own account, from the prospecting area, such mineral/s as may be required to conduct tests on it or to identify or analyse it subject to:

2.1.2.1 A volume of m³ required to conduct tests on it or to identify or analyse, and as applied for in terms of section 20 (2) of the Act and;

2.1.2.2 The terms and conditions of this prospecting right, the provisions of the Act and any other relevant law in force for the time being.

[Where the right to remove has not been granted, Clause 2.1.2, and its sub-clauses above are not applicable and should be deleted and the rest of clause 2 should be amended accordingly before execution].

3. Commencement, Duration and Renewal

3.1. This prospecting right shall commence on DAY MONTH YEAR and, unless cancelled or suspended in terms of section 47 of the Act, will continue in force for a period of DURATION years ending on DAY MONTH YEAR.

3.2. The Holder must commence with the prospecting operations within 120 days from the date on which the prospecting right becomes effective in terms of section 17 (5) of the Act or any later date as may, upon a written request by the Holder, be authorised in writing by the Minister in terms of the Act, failing which this right may be cancelled or suspended.

3.3. Any application for a renewal of this prospecting right shall be submitted to the office of the Regional Manager not later than 60 working days prior to the date of expiry of this right.

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4. Amendments, Variation and Abandonment

- 4.1 The terms of this right may not be amended or varied (including by extension of the area covered by it or by the addition of minerals or a share or shares or seams, mineralized bodies, or strata, which are not at the time the subject thereof) without the written consent of the Minister.
- 4.2 The Holder shall be entitled to abandon or relinquish the right or the area covered by the right entirely or in part. Upon abandonment or relinquishment of the prospecting area or any portion thereof, the Holder must:
- 4.2.1 Furnish the Regional Manager with all prospecting results and/or information, as well as the general evaluation of the geological, geophysical and borehole data in respect of such abandoned area in so far as it applies to the mineral or any other mineral/s obtained in respect of this right, and
- 4.2.2 Apply for a closure certificate in terms of section 43 (3) of the Act.
- 4.3 With effect from the date the Holder has abandoned or relinquished a portion/s of the Prospecting Area, and subject to section 43 of the Act, the Minister is entitled to grant any prospecting rights or mining rights or any right or permit referred to in the Act in, on, or under the portion/s, so abandoned or relinquished, to any person/s.

5. Payment of Prospecting Fees and Royalties

- 5.1 Prospecting fees as contemplated in section 19(2)(f) of the Act are payable to the State by the Holder from the commencement of this right in accordance with Regulation 76 of the Regulations to the Act.
- 5.2 Royalties as contemplated in section 19(2) (g) are payable to the State by the Holder for the sale and/or disposal of the mineral in terms of and upon the implementation by the Minister of Finance of a relevant Act of Parliament or an amendment of an Act of Parliament which provides for such payment.

6. Payment of Interest

If the prospecting fees and royalties referred to in clause 5 above are not paid punctually, the Holder shall be in mora and shall pay interest thereon at the rate prescribed in terms of section 80 of the Public Finance Management Act, 1999 [Act 1 of 1999] reckoned from the date on which payment becomes due and payable, to the date of actual payment.

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7. Restrictions and Obligations Imposed on the Holder

- 7.1. The Holder is entitled to the rights referred to in sections 5(2), (3) and 19 of the Act, and such other rights as may be contained in this prospecting right or such other rights as may be granted to, acquired by or conferred upon it by any other applicable law.
- 7.2. Prospecting operations in the prospecting area must be conducted in accordance with the Prospecting Work Programme and the approved Environmental Management Plan and any amendment thereof.
- 7.3. The Holder shall not trespass or enter into any homestead, house or its curtilage nor interfere with or prejudice the interests of the occupiers and/or owners of the surface of the Prospecting Area except to the extent to which such interference or prejudice is necessary for the purposes of enabling the Holder to properly exercise the Holder's rights under this prospecting right.

8. Mortgage, Cession, Transfer, and Alienation.

This prospecting right, a shareholding, an equity, an interest or participation in the right or joint venture, or a controlling interest in a company, close corporation or joint venture, may not be encumbered, ceded, transferred, mortgaged, let, sublet, assigned, alienated or otherwise disposed of without the written consent of the Minister, except in the case of a change of controlling interest in listed companies.

9. Protection of Boreholes, Shafts, adits and Excavations.

All boreholes, prospecting shafts, adits, excavations, sunk or made, by the Holder during the currency of this prospecting right shall be sealed, closed, fenced, made safe by the Holder in accordance with the approved Environmental Management Plan, the Mine Health and Safety Act, 1996 or any other applicable laws and regulations.

10. Holder's Liability for payment of Compensation for Loss or Damage

- 10.1. The Holder shall, during the tenure of this right while carrying out the prospecting operations under this prospecting right, take all such necessary and reasonable steps to adequately safeguard and protect the environment, the prospecting area and any person/s using or entitled to use the surface of the prospecting area from any possible damage or injury.
- 10.2. Should the holder fail to take reasonable steps referred to above, and to the extent that there is legal liability, the holder shall compensate such person or persons for any damage or losses, including but not limited to damage to the surface, to any crops or improvements, which such person or persons may suffer as a result of, arising from or in connection with the exercise of his/her rights under this prospecting right or of any act or omission in connection therewith;

- 10.3. Neither the Minister, nor the State, shall be liable for any damage or loss of whatsoever nature that may occur or result from any prospecting activities in terms of this Prospecting Right.

11. Inspection of Prospecting Area

The Minister and/or any person duly authorised thereto in writing by the Minister shall be entitled to inspect the prospecting area, the Holder's prospecting operations and the execution of the approved Environmental Management Plan on the Prospecting Area as provided for in the Act, and any instruction conveyed in writing by the Minister to the Holder requiring the proper performance by the Holder of the Holder's obligations under this prospecting right shall be put into effect by the Holder in terms of the Act.

12. Cancellation or Suspension

- 12.1. Subject to section 47 of the Act, the Minister may cancel or suspend this right if the Holder:
- 12.1.1 Submits inaccurate, incorrect and or misleading information in connection with any matter required to be submitted under the Act;
 - 12.1.2 Fails to honour or carry out any agreement, arrangement, or undertaking, including, where applicable, the undertaking made by the Holder in terms of the Broad Based Socio Economic Empowerment Charter and Social and Labour plan, on which the Minister relied for the granting of this right;
 - 12.1.3 Breaches any material term and condition of this prospecting right;
 - 12.1.4 Conducts prospecting operations in contravention of the provisions of the Act;
 - 12.1.5 Contravenes the requirements of the approved Environmental Management Plan; or
 - 12.1.6 Contravenes any provisions of this Act in any other manner.
- 12.2. Before the Minister cancels or suspends this right, the Minister must:
- 12.2.1 Give a written notice to the Holder indicating the intention to suspend or cancel this right;
 - 12.2.2 Give reason/s why the Minister is considering the suspension or cancellation of this right;
 - 12.2.3 Give the Holder 30 days to show reasons why the right should not be suspended or cancelled;
 - 12.2.4 Notify the mortgagee, [if any] of the intention to suspend or cancel this prospecting right; and
 - 12.2.5 Direct the holder, where it is possible to remedy a contravention, breach or failure, to take specified measures to remedy such contravention, breach or failure to comply.
- 12.3. If the Holder does not take the measures as specified by the Minister to remedy a contravention, breach or failure, and after having considered any representations by the holder in terms of clause 12.2.3, the Minister may suspend or cancel this right.

13. Records and Returns

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13.1. The Holder shall maintain all such books, plans and records in regard to prospecting operations on the Prospecting Area as may be required by the Act and shall furnish to the office of the Regional Manager such reports and documents as may be relevant under this right.

13.2. The Holder shall annually furnish to the Regional Manager progress reports contemplated in section 21 (1) (b) of the Act in such a manner and on such timeframes as prescribed by Regulation 8.

13.3 The Holder shall furthermore at the end of each year following commencement of this prospecting right, inform the Regional Manager in writing of any new developments and of the future prospecting activities of the mineral/s on the Prospecting Area.

14. Minister's Liability for Payment of Compensation

The Minister shall not at any time be liable or responsible for the payment of compensation of whatever nature to the Holder, the Holder's successors-in-title or assigns, or any other person, as a result of the granting of this prospecting right.

15. Compliance with the laws of the Republic of South Africa

The granting of this right does not exempt the Holder and its successors in title and/or assigns from complying with the relevant provisions of the Mine Health and Safety Act, 1996, (Act no.29 of 1996) and any other relevant law in force in the Republic of South Africa.

16. Provisions relating to section 2(d) of the Act

In the furthering of the objects of this Act, the Holder is bound by, where applicable, the provisions of an agreement or arrangement dated DAY MONTH YEAR entered into between the Holder/ empowering partner and NAME OF EMPOWERMENT PARTNER (the empowerment partner) which agreement or arrangement was taken into consideration for purposes of compliance with the requirements of the Act and or Broad Based Economic Empowerment Charter developed in terms of the Act and such agreement shall form part of this right.

17. Severability

Notwithstanding anything to the contrary, any provision of this prospecting right which is contrary to any provision of the Act or which is otherwise ultra vires, null and void, voidable, or unenforceable, shall be severable from the rest of this Right, such rest thus being and remaining of full force, effect and enforceability.

18. Domicilia citandi et executandi

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- 18.1. The parties hereto choose the following addresses as their *domicilia citandi et executandi* and for all purposes arising from this prospecting right, in particular for the purposes of serving of any notice in terms of this prospecting right, and any notice properly addressed to the under-mentioned postal addresses of the parties shall be deemed to have been received by the addressee within 14 days if given in writing and posted by registered post addressed to the addressee at the relevant postal address:

- 18.1.1. In the case of the Minister:

Physical Address	Postal Address
Code	
Tel	
Fax	

- 18.1.2. In the case of the Holder:

Physical Address	Postal Address
Code	
Tel	
Fax	

- 18.2. Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a party at any place other than the chosen *domicilia citandi et executandi* shall constitute adequate notice or communication to the party notwithstanding that it was not sent to or delivered at such party's chosen *domicilium citandi et executandi*.
- 18.3. Either party shall be entitled from time to time to change the *domicilia citandi et executandi* or postal address furnished above after giving at least 14 days prior written notice of such change to the other party, failing which the above-mentioned addresses will remain in force.
- 18.4. Any written notice or communication contemplated in this clause which is forwarded by one party to the other by registered post will be presumed to have been received by the addressee on the fourteenth [14] day following the date of posting from an address within the Republic of South Africa to the addressee at the postal address of the addressee for the time being as determined in accordance with the provisions of this clause.

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19. Costs

The Holder shall pay all costs and charges incurred in connection with the execution and registration of this prospecting right.

Thus done and signed at PLACE on the DAY day of MONTH in the year YEAR in the presence of the undersigned witnesses:

AS WITNESS:

For and on behalf of the Minister

AS WITNESS:

For and on behalf of the Holder

Notary Public

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Mining Charter Assessment

	COMPANY NAME: Sasol Mining (Pty) Ltd
	MINING RIGHT FILE NUMBER : MP 30/5/1/2/2/138 MR
	MINE CODE (IF ANY):
	COMMODITY: Coal, Pseudocoal, Torbanite/Oilshale
TABLE OF CONTENTS 2016	
1	Ownership Summary
2	Meaningful Economic Participation
3	Full Shareholder Rights

We have attempted to complete the template as thoroughly as possible.
 We have some uncertainties regarding the requirements in some areas.
 If you require any further information, please do not hesitate to contact us.

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	COMPANY NAME: Sasol Mining (Pty) Ltd
	MINING RIGHT FILE NUMBER : MP 30/5/1/2/2/138 MR
	MINE CODE (IF ANY):
	COMMODITY: Coal, Pseudocoal, Torbanite/Oilshale
	TABLE OF CONTENTS: 2016
1	Discretionary spent
2	Summary of procurement spent on BEE entities : capital goods, services, consumables and multi-national suppliers
3	Enterprise Development

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TOTAL MEASURED PROCUREMENT SPENT (RUBRIC 1) (RUBRIC 2) (RUBRIC 3) (RUBRIC 4) (RUBRIC 5) (RUBRIC 6) (RUBRIC 7)			
Procure Item	Actual Spend Value	Less/Audited/Annual Financial Statement (AFS) to be used	Comments
1 Cost sales			
2 Operational expenditure			
3 Capital expenditure			
4 Any other, including inter – company expenses (Only if not included in 1,2 or 3 above)			Information cannot be supplied as no AFS is drafted for the Secunda Complex. Also note that Sasol Ltd's financial year runs from July to June
5 Subtotal			
6 Less Exclusions			
6.1 Less: Taxes, levies, municipality rates			
6.2 Less: Public Sector Procurement			
6.3 Less: Salaries, wages & directors emoluments			
6.4 Less: Pass- through 3 rd Party Procurement			
6.5 Less: Investments, loans, donations qualifying as Enterprise development and Socio-economic contributions			
6.6 Less: Qualifying imports			
6.7 Less: Goods and services where there are no local suppliers or manufacturers			
6.8 Less: Goods and services with a different technical specification to those available from local manufacturers			
6.9 Less: Goods and services carrying a brand different to that available from local manufacturers			
6.10 Other: Please Specify			
7 Total Measured Procurement Spent / Discretionary procurement			
The following are examples of import exclusions:			
1 Goods and services where there are no local suppliers or manufacturers			
2 Goods and services carrying a brand different to that available from local manufactures			
3 Goods and services with a different technical specification to those available from local manufacturers			

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SUMMARY PROCUREMENT SPENT ON BEE ENTITIES AS AT 31 DECEMBER 2016

a) Summary of the procurement spent on BEE entities in terms of capital goods, services and consumables

b) Summary of multi-national suppliers contribution to social fund

No	Type of Product Procured	Total Procurement from SA Suppliers (R'000)	Total Procurement from Multinational Suppliers (R'000)	Total Spent Per Annum (R'000)	Non-Discretionary Spent (R'000)	Discretionary Spent (R'000)	Target 2016	Spent with BEE Entities (R'000)
1	Capital Goods	1,001,074.0	110,654.6	1,111,728.6		1,111,728.6		921,820.5
2	Services	4,006,421.8	181,527.0	4,187,948.8		4,187,948.8		3,237,125.7
3	Consumables	2,410,252.6	306,960.3	2,717,212.9		2,717,212.9		1,387,903.3
Total		7,417,748.4000	599,141.9000	8,016,890.3000	0.0000	8,016,890.3000		5,546,849.5000

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a) Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No.	Name of Enterprise	Enterprise Development Initiative		Substantive Amount	Type of Initiative	Comments
		Category	Particulars			
1	List Cleaning Chemicals	R 4,677,853		R 1,172,272	Loan funding for working capital including loan consolidation R4.7 million	Sustainability of supply and improved cash flow management
2	Metallica Engineering and Construction Services CC	R 0	Scope extension	R 7,156,785	Diversity service offering	Scope of service offering now includes building construction
3	Tuscan Mood	R 0	Capacity building	R 25,333,698	Pursuing loan opportunities to purchase assets	Improve asset utilizing capacity
4	Enatini Enterprises 7 CC	R 0	Capacity building	R 2,644,692	Pursuing loan opportunities to purchase assets	Improve asset utilizing capacity
5	Shilenge Belts and Pulleys	R 0	Mentoring & Coaching	R 996,288	Monitoring of implementation of SHE and QMS	To ensure compliance with industry requirements
6	Shisela Construction & Light Engineering	R 3,194,844		R 17,960,116	Financial accounting, HR & Payroll package (R46 919) + Loan Funding (R3 147 925.09) for building a warehouse.	Building capacity within the business to improve management efficiencies.
7	Kentse Civil Construction		Performance monitoring	R 1,764,282	Performance management (on the job training)	To ensure successful completion of projects
8	Phakama Advertising (HLP Media)	R 7,500	Marketing		Marketing	To position business to position itself optimally for opportunities.
9	Izazi Mining		Scope extension	R 59,655,509	Service offering diversification	Now also does underground construction
10	Reunko Steel		Several business management training	R 16,200,135	Workshops and trainings on business management	To improve sustainability of the business
11	Izigi Consulting	R 0	Several business management training	R 1,712,382	Workshops and training on business management. Performance management (on the job training)	To ensure successful completion of projects, thus also improved business sustainability
12	Mizwehu Holdings	R 0	Mentoring & Coaching	R 765,273	On the job coaching for the delivery of employees houses.	Quality of work resulted in company being accepted by FNB as a Supplier in their housing (builders) category.
13	Mavutha Contractors	R 0		R 9,980	Previously supported with SHE and QMS	Awarded a project in Electrical Infrastructure rejuvenation.
14	Melshuma	R 0	ARIBA registration	R 1,581,869	Vendor Registration process	Awarded a project in Electrical Infrastructure rejuvenation.
15	Lafiona Labour Hire	R 0		R 1,082,400	Several business management training	Awarded a project to construct a bridge (road)
16	New Heights 1164 CC	R 0	OSH Act guidance	R 1,042,586	Implementation of safety, health and environment (SHE) file before contract kick-off	Adherence to Legislative and industry requirements.
17	At this Moment	R 0	ARIBA registration		R 0	Consideration for future opportunities
18	Khamezama Projects	R 0	ARIBA registration		R 275,940	
19	Suka Projects	R 0	Vendor registration		R 0	Vendor registration enablement. Successfully registered on vendor base.
20	Leslamo's Trading	R 0	ARIBA registration		Previously supported with SHE and (quality management system) QMS	Vendor registration enablement. Successfully registered on vendor base.
21	Dream African Foundation		ARIBA registration		Previously supported with SHE and QMS	Compliance to industry requirements as a service provider.
22	Takha Environmental	R 0	ARIBA registration		R 0	Awarded Environmental monitoring contract on a project.
23	Ndlovakhe Construction	R 0	ARIBA registration		R 0	Was unsuccessful in RFQ. Consideration for future opportunities
24	Dikwankwehla Construction	R 0	ARIBA registration		R 0	Vendor registration enablement. Successfully registered on vendor base.

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a) Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No	Name of Enterprise	Enterprise Development Initiative (University Not-Novelty)	Supplies of Amount	Priority type of initiative or programme	Comments
25	Izindoga Ze Africa	R 164,520 ARIBA registration	R 0	Vendor Registration process	Consideration for future opportunities
26	Simvic	R 0 ARIBA registration	R 0	Previously supported with SHE and QMS	Consideration for future opportunities
27	Xhashe Projects	R 0 ARIBA registration	R 0	Vendor Registration process	Consideration for future opportunities
28	TMS Consulting	R 0	R 0	Professional category considerations	Was unsuccessful in RFQ. Consideration for future opportunities
29	EL Gondor Trading	R 0 Marketing	R 0	Networking and marketing	Was unsuccessful in Group RFQ. Consideration for future opportunities
30	SRK 3 Consulting	R 0 ARIBA registration	R 0	Vendor Registration process	Was unsuccessful in RFQ. Consideration for future opportunities
31	Muziwakhe Trading	R 0 ARIBA registration	R 0	Previously supported with SHE and QMS	Consideration for future opportunities
32	Dignit Construction	R 0	R 0	Previously supported with SHE and QMS	Consideration for future opportunities
33	Ngwenye Mining	R 0 Mining licence application	R 0	Mining licence application	Consideration for future opportunities
34	CSM Cooling Towers		R 0	Previously supported with SHE and QMS	Consideration for future opportunities
35	Sangim Construction	R 0 ARIBA registration	R 0	Previously supported with SHE and QMS	Consideration for future opportunities
36	Pemul Nahi	Several business management training	R 3,600,356	SMME Financing, Marketing	Expanded services to Secunda Operations
37	MBH Bulk Hauliers	R 24,170	R 423,468	Marketing Plan	Diversify the market
TOTAL		R 24,170	R 423,468		

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**Mining Charter Online Audit
BEE ownership template – Comments section
Sasol Mining – 9 March 2017**

Notes for Inzalo ESOP:

- Data completed as at 30 June of each year = Audited data at Sasol financial year end.
- Inzalo ESOP registration number: TM180 2003
- Inzalo VESOP registration number: TM173 2003
- Inzalo ESOP identifies beneficiaries noted as 13% as per written credit recognition communication from DMR to Sasol
- Joint financial year 2014 ESOP dividends are approximations based on the proportion of Sasol Mining employees vs total Sasol employees participating in the Inzalo ESOP. Dividend data for financial years 2015 and 2016 are actual data
- Value of the transaction can only be retrospectively determined at its maturity date
- Projected maturity date 2018
- Vesting date is interpreted as the date the transaction becomes effective
- Dividends reflected are cumulative to financial year end

Notes for ixia Coal:

- Data completed as at 30 June of each year = Audited data at Sasol financial year end
- Ixia Coal registration number: 2007 000345 07
- Ixia Coal notes 2016 are ending at Sasol Mining
- Commenced effective 1 April 2016 of Sasol Mining through Ixia Coal through Women Investment Portfolio Holdings and Mining Women Investment Trust
- The value of the transaction can only be retrospectively determined at its maturity date
- Vesting date is interpreted as the date the transaction becomes effective
- Dividends reflected are cumulative to financial year end

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Mining Charter Assessment


	COMPANY NAME: Sasol Mining (Pty) Ltd
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
Full Shareholder Rights

|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|



per BEE detailed ownership record and certificate if available

25



AS PER MINING CHARTER NOMENCLATURE

Meaningful Economic Participation - 2013


Project Name		Ownership		Investment		Employment		Production		Export		Revenue		Profit		Tax		Royalty		Other		Total		Notes	
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N

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mt

AS PER MINING CHARTER NOMENCLATURE

Meaningful Economic participation - 2014

[illegible]

2014

AS PER MINING CHARTER NOMENCLATURE
Meaningfull Economic participation

20.8	N	Y	Y	N	R 2,276,200,200	0	0	0	R 0	0	0	N	N	Y
4.5	Y	N	N	Y	R 672,384,000	R 0	0	0	R 0	R 0	R 0	Y	Y	Y
1.5	Y	N	N	Y	R 177,520,000	R 0	0	0	R 0	R 0	R 0	Y	Y	Y
0														

The ARM Asset Sales were concluded prior to the promulgation of the MPRDA in 2002 and funded internally by AGA. This transaction, based on the units of production, accounts for 20.8% of AGA's BEE credits as approved in the Converted Mining Rights. ARM was worth R40.5bn as at the end of June 2014 (ARM AFS)

The Share subscriptions were internally funded and no debt was incurred by the beneficiaries. This transaction, based on ESOP share scheme arrangement as agreed with the unions and approved by the DMR (as contained in the AGA Mining Rights), accounts for 4.5% of AGA's BEE credits. Cumulative Transaction Value as at the end of 2014 that has flowed through to the beneficiaries by way of shares and dividends was R447,982,025

The Share subscriptions were internally funded and no debt was incurred by the beneficiaries. This transaction, based on share scheme arrangement as agreed with Izinge Holdings (Pty) LTD and approved by the DMR, accounts for 1.5% of AGA's BEE credits. Cumulative Transaction Value as at the end of 2014 that has flowed through to the beneficiaries by way of shares and dividends was R73,146,587

2013

AS PER MINING CHARTER NOMENCLATURE
Meaningfull Economic participation

20.8	N	Y	Y	N	R 2,276,200,200	0	0	0	R 384,453,939	N	N	N	Y
4.5	Y	N	N	Y	R 672,384,000	R 0	0	0	R 384,453,939	R 452,442	R 0	Y	Y
1.5	Y	N	N	Y	R 177,520,000	R 0	0	0	R 384,453,939	R 350,000	R 0	Y	Y
0													

The ARM Asset Sales were concluded prior to the promulgation of the MPRDA in 2002 and funded internally by AGA. This transaction, based on the units of production, accounts for 20.8% of AGA's BEE credits as approved in the Converted Mining Rights. ARM was worth R32.3bn as at the end of June 2013 (ARM AFS). ARM declares it's own dividends independent of AGA

The Share subscriptions were internally funded and no debt was incurred by the beneficiaries. This transaction, based on ESOP share scheme arrangement as agreed with the unions and approved by the DMR (as contained in the AGA Mining Rights), accounts for 4.5% of AGA's BEE credits. Cumulative Transaction Value as at the end of 2013 that have flowed through to the beneficiaries by way of shares and dividends was R431,789,291

The Share subscriptions were internally funded and no debt was incurred by the beneficiaries. This transaction, based on share scheme arrangement as agreed with Izinge Holdings (Pty) LTD and approved by the DMR, accounts for 1.5% of AGA's BEE credits. Cumulative Transaction Value as at the end of 2013 that have flowed through to the beneficiaries by way of shares and dividends was R39,146,552

2012
AS PER MINING CHARTER NOMENCLATURE
Meaningfull Economic participation

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	COMPANY NAME: Sasol Mining (Pty) Ltd
	MINING RIGHT FILE NUMBER : MP 30/5/1/2/2/138 MR
	MINE CODE (IF ANY):
	COMMODITY: Coal, Pseudocoal, Torbanite/Oilshale
	TABLE OF CONTENTS: 2016
1	Discretionary spent
2	Summary of procurement spent on BEE entities : capital goods, services, consumables and multi-national suppliers
3	Enterprise Development

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TOTAL MEASURED PROCUREMENT (SOUTH AFRICAN R) (R1000000)			
Expenditure Item	Actual Value	As Audited / Annual Financial Statement (AFS) to be used	Comments
1 Cost sales			
2 Operational expenditure			
3 Capital expenditure			
4 Any other, including inter – company expenses (Only if not included in 1, 2 or 3 above)			Information cannot be supplied as no AFS is drafted for the Secunda Complex. Also note that Sasol Ltd's financial year runs from July to June
5 Subtotal			
6 Less Exclusions			
6.1 Less: Taxes, levies, municipality rates			
6.2 Less: Public Sector Procurement			
6.3 Less: Salaries, wages & directors emoluments			
6.4 Less: Pass-through 3 rd Party Procurement			
6.5 Less: Investments, loans, donations qualifying as Enterprise development and Socio-economic contributions			
6.6 Less: Qualifying Imports			
6.7 Less: Goods and services where there are no local suppliers or manufacturers			
6.8 Less: Goods and services with a different technical specification to those available from local manufacturers			
6.9 Less: Goods and services carrying a brand different to that available from local manufacturers			
6.10 Other: Please Specify			
7 Total Measured Procurement (Spend / Discretionary procurement)			
EXCLUSIONS			
The following are examples of exclusions:			
1 Goods and services where there are no local suppliers or manufacturers			
2 Goods and services carrying a brand different to that available from local manufacturers			
3 Goods and services with a different technical specification to those available from local manufacturers			

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SUMMARY PROCUREMENT SPENT ON BEE ENTITIES AS AT 31 DECEMBER 2016

- a) Summary of the procurement spent on BEE entities in terms of capital goods, services and consumables
- b) Summary of multi-national suppliers contribution to social fund

No	Type of Product Procured	Total Procurement from SA Suppliers (R'000)	Total Procurement from Multinational Suppliers (R'000)	Total Spent Per Annum (R'000)	Non-Discretionary Spent (R'000)	Discretionary Spent (R'000)	Target 2016	Spent with BEE Entities (R'000)
1	Capital Goods	1,001,074.0	110,654.6	1,111,728.6		1,111,728.6		921,820.5
2	Services	4,006,421.8	181,527.0	4,187,948.8		4,187,948.8		3,237,125.7
3	Consumables	2,410,252.6	306,960.3	2,717,212.9		2,717,212.9		1,387,903.3
Total		7,417,748.4000	599,141.9000	8,016,890.3000	0.0000	8,016,890.3000		5,546,849.5000

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a) Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No	Name of Enterprises	Enterprise Development Strategy (RMB/USD)	Enterprise Development Strategy (RMB/USD)	Summary of Investment Program	Comments
1	Isel Cleaning Chemicals	R 4,577,853		R 1,172,272 Loan funding for working capital including loan consolidation R4.7 million	Sustainability of supply and improved cash flow management
2	Metallurgical Engineering and Construction Services CC	R 0		R 7,156,785 Diversity service offering	Scope of service offering now includes building construction
3	Tuscan Mood	R 0		R 25,333,699 Pursuing loan opportunities to purchase assets	Improve asset utilizing capacity
4	Enabisi Enterprises 7 CC	R 0		R 2,644,892 Pursuing loan opportunities to purchase assets	Improve asset utilizing capacity
5	Shitenge Belts and Pulleys	R 0		R 999,288 Monitoring of implementation of SHE and QMS	To ensure compliance with industry requirements
6	Shitenge Construction & Light Engineering	R 3,194,844		R 17,960,116 Financial accounting, HR & Payroll package (R46 919) + Loan funding (R3 147 925.09) for building a warehouse.	Building capacity within the business to improve management efficiencies.
7	Kentia Civil Construction			R 1,764,282 Performance management (on the job training)	To ensure successful completion of projects
8	Phakama Advertising (PMP Media)	R 7,500		Marketing	To position business to position itself optimally for opportunities.
9	Isel Mining			R 59,655,509 Service offering diversification	Now also does underground construction
10	Raunko Steel			R 16,200,136 Workshops and trainings on business management	To improve sustainability of the business
11	Isel Consulting	R 0		R 1,712,382 Workshops and training on business management. Performance management (on the job training)	To ensure successful completion of projects, thus also improved business sustainability
12	Mawethu Holdings	R 0		R 785,273 On the job coaching for the delivery of employees houses.	Quality of work resulted in company being accepted by FNB as a Supplier in their housing (builders) category.
13	Mawethu Contractors	R 0		R 9,980 Previously supported with SHE and QMS	Awarded a project in Electrical Infrastructure rejuvenation.
14	Metshuma	R 0		R 1,581,889 Vendor Registration process	Awarded a project in Electrical Infrastructure rejuvenation.
15	Lethona Labour Hire	R 0		R 1,082,400 Several business management training	Awarded a project to construct a bridge (road)
16	New Heights 1164 CC	R 0		R 1,042,586 Implementation of safety, health and environment (SHE) file before contract kick-off	Adherence to Legislative and industry requirements.
17	At this Moment	R 0		R 0 Vendor Registration process	Consideration for future opportunities
18	Khamozana Projects	R 0		R 275,340 Previously supported with SHE and (quality management system) QMS	Vendor registration enablement. Successfully registered on vendor base.
19	Suka Projects	R 0		R 0 Previously supported with SHE and QMS	Vendor registration enablement. Successfully registered on vendor base.
20	Lesano's Trading	R 0		R 472,590 Vendor Registration process and transactional support on awarded contract	Compliance to industry requirements as a service provider.
21	Dream African Foundation			R 0 Approved to be on Saso Vendor Base	Awarded Environmental monitoring contract on a project.
22	Takho Environmental	R 0		R 0 Previously supported with SHE and QMS	Was unsuccessful in RFP. Consideration for future opportunities
23	Mulwesho Construction	R 0		R 0 Previously supported with SHE and QMS	Vendor registration enablement. Successfully registered on vendor base.
24	Dikwankwena Construction	R 0		R 0 Previously supported with SHE and QMS	Vendor registration enablement. Successfully registered on vendor base.

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a) Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No	Name of Enterprise	Employee Development Initiatives		Sustainable Development Initiatives	Beneficiaries of the Initiatives	Comments
		Monetary Cost (Rands)	Non-Monetary Cost (Rands)			
25	Isidoriga Ze Africa	R 104,520	ARIBA registration		R 0 Vendor Registration process	Consideration for future opportunities
26	Simvic	R 0	ARIBA registration		R 0 Previously supported with SHE and QMS	Consideration for future opportunities
27	Khashe Projects	R 0	ARIBA registration		R 0 Vendor Registration process	Consideration for future opportunities
28	TAS Consulting	R 0			R 0 Professional category considerations	Was unsuccessful in RFQ. Consideration for future opportunities
29	EL Gondor Trading	R 0	Marketing		R 0 Networking and marketing	Was unsuccessful in RFQ. Consideration for future opportunities
30	SRK 3 Consulting	R 0	ARIBA registration		R 0 Vendor Registration process	Was unsuccessful in RFQ. Consideration for future opportunities
31	Muziwakhe Trading	R 0	ARIBA registration		R 0 Previously supported with SHE and QMS	Consideration for future opportunities
32	Digiti Construction	R 0			R 0 Previously supported with SHE and QMS	Consideration for future opportunities
33	Ngomoya Mining	R 0	Mining licence application		R 0 Mining licence application	Consideration for future opportunities
34	CSM Cooling Towers				R 0 Previously supported with SHE and QMS	Consideration for future opportunities
35	Sangini Construction	R 0	ARIBA registration		R 0 Previously supported with SHE and QMS	Consideration for future opportunities
36	Panepi Ntsh	R 0	Several business management training		R 3,600,356 SHME Financing, Marketing	Expanded services to Secunda Operations
37	MHB Bulk Haulers	R 24,170			R 423,468 Marketing Plan	Diversify the market
TOTAL		R 104,520		R 423,468		

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AngloGold Ashanti

Vaal River Operations

Annual Charter Report 2015

Date of original submission: 28 April 2016

Vaal River Mining Rights:

1. MPTR/REF 12/2009, including prospectus in terms of Section 102 MPTR/REF 15/2012 (DMP Reference No. NW30/5/11/2014MR) (Vaal River Operations (Gabb Kholong, Great Nqilwa and Kopanong Mines) - Pre-MPRDA Section 102 application to incorporate the Vaal River into this Mining Right was created on 31/08/2015. The DMR granting letter was issued on 01/09/2015. The application 2015 and AGA's currently awaiting an evaluation and/or a decision such as Deed of Variation.
2. MPTR/REF 05/2008 (DMP Reference No. NW30/5/12/2014MR) (Eskom and Identification)
3. MPTR/REF 06/2007 (DMP Reference No. NW30/5/12/2014MR) (Masab Exchange)
4. MPTR/REF 10/2013 (DMP Reference No. NW30/5/11/2014MR) (respect to the Farm Extension) The Section 102 application for inclusion of the farm extension of this mining area to include further farm extension of Vaalbrug Doornet, De Poot Land and Vloer was granted on 24 April 2015, executed on 19 June 2015 and is currently awaiting registration at the Mineral and Petroleum Resources Registration Office.



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Mining Charter Assessment

Organizational shareholders, ESOPs, Community and other groups or SPVs

AS PER MINING CHARTER NOMENCLATURE

Organizational shareholders, ESOPs, Community and other groups or SPVs
Per BEE detailed ownership record and certificate is available
AS PER GENERAL BEE TERMINOLOGY

AS PER MINING CHARTER NOMENCLATURE																							
2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23		
Shareholder Name	Type (Trust, CC, PTY, Co-op)	Shareholder grouping 1 Community, 2 ESOPs, 3 BEE entrepreneur	Registration No							NSA Entry (Yes / No)	% meaningful participation	Flow thru or NPT	Shareholding meets Mining Charter requirements Y/N	Comments	% Economic interest held	% Exercisable Voting Rights held	Transaction Price (1)	Current Transaction Value (2)	Amount owing for shares purchased (3)	Net Value \$ (4)	3 rd Party rights held against shareholding	New Entrant (Yes/No)	Comment
Bohemase ESOP Trust	Trust		21712638/05	86	6	0	0	2	93	7	100	Y			4.5	4.5					Y		
Kingwe Holdings	PTY		3 2005/039350/0	7						0	Y	1.5	Y	Kingwe is owned by four different family trusts as detailed in the attached Kingwe confirmation of ownership	1.5	1.5					Y		
ARMgold	PTY		3						0	0	Y	20.8	Y	The ARMgold transaction details explained in the supplementary note attached	20.8	20.8					Y		
				86	6	0	0	0	93	7	100				4.5	4.5					Y		

The combined lists of organizational shareholders to add up to all HDSA shareholding by non-individuals.
NB: List ESOPs and Community shareholders on separate sheets from other shareholders.
Can list individual shareholders or state summary % and refer to annexure with such details
NB Use as many pages as required or refer to summaries that add up to numbers used.

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Mining Charter Assessment

Organizational shareholders: ESOPs, Community and other groups or SPVs

Organizational shareholders: ESOPs, Community and other groups or SPVs
per BEEDetailed ownership, significant and certified available

AS PER MINING CHARTER NOMENCLATURE																						
2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
Shareholder Name	Type (Trust, CC, PTV, Co-op)	Shareholder grouping 1 Community, 2 ESOPs, 3 BEE entrepreneur	Registration No	Tot. ESOPs						RSA Entity (Yes / No)	% meaningful participation	How many of MET	Shareholding invests Mining Charter Instruments Y/N	Comments	% Economic Interest held	% Exercisable Voting Rights held	Transaction Price(1)	Current Transaction Value(2)	Amount owing for shares purchased (3)	Net Value % (4)	3 rd Party rights held against shareholding	New Entrant (Yes/No)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Bokamoso ESOP Trust	Trust		21112639/06	86	6	0	0	0	2	93	7	100	Y	4.5	Y		4.5	4.5			Y	
1	1		312005/039350/0	7						0	0	Y	1.5	Y	1.5	1.5					Y	
2	2									0	0	Y	20.81	Y	20.81	20.81					Y	
2	2									0	0	Y										
The ARM/Gold transaction details explained in the supplementary note attached																						

The combined lists of organizational shareholders to add up to all HDSA shareholding by non-individuals.
NB: List ESOPs and Community shareholders on separate sheets from other shareholders.
Can list individual shareholders or state summary % and refer to annexure with such details
NB Use as many pages as required or refer to summaries that add up to numbers used.

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Mining Charter Assessment

TOTAL MEASURED INVESTMENT SPEND (PROPORTIONARY SPEND)

Investment Item	Actual Spend Value	Entity/Approved Annual Financial Statement (AFS) to be used for Reference	Comments
Cost sales		AFS published for AGA group and will not have detail available to verify SA only. In order to verify the info presented, the quarterly supplementary operational info will be available after the 23rd Feb (USD @ R 10.83). SA Total includes a R 81m of capital spent in the Technology consortium.	
Operational expenditure	R 7,311	R 5,936 Available on the internal SOR	
Capital expenditure	R 1,106	Available on the internal SOR	
Any other, including inter – company expenses (Only if not included in 1,2 or 3 above)			
Subtotal	R 8,417		
Less: Exclusions			
1. Less: Taxes, levies, municipality rates	R 98	Available on the internal SOR	
2. Less: Public Sector Procurement	R 1,101	Available on the consolidation system	
3. Less: Salaries, wages & directors emoluments	R 3,266	Available on the consolidation system	
4. Less: Pass-through 3 rd Party Procurement			
5. Less: Investments, loans, donations qualifying as Enterprise development and Socio-economic contributions			
6. Less: Qualifying imports			
7. Less : Goods and services where there are no local suppliers or manufacturers			
8. Less: Goods and services with a different technical specification to those available from local manufacturers			

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Mining Charter Assessment

TOTAL MEASURED PROCUREMENT SPEND / (DISCRETIONARY SPEND)

Item	Actual Band Value	Last Audited Annual Financial Statement (AFS) to be used Reference	Comments
9 Less : Goods and services carrying a brand different to that available from local manufacturers			
0 Other: Please Specify (Gold in Process, By-Product, Retrenchment, Amortisation, Gold on Hand, Insurance and Industry related charges, Financial accounting adjustment entries)	R 661	Available on the Internal SOR and on the consolidation	Financial accounting adjustment includes the differences of controllable (discretionary) spend as reported by Supply Chain from the Finance submission on procurement spend determined from a cost of sales base in the AGA Annual Report. Refer to the Note for the Record "BEE Verification Audit - Difference between DMR reports and Cost of Sales - 29 March 2016"
7 Total Measured Procurement Spend / Discretionary procurement	R 3,291		

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Mining Charter Assessment

Following are examples of import and export:

1	Goods and services where there are no local suppliers or manufacturers
2	Goods and services carrying a brand different to that available from local manufactures
3	Goods and services with a different technical specification to those available from local manufacturers

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SUMMARY

ENTITIES

Summary of the procurement spent on BEE entities in terms of capital goods , services and consumables
Summary of multi-national suppliers contribution to social fund

Type of Product Procured	Total Procurement from SA Suppliers (R'000)	Total Procurement from Multinational Suppliers (R'000)	Total Spent Per Annum (R'000)	Non-Discretionary Spent (R'000)	Discretionary Spent (R'000)	Target 2014	Spent with BEE Entities (R'000)
1 Capital Goods	215	-	215	0	215	40%	139
2 Services	2,459	5	2,464	1,255	1,209	70%	938
3 Consumables	1,948	0	1,948	81	1,868	50%	1,177
Total	4,622	5	4,627	1,336	3,291		2,254
4 Multi-national suppliers contribution to social fund	2010 Awaiting DMR Guidance	2011 Awaiting DMR Guidance	2012 Awaiting DMR Guidance	2013 Awaiting DMR Guidance	2014 Awaiting DMR Guidance	0.5%	
						0.0%	

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Mining Charter Assessment

Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

Name of Enterprise	Enterprise	Address	Comments
Monetary R (Rands)	Non-Monetary		
MOLALE SECURITY SERVICES CC	11,883	2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition, the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Cost directly incurred by AGA directly attributable to Supplier Development
NORTH REEF PLANT HIRE CC	11,883	2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition, the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Assisted by AGA Metallurgy, Cost directly incurred by AGA directly attributable to Supplier Development
MALOMO TRADING AND PROJECT CC	11,883	2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition, the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Cost directly incurred by AGA directly attributable to Supplier Development
LETSOGO RECYCLING	11,883	2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition, the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Cost directly incurred by AGA directly attributable to Supplier Development

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Winning Charter Assessment

Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No	Name of Enterprise	Enterprise	Monetary R (Rands)	Non-Monetary	Address	Details of the Programme	Comments
5	EXTREMEMINING SOLUTIONS CC		11,883			2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition. the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Cost directly incurred by AGA directly attributable to Supplier Development
	FLIGHT ONE MINING & CONSTRUCTION					Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	The beneficiary received skills development from a vendor in the same service as initiated by the business unit.
	THANDANAZI PROJECTS (PTY)LTD					Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	The beneficiary received mentorship from the properties department.
	OHSHIN LABOUR RELATIONS - LEGAL CC					Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	The beneficiary received mentorship from the properties department.
	asek Seventy vestments (PTY)LTD					Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	The beneficiary received skills development from a vendor in the same service as initiated by the business unit.

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Mining Charter Assessment

Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

Name of Enterprise	Enterprise Details		Amount Spent	Comments
	Monetary / R (Rands)	Non-Monetary		
Enterprise Development Centre OR Tambo	3,479,143			
1 Daniel Mokehele		1,200	Develop SMMEs and meet board based local procurement and associated empowerment targets embedded in the mining charter by establishing an Enterprise Development Centre to identify, train, support and mentor entrepreneurs/existing small	40 Candidates have enrolled for New Venture Creation Program 10 SMMEs are listed in an mentoring programme
2 Partners Drilling		71,112	Lease Agreement for office / business at below market value rate	
Langa, SP		6961	Lease Agreement for office / business at below market value rate	
Mokojo Agnes (Mrs)		84	Lease Agreement for office / business at below market value rate	
Copper Sunset Trading 104 (Pty) Ltd		277,764	Lease Agreement for office / business at below market value rate	
Sublimor 12 CC		108,624	Lease Agreement for office / business at below market value rate	
AngloGold Health Services (Sookhupel)		5,400	Lease Agreement for office / business at below market value rate	
Constance			Lease Agreement for office / business at below market value rate	
Dikeledi Rebecca Zwane		1,320	Lease Agreement for office / business at below market value rate	
Fakir RA		1,800	Lease Agreement for office / business at below market value rate	
Sublimor 12 CC (TAVERNIS)		355,044	Lease Agreement for office / business at below market value rate	
Mannique JA t/a Masithandane Tavern		12,636	Lease Agreement for office / business at below market value rate	
Molale Security		3,036	Lease Agreement for office / business at below market value rate	

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WINNING UNaIter Assessment

a) Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No	Name of Enterprise	Enterprise Development Initiative Monetary/ R (Rands)	Non-Monetary	Supplies/SGT Asides	Details/Type of Initiative or Programme	Comments
23	Abacus Financial Services			67,500	Lease Agreement for office / business at below market value rate	
	Morgans Hardware (AW All)			3,708	Lease Agreement for office / business at below market value rate	
25	Mattosana Community Agricultural Project	2,527,089			Income Generating Community Farming Project	20 beneficiaries Zha vegetable farm under shade net
Total						

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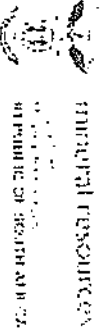
Chamber of Mines of South Africa Assessment of Mining Charter 2010 targets

For the Mining Charter Scorecard		DNHR published assessment		Chamber assessment		Overall alignment with DNHR (Yes/No)
		(i) Comparison to target	(ii) % of submissions that has met target	(i) Comparison to target	(ii) % of submissions that has met target	
Element (Scorecard weight)	Description	Target	Unweighted	Weighted ¹	Weighted ²	Assessment
Ownership (17%)	Min HDSA ownership %	26%	(i) 30.6%	(i) 22.5%	(i) 38%	Achieved well
	Percentage of companies achieving 76%	100%	(ii) 78%	(ii) 20%	(ii) 100%	No - significant difference in definitional interpretation
	Percentage of companies with DHE, community & ESCOP	(not agreed)	(iii) 6.3%	(iii) 20%	(iii) 41%	
	Percentage reduction of occupancy rate towards 2014 target	100%				
Training and living conditions (17%)	Percentage reduction of occupancy rate towards 2014 target	100%				
Procurement and enterprise development (15%)	Capital goods (3%)	40%	(i) -	(i) -	(i) 77%	Achieved well
	% of companies meeting the target		(ii) 39.6%	(ii) 82.1%	(ii) -	Yes (on weighted data)
	Services (3%)	70%	(i) -	(i) -	(i) 61%	Good progress made
	% of companies meeting the target		(ii) 31.3%	(ii) 64.9%	(ii) -	Yes (on weighted data)
Employment equity (10%)	Consumables goods (2%)	50%	(i) -	(i) 55.2%	(i) 72%	Achieved well
	% of companies meeting the target		(ii) 60%	(ii) 55.2%	(ii) -	Yes (on weighted data)
	Annual spend on procurement from B-BBEE (3%)	0.5% of procurement	(i) -	(i) -	(i) -	Work to be done
	% of companies meeting the target		(ii) 3.1%	(ii) 14.9%	(ii) 20%	Yes (on weighted data)
Human resources development (35%)	Top Management (Board) (3%)	40%			(i) 50.4%	Achieved well
	Senior Management (Execo) (4%)	40%			(i) 41.9%	Achieved
	Middle Management (3%)	40%			(i) 50.4%	Achieved well
	Junior Management (1%)	40%			(i) 54%	Achieved well
Sustainable development and growth (29%)	Cost savings (3%)	40%			(i) 23.5%	Achieved well
	Human resources development HRD expenditure as % of total annual payroll	5%	(i) -	(i) 5.5%	(i) 5.5%	Achieved well
	% of companies achieving the target		(ii) 38.1%	(ii) 56.9%	(ii) 100%	No
	Minor community development	Implement approved community projects	(i) in date	(i) -	(i) 70.6%	Work to be done
Sustainable development and growth (29%)	% of companies meeting target		(ii) 36%	(ii) -	(ii) -	Yes - timing issues to be addressed
	Implementation of approved B-BBEE (12%)	100%	(i) -	(i) -	(i) 98.0%	Good progress made
	% of companies meeting target		(ii) 94.5%	(ii) 48.6%	(ii) -	No
	Implementation of the corporate action plan on health and safety (17%)	100%	(i) -	(i) -	(i) 86.2%	Achieved well
Sustainable development and growth (29%)	% of companies meeting the target		(ii) 2.8%	(ii) 1.6%	(ii) -	No - DNHR wants occupational health elements to be improved
	Percentage of samples in SA facilities (5%)	100%	(i) -	(i) -	(i) 84.6%	Achieved
	% of companies meeting the target		(ii) 65.5%	(ii) 84.2%	(ii) -	Yes

Source: Chamber of Mines, Department of Mineral Resources
 Note 1: Weighting based on Chamber employment figures, except for ownership which is based on volume and mineral sale
 Note 2: Weighting based on Chamber employment figures, except for ownership which is based on volume and mineral sale
 Note 3: Based on independent Chamber Ownership Disclosure report

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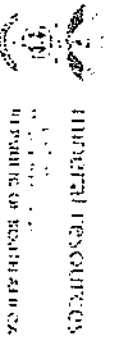
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ATTENDANCE REGISTER**

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
1 Tebogo		Tel: 012 444 3902 Cell: 072 370 9986	
2 Phakadina Kwena Mmeti	Dmr: ETHA Impala: SEO Manager	e-mail: tsepo.makhato@dmr.gov.za Tel: (014) 569 8610 Cell: 072 587 6785	
3 Daleen Dake	P. Scudman	e-mail: kwena.mmeti@impala.co.za Tel: 012 569 6675 Cell: 082 3730480 e-mail: daleen.clerck@impala.co.za	

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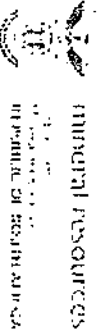


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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
4 F. HELL	EXECUTIVE NORTH IMPALA PLATS	Tel: 014-5696642 Cell: 0828025051 e-mail: f.hell@impalaplats.co.za	
5 D. Guy	SENIOR MANAGER : ENGINEERING (TRAINING & SERVICES)	Tel: 014 569 6544 Cell: 082 803 1370 e-mail: dave.guy@impalaplats.co.za	
6 A. Selloe	debetata Trading	Tel: 014 597 0611 Cell: 082 775 9890 e-mail: april@debetatatrading.co.za	

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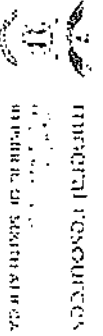


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NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
7	<i>George Makobe</i> Gilbert Bocopane Mopero mining MOLABO MINING AND CONSULTING -MANAGING DIRECTOR	Tel: 0824345981 Cell: 0824345981 e-mail:	<i>George Makobe</i> Mopero mining, 10-2A
8	<i>George Makobe</i> Gilbert Bocopane Mopero mining MOLABO MINING AND CONSULTING -MANAGING DIRECTOR	Tel: 014 566 4128 Cell: 083 844 3545 e-mail: gilbert@molaobomining.co.rw	<i>Gilbert Bocopane</i>
10	<i>Ena</i> MONTSHO PEY LTD. MANAGING DIRECTOR	Tel: 0114 538 1030 Cell: 082 003 4134 e-mail: adm@loapiinvestments.com	<i>Ena Montsho</i>

mk
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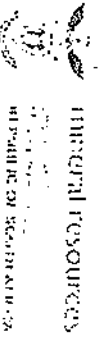


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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
11	J.T. Klenzville LOGAP Investments	Tel: 014 538 1020 Cell: 084 788 4624 e-mail:	
12	G.S. HATTINGH Mvelo Minerals	Tel: Cell: 082 829 1844 e-mail: gideon.mvelo@gmail.com	
13	Sorel Dlamini Mvelo Minerals	Tel: 023 973 1598 Cell: 083 973 1598 e-mail: info@mvelominerals.com	
14	Hans Koen Mvelo Minerals Roxie Khawaga.	Tel: Cell: 081 465 3400 e-mail: hans.mvelo@gmail.com	
15			

Mk M.J.Z

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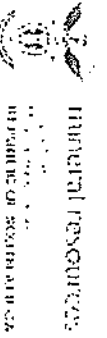


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ATTENDANCE REGISTER


16	R. BOTHA GRE-ORETHA TST	Cell:		
		e-mail:		
17	USPATO BOET IANDEWI HOLDINGS	Tel:	082 045 2095	
		Cell:		
		e-mail:	KAYMOND@GRETHA.CO.ZA KAYMOND@BOETHAENHOLDING.CO.ZA	
		Tel:	011 056 8094	
		Cell:	073 4024 876	
		e-mail:	indaw@indawengravel.co.za	
18	Tobogo Ditso go Projects	Tel:	014 596 5052	
	Mashego	Cell:	073 124 5478	
		e-mail:	telogo@ditso go projects.co.za	
19				
20				
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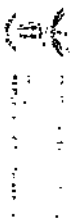


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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
1	Dinyane Mabasa D & F TA	Tel: 012-444 3936 Cell: e-mail: Tel: Cell: e-mail:	
2			
3			

Mk

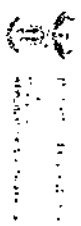
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ATTENDANCE REGISTER FOR A PROCUREMENT SESSION BETWEEN DMR, PLATINUM GROUP METAL (MASEVE) & MINING INDUSTRY ENTREPRENEURS AT DMR OFFICES, 04 OCTOBER 2016, 13:30-16:00

COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
PPC	PPC	Tell: 160 45 6661 Cell: 082 8594 4553	lee.equivality@gmail.com	
PTM	Mr. M. Maseve	Tell: 081 711 0617 Cell: 082 8594 4553	mngualwa@platinumgroupmetals.co.za	
M.M.P	OBILE RAKOBA	Tell: 081 711 0617 Cell: 082 8594 4553	aditile1@gmail.com	
Gm	GREGORY	Tell: 010 230 0046 Cell: 082 212 8769	gregory.lekoma@gmail.com	
Shasta	SEBASTIAN	Tell: 083 388 1591 Cell: 083 388 1591	sp.hair@gmail.com	
ESIZWE	HAN	Tell: 083 284 5335 Cell: 083 284 5335	elgersonh@gmail.com	
ESIZWE	SEBASTIAN	Tell: 011 310 1059 Cell: 083 401 056	godfrey@sharpshell.co.za	
ESIZWE	HAN	Tell: 011 782 2186 Cell: 083 222 9816	sengebrey@platinumgroupmetals.co.za	
ESIZWE	SEBASTIAN	Tell: 083 284 5335 Cell: 083 284 5335	elgersonh@gmail.com	
ESIZWE	HAN	Tell: 011 310 1059 Cell: 083 401 056	godfrey@sharpshell.co.za	
ESIZWE	SEBASTIAN	Tell: 083 388 1591 Cell: 083 388 1591	sp.hair@gmail.com	
ESIZWE	HAN	Tell: 083 284 5335 Cell: 083 284 5335	elgersonh@gmail.com	
ESIZWE	SEBASTIAN	Tell: 011 310 1059 Cell: 083 401 056	godfrey@sharpshell.co.za	
ESIZWE	HAN	Tell: 011 782 2186 Cell: 083 222 9816	sengebrey@platinumgroupmetals.co.za	

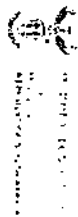
MR M.J.Z



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COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
EXXARO CONST	Edith Zunguza	Tell: 018 293 1953 Cell: 0734010468	Zunguzae@gmail.com	
KUNDE KAMAPALA INCORPORATED	STEPHANIE CHETTY	Tell: (011) 463 3888 Cell: 072 421 6309	schetty@br-inc.co.za	
Adam & Tina's Trading	Jerry Vilakazi	Tell: 011 062 0008 Cell: 082 4905041	Jerry@pdamq.co.za	
Shugliso Trading HORONA	Lebo Makua Tlotlo Prele	Tell: Cell: 082 7600266	lebo.makua@gmail.com tlotloehorona mining.co.za	
DREAM AFRICAN FOUNDATION	THABANG MONSELE	Tell: 017 687 0120 Cell: 082 905 1756	thabang@dreamafrican.co.za	
MANNIKEN MINING & ENGINEERING	NOKO CHELOPO	Tell: 014 596 5024 Cell: 082 908 5894	noko@manniken.co.za info@manniken.co.za	
PHARMED OCCUPATIONAL HEALTH	MANTHATA CHELOPO	Tell: 015 291 5081 Cell: 072 737 6220	manthata@chelopo.co.za	

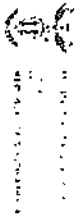
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COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
Alticon	George Gaba	Tell: 011 033 2100 Cell: 083 333 1200	george@kaxxobdt.co.za	
Joint Venture Alticon Carryover Systems	Thabo Peto Moketwa	Tell: 012-751 6001 Cell: 082 444 6934	thabo@altitudeholings.co.za	
MADUDU CONSTRUCTION	OLWETHU	Tell: 010 223 7060 Cell: 073 682 9154	olwethu@madudic.co.za	
Madudi	Lebo Riklase	Tell: 010 223 1060 Cell: 054 826 5814	lebo@madudic.co.za	
Coeng	Casim Dendere	Tell: 012 450 3700 Cell: 071 676 2490	info@coeng.co.za	
DMR	Bongive Mabuda	Tell: 012-444 3936 Cell:	bongive.mabuda@dmr.gov.za	
DMR	Thabo Plavadi	Tell: 012 444 3907 Cell: 072 370 9886	thabo.plavadi@dmr.gov.za	
DMR	Maseve Maseve	Tell: 011 873 1100 Cell: 079 097 2699	maseve@dmr.gov.za	

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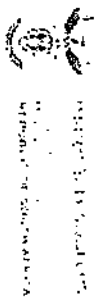


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COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
CSF	Leslie Stoutjeart	Tell: 072 659 9190 Cell: 072 659 9190	leslie@csf.co.za	
		Tell: Cell:		
		Tell: Cell:		
		Tell: Cell:		
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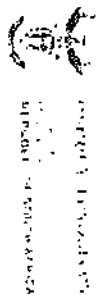
MR M.F.Z



ATTENDANCE REGISTER FOR A PROCUREMENT SESSION BETWEEN DMR, ANGLO GOLD ASHANTI & MINING
INDUSTRY ENTREPRENEURS AT DMR OFFICES, 5 AUGUST 2016 10:00-12:30

COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
DMR	ISIMAMANDIBINDI BOKKE KEA BUTI ENTREPRENEURS	Tell: 012 579 05725 Cell: 079 944 6795	kselaka@beake.co.za	
SOLUTIONS	JELISA	Tell: 082 7600 266	lebonakua@gmail.com	
Trading Enterprise cc and O. Mining	LEBO MAKWA B. MOKHAKI	Tell: 01456 55303 Cell: 082 8457 137	Rainingmogiaki@gmail.com	
U	FLOE KEE	Tell: 082 383 1178 Cell: 082 383 1178	ecce@ecce.co.za	
COENG C. Bendeire		Tell: 012 450 3700 Cell: 011 616 2490	info@coeng.co.za casiano@coeng.co.za	
Mvelo Mining	Seraf Danyel	Tell: 083 973 1598 Cell: 083 973 1598	info@mvelominerals.com	
Mvelo Mineral Haus Keku		Tell: 081 465 3440 Cell: 081 465 3440	haus.mvelo@gmail.com	

PK
MJSZ



ATTENDANCE REGISTER FOR A PROCUREMENT SESSION BETWEEN DMR, ANGLO GOLD ASHANTI & MINING
INDUSTRY ENTREPRENEURS AT DMR OFFICES, 5 AUGUST 2016 10:00-12:30



COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
MAULE COTD	Guidoan MATHINGA	Tell: Cell: 082 829 1844	guidoan.mathinga@gmail.com	
MAULE M4	THATO	Tell: Cell: 0733 881164	thato@maule.co.za	
RESOURCES MAULE M4	MARUHO	Tell: Cell: 073 990 4094	maruho@maule.co.za	
RESOURCES MAULE M4	DIREBOGO	Tell: Cell: 0805705013	Pamela@dimasec.co.za	
Dimasec v Pamela Segor		Tell: 011 345 1147 Cell: 073174 8994	terrence@dimasec.co.za	
Dimasec	Terrence MATHINGA	Tell: 018 7003571 Cell: 060 569 3959	thomasa@angloashanti.co.za	
AngloGold Ashanti	Thabo Mwanza	Tell: 012 444 3907 Cell:	thabo.mthandira@dmr.gov.za	
DMR	Thabo Mthandira	Tell: 012 444 3936 Cell:	thabo.mthandira@dmr.gov.za	
DMR	Mampe Ngweni		mampe.ngweni@dmr.gov.za	

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August 22, 2016




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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
1 Thogo Phaladio	DMR; ETRA	Tel: 012 444 3907 Cell: 072 570 9986 e-mail: thogo Phaladio@dmr.gov.za. Tel:	
2 Nico Kruisler	LM Supply Lonmin	Cell: 063 509 0853 e-mail: nico.kruisler nico.kruisler@lonmin.com Tel:	
3 Barrie van der Meer	CFO Lonmin	Cell: 060 436 8410. e-mail: barrie.vandermeere@lonmin.com.	

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ATTENDANCE REGISTER

	NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
4	BEN MACARA	CEO Lonmin Plc	Tel: 011 218 8500 Cell: 082 904 2382 e-mail: ben.macara@lonmin.co.za	
5	BEN MILLMAN	CEO Lonmin	Tel: Cell: 082 494 3100 e-mail: ben.millman@lonmin.com	
6	KIAN BLIGNAUT	GM SNG, CAPITAL INFRASTRUCTURE	Tel: 014 571 2197 Cell: 083 232 2902 e-mail: kian.blignaut@lonmin.com	

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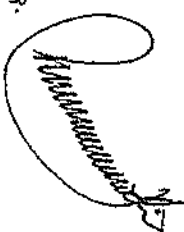



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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
7 Happy Nkhoma	ADD: Public Affairs Lonmin Plc 34 Melrose Boulevard Melrose Arch JHB	Tel: 011-208 8300 Cell: 060 333 1280 e-mail: happy.nkhoma @lonmin.com	
8 Sereel Deenye Mwele Minerals		Tel: Cell: 0833 9173 15912 e-mail: info@mweleminerals.com	
10 Raymond CEO Nkh Mining Trust Botma Director bKETOISI		Tel: Cell: 082 045 2095 e-mail: RaymondBotma@NkhMiningTrust.co.za	

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M.S.Z

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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
11 PETER MOLOTSU	MANAGING DIRECTOR, 3 GRE ORESTHORE, 3 SACHU MINING PRODUCTS 3 PRIMO MINING	Tel: (014) 594 2470 Cell: 0763784470 e-mail: peter@primomining.co.za	
12 WALTER MOORE	Operations Manager, - Moerab Mining & Consulting	Tel: 014 594 2057 Cell: 083 696 8155 e-mail: wmoore@moerabmining.co.za	
13 GILBERT BOGOPANE	MANAGING DIRECTOR MOERABO MINING AND CONSULTING	Tel: 014 566 4128 Cell: 083 844 3545 e-mail: gilbert@moerabmining.co.za	
14 PAMELA SEGOR	CED Dimasac	Tel: 011 395 1107 Cell: 0825 705013 e-mail: Pamela@dimasac.co.za	
15 CHRISTIAN BENDEKE	MANAGING CONSTRUCTION ENGINEER	Tel: 012 450 3700 e-mail: info@coebac.co.za	

MR
MIGZ

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PROCUREMENT SESSIONS CONDUCTED BETWEEN LONMIN, ENTREPRENEURS AND DMR
ATTENDANCE REGISTER

			Cell:	
16	PITSI MUMSI	Luyshupin Cedar MD	Tel: 011 465 9358 Cell: 076 9073708	P. Si
			e-mail: pitsi.mumsi@gmail.com	
17	Kgaugelo Ratqase	Process Engineer MLNACA Resources	Tel: 087 150 3550 Cell: 083 487 8949 e-mail: kgaugelo.ra@mlnaca.co.za	
18	Abel Baidon	Project Manager Munaca Resources	Tel: 087 150 3550 Cell: 076 021 6017	
			e-mail: abel@munaca.co.za	
19	Busi Shoba	HR - Inc Artorneys	Tel: (011) 463-3888	
20	STEPHANIE CHETTY	KUNENE RAMAPALA INCORPORATED	Cell: 083 770 4413	
21			e-mail: bshoba@kri-inc.co.za	

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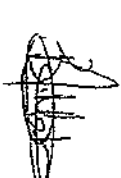

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
1 STEPHANIE CHETTY	ATTORNEY KUBENE RAMPALA INCORPORATED (K&R INC.)	Tel: (911) 463 3888 Cell: 079 421 6300 e-mail: schettgetr-inc.co.za	
2 AUREY ISMAILIYANDERANO	REGIONAL MANAGER Drink	Tel: (015) 6673 0600 Cell: e-mail: aubreytshindandano@dmr.gov.za	
3 Joel Raphela	D.D.G	Tel: 012 444 3977 Cell: 082 4977 341 e-mail: joel.raphela@dmr.gov.za	

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August 22, 2016

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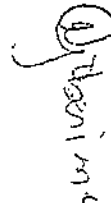
NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
4 BONGIWEZI MOTHAU	MANAGING DIRECTOR NATHI'S GLOBE holding co BUTHE LOGISTICS CONCEPTS SOLUTIONS	Tel: 079 449 6604 Cell: 079 449 6604 e-mail: bongiwezi@nathi'slogistics.co.za bongibusi@gmail.com	
5 (Bongibusi Mabusele	Director of ETA	Tel: 012-444-3424 Cell: e-mail:	
6 April Seloe Sebetso Trading		Tel: 014 592 5761 Cell: 082775 9890 e-mail: april@sebetso trading.co.za	

MT M.S.Z

August 22, 2016

N

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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
Nyobeni Mamppe	DMR	Tel: 012 444 3936 Cell: e-mail: mamppe.nyobeni@ dmr.org.za	
8		Tel: Cell: e-mail:	
10		Tel: Cell: e-mail:	

OK Mamppe



DEPARTMENT OF MINERAL RESOURCES
REPUBLIC OF SOUTH AFRICA

STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL TRANSFORMATION OF THE SOUTH AFRICAN MINING INDUSTRY

June 2010

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PREFACE

The transition to democracy in South Africa since 1994 has been nothing short of remarkable. In essence, through constructive dialogue and sheer political will, the country has replaced the abhorrent Apartheid system, which denied basic economic and political rights to the majority of the country's population, with a move towards a market democracy.

Whilst making this transition, the country stabilised the inherited fiscal and monetary environment through prudent macroeconomic policies, gradually opened the economy to global economic forces through trade and capital control liberalisation and strengthened the institutions that support democracy. From fiscal deficits close to 9 percent of Gross Domestic Product (GDP) and double digit inflation and a counterproductive import substitution industrialisation model in the early 1990's, the country achieved balanced budgets by 2007, while reducing inflation to less than half its pre-democracy crisis levels. South Africa's economic growth finally started accelerating after nearly two decades of economic stagnation.

The State embarked on a massive programme to rewrite and modernise the country's policies and laws to integrate the previously excluded majority into the mainstream economy through socio-economic transformation.

Despite a significant progress made since 1994 in the first 16 years of democracy as touched on above, South Africa's economy achieved a modest average annual growth rate of 3.3 percent per annum. The necessary reforms to the country's macroeconomic policies allowed the economy to benefit from the rising tide of global economic growth, but the growth was not enough to address the disparities inherited from the apartheid regime.

The sectors that traditionally provided jobs to unskilled and semi-skilled workers, namely agriculture, mining and manufacturing, experienced significant decline in employment levels. In part this was accelerated by South Africa's previous racial exclusionary policies and poor education system, combined with an increase

in unemployment exacerbated the country's levels of poverty and high levels of inequality.

In 2009, South Africa is reported to have become the most unequal country in the world. This is in turn corroborated by the salary differential report indicating that of the top ten JSE listed companies, the difference between the lowest and the highest earners has increased from 37 times to 390 folds over a period of fifteen years. The gross disparities happen at the time when the economy and GDP per capita are growing modestly, suggestive of fundamental economic structural challenges.

In terms of the implementation of the socio-economic transformation of the mining industry, we have reached a critical period of assessing the extent to which the objective has been achieved. To this extent, the observations are that the growth of the industry has been less than salubrious and that transformation within the sector has been at a snails pace.

This strategy seeks to infuse the lessons learnt during the period under review, emphasising the complementary nature of transformation and global competitiveness in achieving the twin goals of sustainable growth and transformation of the mining industry.

The Mining Industry Growth, Development and Employment Task Team (MIGDETT) is a Department of Mineral Resources-led tripartite initiative comprising representatives of government departments (The Presidency, National Treasury and Departments of Public Enterprises, Trade and Industry and Economic Development), organised labour (the National Union of Mineworkers, Solidarity and UASA-The Union) and organised business (the Chamber of Mines of South Africa and the South African Mining Development Association). MIGDETT was formed in December 2008 against the backdrop of the world economic and financial crisis that lead to poor demand for most mineral commodities produced in the country.

At its inception, MIGDETT was tasked with a dual mandate: firstly, to recommend short-term interventions to mitigate the adverse impact of the crisis on the mining industry and to minimise

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job-losses, and secondly, to develop interventions to position South Africa's mining industry for sustainable growth. The Task Team completed phase-one of its mandate during 2009, which resulted in containing job losses to less than fifty-thousand (50 000) jobs versus the 100 000 jobs losses that had been estimated at the beginning of the crisis.

Upon completion of its first mandate, MIGDETT embarked on phase two of its mandate, which entailed delineating strategic interventions to position South Africa's mining industry along a new trajectory of sustainable growth. However, MIGDETT recognised that any attempt to place the industry on a new growth trajectory needed to take the national transformation objectives into account, as transformation is a strategic business imperative in South Africa. Sustainable growth and transformation are inseparable and mutually reinforcing. Hence MIGDETT agreed from the outset that the outcome of its work on the second mandate would culminate in the development of strategic interventions to underwrite the sustainable growth and meaningful transformation of South Africa's mining industry.

To facilitate the development of these interventions in a systematic fashion, MIGDETT established the Competitiveness and Transformation Working Groups which drew their members from government, organised labour and organised business constituencies. Members of the Working Groups formed different sub-committees to examine various strategic options to inform interventions to underpin the sustainable growth and meaningful transformation of the mining industry. Preliminary recommendations emanating from the work of the working groups were presented at the Mining Summit held at the end of March 2010 under the auspices of MIGDETT, which provided a platform for the mining stakeholders to explore and debate the many challenging issues that limit the mining industry to make a meaningful contribution to the sustainable development of our economy.

This strategy is the outcome of strategic dialogue that has underpinned the work of MIGDETT's working groups in their collaborative effort to craft a long-term and holistic plan to ensure that the economy is able to fully benefit from the country's mineral base. The strategy delineates a new long-term growth path that seeks to position the mining industry along a new trajectory of sustainable growth and meaningful transformation, recognising the need to grow and transform the mining industry in a manner that would meet the expectations of all industry's stakeholders and optimize its contribution socio-economic development.

The strategy recognises South Africa's natural endowment of mineral wealth, with a conservative estimate of R18 Trillion, which has a potential development lifespan in excess of a century. Further, the strategy illuminates the prevailing constraints that require an integrated approach to resolve in order to position the industry along sustainable growth trajectory. These include, but not limited to: infrastructure, limited innovation and more broadly R&D, paucity of skills, mineral regulatory environment and limited beneficiation. The strategy also recognises the transformation backlog as a constraint to sustainable development. Towards dealing with these bottlenecks, the strategy makes specific stakeholder commitments whilst it further recommends a set of integrated solutions, incorporating external stakeholders.

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Ms. Susan Shabangu, MP
Minister
Department of Mineral Resources

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VISION

To facilitate sustainable growth, development and effective transformation of the mining industry.

OBJECTIVES OF THE STRATEGY

The purpose of the strategy is two-fold, viz.:

- To develop a set of competitiveness and transformation measures within an integrated framework that will position the mining industry for sustainable growth aligned to broader national transformation objectives.
- To emphasise the mutually reinforcing nature of growth and transformation

1. PROLOGUE

A quantitative analysis over a period of 16 years to 2009 indicates that the aggregated performance of South Africa's mining industry has contracted by one percent relative to a global average of five percent. As a result, the inherent potential value-add linked to the mining industry over this period has been less than optimal. This is equally true as regards the transformation of the sector. After a five-year window of implementing a stakeholder agreed transformation charter for the mining industry, the progress falls significantly below agreed transformation targets.

Mining stakeholders are cognisant that the mining industry cannot grow sustainably unless there is reciprocity in the balance of all stakeholder interests. To this extent, stakeholders committed to collectively develop and efficiently implement a medium to long-term strategy for sustainable growth and transformation of the mining industry under the auspices of the Mining Industry Growth, Development and Employment Task Team (MIGDETT).

Consequently, working groups on mining competitiveness and transformation have been established to contribute to the development of the strategy for "Sustainable Growth and Meaningful Transformation of the South African Mining Industry". In preparing their contributions to the strategy, working groups emphasised the mutually reinforcing nature of growth and transformation.

The strategy underlines the significance of the mining industry to South Africa's economy and further recognises that both performance and transformation of the industry in the recent past has fallen below its potential. The paper further chronicles a number of challenges related to competitiveness and attainment of effective transformation of the mining industry, requiring dedicated and urgent resolution as enablers for positioning the sector along a sustainable transformation and growth trajectory.

The attainment of the sustainable growth and transformation of the mining industry requires that competitiveness and transformation attributes should not be viewed in isolation nor in competition but as complimentary. It is apparent that enhancing competitiveness while accelerating transformation will assist in propelling the industry towards a sustainable growth path.

Consideration for ecologically sustainable exploitation of the country's resources to ensure that the country's citizens benefit optimally from same cannot be overstate. It is further recommended that the challenges identified are addressed in a manner that accelerates both transformation and growth of the industry.

Recognising that unemployment and poverty are at the very heart of South Africa's economic and social challenges, the government's 2009 electoral mandate became centred on the critical need to transform the economy to create decent work and sustainable livelihoods. In line with the Millennium Development Goals, the government also set about targeting to half unemployment and poverty by 2014. However, the government has recognised that it is not just economic growth that is very important in dealing with the country's socio-economic challenges, but that it is also the quality and composition of the growth that also counts. In order to achieve a more sustainable and labour absorptive growth path the government has agreed on the need to develop *New Growth*

Strategy for the country by mid-2010, with the focus of all policies achieving the aim of generating a **New Growth Path** for the South African economy.

In essence, the country has to achieve much higher levels of sustainable, balanced and labour absorbing economic growth to be successful. So what has been recognised by government, organised business and organised labour is that the mining industry has a meaningful contribution to make to address high levels of unemployment, poverty and income inequality in South Africa. To this end, the stakeholders have developed this strategy aimed at making a meaningful contribution to South Africa's higher, sustainable and more labour absorptive economic growth.

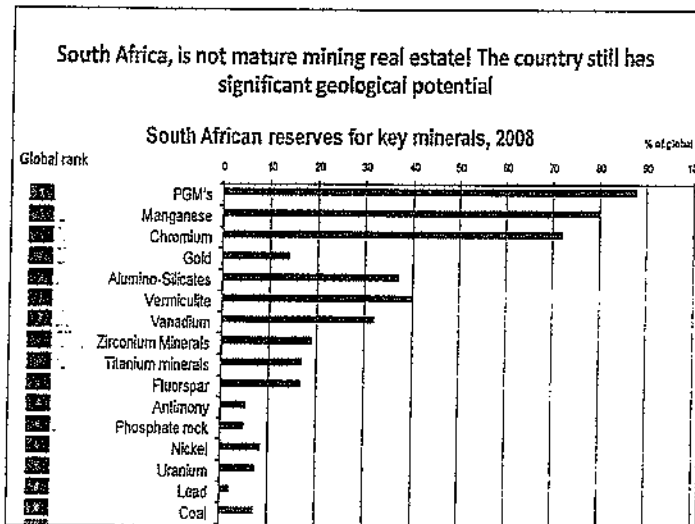
2. MINING INDUSTRY POTENTIAL - NATIONAL ECONOMIC CONTEXT

The South African mining sector in real terms (i.e.: 2005 rand) shrank from R103 billion in 1993 to R92 billion in 2009, despite the synchronised global commodities boom and the significant growth achieved in most other major mining countries and in other components of the South African economy. This has led to a belief in some quarters that the SA mining industry is therefore a "sunset industry" and is likely to slowly fade into obscurity in the next few decades, as reserves are mined out and the industry remains in a decline phase. But are such assertions correct? Is South Africa on the verge of being a "mined out" mature mining frontier where the geological prospects of the country are limited? Has mining already reached its zenith in South Africa and now the sector is on a downward slippery path?

Similar questions were asked of the Australian mining sector in the 1970s as that country's mining industry was perceived to be both mature and with little further growth prospects. However, the perceptions for the most part are simply perceptions. The Australian government, combined with business, the mining universities and the Geoscience Australia, set about reviewing legislation, providing extra incentives for exploration, used the latest techniques for high resolution geological mapping of the country and created a more enabling environment for the mining sector to invest in and grow that country's mining industry. Since 1977 the Australian minerals sector's overall production has increased by over 250% and the country has become a major player in the production of a wide array of minerals.

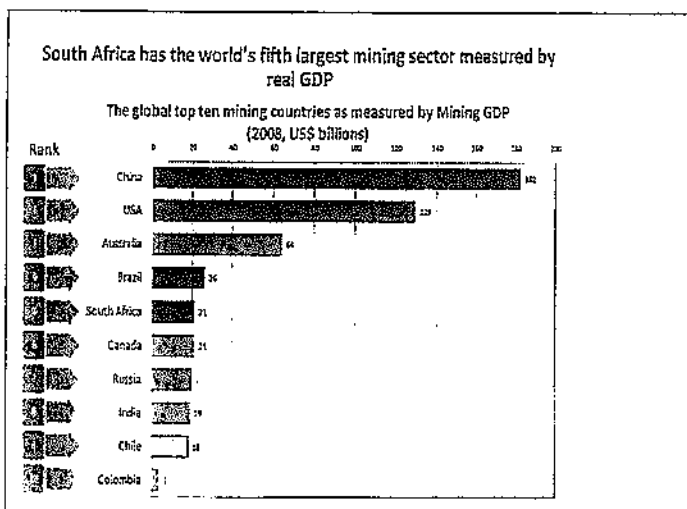
One of the perception challenges is that many protagonists view the decline in South African gold mining output as equivalent to the decline of the entire South African mining industry. While the large-scale mining of gold and diamonds in South Africa has been taking place for more than a century, the country has significant deposits of a range of minerals that are important for the world economy. South Africa over the past 30 years has become a major supplier of platinum group metals, coal, iron ore, manganese, chrome, titanium minerals and so on. The recent Citigroup report corroborates the view that South Africa remains the wealthiest mineral jurisdiction, with a conservative minimum measurable in-situ valuation of US\$2.5 Trillion (excluding energy commodities, such as coal, oil and gas), with Russia and Australia ranked at a distant second and third place, respectively. This mineral endowment is economically exploitable for more than one

hundred years. Some of the country's known world class reserves of a range of minerals are depicted in the following chart:



Source: DMR, USGS

In fact, South Africa is the world's largest reserve holder of platinum group metals, manganese, chrome, gold and alumina-silicates and is a major reserve holder of vermiculite, vanadium, zirconium minerals, titanium minerals, coal and iron ore, among others. Not only is the country a significant player in terms of global mineral reserves, but is also a significant producer of minerals with the world's fifth largest mining industry by value. South Africa mines some 60 different minerals and exports them to over 100 countries around the world.



Source: Global Insight

South Africa has a well-developed mining sector, with the world's best mining companies operating in the country and with well-organised industry structures in the form of government, the Chamber of Mines, South African Mineral Development Association (SAMDA), organised labour, the Council for Geoscience and so on. The mining industry has also established world class institutions in areas like the Mine Rescue Services or the fire inertisation system, the various training colleges, Coaltech Research Association, Mintek, CSIR, etc.

2.1 The value of South Africa's mining industry to national economy

The role and impact of the country's mining industry on the national economy is often poorly understood and appreciated. The mining industry experienced a first phase of discontinuity in operation for the first time since the second Anglo-Boer war in 1899-1902 when the country experienced a precarious balance on energy supply and demand scale in the first quarter of 2008. Perhaps the best way of illustrating the actual role that mining plays in the economy is to "provisionally" remove the mining sector from the economy and then to reflect on the actual economic contribution. With mining temporarily removed the economy would lose:

- About 18% of GDP (8% directly and another 10 percentage points through the indirect and induced effects of mining).
- Over 50% of the country's merchandise exports.
- About 1 million jobs (directly 500 000 jobs, indirectly and through the spending induced effect another 500 000 jobs).
- About 18% of gross investment (9% directly).
- Approximately 30% of capital inflows into the economy via the financial account of the balance of payments (mining is a major magnet attracting capital inflows to the economy).
- About 35% of the market capitalisation of the JSE.
- 93% of the country's electricity generating capacity.
- About 35% of the country's liquid fuel supply.
- Consumes 15% of the country energy (demand driver)
- About 20% of direct corporate tax receipts (R33 billion in 2008).

The mining sector in South Africa over the past 130-years has provided the anchor for the development of a number of industries that either supply the mining sector or use its products. This cluster of industries includes: energy, financial services, water services, engineering services, specialist seismic, geological and metallurgical services, etc., that are world class in their own right and that owe their very existence to the mining sector. For example, the Johannesburg Securities Exchange (JSE) was originally established on the basis of funding the mining sector in the late 19th century. The mining sector still accounts for a significant 35 percent of the market capitalisation of the JSE and continues to act as a magnet for foreign investment to the country. Once established, the JSE was able to provide the basis for capital raising for other sectors of the economy. This cluster of industries has gone on to service other parts of the economy and provided a significant export base to service the global mining industry.

Research¹ into the multiplier and induced effects of the mining sector indicate that while mining accounts for 8% of GDP directly, the backward linkage to side stream beneficiation adds another 2.3 percentage points to GDP, downstream linkages another 2.2 percentage points are added plus the induced effects adding another 5-6 percentage points, resulting in the overall contribution of the minerals cluster being closer to 18% of GDP. Add in the contribution of over 50% of merchandise exports and one million jobs (500 000 in mining alone) and the overall impact of mining on the economy is substantial.

The following diagram illustrates the significant mineral industry value chain in terms of the services required just for the mining sector.

¹ Lombard and Stadler, The Role of Mining in the South African Economy, 1980 and Economic Commission for Africa, Mineral Cluster Study in Africa, 2004.

Diagram: The significant mining industry value chain

Exploration & Mine Development	Project Implementation & Construction	Opencast/Surface Mining	Underground Mining	Mineral Processing	Smelting & Refining	Bulk Materials Handling	Consulting & Engineering Services
<ul style="list-style-type: none"> • Mining surveying & deposit & mine modeling equipment & services 	<ul style="list-style-type: none"> • Project engineering & design services • Bulk earthworks & surface infrastructure construction services • Shaft sinking & underground mine development 	<ul style="list-style-type: none"> • Opencast/surface contract mining services • Drilling & blasting equipment & consumables • Haulage & excavating equipment • Crushing & screening equipment 	<ul style="list-style-type: none"> • Underground contract mining services • Handheld drilling equipment • Blasting equipment & consumables • Mobile haulage & drilling equipment • Ground support equipment • Ventilation & refrigeration equipment • Winding & hoisting equipment • Other support processes & equipment 	<ul style="list-style-type: none"> • Engineering design & project management services • Contract mineral processing services • Comminution equipment & services • Concentration equipment & services • Tailings equipment services • Process control, assaying & testing equipment • Reagents & chemicals 	<ul style="list-style-type: none"> • Drying equipment & services • Smelting & tapping equipment & services • Converting equipment • Environmental gas treatment equipment & services • Refractory equipment & consumables • Process control, assaying & sampling equipment & services • Reagents & chemicals 	<ul style="list-style-type: none"> • Conveyor equipment & consumables • Cranes • Valves • Pumps • Materials & storage equipment • Transportation vehicles • Other 	<ul style="list-style-type: none"> • Exploration • Mine planning & design • Geotechnical & surveying • Hydrology • Environmental & social impact assessments • Feasibility studies • Civil construction & bulk earthworks • Procurement & management • Shaft sinking • EHS & Q • Ventilation • Assaying & sampling • Instrumentation & control • Electrical • Maintenance & stores • Contract Mining/Mineral processing

The above list is an abbreviated view of the significant potential role of the mining sector. The associated industries that use mining products to keep the wheels of the South African economy turning, include industries such as 98% of the country's cement and more than 90% of the country's steel fabricated locally from locally produced minerals. It is estimated that another R157 billion in value is added to the local economy through the intermediate and final product industries that use minerals produced by the South African mining sector.

An investigation into the country's top 11 mineral sales categories by value² indicates that from local sales of primary minerals of R58 billion in 2007 that some R157 billion (conservative estimate) in downstream sales and about 60 000 to 100 000 jobs were created in that year. The table below captures some of the downstream activity, although the manufacturing beneficiation value and employment created in areas such as fertilizers, stainless steel, etc., require further investigation.

South Africa is a low-savings economy with a domestic savings rate of about 14% of GDP. In order to grow the economy, the country has to keep growing fixed investment well in excess of 25% of GDP level (it is currently at about 22% of GDP). With a low savings rate and the need to maintain a high investment rate, the country has to attract the equivalent of 7% to 8% of GDP in foreign savings to top up the domestic investment-savings gap (which is equivalent to the country's current account deficit). Because South Africa uses more than it produces locally, the country imports the difference. Running a current account deficit is not a bad thing provided that much of the imports are being used to upgrade the fixed capital stock of the economy for future productive purposes.

² Chamber of Mines of South Africa

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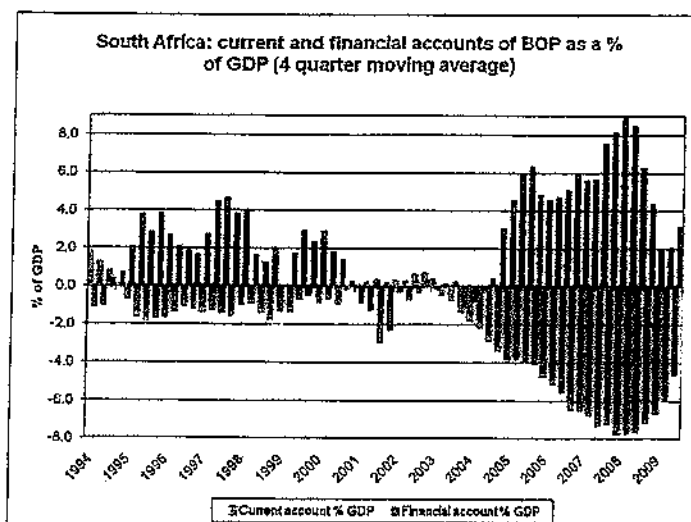
However, the current account deficit has to be funded by a surplus on the financial account, whereby a surplus of capital inflows covers the current account deficit. So the country has to attract surplus savings from the rest of the world to keep the balance of payments in balance.

Table: Preliminary estimates of further downstream beneficiation in South Africa, (2007 data)

MINERAL	Mine production (2007), sales and employment	Local sales	Local beneficiation
PGMs	304 tons (R78 billion sales, 186 000 employees, etc.)	-46 tons valued at R12.4 billion	Manufacture & export of 16.2 million platinum catalytic converters (15% of world share), 4000-5000 jobs and R22 billion in export value
Coal	248 mt (R44.2 billion sales, 60 439 workers)	183 mt local sales valued at R20 billion 120 mt to Eskom 43 mt Sasol 0.672 mt to Steel fabrication	Final product - 201 929 GWh of electricity (86% of SA's electricity supply), value created R40 billion, 30000 jobs (in Eskom). Final products <ul style="list-style-type: none"> Synfuels 7.3 mt valued at R29 billion Gas sales 112.9MGJ at R2.7 billion Polymers 1.73 mt at R9.4 billion Solvents 1.72 mt at R13.8 billion Olefins & surfactants 2.2mt at R22.6 billion Other (waxes, fertilizers, etc) R13 billion 31 860 jobs, R98 billion in sales, R17 billion in taxes (link to iron ore below)
Gold	254 tons (R38 billion in sales, 169 057 employees)	13.2 tons valued at R2 billion	-400 tons refined at Rand Refinery (490 jobs), 7.4 tons of jewellery fabricated employing 2800 people, 8.4 tons of coins fabricated employing 100 people & 4300 people employed in wholesale & retail of gold jewellery.
Iron ore	42.1 mt (R13.4 billion in sales, 13 858 employees)	12.4 mt sold locally valued at R1.7 billion	-6.4 mt of local steel production (4.2 mt flats & 2.1 mt long products). 4.4 mt local sales & 1.4 mt exported with total revenue of R29 billion and 10 000 employees.
Diamonds	15.25 mc (R10 billion, 20 000 workers)	Local sales -R4.9 billion.	1.2 mc imported (cost R14.9 billion), 13.9 mc exported (value R13.2 billion), local sales valued at R4.9 billion (value of cut diamonds valued at R6.3 billion), 2000 cutters.
Nickel	37.9kt (valued at R9 billion)	11.7kt valued at R2.8 billion.	Stainless steel production, -650 kt stainless produced worth R12 billion. About 150kt used locally. (jobs?)
Copper	117.1kt (valued at R5.8 billion)	76.6kt valued at R4 billion	Tubing and wire industry (jobs?)
Manganese	6 mt (valued at R3.6 billion)	-2mt local sales valued at R934 million	Manganese alloys- <ul style="list-style-type: none"> 1mt produced. 0.2mt sold locally & 0.8mt exported, total sales value R6.5 billion. (jobs=2000) Chemical products (jobs?)
Industrial minerals	Total sales value of R7.5 billion	Local sales R6.7 billion	Cement industry, 14.2 million tons of local production of cement +/- R20 billion industry Fertilizer industry (600kt of fertiliser consumed locally - potash, phosphates, limestone) (jobs)
Chrome	9.7mt (valued at R3 billion)	7.4mt local sales valued at R2.3 billion.	Chrome alloys - <ul style="list-style-type: none"> 3.5mt produced, 0.4mt sold locally, 3mt exported, total sales R17.5 billion (jobs?) Chemicals and refractories
TOTALS	About R213 billion -about 450 000 workers	-R58 billion local sales	Rough sales value created of about R157 billion (conservative)

South Africa has managed to attract enough foreign capital flows over the past 15 years in order to fund the country's current account deficit. However, relying on foreign capital flow means that the country is vulnerable to external shocks, such as the impact of the drying up of foreign capital flows caused by the 2008/2009 global financial crisis, which reduced the growth potential of the economy.

Constraints to capital inflows can limit a country's capacity for investment, hence lower that country's growth potential.³



The RSA mining sector has a major impact on the balance of payments in two ways, namely, (1) the industry accounts for a significant amount of the country's exports, which via the trade account positively feeds through to the current account (or at least helps reduce the pressure on the current account), while it presents prospects for export of higher value-added goods; and (2) via the JSE the mining industry attracts fairly large capital flows to the country, which positively impact on the country's financial account of the balance of payments.

However, there is a major structural challenge for the South African economy. The country's tradable export sectors, like mining and manufacturing, have experienced weak growth over the past decade, while the non-tradable domestic demand industries have grown at a much faster pace, accelerating the pace of imports which, combined with the poor export performance of the tradable sectors, has exacerbated the country's current account deficit. This weakness has been highlighted by the OECD⁴ country report on South Africa and the Harvard Growth Diagnostic⁵, which concluded that the country's weak export performance was the "Achilles Heel" of the economy.

2.2 The mining industry's linkage with the national growth strategy

In the past decade South Africa's economic growth profile has been driven by rising domestic demand financed by a rising current account deficit and fuelled by domestic credit. This means that Gross Domestic Expenditure has risen at a much faster pace than Gross Domestic Product and that domestic investment has risen faster than domestic savings, and these imbalances are expressed in the country's deteriorating external imbalances, with the current account of the balance of payments ballooning out to 7% of GDP at its peak. While running current account deficits is not necessarily a bad thing, if the imports are used to upgrade the fixed capital stock of the productive sectors of the economy, the domestic demand profile has unfortunately been led by the growth in the non-tradable sectors of the economy (consumer durables and investment in the non-tradable sectors) and the productive tradable sectors of the economy (mining and manufacturing) have grown investment marginally and have significantly underperformed the rest of the economy. This means that the high current account deficit has not been used to upgrade the fixed capital stock of the productive sectors of the economy.

³ South Africa's current and financial account BOP as a % of GDP is sourced from Source: SARB

⁴ OECD Economic Surveys, "South Africa Economic Assessment", volume 2008/15, July 2008.

⁵ Harvard Centre for International Development, CID Paper 129, "South Africa's Export Predicament", August 2006.

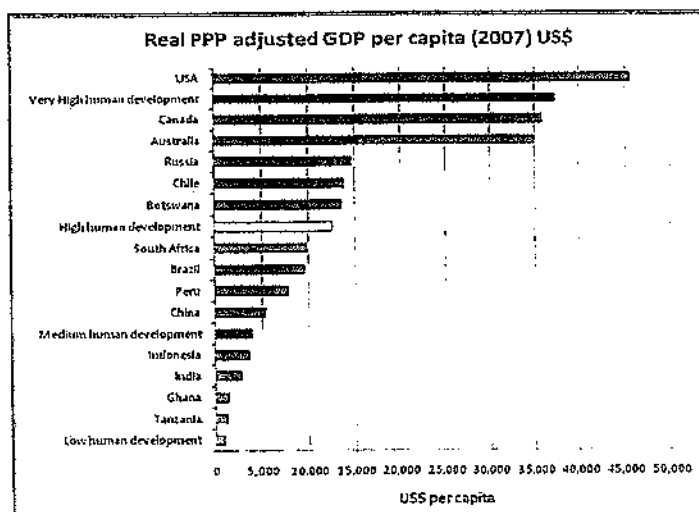
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In essence, there is recognition that the historic credit-fuelled domestic demand-led economic growth profile, as evidenced in South Africa in the past decade, creates unbalanced growth and the build up of large external imbalances, which is not sustainable in the long-term. There is clear recognition that in order to achieve more balanced growth, the country has to rapidly increase its exports, especially of high-value goods. This is where mining enters the equation, if it cannot be grown, it has to be mined.

2.3 The mining sector - key driver of industrialisation in South Africa

The mining sector, for the better part of a century and quarter, played a significant role as the engine for the industrialisation and growth of the South African economy - propelling the country into being the most industrialised country on the African continent. The discovery of first diamonds and then gold in the late nineteenth century drove a century of economic development rivalling the development of many of the world's most industrialised countries. Mining provided the critical mass for the development of the country's capital markets (the JSE), the financial sector, many areas of infrastructure (rail, roads, electricity and water), the nascent manufacturing sector and the minerals complex as a whole provided the export base to generate the foreign currency required to industrialise as well as the opportunities for significant employment creation.

Source: UNDP



Much of the initial impetus of mining was provided by the gold and diamonds sectors with South Africa dominating world supply of gold for the entire 20th century, producing 51 000 tons of gold between 1884 and 2008. Gold alone accounted for a significant 31% of merchandise exports and 7% of GDP in the period between 1950 and 2000.

However, the mining industry also had a tainted past, with a tortured history of migrant labour, the reinforcement of the repressive Apartheid system through racial segregation, the suppression of the development of black people (skills, career

progression and economic participation), a poor safety record and poor environmental performance. Many of these legacy issues have come back to haunt the industry in the modern democratic era as challenges regarding the "social licence to operate", the relatively slow pace of transformation in the industry and the fact that very little of the benefit of mining is captured locally have collectively nurtured the perception that mining is an "uncaring" and/or a "sunset" industry that should be left to its own devices to fade into the sunset. The negative perceptions are further aggravated by the large decline in gold production from South Africa, as traditionally gold mining has been considered to "be" the mining sector.

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STAKEHOLDERS HAVE CONVERGENT EXPECTATIONS ABOUT MINING

It is recognised that stakeholders generally have differing expectations about the mining sector and what the mining sector can achieve for the country. However, the table below confirms a convergent set of expectations from all key stakeholders of the mining industry.

TABLE: Stakeholder expectations from mining

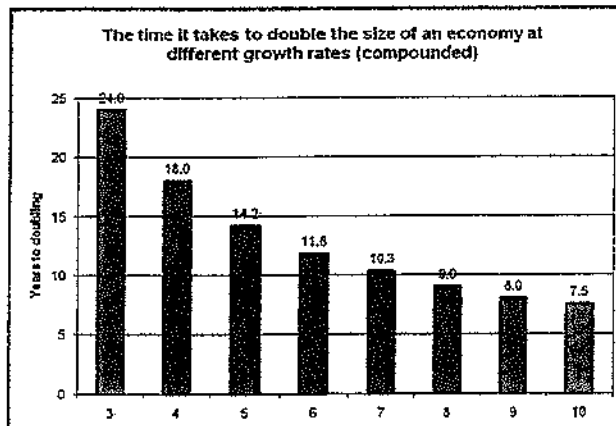
Government	Business	Civil Society/ organised labour
<ul style="list-style-type: none"> • Employment Generation and poverty alleviation impact • Meaningful transformation • Contribution to GDP • Significant attraction for inflows • Growing industry • Multiplier effect • Greater value addition and higher export earnings • Skills development • Compliance with the Laws • Health and Safety Standards • Exploration • Research and development • Sustainable development 	<ul style="list-style-type: none"> • Growing, vibrant and transforming mining industry • Growing investment and production levels • New opportunities for development (i.e. via exploration and good geological prospects) • Creating value for country and shareholders • Employer of choice • Sustainable licence to operate (transforming, safe, limiting environmental impacts, contributing to development) 	<ul style="list-style-type: none"> • Growth in the number of quality jobs • Safe productive place to work • Skills development and career progression for workers • Effective and meaningful transformation • Local economic development (including after mining) • Economic development in major labour sending areas

There is a significant degree of convergence and commonality in the expectations of the different stakeholders. The key words of “*growth*”, “*jobs*”, “*transformation*”, “*poverty alleviation*”, etc., appear to have a degree of resonance among all stakeholders. This is a critically important issue, because there is increasing recognition from all the stakeholders that the critical outcomes that are sought from a successful mining industry are dependent on both *growth* and *transformation* of the sector. In other words growth in the mining sector and the transformation of the mining sector are mutually inclusive and reinforcing issues. With the key concepts of a competitive, growing, transforming and sustainable industry, the South African mining industry is embarking upon a new journey of sustainable mining into the 21st century.

2.4 The Country's political and economic leadership recognise the urgent need for labour absorbing economic growth and transformation in the South African economy

There is broad acceptance among the social partners that economic growth is a critically important component of reducing unemployment and poverty in South Africa. Stated in an alternative manner, there are no countries in the world that have achieved the lowering of poverty and unemployment without high levels of sustainable economic growth over a long period. Given South Africa's nearly 25% unemployment rate, which is staggeringly high compared to comparable middle income countries, it is also recognised that higher growth which is also *more labour absorbing* is required. Countries that have been successful in reducing poverty and unemployment and improved living standards have grown at high growth rates over extended periods. For example, both Malaysia and South Korea, at the height of their growth periods were expanding their economies at more than 7% per annum. This level of economic growth, when compounded on an annual basis

would have doubled the size of their economies every decade. South Africa with an average growth rate of 3.3% (1993 to 2009) will thus double its economy's size every 21.5 years, assuming

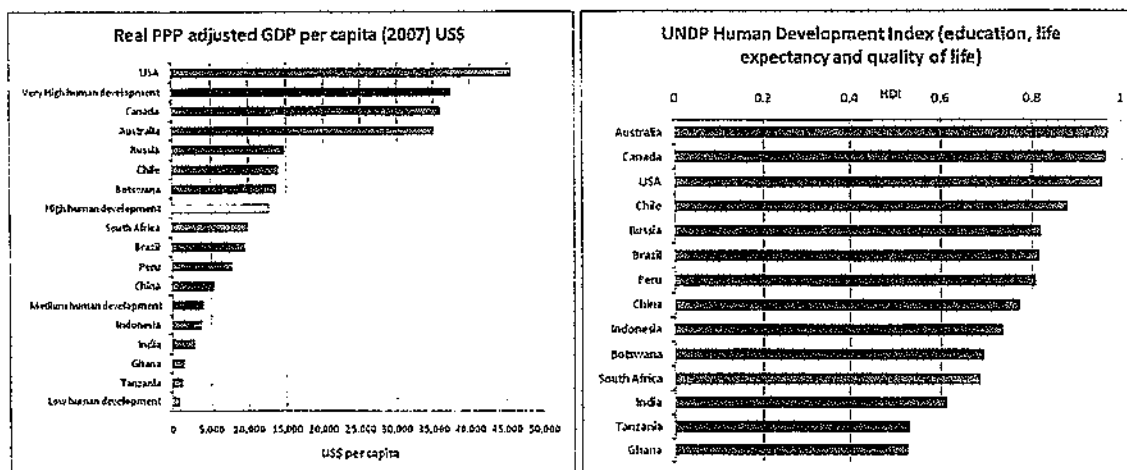


maintenance of this growth rate, which is simply too slow in terms of what is required to deal with the country's economic and social challenges⁶. China, with its annual growth rate of >10% per annum is doubling the size of its economy every seven and a half years, which helps it make substantial inroads into creating employment, reducing poverty and improving living standards. The mining industry has a vital contributory role towards putting South Africa's economy on a faster economic growth trajectory.

2.5 Middle income status, but high levels of poverty and inequality remain

South Africa has a population of 49 million people with a median age of 24.4 years. About 60% of the population is urbanised. South Africa is classified as a middle income country by GDP per capita ranking (UNDP rank 79th in 2007 with PPP adjusted real GDP per capita of US\$9757), however the country ranks poorly at 129th on the UNDP human development index, which indicates the general poor standard of living, low life expectancy and sub-standard educational levels.

South Africa has one of the highest PPP adjusted GDP per capita in Africa, at US\$9757 in 2007, and the South African economy is the largest in Africa at US\$283 billion, or US\$467 billion on the basis of a purchasing power parity calculation (UNDP: 2007 real terms). Between 1993 and 2009 the economy grew by 3.3% per annum, and this accelerated to 3.9% between 2000 and 2009.



Source: UNDP

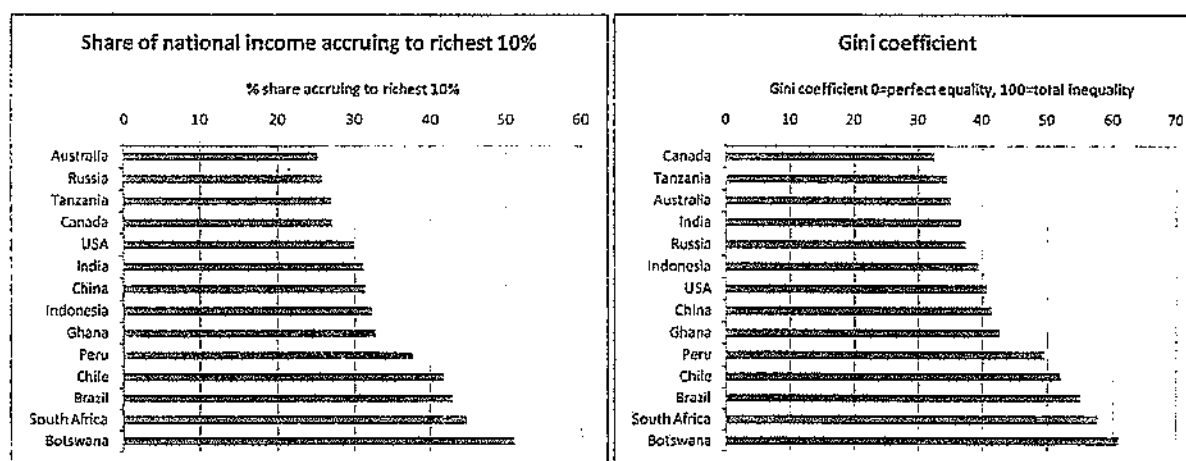
⁶ The chart indicating the economic growth pace and period it takes to double the economy is sourced for the Chamber of Mines.

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The structure of South Africa's economy is remarkably similar to that of an advanced economy with services sector dominating with a 67% share of economic activity, followed by industry with a 30% share and agriculture at 2.5%. Effectively, the economy has followed a growth path with services and demand sectors of the economy dominating the country's growth profile. In contrast, the productive tradable sectors of the economy have remained relatively weak.

There is a significant mismatch in the South African labour market, as large supply of unskilled and semi-skilled workers has not met the need for skills in most sectors of the economy. In general, skill-intensity of the economy has risen sharply over the past 15 years whereas the skills profile of the labour force has not been able to keep pace. The result has been persistently high unemployment, especially in the category of 18 to 25-year olds where over 70% have not been able to find formal sector employment. Unemployment is concentrated among the unskilled and semi-skilled groups of the population and this poses significant challenges for the country. Unfortunately, the skills mismatch means that South Africa has a large pool of unskilled and semi-skilled workers that cannot find productive employment in the economy and which comprise a significant portion of the unemployed. The skills sets still follow to a certain extent the racial bias of the unequal education and skills policies of the past but this is changing consistently.

Nevertheless, the high levels of unemployment result in a high level of income inequality, with the country's Gini coefficient at a very high 57.8% with the richest 10% of the population accrues a relatively high 44.9% of the country's national income. The Gini-coefficient for South Africa is one of the highest in the world, indicative of the gross income disparities between the haves and have nots. Research suggests that bringing the country's unemployment down to 10% would result in the country's Gini-coefficient falling to about 40% to 45%, in line with most comparable competitor countries.

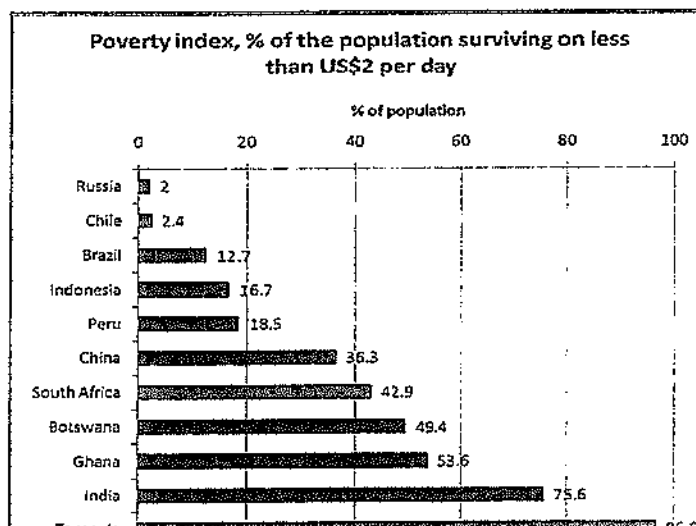


Source: UNDP

South Africa still has a relatively high proportion of the population living on less than US\$2 per day. While social transfers from the state have helped to provide some incomes to indigent households, there still remains an urgent need for creating employment.

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Source: UNDP, 2007



In order to try and address the symptoms of the structural unemployment and poverty crisis the government has developed a significant social welfare system that helps to provide some income to poor households. In 2010, approximately R128 billion of fiscal budget is expensed towards social protection with the majority being in the form of social grants to help the poor.

In the World Economic Forum (WEF) Global Competitiveness Report 2009-2010, South Africa was ranked the 45th most competitive economy out of 133 countries, which places South Africa in the second

best quartile. While not in the top quartile of the global rankings the country does well in a number of the competitiveness categories. In the areas where South Africa does have competitiveness challenges further analysis and remedial measures are required.

WEF ranks South Africa as an efficiency driven economy, not factor driven, but also not fully into the innovation economy stage. The following are key observations on South Africa's global competitiveness:

- Under the "**Institutions**" heading, the country is ranked highly for protection of property rights (rank 20), for intellectual property rights protection (rank 24), for independence of the judiciary (rank 38), the efficiency of handling legal disputes (rank 18), the transparency of government policy making (rank 24), the strength of auditing and reporting standards (rank 2) and for the efficacy of corporate boards (rank 3). However, the country is ranked poorly for the business costs of crime and violence (rank 133), organised crime (rank 119) and the reliability of the police services (rank 106).
- Under the pillar of "**infrastructure**", the country scores relatively well with an overall rank of 43, but has slipped down the rankings on the quality of electricity supply to position 91 following the precarious energy supply-demand balance experienced in 2008.
- Under the pillar of "**macroeconomic stability**", the country ranks 58 in terms of the government deficit (caused by the global crisis) and 57 for government debt.
- Under the pillar "**Health and Primary Education**", South Africa fares dismally with very weak scores for the impact of diseases on business (such as business impact of HIV/AIDs ranked at 133 out of 133 countries), poor life expectancy (ranked 118) and high infant mortality (rank 106). The country is highly ranked for the large amount of the budget applied to education ranking 32.
- In the pillar "**Higher Education and Training**", South Africa is rated highly for secondary school enrolment (rank 39) and for the quality of the business management schools (rank 30), but

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fares poorly in terms of the outcome of secondary education with the quality of maths and science education ranked at 133.

- In terms of the “**Goods Market Efficiency**”, indicators for the country present a mixed picture of rankings. The country has relatively weak intensity in local competition (rank 60) although the new competition laws result in the country being ranked 15 in terms of the effectiveness of local anti-monopoly policy.
- In the “**Labour Market Efficiency**” category, South Africa is ranked relatively poorly in terms of cooperation in labour-employer relations (ranked 121), in the flexibility of wage determination (ranked 123) and in hiring and firing practices (rank 125).
- In the “**Financial Market Sophistication**” pillar, South Africa is ranked highly with financial market sophistication at position 6 and the strength of investor protection at rank 9.
- In the pillar “**Technological Readiness**”, there is a mixed picture with the country ranked 37th for the availability of the latest technologies, 45th for FDI and technology transfers but then relatively weakly in terms of internet users (rank 98) and broadband internet subscribers (rank 84).
- In the “**Market Size**” category, South Africa is ranked 23rd largest market.
- In the pillar “**Business Sophistication**”, the country again has a mixed picture. The country is ranked 22nd for the local supplier quality, 33rd for the state of cluster development, 41st for production process sophistication and 17th for the extent of marketing. However, the country features poorly regarding the nature of competitive advantage (ranked at 80) which impacts on export industries.
- Finally in the pillar of “**Innovation**”, the country ranks well for innovation (rank 36), for the quality of research institutions (rank 29) and company spending on R&D (rank 25). However, in terms of the availability of engineers and scientists the country ranks poorly at 123.



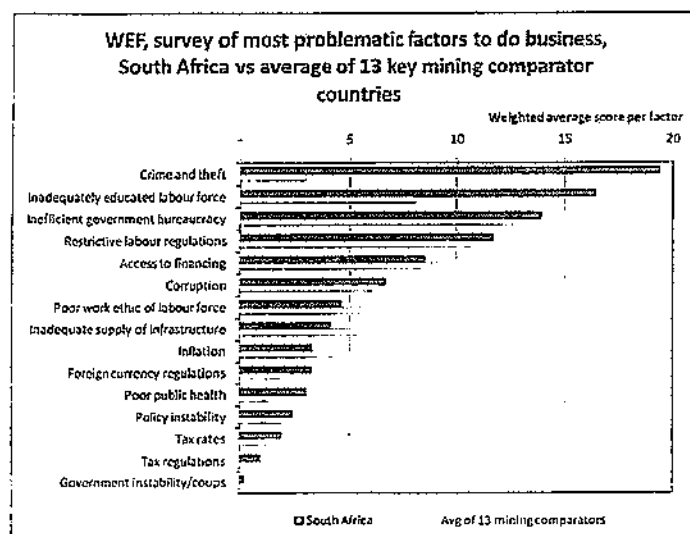
When compared to many other efficiency driven economies South Africa is generally ranked higher, with the notable exception of the country's very poor health and education scores.

The following chart highlights the country specific constraints that the WEF report highlights are key areas that are problematic for doing business in South Africa and which require attention in order to enhance South Africa's overall general competitiveness. For ease of reference the average scores for 13 key comparator mining countries⁷ is also added to the chart,

⁷ The countries include Australia, Botswana, Brazil, Canada, Chile, China, Ghana, India, Indonesia, Peru, South Africa, Tanzania and the USA.

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in order to gauge what the concerns are in the business sectors of the other comparator mining countries. For South Africa, the impact of crime, the status of workforce education, government bureaucracy, restrictive labour market policies and access to financing were classified as major hindrances to doing business in the country. For all the other countries the biggest ticket items were inefficient government bureaucracy and access to finance (so this is not a problem peculiar just to South Africa).



For the survey, the WEF asked respondents to name the five key issues out of a defined list of 15 issues that were the most problematic for doing business in their country and then asked to rank these issues.

Clearly there is a vital need to build on the country's strengths and also to get all these key "Costs of doing business criteria" into the top quartile of the global rankings, i.e. within the top 40 segment of countries.

3. MINING COMPETITIVENES FRAMEWORK

The World Economic Forum further defined competitiveness as the set of institutions, policies and factors that determine the level of productivity of a country. The level of productivity then defines what sustainable level of prosperity can be achieved by that country. The productivity level also determines the rates of return obtained by investments in an economy. Because the rates of return are the fundamental driver of the growth rate of an economy, the more competitive economies tend to attract more investment and therefore tend to grow faster than the less competitive economies.

Due to the changing nature of global competition, which includes fewer barriers to investment and ever increasing trade flows, the rapid diffusion of knowledge, the globalisation of markets, the globalisation of value chains, the increasing knowledge and skill intensity of competition, countries have to consistently improve their relative competitiveness relative to other countries in order to grow prosperity. Nations therefore compete in terms of offering the most productive and sustainable environment for business. The changing nature of competition has also meant that the rules of the global game have changed and countries that compete successfully tend to do so through collaborative forward looking partnerships with key stakeholders (business and labour), rather than the historic approach to development where governments simply try to drive development through policy and incentives.

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The MIGDETT social partners realised the critical importance of the concept of “competitiveness” of the South African mining sector as defining the critical issues that affect the economic performance of the mining sector. The competitiveness project identified a set of critical success factors that affect the global competitiveness of the South African mining sector. The critical pillars include the potential of South Africa (mineral and people potential), market demand, the factor markets (the efficiency and effectiveness of local markets for goods and services, labour and infrastructure), the regulatory environment (the policy framework and capacity of stakeholders), innovation, beneficiation, cost management, and the enabling environment (ease of doing business, infrastructure, etc.). All these factors have a bearing on the ability of the South African mining sector to grow, prosper and transform. However, while certain individual pillars may present binding constraints, the combined aggregate effects of a range of issues are more likely to determine competitiveness versus any single given factor. This means that fixing one or two competitiveness constraints will not be as effective as tackling the top five constraints in terms of unlocking the growth potential for the sector.

TAKING SOUTH AFRICAN MINING INTO THE 21ST CENTURY

For more than hundred years, mining has shaped South Africa’s developmental path and the lives of many of our people. Much has changed during this time. The culture of the mining industry has evolved to what it is today. Many new management practices, methods and technologies have been introduced to mine safer, healthier and more productively.

Mining in 21st century South Africa, however, brings new challenges requiring new solutions. For instance, the way the industry mines today, makes it challenging to:

- a) Eradicate mine fatalities, injury and disease from mining
- b) Access potential mineral resources in a safe manner
- c) Overcome the barriers to women entering mining
- d) Develop a competitive technological advantage for mining
- e) Derive optimal energy and water efficiencies
- f) Align mineral development to the green evolution
- g) Achieve sustainable development
- h) Attract and retain individuals with scarce skills
- i) Change the image of the industry to an ‘employer of choice
- j) Attract investment in exploration, mining development and beneficiation
- k) Transformation

In short, the way the industry mines today requires not less than a revolutionary approach that will enable the mining industry to achieve the aspirations of sustainable mining in a 21st century South African context.

To overcome the above challenges, all stakeholders agree to jointly embark on a new journey to sustainable and competitive mining in the 21st century. Change is necessary in the culture and

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management practices through which the stakeholders do the business of mining. This includes the way the industry recruits, engages and incentivises in mining. At the same time, the methods and technologies the industry uses to mine should be critically reviewed, taking account of international benchmarks. Throughout this journey there will need to be an understanding and acceptance amongst stakeholders that all options, including new and 'out of the box' ones, should be considered.

Improving the competitiveness of the South African mining industry should lead to measureable performance and sustainability outcomes. The measurable performance outcomes include:

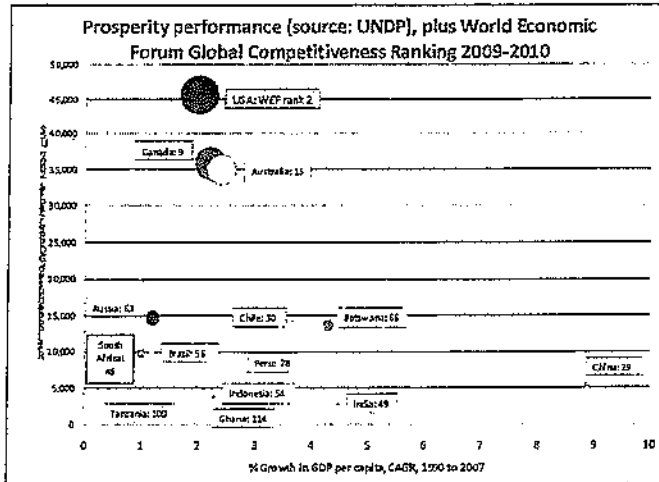
- Growth in the volume of mining production
- Growth in mining GDP
- Growth in mining fixed investment
- Growth in employment
- Energy and water efficient productivity
- Skills development
- Visible transformation
- Growth in the mineral reserve base through intensified exploration
- Reduction in the high rate of input costs
- Continued improvement in the safety and health performance of the industry
- Continued improvement in the transformation performance of the industry
- Mining technology prowess

The opportunity cost of the sector's poor growth performance has been significant for the country and for broader society. Given the recognition that a higher and more balanced growth trajectory is only achievable through better performance of the country's balanced growth as opposed to the traditional credit fuelled demand side growth, the opportunity cost of foregone employment opportunities, export growth (with emphasis on high value goods as opposed to primary mineral concentrates) contribution to the economy of the poor performance of the mining sector cannot be overstated.

In order to unpack the issues affecting the growth of the mining sector, explored factors that negatively and positively affect the competitiveness of the South African mining sector.

The link between global competitiveness and prosperity is clearly shown in the following chart, which shows that the country's that have high global competitiveness rankings also tend to have high living standards (Australia, Canada and the USA), or have relatively high GDP per capita growth rates (Botswana, India, Chile and China). South Africa appears to be an anomaly, with a good global competitiveness ranking of 45⁸ yet the country has relatively slow growth in GDP per capita. As discussed previously, the critical need to go for accelerated, more balanced and labour absorbing economic growth for South Africa to reduce unemployment and poverty cannot be overestimated.

⁸ World Economic Forum Global Competitiveness Report 2009-2010.



Due to the changing nature of global competition, which includes fewer barriers to investment and ever-increasing trade flows, the rapid diffusion of knowledge, the globalisation of markets, the globalisation of value chains, the increasing knowledge and skill intensity of competition, countries have to consistently improve their relative competitiveness versus other countries in order to grow prosperity.

According to Professor Michael Porter⁹ "Competitiveness is defined by the *productivity* with which a nation uses its human, capital, and natural resources". Porter further added that:

- Productivity sets the standard of living (wages, returns on capital, returns on natural resources) that a nation can sustain
- Productivity depends on the prices that a nation's products and services command, not just on efficiency
- It is not what industries a nation competes in that matter for prosperity, but how it competes in those industries
- Productivity requires a combination of domestic and foreign firms operating in the nation
- The productivity of local industries is fundamental to competitiveness, not just for traded industries
- Devaluation of a nation's currency does not make a nation more competitive.

Nations therefore compete in terms of offering the most productive and sustainable environment for business. The changing nature of competition has also meant that the rules of the global game have changed and countries that compete successfully tend to do so through collaborative forward looking partnerships with key stakeholders (business and labour), rather than the historic role of development where governments simply try to drive development through policy and incentives. This does not suggest that government should not get the policy settings right. What it does mean is that through collaboration, faster gains in improving competitiveness are achievable.

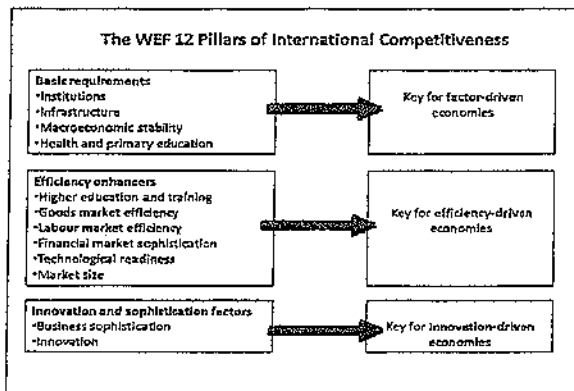
It is clear that the South African government is shifting to a much more collaborative new model of economic development in partnership with organised business and labour.

⁹ Professor Michael E. Porter, "Creating a Competitive South Africa", Institute for Strategy and Competitiveness, Harvard Business School, 3 July 2007.

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3.1 Defining Competitiveness Parameters

The World Economic Forum, as alluded to above defines competitiveness as a set of institutions, policies and factors that determine the level of productivity of a country. Over the past 300 years there has been considerable focus by economists on trying to determine what drives the wealth of



nations. What is clear is that there is no single factor that drives the prosperity of nations. Rather, a combination of factors that work together are the key drivers. Perhaps the best exposition of the framework of competitiveness drivers is captured by the World Economic Forum which highlights 12 key pillars of global competitiveness, which are grouped into three main headings, namely "Basic Requirements", "Efficiency Enhancers" and "Innovation and Sophistication Factors."

The World Economic Forum's 12 pillars of competitiveness are described below:

- Institutions.** The institutional environment is determined by the legal and policy framework in which, business, government and labour interact to generate wealth for a country. The quality of the institutions (both public and private) is just as important as the competitiveness of the legal framework.
- Infrastructure.** Extensive and efficient infrastructure is an essential driver of competitiveness.
- Macroeconomic stability.** A stable macroeconomic environment creates the platform for sustainable long term decision making. However, while macroeconomic stability is a necessary precondition for economic growth, it is reliant on a multiplicity of other factors (like institutions and infrastructure) to enable the growth.
- Health and primary education.** A healthy and educated workforce is vital to a country's competitiveness and productivity.
- Higher education and training.** The development of skilled human capital (and not just an educated workforce) is critical to productivity and the development of a competitive economy. It is also critical to move up the skills curve as an economy industrialises.
- Goods market efficiency.** Competitive and efficient goods markets (with both foreign and domestic competition) are critical to promote productivity growth, innovation, business sophistication and cost effective outputs that can be used in other industries.
- Labour market efficiency.** The efficiency and flexibility of the labour market are crucial for ensuring that workers are allocated to their most efficient use in the economy and provided with the incentives to do the best in their jobs.
- Financial market sophistication.** A sound, well-regulated and properly functioning financial system is central to the functioning of a modern market economy.
- Technological readiness.** This key pillar is concerned with the speed at which business and an economy can adapt to new technologies in the face of changing global and local conditions.
- Market size.** The size of markets does affect competitiveness because large markets enable firms to exploit economies of scale in production. As the world economy has globalised,

- traditionally defined borders have slowly faded away and countries in regional trading areas have opened up the potential of their domestic industries to achieving economies of scale.
- k) **Business sophistication.** The level of sophistication of a country's business sector helps determine the efficiency of the production of a country's goods and services and ultimately contributes to the productivity of the nation.
 - l) **Innovation.** Research and development is the basis for new product development, which creates demand for mineral commodities, but it also enhances competitiveness in finding technological solutions to enhance cost efficiency, water and energy efficiencies as well as technology and techniques for green-field exploration, which underpin the sustainability of the mining industry. Innovation is central in technology solutions that will ensure that mining and the environment can co-exist, i.e. in line with the green evolution - "greening the mining industry".

While each of these pillars is important in its own right, the critical issue is that all the pillars are interrelated and are mutually inclusive. For example, it is very difficult to promote innovation in absence of the supportive institutional and legal framework, or without a properly skilled and educated work force. Similarly, it is not possible to significantly improve competitiveness of a country by focusing on just one pillar of competitiveness. For example, a country that develops a sound macroeconomic framework, but which neglects to build infrastructure or human capital will achieve much less on the competitiveness front when compared to a country that does all three.

Professor Michael Porter of Harvard University traditionally uses a type of diamond analysis, which focuses on a set of competitiveness issues that affect the industry concerned in terms of defining the critical issues that make up competitiveness. Porter would traditionally use the four pillars of *factor conditions, demand conditions, the context for firm strategy and rivalry* and an analysis of *related and supporting industries*, as the four key pillars of understanding the competitiveness of a sector. Clearly these overlap with the 12 competitiveness pillars described by the World Economic Forum.

3.2 Refining the competitiveness framework for the SA Mining sector

The critical issue is to make sure that the right competitiveness questions are asked and answered. For example, spending time unpacking an issue like the reliability and cost effectiveness of the telecommunications sector, whilst being an interesting exercise, has very little bearing on the competitiveness of a sector like mining. So any competitiveness analysis has to be tailor-made to fit the specific requirements of the sector being analysed.

Five main pillars, which in turn cover most of the competitiveness pillars listed in the World Economic Forum model are detailed as follows:

- 3.2.1 **The inherent country potential.** The inherent potential of a mining country is mostly determined by the size, quality and location of its mineral deposits and the human capital that can be drawn on in order to extract these resources. This would include:

- a. Natural resource endowment
 - The total endowment of resources, including quality
- b. Human capital/skills
 - Basic education levels, health and life expectancy of workforce
 - Skilled labour availability (local and expatriate)
- c. Geographical factors
 - Availability of water
 - Location of reserves and access to export markets (for value added goods)

3.2.2 The South African market context. This unpacks the efficiency and effectiveness of the country's markets for goods, services and labour, and their impact on the competitiveness of the mining sector. However, it is also appropriate to unpack the structure of the South African mining industry to gauge differences with other key mining jurisdictions. The areas to be considered include;

- a. Factor market efficiency
 - Labour, supply and financial markets
- b. Industry structure
 - Ownership requirements
 - Type of ownership
 - Efficiency of management
 - Business investment in projects that ensure sustainable growth of the industry

3.2.3 The demand for South African commodities (both foreign and local). Clearly market demand and the accessibility of markets are crucial determinants of the future competitiveness of the South African mining industry. The following areas would be covered;

- a. Domestic demand
 - Expected growth in domestic demand for each commodity
- b. International demand
 - Expected growth in domestic demand for each commodity (and its related beneficiated products)

3.2.4 The policy regulatory and administrative environment. This pillar is equivalent to the institutional pillar in the WEF framework and is a key driver of competitiveness. The critical issues that should be covered include;

- a. Regulatory and legal requirements
 - Type, level and quality of regulation influencing the sector
- b. Institutional capacity
 - Ability of state to efficiently process mineral permits and more generally regulate sector. The readiness of the industry to be responsive to the changing regulatory environment is also a key determinant.

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3.2.5 The enabling factors. These factors could be described as the basic factors necessary to drive competitiveness for the mining sector, but also include a specific focus on the “social licence to operate” which has a material bearing on the ability of the mining sector to be competitive, attract investment and to grow. The subjects to be covered include;

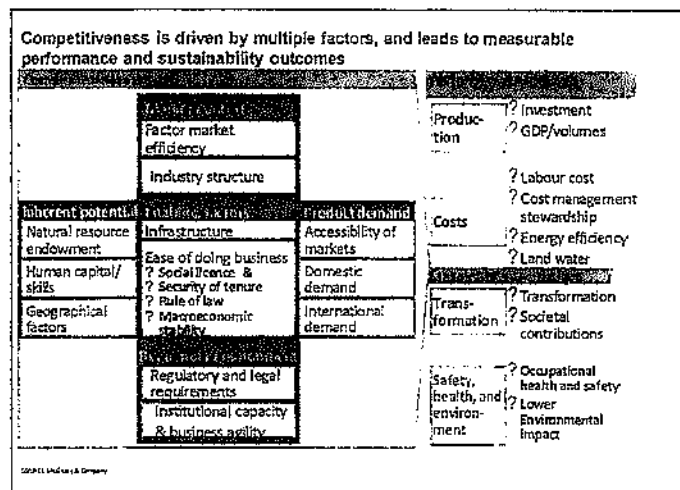
- a. Infrastructure
 - Focus on electricity, water, ports, road and rail infrastructure
- b. Business environment and compliance
 - Social licence to operate
 - Security of tenure
 - Macro-economic stability
- c. Agility of business to the ever-changing operational environment
- d. Investment in new demand drivers, for mined products to be sold proximal to mining sites

3.3 Linking competitiveness back to investment and growth: (focus on outcomes)

One of the key objectives of conducting a competitiveness benchmarking exercise is to determine the critical success factors that drive an industry’s competitiveness in the global context. However, it is also critically important to provide the feedback loop, that continually improving competitiveness has a major bearing on the industry’s (and country’s) ability to grow, reduce unemployment, reduce poverty and raise living standards.

Improving the competitiveness of the South African mining industry should lead to measurable performance and sustainability outcomes. The measurable performance outcomes include:

- Growth in employment.
- Skilled and well sought after workforce
- Improved productivity
- Growing Research and development in mining
- Growth in the volume of mining production.
- Growth in mining GDP.
- Growth in mining fixed investment.
- Growth in earnings (including beneficiated goods)
- Costs efficiency and financial stewardship.
- Continued improvement in the safety and health performance of the industry.
- Continued improvement in the transformation performance of the industry.
- Sound research and development base supportive of industry growth



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- Minimal environmental footprint (Incl. Environmental rehabilitation of exploited sites)
- Incremental exploration expenditure with emphasis on green-fields to replenish finite resources and ensure sustainability
- Proliferation of tangible multiplier effects resultant from a successful mining industry

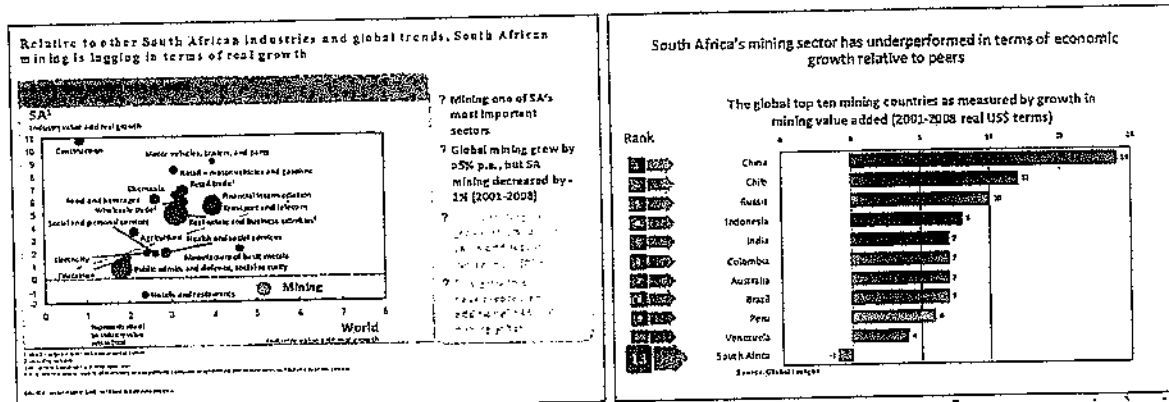
These performance indicators demonstrate the actual outputs that are targeted as a result of improving the industry's competitiveness, as shown in the chart.

3.4 The current economic performance of the South African mining sector

Despite being the mainstay of the South African economy for much of the 20th century, the mining sector in the past two decades has performed relatively poorly. In essence, the mining sector shrank by 0.6% per annum between 1993 and 2009, versus an overall country economic growth rate of 3.3% per annum in the same period.

If one compares the performance of the South African mining sector to other sectors of the economy, and their respective growth rates at the global level for the industries that they participate in, the significant under performance of the South African mining sector is again noteworthy. For example at the global level (on the x-axis in the chart below) the average annual growth rate for construction value added has been weak. However, the South African construction sector achieved growth rates of 11% (shown on the y-axis) in the 2002 to 2008 period, mostly due to the government infrastructure development programme, complimented by the domestic infrastructure boom.

However, even more concerning has been the fact that despite the global commodities boom, which started in 2001 and ran strongly through to 2008 before the global financial crisis hit, the South African mining industry continued to shrink. For the top twenty mining countries in the world the average annual growth rate in their real mining GDPs was a significant 5% growth rate per annum between 2001 and 2008. South Africa's mining industry shrank by 1% per annum in this period.

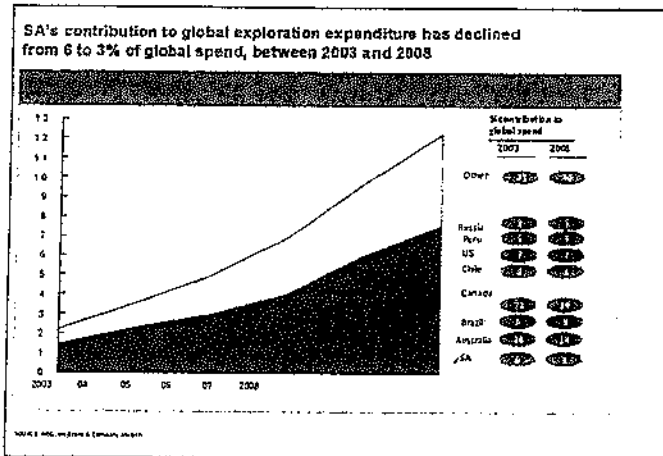


The RSA mining sector has also had a relatively weak capital investment performance vis-à-vis the global competition.

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Linked to the country's relatively weak mining sector performance, South Africa has lost market share on a relative basis in the global exploration stakes. This is not to say that the overall level of expenditure on exploration in South Africa has not grown. Rather, relative to the rest of the world

the share of exploration investment focused on South Africa has declined as when compared to the more rapidly growing expenditures on exploration in the rest of the world.



The poor growth of the RSA mining sector is despite the fact that the South African mining industry produces most of the types of minerals that are in demand at the global level (e.g. coal, iron ore, platinum, gold, etc.).

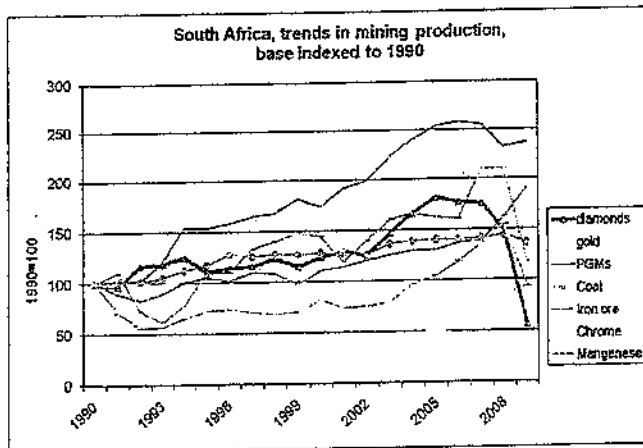
IS THE POOR PERFORMANCE ATTRIBUTABLE TO THE MATURE GOLD SECTOR? While it is correct to apportion some of the blame of the country's poor mining sector economic performance on the decline in production of the country's mature gold mining sector, it is critical to assess that with one notable exception, most of the rest of the minerals have also not had particularly outstanding production growth rates either. In the two decades up to 2009, total South African mining production fell by 0.4% per annum, mostly driven by the 5.3% per annum decline in gold production and the 0.4% decline per annum in diamond production. Platinum group metals production increased by 4.8% per annum, iron ore production increased by 3.3% per annum and manganese production rose by 2.3% per annum in the same period. In the last decade, the rate of decline in gold production has increased to 7.7% per annum and diamond production fell by 2% per annum. PGM production between 2000 and 2009 increased by a modest 2.6% per annum, coal production by only 1.2% per annum and iron ore by a more impressive 6.5% per annum.

SOUTH MINERAL PRODUCTION GROWTH RATES

	Total mining	Iron ore	Manganese	Platinum Group Metals	Coal	Chrome	Diamonds	Gold
1990-1999	-0.4	0.1	-0.3	7.1	2.3	5.4	1.3	-2.9
2000-2009	-0.5	6.5	4.9	2.6	1.2	-0.1	-2.0	-7.7
1990-2009	-0.5	3.3	2.3	4.8	1.8	2.6	-0.4	-5.3
2001-2009	-0.4	5.7	3.7	3.4	1.2	0.1	-3.1	-8.0

Source: StatsSA

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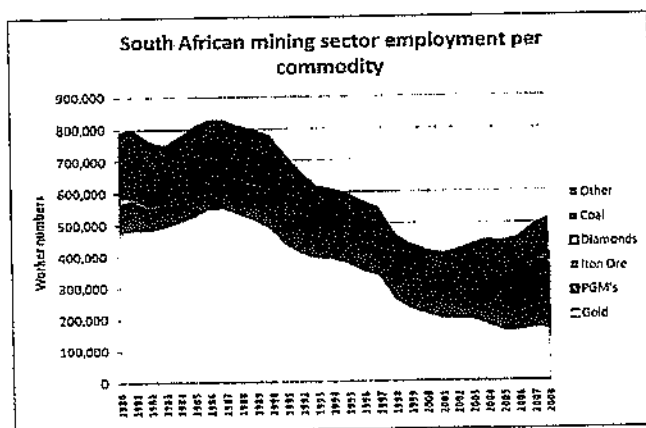


Excluding the gold mining sector, the non-gold mining sector grew production by a relatively modest 1.8% per annum in the period 1993 to 2009, and this growth rate had slowed to 1.1% over the period 2000 to 2009, which leaves much to be desired when compared with globally comparable performance.

At the same time it is important to note that the South African gold mining sector has dominated global production for over 120 years and the industry remains a significant global producer and contributor to the South African economy. In 2009, the industry produced 205 tons valued at R45 billion, employed 160 000 people and remained a significant cog in the mining sector. This is why it remains important that the stakeholders look at ways of slowing the decline in gold production, which would significantly help the rest of the sector to push the overall sector's growth rate to more appropriate levels.

3.5 Employment

Employment in South Africa's mining industry peaked at 828 773 in 1987, with the gold sector alone employing 553 713 people in that year. The decline in gold production and the resulting fall in employment in the gold mining industry, played a key role in the decline of total mining sector employment numbers until the late 1990s. The



Source: DMR/StatsSA

trough in mining sector employment occurred in 2001 and from then onwards the growth in the PGM mining sectors employment numbers more than compensated for the declines in the gold sector. This growth and diversification of the country's mineral basket was enabled by the introduction of a progressive regulatory regime, which made mineral complexes accessible for development. By 2008 total employment stood at 518 519, with PGMs mining employing more than any other commodity.

4 A SPECIFIC SET OF COMPETITIVENESS DRIVERS FOR THE MINING INDUSTRY

The section outlines a set of mining industry specific drivers of competitiveness and recommends a set of interventions sought to mitigate the identified constraints in each of the drivers.

4.1 Infrastructure

Infrastructure has a material impact on the potential growth of the mining sector. Mineral deposits are typically located in distal and remote locations, which require dedicated investment in

infrastructure that will support their cost effective and competitive development for the benefit of the country.

Amongst the top nineteen mining countries, South Africa's infrastructure features fairly competitively in terms of efficiency and availability, ranking fifth in terms of ports and fourteenth insofar as electricity is concerned. Nevertheless, just under 13 percent of South Africa's bulk freight is currently transported by rail. In addition, current mining practices require significant volumes of water in a water scarce country like South Africa. Infrastructure is one of the key pillars of the competitiveness framework for mining, which has a material impact on the potential growth of the mining sector. Shortages of critical infrastructure such as rail, ports or electricity supply can act as a constraint to growth and can materially affect existing and prospective production. The mining sector stakeholders have considered the array of infrastructure constraints and there is recognition that the mining sector will not resolve these constraints by itself. For this reason, the mining sector is to ensure that mining infrastructure requirements are properly located within the national policy debates as well national infrastructure development programmes. The mining stakeholders have resolved to adopt the following approach:

- To establish an "Integrated Long Term Infrastructure Planning Mechanism" for the mining sector.
- That a systematic problem solving approach to each area of infrastructure is adopted, which identifies the current situation, the expected end state (desired infrastructure needs), identifies the gaps, and links into national processes (or proposed new processes where none currently exist), in order to ensure that the mining sectors requirements are properly articulated and properly considered.

Integrated Long Term Infrastructure Planning Mechanism (ILTIPM)

At present the mining industry's input to national infrastructure processes (such as the electricity Integrated Resource Plan 2), are relatively uncoordinated and ad hoc (depending on the issue). While the industry does have certain long term processes in place for particular minerals, such as the Coal Roadmap process, there has been insufficient consideration given to the long term infrastructure needs of the industry from a tripartite basis. Mining companies tend to engage with specific infrastructure service providers to try and resolve infrastructural issues and often longer term industry and country needs are not properly coordinated or considered. Clearly government requires input from industry on infrastructure requirements and this requires the sharing of information on long term mining plans and the associated infrastructure needs. In order to integrate mining industry infrastructure planning requirements, the MIGDETT tripartite stakeholders are proposing the establishment of an Integrated Long Term Infrastructure Planning Mechanism (ILTIPM) for the mining industry.

The fairly precarious electricity supply-demand balance demonstrates a potential infrastructure constraint to sustainable growth of the mining industry. While there's recognition that the abundance and cheapest electricity supply in the past created a culture of non-efficiency in developing technological solution to mining, there is a dedicated focus to enhance energy efficiency in this sector, complemented by the research and development programmes intended to

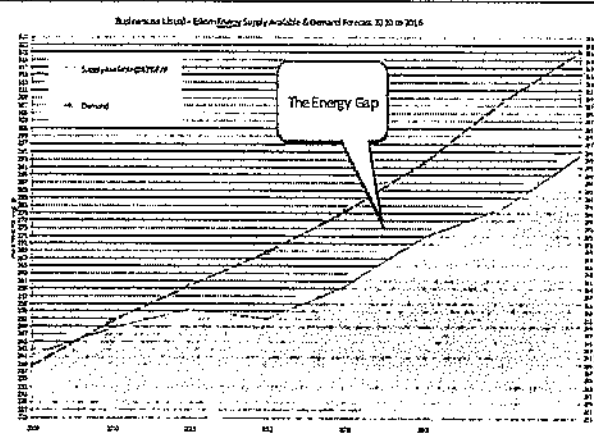
improve such efficiencies. A predictable and reliable electricity supply is also crucial for the industry's processing and beneficiation efforts. The objectives of the ILTIPM include:

- To assess the existing infrastructure arrangements and current infrastructure environment available to the South African mining industry through a process of engagement with industry and government.
- To assess the long term infrastructure requirements of the mining industry through a process of engagement with industry and government. This could be both region specific, and commodity specific. Long term mine plans would help verify the long term infrastructure requirements.
- To identify the gaps between currently available infrastructure and future needs and to make proposals on how these gaps can be resolved, taking into account both industry and national needs and requirements.
- To identify the national processes dealing with infrastructure, and to propose how the mining industry's needs and requirements can be integrated into the national processes.
- To determine areas that are industry and/or government responsibilities (public vs private goods) as well as develop solutions to correct problems in current institutional arrangements for coordination of infrastructure
- To engage with the national processes to ensure that the mining industry's case is properly articulated and addressed.

ELECTRICITY

South Africa has a low reserve margin, which based on expected growth in electricity supply and demand, will remain under pressure for the next few years. The diagram illustrates the gap in electricity supply capacity, assuming maintenance of current supply capacity against projected demand growth. The problem is clear - the envisaged growth in the economy requires an expedient additional supply generation capacity, coupled with more energy efficient means of economic activity. This gap cannot be readily closed in the short and medium term and therefore "demand side initiatives" must be found to reduce the demand without affecting economic growth. Furthermore, non-Eskom generation opportunities must be accelerated to increase the supply.

Figure: Projected energy supply gap



The key uncertainties relevant to closing the energy gap and in so doing solving the problem are:

- RSA peak and energy demand for 2009 to 2016
- Eskom Generation Energy Availability Factors (Actual and Target)
- Supply capacity Eskom and Non-Eskom
- New capacity start dates/ramp up rates
- Medium term price trajectory and regulatory certainty

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- Demand Side Opportunities:
 - Demand Side Management, Demand Market Participation, Energy conservation, Energy Efficiency
- Non-Eskom generation Opportunities
 - Renewables, Co-generation, Own Generation, Independent Generators, Municipal generators.

The LTIPM will unpack the mining industry's electricity needs in more depth, including requirements for beneficiation in the medium and long term. The LTIPM will recommend the contribution of the mining industry towards narrowing the projected energy supply-gap, including focussed energy efficiency and technology development.

RAIL

In South Africa almost all of the significant mineral products are mined in areas distant from users and export harbours. Given that with some exceptions these products are of a low value, high volume nature, rail transport is normally the most economical transport mode over any distance exceeding 100 km and tonnages of 1 million tons or more per year. The Coalink line currently runs 600 kilometres from the traditional coal fields to Richards Bay Coal Terminal, while the Orex iron ore line runs over 800 kilometres to Saldanha.

Currently the rail transport situation in South Africa is characterised by Transnet Freight Rail dominant in long haul freight rail transport, with limited capacity to service the mining industry adequately. Negotiations related to the upgrade of rail facilities for iron ore and coal exports have protracted and execution of planned upgrades, in certain cases, is behind schedule, or the relative efficiency of certain lines is not at reasonable levels. The cost of transportation of bulk commodities has material effect on the country's competitiveness. In addition, large tonnages of mineral products are transported by road, e.g. manganese from the Northern Cape producers to Port Elizabeth, chromite from mines to ferrochrome smelters, ferro-chrome from smelters to ports and coal from collieries to distant power stations and other users, because of the rail service challenges, which has resulted in gross damage of the road infrastructure in the vicinity of such mining fields. The differential costing structure for established and emerging miners also places an extra strain on the latter, who are typically required to pay up to several folds more than their established counterparts, as a result of which their ability to compete meaningfully is impaired.

As a result:

- the final cost of rail and reliability in some cases has implications for the competitiveness of South African producers
- roads are damaged to the point where national and provincial road authorities are unable to keep up with road maintenance
- Rail cost structure must enable diversification of the mineral producers, in line with the competitive and transformation objectives
- constrained transport volumes due to rail capacity constraints thwarts mining growth prospects
- road safety has deteriorated significantly

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The desired end state is for South Africa to be a world leader in mineral production and sales with:

- a reliable, adequate and affordable rail transport service for mineral products
- optimal export of beneficiated (high value) goods as opposed to low value and high volume goods, which will significantly reduce capacity requirements for unlocking mineral potential with only limited volumes of mineral products being transported by road over short distances

To achieve this it will be necessary to:

- Facilitate meaningful competition in heavy haul long distance freight rail transport
- Invest in freight rail infrastructure, services and human capital
- Ensure optimal current rail capacity utilisation
- Co-ordinate such investments to ensure that the needs of the minerals industry are adequately served. Have a clear policy on the apportionment of costs between Transnet (service providers) and industry on dedicated lines.

WATER

Water is an essential input used extensively in the mining industry in the recovery of mineral process as well as dust allaying in mine workings, for air cooling, drinking water for employees and in hydrometallurgical mineral processing. Mines also discharge water, i.e. through ground water pumped from mine workings and via waste water from metallurgical processes.

In general, mines obtain water from local authorities, water boards and in some cases from natural sources such as rivers and ground water. Various challenges regarding water are faced by the mining industry, including:

- The primary constraint is the scarcity of water in South Africa. In some areas mines compete with the local communities and other industries for water.
- Water discharged by mines is usually contaminated and requires treatment prior to release. On the Witwatersrand defunct mine workings (mine environmental legacies) are starting to decant and contaminating ground water.
- It takes an inordinate length of time to obtain permits for water extraction and discharge in terms of the National Water Act. This results in mines operating illegally in some instances.

Measures taken to ease constraints/solve problems include:

- The use of "grey" water by mines for mineral processing to allow communities access to potable water.
- The recovery and recycling of water for mineral processing.
- Treating mine discharge water to release standards.
- Using treated mine discharge water for irrigation.
- Treating mine discharge water to potable standards.
- Public/private partnerships in constructing water supply facilities.
- Investment in research and development to reduce dependence of mining on water as a scarce national resource

It is a desirable end state for water use in mining to achieve the following:

- all mine discharge water, from working and defunct mines, is treated to potable or release standards
- the recovery and recycling of water is practised an industry standard
- attainment of water-less mining
- the local communities have an ample supply of potable water
- water permits are obtained without undue delay
- It is inevitable that the cost of mining will escalate over time to reflect the scarcity of water in South Africa, which will have a material impact on the mining industry and it is therefore critical that the mining industry invest in technology for efficient water use or water free mining

The ILTIPM has a key role to play in investigating the industry's long term water requirements and developing long term interventions required to sustain the growth of the industry.

4.2 Mineral regulatory framework

The regulatory environment is defined by both the existing laws and regulation (i.e. the regulatory framework) and the efficiency and transparency in which these laws and regulations are administered (the institutional capacity of government and the ability of the companies to apply the laws). In general, for the economy as a whole South Africa is ranked in the second best quartile for the quality and capability of its institutions (rank 45 out of 133). The country is ranked highly in terms of the protection of property rights (rank 20), for independence of the judiciary (rank 38), the efficiency of handling legal disputes (rank 18), the transparency of government policy making (rank 24), and the strength of auditing and reporting standards (rank 2) and for the efficacy of corporate boards (rank 3). However, South Africa is ranked in the middle of the 133 countries that make up the WEF survey for the burden of government regulation on the economy (rank 65) and also ranks close to the middle in terms of the favouritism in decisions of government officials (rank 69).

UN survey of priority investment criteria for exploration and mining

Decision criteria	RANKING	
	Exploration Stage	Mining Stage
Geological potential of target mineral	1	N/A
Measure of profitability	N/A	3
Security of tenure	2	1
Ability to repatriate profits	3	2
Consistency and constancy of mineral policies	4	9
Company has management control	5	7
Mineral ownership	6	11
Realistic exchange regulations	7	6
Stability of exploration and mining terms	8	4
Ability to predetermine tax liability	9	5
Ability to predetermine environmental obligations	10	8
Stability of fiscal regime	11	10
Ability to raise external financing	12	14

Based on surveys of mining companies, the United Nations devised a schematic of the specific priority investment criteria that mining industry deems to be important, ranked in order of importance, at both the stages of exploration and mining. Clearly the *geological potential* of the mineral prospect and *security of tenure* are the most important issues, without which exploration or mining will not take place.

In general, the majority of the remaining investment criteria for mining and exploration are related to the stability and predictability of the

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policy environment, which are critical issues that provide some degree of comfort to the investors that the investment risks are manageable over the long term.

Much of South Africa's regulatory framework has been totally redeveloped over the course of the last fifteen years with the publication of the white paper in 1998 to the actual finalization of the new Minerals Act in June 2002, with its actual implementation taking place on the 1st May 2004. The broad policy objectives of South Africa's mineral framework are very similar to most competitor countries. Although South Africa's mining regulatory environment does have most of the key objectives comparable to other leading mining jurisdictions, such as the focus on growth, state custodianship of the mineral rights, providing for a competitive mining policy framework, properly regulating environmental and safety challenges and so on,

The Minerals Act No. 50 of 1991 was introduced to restore the common law rights of the mineral rights holder. The State retained a regulatory role in the sense that prospecting and mining activities could not commence unless authorization was given to the holder of the mineral rights. The role of the State in terms of the Minerals Act was regulatory in nature. The State regulated the exercise of the rights by a mineral right holder.

Prior to the democratic dispensation, South Africa had a dual ownership model for mineral rights, in which part of the mineral wealth was held in private hands and the other by State. The private ownership was based on the law of property. A distinguishing feature with this mode of ownership was that almost all privately-owned mineral rights were in white hands, clearly excluding other races.

The culmination of South Africa's mining policy reform is epitomized by the introduction of the new regulatory framework in 2004 with the commencement of the Mineral and Petroleum Resources Development Act, 2002 ("MPRDA"), following the publication of the minerals and mining policy White Paper of 1998. This framework created the transformation agenda for the mining industry, consistent with South Africa constitutional provisions. The mining regulatory framework also embedded requirements for a social licence to operate in the country's mining industry and recognized the notion of mineral wealth as a national patrimony, resulting in the subsequent custodianship of mineral rights to State. This position is further supported by the Constitution of South Africa in terms of which the State is bound to take legislative and other measures to enable citizens to gain equitable access to rights in land. The regulatory framework underpins the attainment of sustainable growth and meaningful transformation of the mining industry.

The sixth year of the MPRDA's implementation provides sufficient basis for an objective performance assessment of the current mining regulatory framework in South Africa. While the introduction of the MPRDA resulted in an unprecedented level of applications for prospecting and mining rights in the history of mining in South Africa (diversification from gold dependence), resulting in a number of mining projects being developed to diversify the mineral exploitation basket, it also coincided with the longest synchronised commodities boom in modern history. However, South Africa's mining industry did not benefit optimally relative to other mining

jurisdictions, with a reported contraction in nominal terms since 2001. This has resulted from a number of contributory factors, with the negative perception of the country's regulatory framework cited as the main deterrent to investment and growth of the sector. At the same time, the extent of transformation of the mining industry against the agreed targets among industry's stakeholders is less than desirable.

The Fraser Institute 2009/10 survey results were used as a yardstick to gauge the performance of the perceptions of the country's regulatory framework, in which South Africa has lost its global ranking from a fairly eminent position of 27th out of 47 countries surveyed in 2002, to 61st out of 72 countries surveyed in 2009. There is consensus on the importance of managing perceptions of the regulatory framework, as they have a profound influence on investment decisions. Notwithstanding the Fraser survey, some mining stakeholders believe that South Africa's mining regulatory framework is relatively good, although there are some specific issues in the architecture of the MPRDA and related legislation that require urgent improvement.

The complexities to access information on mining and related rights, such as information over who holds what rights in a specific area require simplification, as provided for in section 30 of the MPRDA to enable a seamless process for companies investigating new areas to explore, purchase existing mines, and so on. It is strongly recommended that the country should explore the idea of setting up a Mining Cadastre that would collate and provide this type of data to the public at large. Effectively the South African Mineral and Petroleum Titles Registration Office is the Mining Cadastre, but clearly it needs to be reconfigured to enable the information flows to be available on a timely basis. The improvement in the availability and flow of information that should be publicly available will reduce business costs, increase transparency and increase activity in exploration and mining.

It is clear that environmental issues in the mining sector are regulated in terms of the MPRDA and the responsible Minister is the Minister of Mineral Resources. However, lately there has been uncertainty on the governing legislation and the authority as it relates to environmental issues pertaining to mining and related activities, hence leading to duplication of environmental authorization in terms of both the MPRDA and also as per the National Environmental Management Act (NEMA). The lack of certainty of exact requirements, the multiple decision making points in various government departments and the long time frames involved in the issuing of environmental licenses tends to make applications a very complicated, costly and time consuming process for mining companies. The following are some of the key issues:

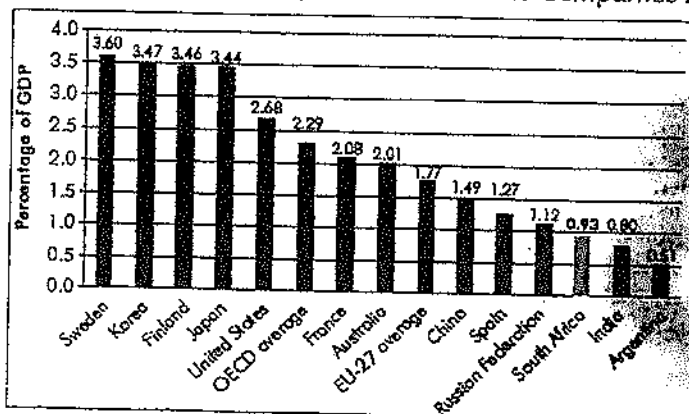
- Fragmentation of the permitting or licensing process, e.g. the water use license issued by the Department of Water Affairs, waste permit and air quality permits issued by municipalities, environmental authorizations issued by the Department of Mineral Resources.
- There is very low level of adherence to environmental compliance requirements.
- Several of the implementing government agencies have insufficient capacity to effectively monitor and evaluate the performance of companies in meeting environmental obligations. The

general trend is to focus mainly on the approval of environmental reports and once the license has been issued there is minimal follow up, to ascertain the actual compliance.

- The MPRDA Amendment Act, read with the National Environmental Management Amendment Act, 2008 ("NEMAA"), envisages various changes to the system of environmental authorisations under the MPRDA.
 - Section 14(2) of the NEMAA provides that its provisions relating to mining will come into force 18 months after the commencement date of NEMAA or the MPRDA Amendment Act, whichever is the later.
 - All applicants for a prospecting right, mining right or mining permit must simultaneously obtain an environmental authorisation in terms of section 24 of National Environmental Management Act, 1998 ("NEMA"), (as amended by NEMAA).

While the new environmental requirements are substantially more onerous on applicants, it is important to state that the industry does not want to be unregulated on meeting this critical issue of managing the environmental impacts of the mining sector, and in particular in avoiding the legacy impacts from the many years where mining was not properly regulated prior to the 1990s. Rather, the industry wants to mine in an environmentally responsible manner, but requires that the laws regulating environmental impacts are clear and implementable and that there is a clear process for applications. Many other mining jurisdictions vest environmental authorisations within a single government department to ensure that a seamless "one-stop" facility for environmental permits is made available, where all issues related to environmental licensing, enforcement, monitoring and evaluation are addressed.

The strategy prioritises the need for strengthening the architecture of the MPRDA to improve its efficiency and effectiveness, as well as strengthening enforcement, monitoring and evaluation of the mineral regulatory framework. Further, this strategy emphasises an urgent need to promote greater cooperation and coordination between the DMR and other government departments to harmonise the mineral regulatory regime with other related legislation impacting on the mining industry, such as water, environment and Companies Act of 2008.



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4.3 Mining Innovation

South Africa is ranked bottom amongst other countries that contribute towards research and technology development, with Gross Expenditure on Research and Development (GERD) under one percent of GDP. In countries such as South Korea, gross expenditure in research and development as percentage of GDP is more

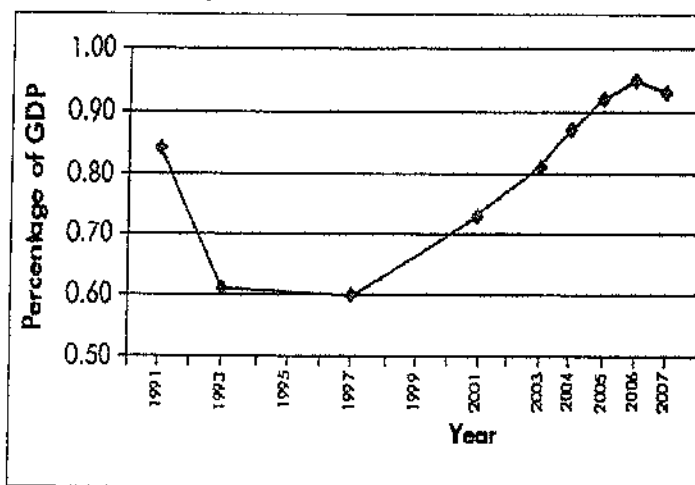
¹⁰ The figure exhibits world GERD as percentage of GDP

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than three folds that of South Africa, while Australia is twice more as highlighted in the graph.

In addition, South Africa has the second highest energy consumption per capita GDP generation, corroborative of a glutinous energy appetite resultant from a generally poor technology base used to sustain the country's economy.

Notably, national research and technology development expenditure as percentage of GDP declined between 1991 and 1997, from 0.84 to 0.6 percent respectively, preceding the advent of the democratic dispensation. While the national R&D expenditure per GDP recovered from 1997, the



mining industry has not recovered from the atrophied culture of innovative research and technology development, which has also contributed significantly to thwarting its competitive growth synchronous with the commodity boom. The research and development capacity that was installed in South Africa pre-1991 remains grossly under-utilised, with the industry almost exclusively using off-shore facilities for its research and development needs, notwithstanding the availability of such facilities in the country, including State owned facilities such as Mintek, CSIR and CGS.

Figure: World GERD as percentage of GDP

Mining innovation straddles research and development (R&D), cost efficiency, productivity and management, all of which impact on sustainable growth and meaningful transformation of South Africa's mining industry. Stakeholders have a common objective towards sustainable mining informed by preservation of our environment, whilst encouraging innovation through development of exploration technology in line with energy efficiency, green mining as well as health and safety.

Currently, mining research and technology development is at its lowest ebb and fragmented, thus stifling potential for South Africa to be on the cutting edge of future technological development. Furthermore, there is preferential use of international facilities at the expense of underutilised local research facilities. Taking into account the importance of mining innovation through research and technology development, cost and management efficiency as well as productivity, stakeholders expressly commit to position mining industry along a sustainable growth path.

The prominence of South Africa's mining industry, as expressively outlined earlier, cannot grow in a sustainable manner unless it is premised on a sound research and development foundation. The research and development value chain presents incentives and opportunities for technical skills development and decent employment for the youth, as well as aforementioned benefits.

The residual potential for discovery of world class mineral deposit with the use of advanced exploration/prospecting technology remains very high in South Africa, with a healthy mineral "real estate". However, the exploration and mining research is currently excluded from the national research incentive scheme, which suggests that mining has not been able to position itself as a key sector of the economy. Mining stakeholders are committed to attaining sustainable growth and meaningful transformation of the industry through research and development.

A number of mining research initiatives are currently underway, but lack coordination and the desired impact. A multi-stakeholder task team must be established within three months of the strategy to establish the current baseline of research and development dedicated to mining, map out the designed levels of research and development and proposes interventions sought to close the gap.

4.4 Beneficiation

South Africa remains a host to considerable known reserves of mineral commodities, ranking among the top five (5) in the world, including albeit not limited to: Chrome, fluorspar, titanium minerals, vanadium, nickel, PGM, uranium, phosphate rock, manganese and vanadium. There are 54 minerals being actively mined in South Africa, with prospects for exploitation of additional two new minerals in the short to medium term. South Africa's exploration "real estate" still presents substantial potential for discovery of other world-class deposits with application of modern exploration technology. South Africa's mining industry remains a sunrise industry in terms of opportunities for investment across the various commodities' value chains.

For more than a century, South Africa's mining industry has contributed to the development of a local economy and secondary industries. The development of mineral complex presents industrial opportunities for value addition through up/down and side stream linkages. However, the mining industry expenditure on goods and services has not supported growth of the local industries (local content) consistent with the government's drive for local industrialisation. The mining industry has the potential to induce prosperous clusters of industries to support its development, which can significantly broaden economic growth and benefits and create decent jobs.

The mineral beneficiation (mineral value addition) programme is a deliberate government intervention presaging a framework within which South Africa intends to implement an orderly development of the country's mineral commodities value chains in order to leverage benefit from inherent comparative and competitive advantages. The strategy seeks to facilitate further economic diversification, improve the country's productive capacity, expedite progress towards a knowledge based economy and attain incremental GDP growth in mineral value addition per capita. The beneficiation strategy compliments the industrialisation policy of South Africa, linked to the recently approved Industrial Policy Action Plan (IPAP).

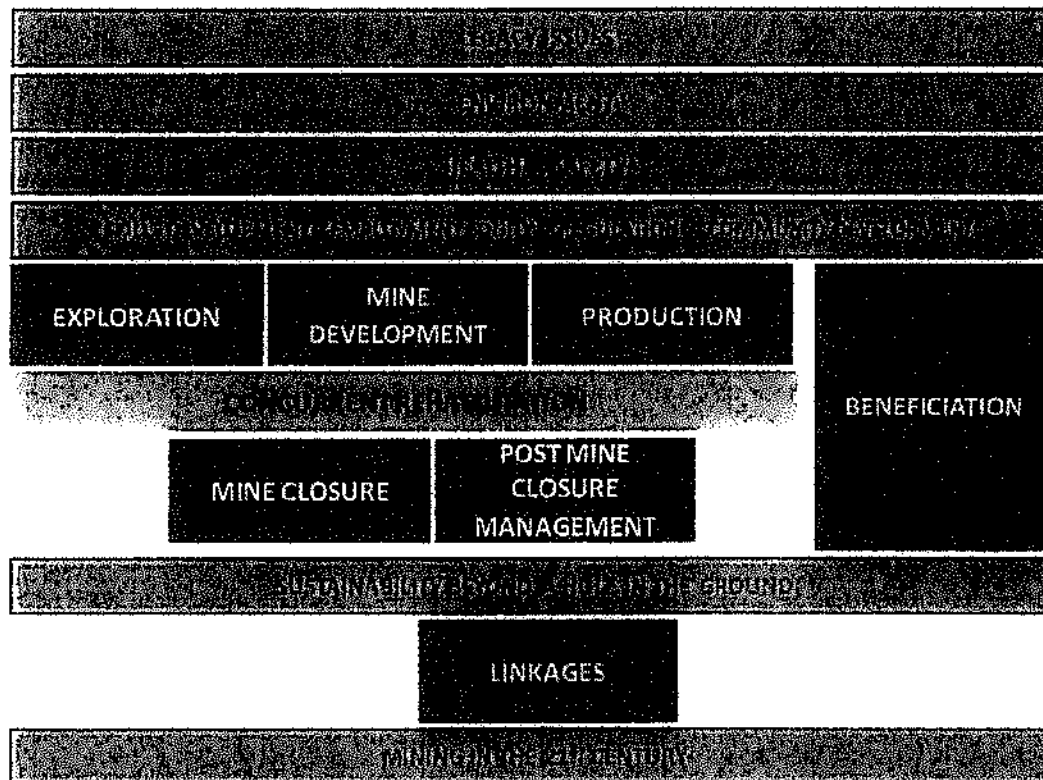
Mining stakeholders commit to support the local beneficiation drive, consistent with government socio-economic development priorities to unlock intrinsic value inherent in the country's mineral resource heritage.

4.5 Sustainable development

Sustainable development framework

The diagram encapsulates the various elements of sustainable development across the various stages of the mining cycle. Even though the extent to which each element applies to each stage of mining is not dealt with specifically that way in the document, it is important to always view sustainable development as applicable from cradle to grave and beyond. The intention is to be forward looking, however to the extent that there are Legacy Issues they will be dealt with in order to understand the context of the current situation, and also to appreciate the magnitude of what lies ahead. Thus we look at the Past, Current and Future towards Sustainable Development.

SUSTAINABLE DEVELOPMENT TOWARDS TRANSFORMATION AND GLOBAL COMPETITIVENESS



Source: Nonkqubela Mazwai: Motjoli Resources

Consideration for ecologically sustainable exploitation of the country's resources to ensure that South Africa's citizens (including corporate citizens) benefit optimally from same is the heart beat of the strategic intent. Prior to the South Africa's democratic dispensation, the focus of the mining industry has been fundamentally premised on the economic sphere of sustainable development (SD), at the exclusion of social and environmental spheres, characteristic of SD. The sustainable development in mining seeks to attain a fairly precarious balance between development (socio-economic) and the environment. Other parts of the strategy deal extensively with various aspects of development in the mining industry, in terms of socio-economic growth, as a result of which this section will only focus on those areas not covered elsewhere in this document. In terms of the recent FRIDGE study on *"The Use Of Economic Instruments And Develop Sectoral Plans To Mitigate*

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The Effects Of Climate Change", the mining industry is the second most vulnerable industry in South Africa regarding the possible impact of global greenhouse gas (GHG) emission commitments and the ability to trade. The study identifies South Africa's mining sector contributing 1.7% of the national greenhouse gases emissions. This considers the SA's economic structural changes that might need to be effected due to carbon-intensive goods and service to *less* carbon-intensive goods and service, and also our trading partners with climate change policy(s) that might require importing less carbon intensive goods and services from South Africa.

ENVIRONMENT

Section 24 of the Constitution guarantees an environment that is not harmful to people's health or their well-being and to have the environment protected for the benefit of present and future generations through reasonable legislative and other measures that prevent pollution and ecological degradation, promote conservation, and secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

The MPRDA makes provision for mine environmental management, embracing the cradle-to-grave approach in prospecting and mining activities whilst ensuring a balance of economic, social and environmental costs.

However, the prior focus of the mining industry on economic benefit, compounded by the legislative vacuum on mine environmental management at the time, has created an abundance of derelict and ownerless mines, which have cumulative impacts on the environment, with compromising effects on the sustainability of the industry. In many cases, these derelict and ownerless mines have a significant impact on the health and safety of local communities and on the environment. Public health and safety impacts include those due to physical features of the mines such as open shafts, unstable slopes on dumps and pits, collapse features and abandoned mine infrastructure. Other hazards result from contaminated water and soil, mining chemicals, explosives, radioactivity, windblown dust and, in the case of coal mines, spontaneous combustion of coal and coal wastes.

This strategy identifies an urgent need for collaborative work on mine environmental management, which will include the following:

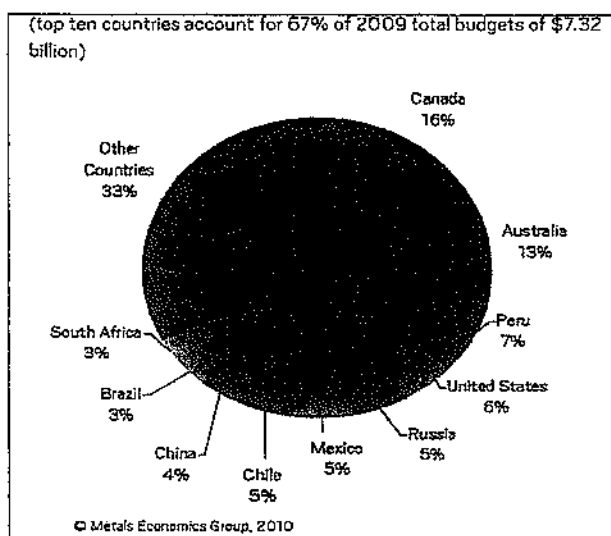
- Establishment of a multi-stakeholder task team on derelict and ownerless mines, which will develop, recommend and implement mechanisms for rehabilitation of these mines to ensure health and safety of proximal communities, and mitigate and eradicate potential toxic pollution to the environment, including water, land and air.
- Adoption of a regional approach in dealing with integrated and cumulative environmental impact resulting from mining.
- Development and implementation of a national action plan for the management of acid mine drainage.
- Support continuous research and development initiatives directed towards the sustainability of mine closure and mining environmental legacies.

- Explore mechanism for concurrent rehabilitation of mines, analogous to the Richards Bay Minerals world's best case study across all other commodities in order to ensure coexistence of mining and the surrounding environment.

HEALTH AND SAFETY

The growth of the mining industry in a sustainable manner is also largely dependent on the conditions of workers in the mining industry. The industry sought to achieve continuous improvements in the health and safety conditions of mineworkers through a number of tripartite initiatives, with varying degrees of success. Following the regression in the country's mine safety performance in 2007, the Mine Health and Safety Council (MHSC) facilitated the 'Tripartite Leadership Action Plan on Health and Safety, followed by the Presidential health and safety audit in 2008, both of which initiatives were directed towards accelerating health and safety improvements in the industry. Stakeholders have also developed and agreed on a set of milestones on occupational health and safety as embedded Tripartite Leadership Action Plan on Health and Safety, which include zero rate fatalities and injuries, elimination of silicosis, elimination of Noise Induced Hearing Loss (NIHL), and implementation of the action plan on TB and HIV and AIDS. The industry requires continuous investment in development of techniques and different approach aimed at improving the health and safety of workers and mining host communities.

The quality of life of communities during and beyond the mining activities, skills development, employment, health and safety including the environment are pertinent to sustainable community development. Skills development and training cannot continue being an exclusive benefit limited to workers but ought to be extended to the community. In addition to the critical skills that are required in the mines, focus should also be on developing portable skills of the workforce to ensure that they are able sustain themselves post mine closure. A joint approach between all stakeholders is required for the development and sustainability of the mining communities, by contributing to education, job skilling and new business development, as well as, restoring the natural environment to the pre-mine state.



EXPLORATION

The mineral resource reservoir at the country's disposal is finite in nature, the lifespan of which is dependent on the depletion rate (rate of extraction) and the rate of replenishing mineral reserves. The demand of mineral commodities has growth sharply in the recent past, which correspondingly resulted in higher rates of extraction to boost the supply side of the equation.

The world exploration expenditure increased by an average of thirty-four percent per annum between 2004 and 2008, ranging from US\$ 2.4 billion to US\$

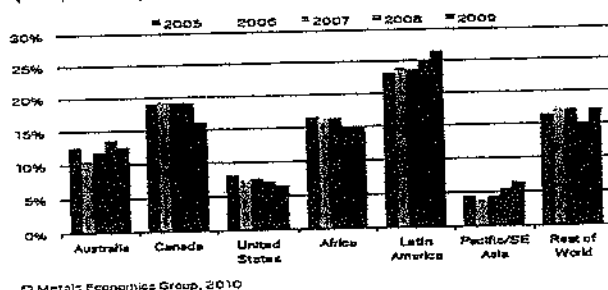
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13.2 billion. This budget declined by 45% in 2009 to US\$7.32 billion, as a result of the impact of the global economic recession. The South African exploration has correspondingly lost its share of the global exploration expenditure from eight (8) percent to four (4) percent and further to 3% in 2009. However, this expenditure in nominal terms has more than doubled during this period, ranging from US\$ 192 million to US\$ 528 million, representing a fraction of the percentage of annual revenues generated from mining.

During the same period, more than eighty (80) percent of South Africa's exploration budget was expensed towards mine-site exploration, with only an insignificant remainder dedicated towards green-fields exploration. At the global level roughly 32% of all exploration expenditure is spent on green-fields (grass roots) exploration¹¹. Contrary to international best practice, the South African mining jurisdiction generally lacks readily available and centralised exploration and/or mining data. Effectively this type of exploration is the *lifeblood* of the mining sector, because it enables the development of a pipeline of potential new mining projects that supplement investment and production in a country.

In excess of 60% of the annual global exploration budget is expensed by junior to mid-tier companies. These juniors tend to raise capital from the world's venture capital markets (very little is raised in the form of bank loans or debt) and these juniors then attempt to find deposits in countries with significant geological prospects that they can then on-sell to the mid-tier or major

Exploration Budgets by Region, 2005-2009
(as a percentage of annual worldwide exploration totals)



mining companies. These companies are typically listed on the London's AIM, Australia's ASX and Canada's TSX, with only a handful listed on the JSE's AltX. There are several possible reasons why South Africa relatively lags its major international mining competitor countries, especially in terms of green-field's exploration. Again sufficient space must be created for a thorough assessment of the issue, but some reasons could include:

- In the first instance South Africa's domestic venture capital market is relatively small compared with that of Canada, Australia and the UK. Since junior resource exploration companies and their grass roots exploration activities are mostly funded by venture capital, there are limited other sources of capital in the South African market for such activities (i.e. the banks will not lend to such high risk entities). However, that does not preclude both domestic and foreign juniors from raising capital in these foreign markets. In the venture capital market of Canada the government has provided a mechanism that incentivises tax payers to invest in high risk exploration companies. This has contributed to the increase in availability of venture capital funding as it lowers the risk to the investor/taxpayer.
- The second reason for the poor track record in exploration has been the significant funding challenges for emerging exploration producers in the South African context.

¹¹ Source: Metals Economics Group, "World Exploration Trends", a special report from MEG for the PDAC International Convention, 2010.

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The need to attract investment in mineral exploration cannot be overemphasised. Various mechanisms are proposed to this effect, noting that South Africa is competing with other exploration jurisdictions for a limited global budget. These include:

- A competitive regulatory framework, consistent with governments priority deliverables
- Investigation of regulatory and macro-economic levers to enhance exploration
- Development and publishing of a mining cadastre system
- Investment in state of the art research and technology for exploration

SUSTAINABLE MINING IN THE 21ST CENTURY - A CASE FOR CHANGE

A COMMON FRAMEWORK TO IMPROVE SUSTAINABILITY, PERFORMANCE AND ENHANCE THE INDUSTRY IMAGE

The SA Mining Sustainability Fact Base completed in 2009 by a team including Prof. May Hermanus concluded that current mining processes, in particularly gold and platinum mining, pose serious challenges to the sustainable growth and meaningful transformation of the industry. The mining industry has also not been able to achieve the health and safety objectives that were agreed with labour and government in 2003, partly due to operating models that prevail in the industry. Hence, new ways to mine sustainably in 21st century South Africa need to be considered, since current processes:

- a) Expose workers to fatal hazards on a continuous basis
- b) Present physical barriers to women in mining
- c) Make it difficult to attract and retain individuals with scarce skills
- d) Render available resources unsafe to mine and hence shorten the time during which mining can create jobs and in other ways contribute to South Africa's development
- e) Hamper the diversification of the economy
- f) Slow progress on implementation of transformation measures

It is clear that current mining methods, coupled with management approaches and technologies will require substantive change to align the industry to the sustainable development paradigm and to achieve the aspirations of sustainable mining in a 21st century South African context.

5. MINING TRANSFORMATION FRAMEWORK

The industry exhibited a tainted past, characterised by an unhappy history of black labourers, the reinforcement of the repressive system through racial segregation, the suppression of the development of black people (skills, career progression and economic participation), neglect of host communities, a poor safety record and poor environmental management, among others. Many of these legacy challenges needed urgent policy interventions to redress prolonged impact of exclusionary apartheid policies in the context of modern democratic era as essentially manifested in the "social licence to operate" requirement of the MPRDA.

It is important to place in context the mining reforms, informed by the evolution of the ruling party's mining and mineral policy orientation directed towards addressing deep rooted and structurally entrenched dispossession of the majority of the citizens of South Africa.

Central to the history of dispossession of the SA majority is a number of legislative instruments passed over the years, as summarised below.

5.1 Abridged history of dispossession

Land and Mineral rights dispossession: Origin of trust Lands and ownership of land by Blacks

- I. Proclamation 14 of August 1872
- II. The diamond act of 1882

Until the time of the annexation of the ZAR, the then Government legislatively prohibited Africans to purchase land directly. The only avenue available was for Africans to make arrangements with missionaries to buy land on their behalf. The land would then be registered in the name of the missionary on behalf of the African tribes. This became the only method of holding land by Africans in ZAR prior to its annexation.

Following the annexation of South Africa in 1877, Sir Theophilus Shepstone changed the dispensation of missionaries registering and holding purchased land on behalf of African tribes. He instructed that all land purchased by or for natives were to be held in trust by the Secretary for Native Affairs for such natives. In early 1880 the Government of the Transvaal Colony had decided officially that the Secretary for Native Affairs be appointed *ex officio* as trustee for land purchased by native tribes. Article 13 of the Pretoria Convention¹² provided that: "Natives will be allowed to acquire land, but the grant or transfer of such land will in every case be made to and registered in the name of the Native Location hereinafter mentioned, in trust for such natives."

The importance of land ownership for black participation in the mining industry is based on the fact that in terms of the South African common law prevailing then, mineral rights were conferred to the land owner except in cases where mineral rights were severed from surface rights. Furthermore, in terms of the provisions of that legislation, the landowner was granted the exclusive right to prospect together with the option to acquire a mining lease. Black people did not enjoy these rights and privileges as they could not legally own land.

Previous Mining legislation and Black participation in the Mining Industry

Blacks were not only excluded from participating in the mining industry by land-related legislation, but also specific mining legislation. Whilst the Minerals Act 50 of 1991 removed specific prohibitions for Black participation in the mining industry, the institutional and structural exclusion remained intact.

The following sections attest to the fact that the previous legislation prohibited blacks from participating in the mining industry:

- Section 130(1) of the Transvaal Gold and Base Metals Law 35, 1908 stated that: "...no right may be acquired under this Act by a coloured person (includes Africans as defined in the Act), and the holder of a right acquired under the Law No. 15 of 1898 or a prior law or under this Act shall not

¹² Signed on 3 August 1881

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transfer, or sub-let, or permit to be transferred or sub-let, any portion of such right to a coloured person.....”

- Section 23(1) of the Development Trust and Land Act 18, 1936 provided that: “Notwithstanding anything in any other law the following provisions shall apply to land in respect of which the mineral rights are held by the Trust or a Black or in trust for a black tribe or community: (a) no person shall prospect for minerals on such land without the written permission of the Minister: Provided ...sub-section (3) Save as is otherwise provided in this section, the Trust shall in respect of mineral rights held by it, be in the same position as any private holder of mineral rights.”

The law provided that, an applicant for a prospecting permit or mining authorisation must either be the holder of the mineral rights concerned or have the written consent from the holder of the minerals rights before he/she could be issued with a permit or authorisation.

- Section 7 (3) of the repealed Mining Rights Act 20, 1967 reads: “No prospecting permit shall be issued under sub-section (2) - to any coloured person or any association of coloured persons or any corporate body or company in which coloured persons hold a controlling interest, except in respect of State land in the Province of the Cape of Good Hope or private land the ownership of which is vested in a coloured person or an association of coloured persons or a corporate body or company in which coloured persons hold controlling interest;

“to any Black, except in respect of private land of which the South African Development Trust or a Black is the owner or which is held in trust for a Black; in the case of private land, not being land referred to, held in trust for a Black to any nominee of such Black except with the permission.....”

It is true the mining industry played no small role in the present structural inequalities and exclusions that we inherit from our unfortunate history, an economy characterized by a systematic exclusion of blacks from ownership of the means of production and thus from the ability to accumulate wealth; concentration of resources and wealth in the hands of a minority and ensuring that blacks become the mere purveyors of cheap labour; relegation of rural areas into reservoir of cheap labour and their resultant underdevelopment.

It is this history that informed and necessitated the reform of the mining industry, the law that governs the industry and supports institutional framework.

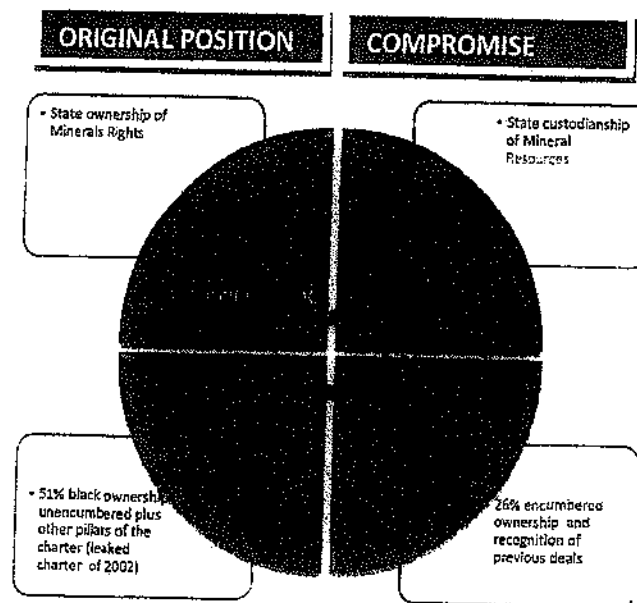
5.2 The mining reform

After coming into power in April 1994, South Africa's new democratic government soon recognised that the Minerals Act 50 of 1991 did not adequately serve the future needs of the country and its people. Consequently the new government embarked on a thorough review of South Africa's mineral legislation. The process of developing a new legislative dispensation involved broad consultation and engagement of all key stakeholder (government, organized labour, business and communities) and culminated in the promulgation of the Mineral and Petroleum Resources Development Act 28 of 2002

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(MPRDA). The Act represents largely a compromise of the original positions of the individual stakeholders.

The concept of state custodianship of mineral resources is a compromise position from state ownership of mineral rights as a policy position of the ANC policy documents.



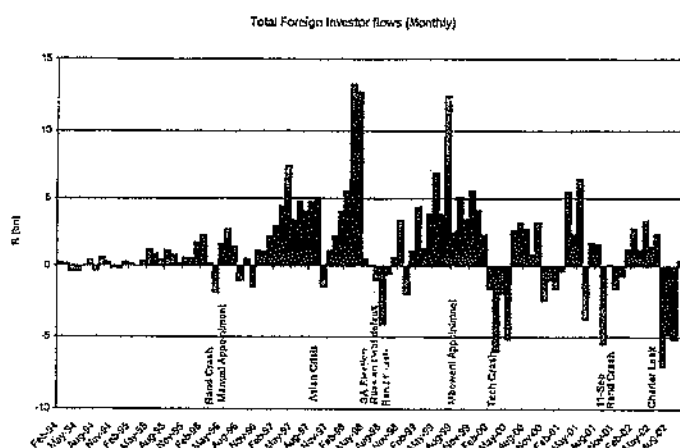
The concept that the State should possess sovereignty over its natural resources is a universally recognized one, and is therefore the approach that was adopted by the South African government. It brought South Africa in line with most other mineral producing countries of the world. The rationale for granting custodianship of mineral resources to the state is also compatible with the South African Constitution and the aims of its Minerals Policy, whereby all citizens obtain equal access to the resources of the country.

It appears though that the initial effects of transformation resulted in the creation of the patriotic black bourgeoisie, albeit a handful and not sufficiently representative as means through which the de-racialisation of the mining industry could be attained. This philosophical stance would find expression in Section 100 of the MPRDA, which provided for the Minister to, within six months of the promulgation of the MPRDA, establish a charter whose main purpose is to redress historical imbalances and to ensure the empowerment of Historically Disadvantaged South Africans (HDSA). The (mining) charter was subsequently developed as a product of, similar to the legislation, extensive consultations and engagements between government, organised labour and industry seeking to address the challenges that face the mining and minerals industry. Whilst these consultations and engagements pre-date 1994, the defining moment for the development of the charter was mining summit of the late 2000. The then Department of Minerals and Energy (DME) held this mining summit with the express objective of clarifying and crystallising the barriers to entry in the mining and minerals sector by the HDSAs. All industry stakeholders participated in this workshop.

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Following the mining summit, a discussion document on BEE was drafted by government. The discussion document was developed taking into consideration the reality that despite the major developments since the new democratic order the South African society still remains characterized by vast racial inequalities in the distribution of and access to wealth, income, skills and employment. Arising from the Summit stakeholders had acknowledged the fact that despite the political miracle in South Africa in 2004, there was notable widening of inequalities and economic marginalization, and the market had not corrected itself. It was noted that since the structured exclusion of Blacks from meaningful economic participation was effected through a battery of discriminatory laws and that market forces had failed to correct these historical imbalances, then the correct response would be to intervene through the instrumentality of legislative measures to facilitate and promote change. It was on this basis and taking all these issues into account that the discussion document was developed. This discussion document became a forerunner to the Broad-based Socio Economic Empowerment (BBSEE) Charter for the mining industry and was leaked to the market in July 2002 with devastating consequences. Compared to a number of world scale events that impacted foreign investor flows into South Africa, the consequences of the leak were ground shattering.



As a result of this, the erstwhile Department of Minerals and Energy immediately invited all stakeholders to an Extended Sector Partnership Committee Meeting in which Business, Government, Labour and specific stakeholders in the industry such as South African Mining Development Association, the Chamber of Mines, community representatives and the National Union of Mineworkers were represented. The Sector Partnership Committee (SPC) was a long-standing committee that was formed in 1999 to

specifically focus on the mining Sector's priorities, which included job creation and retention of existing jobs. A number of other milestones had been reached by this Committee, hence the existing partnership, unique only to South Africa, was used to finalise the mining charter.

The Extended SPC delegated a representative committee to negotiate and develop the mining charter. It is important to note that through this process, the Broad Based Socio Economic Empowerment Charter for the mining industry was completed within a month from the establishment of the negotiating committee.

5.3 The Charter in a Nutshell

The Mining Charter as a tool to effect broad-based socio-economic empowerment to reflect its intention of transforming the South African mining and minerals landscape into one that:

- Facilitates meaningful and sustainable change in the ownership profile/equity;
- Improves the racial and gender composition, provides for training and skills development;

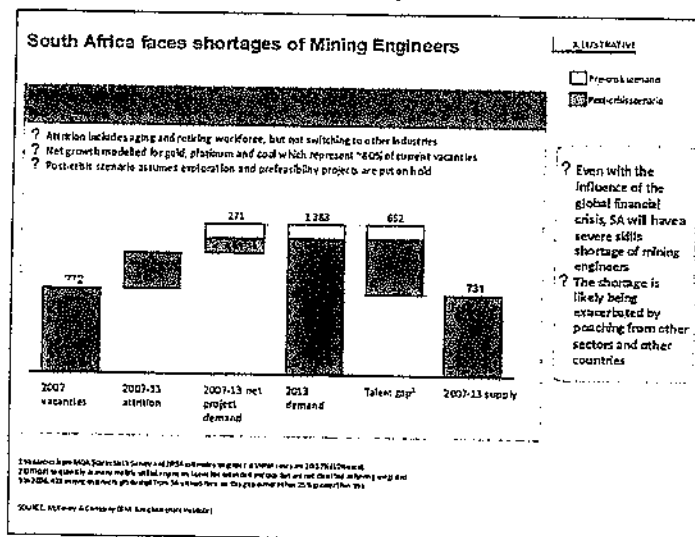
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- Improves delivery on employment equity;
- Establishes rural development strategies with special focus on host communities and major labour sending areas;
- Encourages urban renewal to avoid ghost towns;
- Facilitates procurement of goods and services from HDSA companies
- Encourages beneficiation (production of mineral-based higher value goods) and job creation.

The objectives are more clearly defined in the constitutive seven pillars of the Charter. The Charter became part of the regulatory requirements for conversion of old order rights into new order rights and granting of new rights under the MPRDA.

6. A SET OF TRANSFORMATION DRIVERS FOR THE MINING INDUSTRY

6.1 Human resource development



Over the past 11 years the number of students registering for engineering degrees and diplomas in South Africa has increased substantially, with 388 606 enrolments between 1998 and 2008¹³. Unfortunately, only 53 342 graduations out of the 388 606 enrolments were achieved, indicative of pass rate of only 13.7%. This compares to the international pass rate of over 25%. Furthermore only 15% of mining engineers that graduate in South Africa stay in the mining industry in the longer term, versus 75% staying in mining in the United States and over 80% remaining in the industry in Australia. Other sectors that have skills challenges tend to recruit from the mining sector and large numbers

of mining engineers are now working in the construction and financial services industries. While the South African mining sector has increased its relative levels of investment in skills development, and is currently spending approximately 3% of its total payroll on skills development training, unfortunately skills gaps still remain. It is projected that South Africa faces a shortage of over 500 mining engineers by 2013 and these skill shortages are exacerbated by the transportability of these types of skills into other sectors of the economy or in terms of international recruitment of these skills to go and work in other mining economies.

One of the major threats to the sustainable growth and meaningful transformation of the mining industry is shortage of the requisite skills. It must also be noted that the paucity of skills in companies is not a uniquely South African challenge, with 30% of global companies presenting skills shortage is one of their key strategic threats in short to medium term¹⁴.

¹³ According to the Landelahn Mining Survey 2010.

¹⁴ The BBC global debate on skills (13 July 2010) constituted by representatives of OECD, ILO and several EU universities

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Mining is a knowledge-based industry whose sustainable growth and expansion is predicated upon the availability of skilled human capital. Core and critical mining skills (engineering, geology, project management, metallurgical, artisans, technicians, etc.), are simply in short supply in the South African mining industry¹⁵.

Skills shortage in the mining industry, just like in the other sectors of the economy, is aggravated by the legacy of apartheid laws, which denied Blacks formal opportunities to acquire the requisite skills in technical fields to facilitate their effective participation and meaningful integration into mainstream economic activities. Moreover, the demand for skilled people required in the industry is expected to increase further, as the mining industry is slowly getting 'back to the boom'¹⁶.

As a result of the shortage of the requisite skills and talent, there is a great deal of poaching of skilled and talented staff between companies. The industry's lack of focus on development of requisite skills is closely linked to a number of unfavourable conditions prevailing in the industry, including lack of management support for staff participation in training and development, loss of bonuses for employees who opt to attend training and classes that are arranged after working hours. These conditions make it difficult for employees to register and participate in the various training programmes.

Moreover, the income generated under the present Sectoral Education and Training Authority (SETA) funding system is not sufficient to meet the increasing demand by the mining industry in priority skill areas¹⁷. The one (1) percent skills development levy paid to the Mining Qualifications Authority (MQA), which was established in terms of the Skills Development Act no. 97 of 1998 to drive skills development in the mining industry, is not utilised in its entirety towards the development of skills in the mining industry. Only 20% of the one (1) percent of the mining industry's total annual payroll is used for the implementation of MQA's skills development projects.¹⁸

Under these circumstances, a business as usual approach to human resources development renders the mining industry unsustainable in a long term. For South Africa to remain competitive in the global mining industry and to employ a skilled labour force that is representative of its demographic profile, it must adopt a more radical approach to human resources development which would ensure that the development of requisite skills becomes a priority for the industry.

¹⁵ According to the Workplace Skills Plan (WSP), submitted to the MQA, skills shortages are mainly in the following areas: Trades and technician (artisan and mine technicians); Professionals (engineers, metallurgists, geologists etc) and Foundational learning inclusive of ABET and foundational learning competence.

¹⁶ See PriceWaterHouseCoopers, 'Mine Back to boom...: Review of Global trends in the Mining Industry-2010' (Energy, Utilities and Mining, 2010).

¹⁷ A priority skill is the collective term used to refer to the "Core, Critical and Scarce Skills

¹⁸ The breakdown of MQA Funding Model is as follows: 20% is paid to the National Skills Fund (NSF); 10% goes towards the payment of Administrative costs; 50% is set aside for Mandatory Grants and 20% for Discretionary Grants. The discretionary grant (20%) is allocated to current projects that the MQA implements i.e. learnerships, ABET, internships, and bursaries. Savings from the administrative budget (10%) and unclaimed mandatory grants are used to supplement discretionary grants.

This would entail, among others, ensuring that an enabling environment is created to retain core and critical skills and to encourage greater participation of the workforce in training, demonstrating clearly to employees the advantages of undergoing training and incentivising training by establishing linkages between training and career-pathing.

It is clear that the current reported 3 percent expenditure towards skills development has not yielded desired results of creating a critical mass of skills sought to underpin a competitive and transforming industry. To ensure that there is sufficient funding to support the effective implementation of the proposed human resources development intervention, a target of 5 percent of the companies' total annual payroll is required for skills development by 2014¹⁹. A skills audit to assess the institutional and organisational absorptive capacity needs to be conducted by no later than December 2010 in order to lay the foundation for the proposed human resources development intervention.

6.2 Employment equity

With the dawn of the democratic dispensation and the adoption of the constitution, the need to redress the imbalances of the past are amplified and given impetus by the provision of section 9 in the Constitution *"equality includes the full and equal enjoyment of all rights and freedoms. To promote the achievement of equality, legislative and other measures designed to protect or advance persons, or categories of persons disadvantaged by unfair discrimination may be taken"*.

To give effect to the above constitutional provision and to ensure the implementation of employment equity to redress the effects of discrimination, the Employment Equity Act no. 55 of 1998 (EEA) was enacted to redress the disparities in employment, occupation and income within the labour market. The main thrust of the EEA was to achieve equity in the workplace by implementing affirmative action measures to redress the imbalances experienced by HDSAs, in order to ensure their equitable representation in all occupational categories and levels at the workplace.

The EEA and the mining charter provisions create an environment to diversify the workplace in all occupational categories and not merely a token of temporary, superficial or structural change issue that will elapse by 2014. Instead, it is a mechanism for facilitating equitable representation of HDSAs in society, which will result in a workforce that represents diverse individual and group values, cultures and contributions for many generations to come. There continuous to be an under representation of HDSAs employees in core decision making positions at all employment levels. While the degree of under-representation varies from one decision making position and core occupational category to another, under representation of these groups is particularly severe at executive and senior management level.

¹⁹ Currently the mining industry's total annual payroll exceeds R60 billion of which three percent is reportedly spent annually on skills development.

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To promote diversity and equitable representation in terms of HDSA participation in all decision making positions and core occupational categories or levels of employment within the mining industry, the following targets are set, that every mining company must adhere to a minimum of 40% HDSA representation at each of the following occupational categories by 2014;

- (i) 40% HDSA representation at Top Management (Board) level by 2014;
- (ii) 40% HDSA representation at Senior Management (Excom) level by 2014;
- (iii) 40% HDSA representation at Mid-Management level by 2014;
- (iv) 40% HDSA representation at Junior Management level by 2014;
- (v) 40% HDSA representation at Technical Experts level by 2014.

6.3 Mine community development

Mines are typically located in remote areas where there is generally lack of infrastructure and other amenities of life. As a result, mine closure leads to the creation of ghost towns post mining, which impacts severely on local communities. There is discord between communities around the mining area and the industry, in as far as implementation of the socio-economic development projects.

Mine communities form an integral part of mining development and are most susceptible to the effects of mining, hence the need for meaningful contribution towards community development in terms of size and impact, in keeping with the principles of the social license to operate. Inadequate consultation processes when developing local economic projects for the communities result in the implementation of projects that are not community needs-based. The industry has often indicated its difficulty in identifying the community (interested and affected parties, the relevant community leaders etc), mainly due to the ambiguous definition of "community" as defined by the MPRDA.

Projects that are implemented to address issues of socio-economic development are often company based and fragmented, as a result of which they have minimal impact on the lives of the affected communities, as they are often not aligned to the provincial growth and development strategies as well as Integrated Development Plans (IDPs). Partnerships between mining companies can further promote sustainability of community projects through pooling of resources and prioritising those projects that would have the greatest positive and lasting impact as well as the highest probability of success.

There is often no linkage between the project implemented and the mine operation in terms of its value. The inference that can be drawn is that there is a need for greater stakeholder (i.e. municipality, mining industry, community) participation in the formulation and implementation of community projects. While mining companies expressly support the notion of community development, it is generally established that social development is not their core business. Consequently, it is crucial to explore mechanisms to establish a social (regional based) development fund for companies to contribute towards the implementation of social and labour plan undertakings.

6.4 Housing and living conditions

Since the birth of modern mining industry in the late nineteenth century, single sex hostels have been a significant feature of the system of labour on the mines. The housing and living conditions for many workers in the mining industry were of a substandard nature, adversely impacting on the health, productivity and social well being. The remote location of mining operations necessitated the employers to make provision for housing as an undertaking to be part of the infrastructure required to develop the mine.

The apartheid system developed policies that subjected mine workers to unhygienic housing and living conditions, as this workforce was only seen as a source of production and not an integral part of business. These conditions subject mine workers to poor living conditions in single-sex hostels resulting in social disruptions. These conditions further contribute largely to the spread and provenance of HIV/AIDS and tuberculosis in South Africa.

Progress has been made in addressing housing and living conditions for mine workers, however, the occupancy rate is still disappointingly high and unhygienic. Most mining companies have resorted to providing workers with living out allowances. However, the unintended consequence thereof has been the proliferation of informal settlements. Social disruptions of mine workers can be addressed through the upgrading and conversion of hostels into family units and the promotion of home ownership.

Recognising that the conditions of living for the workforce have a material impact on productivity, , the industry stakeholders commit to restoring the dignity of the workforce, in line with the Constitutional provision, by, where applicable, attaining occupancy rate of one person per room by 2014 and introducing home ownerships schemes for the workforce.

6.5 Procurement

The procurement of services and goods underpinning mining development averages close to R200 billion annually. The mining industry's purchasing power provides a significant advantage to strengthen linkages of mining to side-stream benefits, such as the founding basis for the industrial Alrode in the East Rand of Johannesburg. These linkages further present opportunities for proliferation of mining industry's based manufacturing sector for the capital good sought to advance development of mining projects, including drilling equipment and services, mining machinery, etc. This in turn contributes to the socio-economic development priorities, transformation prospects, eradication of poverty and creation of a critical mass of jobs. The mining industry's sustainable growth can play a pivotal role of ensuring a balanced and growing economy, contribute towards progressive social cohesion and ensure the stability.

One of the major impediments to the sustainable growth and expansion of HDSA-owned enterprises is the lack of market access for their goods and services. Most of these enterprises are often deprived of opportunities, with limited opportunities confined to non-core and/or support functions such as cleaning, security, etc. While empirical evidence points to the bulk of the mining

procurement budget spent in South Africa, the capital goods are often secured from locally based agencies of foreign manufacturing companies.

The value of procurement spent from HDSA-owned enterprises as a percentage of total procurement spent remains negligible. Procurement of capital goods and core services involving huge sums of capital funds managed and dispensed by the mining industry continue to be skewed in favour of untransformed suppliers and/or local-based agencies of multi-nationals that contribute very little value to the South African economy and the socio-economic development of local communities.

South African and preferential procurement can act as both a strategic vehicle for unlocking market access for goods and services produced by compliant South Africa enterprises and a catalyst for the development of local enterprises. While not all goods and services consumed by the local mining industry can be economically produced locally, there are goods and services consumed by the industry which can be economically produced locally with the support of the industry's purchasing power.

There is therefore an urgent need to create an environment for compliant South African enterprises to access the markets. Some HDSA-owned enterprises are constrained by a variety of factors to produce goods that meet the industry standards, including lack of capital, lack of requisite skills and expertise, experience and appropriate machinery and technology. Monetary and non-monetary support, including a supplier development programme, can go a long way in addressing these challenges and creating sustainable HDSA-owned enterprises capable of meeting if not exceeding industry standards.

The mining charter review process presents an opportunity to set clear targets for the procurement of capital goods, consumer goods and core services from compliant South African enterprises. It is crucial that the mining industry's buying power is utilized to develop local enterprises meaningfully. Further, mechanisms of creating an environment for multi-national suppliers of capital goods to contribute towards the socio-economic development of the local communities should be explored.

5.6 Ownership and funding

The mining charter provides a basis for greater ownership of mining industry assets by HDSAs, in line with the objective of de-racialising ownership of the mining industry within the context of transformation. As a result, a number of BEE transactions that purport to facilitate the ownership of mining assets by HDSAs have been concluded since the introduction of the mining charter. However, very few of these transactions have resulted in sufficient true value creation for HDSA. Available evidence indicates that aggregated BEE ownership of the mining industry is, at best, below 9 percent, the bulk of which has accrued to a handful of HDSA beneficiaries. This is a clear indication that the racial pattern of ownership of mining assets has not yet changed fundamentally since the advent of democracy.

Empirical data points to the underlying funding models used to underwrite most BEE transactions being structured in such a way as to result in the actual ownership of mining assets intended for transformation purposes being effectively tied in third party loan agreements. This is largely due to the manner in which loan risk is priced for BEE companies, which results in onerous credit term conditions for BEE loan agreements. In consequence, the net value of a large proportion of empowerment deals ends up being negative due to high interest rates on the loan and moderate dividend flows.

Some mining companies have used the "pool and share" methodology in their quest to gain ownership credits for empowering HDSAs. Through this methodology, established mining companies and black owned companies have entered into 'joint ventures', with each party bringing resources into the deal based on the geographical proximity of their operations. Such joint ventures are typically unincorporated and undivided. Under such arrangements, the benefits are shared on the basis of who has brought what percentage of the reserves into the deal, while the profile of the empowering company retains its original racial profile of ownership, contrary to the spirit of transformation.

Despite the noble intentions of Employees Share Ownerships Schemes (ESOPS), community Trusts and other broad-based ownership schemes in spearheading transformation as envisaged in the Mining Charter, a closer examination of these empowerment vehicles highlights the inherent weaknesses in the current model of empowerment. Employees who are non-HDSA continue to benefit through the Charter modalities because of the application of some abstract notions of social cohesion, with some benefiting disproportionately from such schemes.

Fronting remains a major threat to the realisation of the broader transformation objectives of the Mining Charter. In most instances BEE transactions are being put together merely for incorporating blacks as tokens. There are also instances where BEE participants themselves establish companies in their quest to make quick profits without any intention of exploiting minerals.

The complex structures and models for BEE transactions for compliance purposes have resulted in a snails pace progress towards attainment of charter objectives. The benefit of hindsight has taught mining protagonists that BEE ownership is synonymous to the future of mining participation in South Africa, i.e. the mining industry's competitive/sustainable growth cannot be assured at the exclusion of HDSAs, communities and employees. Consequently, stakeholders commit to develop mechanisms of achieving and exceeding the agreed target for BEE ownership in 2014 and beyond.

Ownership remains a central catalyst for effecting meaningful integration of HDSAs into the mainstream economy. Ownership can also provide HDSAs with the operational leverage required to influence the effective implementation of the other elements of the Charter. It is therefore necessary to find innovative ways of expediting de-racialization of ownership and control of the mining industry in a manner that supports and resonates with the meaningful transformation of the sector.

When the Mining Charter was unveiled to the investment community in 2002, the stakeholders emphasised that goalposts would not be shifted. Against this background, mining companies must achieve a minimum target of 26% ownership by 2014 to enable meaningful economic participation of HDSA. Meaningful economic participation includes the following attributes:

- A minimum target of 26% ownership by 2014 to enable meaningful economic participation of HDSA.
- Meaningful economic participation includes, inter alia, the following key attributes:
 - BEE transactions shall be concluded with clearly identifiable beneficiaries in the form of BEE entrepreneurs, workers and communities;
 - Barring any unfavourable market conditions, some of the cash flow should accrue to the BEE partner throughout the term of the investment, and for this purpose, stakeholders will engage the financing entities in order to structure the BEE financing in a manner where a percentage of the accrued cash-flow is used to service the funding of the structure, while the remaining amount is paid to the BEE beneficiaries. Accordingly, BEE entities are enabled to leverage equity in proportion to vested interest over the life of the transaction in order to facilitate sustainable growth of BEE entities.
 - BEE shall have full shareholder rights such as being entitled to full participation at annual general meetings and exercising of voting rights, regardless of the legal form of the instruments used;
 - Ownership shall vest within the agreed timeframes of the BEE structure, taking into account the prevailing market conditions.

7. CONCLUSIONS AND RECOMMENDATIONS

South Africa has an advantage in its rich endowment of mineral resources, but the country's resource endowment does not guarantee that the mining will grow and prosper. Two aspects at the centre of ensuring the attainment of the desired growth and success are conclusively **competitiveness** and **transformation**. The debate on competitiveness and transformation in the mining industry seems to have been caught in a mutually exclusive binary since the dawn of democracy in South Africa, with proponents of either side emphasising one aspect over the other. The binary seems to arise from a consideration of two critical aspects of the economy, the social welfare and benefits for the broader citizenry on the one hand and profitability of the mining industry on the other.

The mineral development potential for the discovery of new mineral deposits informed by the envisaged growth can unlock further investment opportunities in the mining industry and will extend the life of the industry to remain a sunrise industry for decades.

The desired end state for South Africa's mining industry entails commitment by stakeholders to achieve sustainable growth and meaningful transformation, strive towards the resuscitation of a research driven and competitive mining industry, human resources, community and enterprise development through implementation of the agreed targets.

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To promote diversity and equitable representation in terms of HDSA participation in all decision making positions, the mining industry commits to a minimum of 40% HDSA representation on each level of management by 2014.

The sustainability of community projects will have a significant impact through pooling of resources from individual investors within the same community. The pre-development of consultation and investment in mining projects will be commensurate with the value of the projects, consistent with international best practice. It is also important to prioritise projects with the greatest positive and lasting impact as well as the highest probability of success and further align such local economic development project with provincial growth and development strategies as well as integrated development plans.

Mechanisms to establish a social (regional) development fund for companies must be explored to contribute towards the implementation of social and labour plan undertakings.

The occupancy rate of one person per room as well as the upgrading and conversion of hostels into family units must be attained by 2014. Furthermore, home ownership options should be promoted, and mine workers must be provided with a balanced nutritional meal.

The mining industry's buying power must be utilised to influence multinational supplier companies to contribute to enterprise development, irrespective of the company's turnover. Furthermore, mechanisms of creating an environment for multi-national suppliers of capital goods to contribute towards the social development fund, which will be used towards the socio-economic development, must be explored.

The mining industry commits to achieve a minimum target of 26% ownership by 2014 to enable meaningful participation of HDSA in the mining industry.

An integrated long term infrastructural planning mechanism must be established to evaluate and address shortages of critical infrastructure that has material impact on the potential growth of the mining industry. Engage the relevant national processes of long-term integrated planning process with the mining industry's infrastructural needs.

There is a need for thorough assessment of the current mining related research and technology development landscape to inform mechanisms of resuscitation of research and development culture as well as to strengthen collaborations with local and international research institutions. Furthermore, the regulatory and fiscal incentives have to be explored to make research and technology development an attractive investment area as it has significant potential to yield net investment returns for the mining industry.

The inconsistencies and ambiguities of the regulatory framework, which is a key instrument to promote sustainable growth and meaningful transformation of the mining industry, has to be addressed by amongst others, the review of the Mining Charter and amendment of the MPRDA by

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end of August 2010 and 2010/2011, respectively. It is also imperative to manage perceptions with regard to the regulatory framework, as they have a profound influence on investment decisions.

New techniques and different approach need to be applied to improve the health and safety of workers and communities, attract and retain scarce skills, invest in green-field exploration and R & D to be able to sustain the industry into the 21st century. Furthermore, the South African "Mining Vision 2030" must be located within sustainable development framework.

The mining stakeholders have committed to a "declaration on the strategy for the sustainable growth and meaningful transformation of South Africa's mining industry", which spells out set of commitments by all stakeholders, which outlines and presages the collective work among stakeholders (including other relevant partners to be invited) which seeks to mitigate constraints to the attainment of the strategic intent, i.e. achieving competitiveness and meaningful transformation of the mining industry.

Acknowledgements

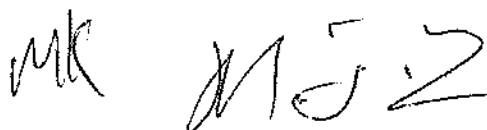
The development of this strategy represents another watershed of symbiotic and transversal relationship that cuts across Government on one side, organized labour and the mining industry's' joint efforts as relevant mining stakeholders towards a common purpose and vision for the mining sector, and the South African economy.

The Minister of Mineral Resources, Ms S shabangu (MP) is indebted to all constituent representatives, under the auspices of MIGDETT, ranging from the NUM, through the Chamber of Mines, SAMDA, UASA and solidarity to government. A special mention must be conveyed for the sterling contribution of other government officials from the Presidency, national treasury and public enterprise for their guidance and valuable input during this painstaking process. The voluntary service of invited experts, namely Mr. Peter Tshisevhe, director of Edward Nathan Sonnenbergs and part-time lecturer at Nelson Mandela School of Law (University of the Witwatersrand) and Mr. Peter Leon, partner at Webber Wentzel Attorneys, is much appreciated.

Finally, this strategy has been inspired by the common understanding of stakeholders' collective efforts which resonate with National Government's order of priorities that is geared towards being responsive to the scourge of poverty and unemployment afflicting the millions of South Africans. In conclusion this strategy owes patronage to all South Africans as governed by the Constitution and other enabling legislation.

Annexure

- ❖ Signed mining stakeholders' declaration on strategy for sustainable growth and meaningful transformation of South Africa's mining industry
- ❖ DMR's Mining Charter assessment report, 2009



ANNEXURE 1:

Signed mining stakeholders' declaration on strategy for sustainable
growth and meaningful transformation of South Africa's mining
industry

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ANNEXURE 2:

DMR's Mining Charter assessment report, 2009

MR M. J. Z.

	COMPANY NAME: Sasol Mining (Pty) Ltd
	MINING RIGHT FILE NUMBER : MP 30/5/1/2/2/138 MR
	MINE CODE (IF ANY):
	COMMODITY: Coal, Pseudocoal, Torbanite/Oilshale
	TABLE OF CONTENTS: 2016
1	Discretionary spent
2	Summary of procurement spent on BEE entities : capital goods, services, consumables and multi-national suppliers
3	Enterprise Development

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TOTAL MEASURED PROCUREMENT SPEND (FUNCTIONARY SPEND)			
Expense Item	Actual Spend Value	(use Audited Annual Financial Statement (AFS) to be used for 2013)	Comments
1 Cost sales			
2 Operational expenditure			
3 Capital expenditure			
4 Any other, including inter – company expenses (Only if not included in 1,2 or 3 above)			Information cannot be supplied as no AFS is drafted for the Secunda Complex. Also note that Sasol Ltd's financial year runs from July to June
5 Subtotal			
6 Less Exclusions			
6.1 Less: Taxes, levies, municipality rates			
6.2 Less: Public Sector Procurement			
6.3 Less: Salaries, wages & directors emoluments			
6.4 Less: Pass- through 3 rd Party Procurement			
6.5 Less: Investments, loans, donations qualifying as Enterprise development and Socio-economic contributions			
6.6 Less: Qualifying Imports			
6.7 Less : Goods and services where there are no local suppliers or manufacturers			
6.8 Less: Goods and services with a different technical specification to those available from local manufacturers			
6.9 Less : Goods and services carrying a brand different to that available from local manufacturers			
6.10 Other: Please Specify			
7 Total Measured Procurement Spend / Obligatory procurement			
EXCLUSIONS			
The following are examples of imports and exclusions:			
1 Goods and services where there are no local suppliers or manufacturers			
2 Goods and services carrying a brand different to that available from local manufacturers			
3 Goods and services with a different technical specification to those available from local manufacturers			

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SUMMARY PROCUREMENT SPENT ON BEE ENTITIES AS AT 31 DECEMBER 2016

- a) Summary of the procurement spent on BEE entities in terms of capital goods, services and consumables
 b) Summary of multi-national suppliers contribution to social fund

No	Type of Product Procured	Total Procurement from SA Suppliers (R'000)	Total Procurement from Multinational Suppliers (R'000)	Total Spent Per Annum (R'000)	Non-Discretionary Spent (R'000)	Discretionary Spent (R'000)	Target 2016	Spent with BEE Entities (R'000)
1	Capital Goods	1,001,074.0	110,654.6	1,111,728.6		1,111,728.6		921,820.5
2	Services	4,006,421.8	181,527.0	4,187,948.8		4,187,948.8		3,237,125.7
3	Consumables	2,410,252.6	306,960.3	2,717,212.9		2,717,212.9		1,387,903.3
Total		7,417,748.4000	599,141.9000	8,016,890.3000	0.0000	8,016,890.3000		5,546,849.5000

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a) Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No	Name of Enterprise	Enterprise Development Initiative	Subproject or Activity	Brief Description of Initiative or Programme	Comments
1	Uzi Cleaning Chemicals	R 4,57,853		R 1,172,272 Loan funding for working capital including loan consolidation R 7 million	Sustainability of supply and improved cash flow management
2	Metelica Engineering and Construction Services CC	R 0	Scope extension	R 7,158,765 Diversity service offering	Scope of service offering now includes building construction
3	Tuscan Wood	R 0	Capacity building	R 25,333,699 Pursuing loan opportunities to purchase assets	Improve asset utilizing capacity
4	Eneka Enterprises 7 CC	R 0	Capacity building	R 2,644,892 Pursuing loan opportunities to purchase assets	Improve asset utilizing capacity
5	Shikenge Bells and Pulleys	R 0	Monitoring & Coaching	R 998,288 Monitoring of implementation of SHE and QMS	To ensure compliance with industry requirements
6	Shinela Construction & Light Engineering	R 3,194,844		R 17,950,116 Financial accounting, HR & Payroll package (R46 919) + Loan Funding (R3 147 925,08) for building a warehouse.	Building capacity within the business to improve management efficiencies.
7	Kanisa Civil Construction		Performance monitoring	R 1,764,282 Performance management (on the job training)	To ensure successful completion of projects
8	Phakama Advertising (PMP Media)	R 7,500	Marketing	Marketing	To position business to position itself optimally for opportunities.
9	Izazi Mining		Scope extension	R 59,655,509 Service offering diversification	Now also does underground construction
10	Reunco Steel		Several business management training	R 16,200,135 Workshops and trainings on business management	To improve sustainability of the business
11	Izazi Consulting	R 0	Several business management training	R 1,712,382 Workshops and training on business management (on the job training)	To ensure successful completion of projects, thus also improved business sustainability
12	Mzwenhu Holdings	R 0	Mentoring & Coaching	R 785,273 On the job coaching for the delivery of employees houses.	Quality of work resulted in company being accepted by FNB as a Supplier in their housing (builders) category.
13	Mayatha Contractors	R 0		R 9,980 Previously supported with SHE and QMS	Awarded a project in Electrical Infrastructure rejuvenation.
14	Metluma	R 0	ARIBA registration	R 1,581,868 Vendor Registration process	Awarded a project in Electrical Infrastructure rejuvenation.
15	Lathona Labour Hire	R 0		R 1,082,400 Several business management training	Awarded a project to construct a bridge (road)
16	New Heights 1164 CC	R 0	OSH Act guidance	R 1,042,586 Implementation of safety, health and environment (SHE) file before contract kick-off	Adherence to Legislative and industry requirements.
17	At this Moment	R 0	ARIBA registration	R 0 Vendor Registration process	Consideration for future opportunities
18	Khomozi Projects	R 0	ARIBA registration	R 275,940	
19	Sida Projects	R 0	Vendor registration	R 0 Previously supported with SHE and (Quality management system) QMS	Vendor registration enablement. Successfully registered on vendor base.
20	Lesano's Trading	R 0	ARIBA registration		Vendor registration enablement. Successfully registered on vendor base.
21	Dream African Foundation		ARIBA registration	R 472,580 Vendor Registration process and transactional support on awarded contract	Compliance to industry requirements as a service provider.
22	Taking Environmental	R 0	ARIBA registration	R 0 Approved to be on Sasol Vendor Base	Awarded Environmental monitoring contract on a project.
23	Ndiluvelo Construction	R 0	ARIBA registration	R 0 Previously supported with SHE and QMS	Was unsuccessful in RFQ. Consideration for future opportunities
24	Dikwankweha Construction	R 0	ARIBA registration	R 0 Previously supported with SHE and QMS	Vendor registration enablement. Successfully registered on vendor base

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a) Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No	Name of Enterprise	Estimated Cost/Amount (Rands)	Beneficiary	Amount Spent (Rands)	Comments
25	Izindonga Zo Africa	R 164,620	ARIBA registration	R 0	Vendor Registration process
26	Samuc	R 0	ARIBA registration	R 0	Previously supported with SHE and QMS
27	Khasthu Projects	R 0	ARIBA registration	R 0	Vendor Registration process
28	TMS Consulting	R 0		R 0	Professional category considerations
29	EL Gordor Trading	R 0	Marketing	R 0	Networking and marketing
30	SRK 3 Consulting	R 0	ARIBA registration	R 0	Vendor Registration process
31	Muzivakhe Trading	R 0	ARIBA registration	R 0	Previously supported with SHE and QMS
32	Digit Construction	R 0		R 0	Previously supported with SHE and QMS
33	Ngwenya Mining	R 0	Mining licence application	R 0	Mining licence application
34	CSM Coaling Towers			R 0	Previously supported with SHE and QMS
35	Sanglin Construction	R 0	ARIBA registration	R 0	Previously supported with SHE and QMS
36	Peneul Nani	R 0	General business management	R 3 600,326	SAME Financing, Marketing
37	MBH Bulk Handlers	R 24,170		R 423,468	Marketing Plan
TOTAL					Diversify the market

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AngloGold Ashanti

Vaal River Operations

Mining Charter Report 2015

Date of original submission: 28 April 2016

Vaal River Mining Rights:

1. MPTR REF: 12/2009, including amendments in terms of Section 102 MPTR REF: 15/2012 (DMR Reference No.: NW80/54/12/046MR) (Vaal River Operations Moab-Khotsoagi, Great Nqoma and Kopanang regions). The MPTRDA Section 102 application to incorporate the Vaal River into this Mining Right was granted on 13 July 2016. The DMR granting letter was corrected and resubmitted on 15 October 2015 and AGA is currently awaiting an execution deed to sign such Deed of Variation.
2. MPTR REF: 05/2008 (DMR Reference No.: NW80/51/02/204MR) (Eden and Gaborone).
3. MPTR REF: 30/2007 (DMR Reference No.: NW80/51/02/15MR) (Moab Extension).
4. MPTR REF: 10/2013 (DMR Reference No.: NW80/54/02/046MR) in respect of the Vaal River. The Section 102 application for inclusion of the Vaal River into this mining area to include further land belonging to Vaalbrug Doornat, De Poot Landing and others was granted on 24 April 2016, executed on 19 June 2016 and is currently awaiting registration at the Mineral and Geology Registrar's Office.



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Mining Charter Assessment

Organizational shareholders: ESOPs, Community and other groups or SPVs

AS PER MINING CHARTER NOMENCLATURE

Organizational shareholders: ESOPs, Community and other groups or SPVs
Per BEE detailed ownership scorecard and participation available

AS PER GENERAL BEE TERMINOLOGY

2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
Shareholder Name			Type (Trust, CC, PTY, Co-op)			Shareholder grouping 1 Community, 2 ESOPs, 3 BEE entrepreneur			Registration No			M F M F M F			Tot HDSA			W			Grand Total			V/A			NSA Entry (Yes / No)			% meaningful participation			Flow thru or ANC?			Shareholding meets Mining Charter requirements V/A			Comments			% Economic interest held			% Exercisable Voting Rights held			Transaction Price(1)			Current Transaction Value(2)			Amount owing for shares purchased (3)			Net Value X (4)			3 rd Party rights held against shareholding			New Entrant (Yes/No)			Comment																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
Botswana ESOP Trust	Trust		21712639/06	86	6	0	0	0	0	0	0	2	93	7	100	Y		4.5	Y			4.5	4.5																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				

Kingwe is owned by four different family trusts as detailed in the attached Kingwe confirmation of ownership

The Arifgold transaction details explained in the supplementary note attached

The combined lists of organizational shareholders to add up to all HDSA shareholding by non-individuals.
NB: List ESOPs and Community shareholders on separate sheets from other shareholders.
Can list individual shareholders or state summary % and refer to annexure with such details
NB Use as many pages as required or refer to summaries that add up to numbers used.

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Mining Charter Assessment

TOTAL MEASURED INVESTMENT SPENT (LOCAL MONETARY SPEND)

Use Item	Actual Spend Value	Less: Available Annual Financial Statement (AFS) to Internal Reference	Comments
Cost sales		AFS published for AGA group and will not have detail available to verify SA only. In order to verify the info presented, the quarterly supplementary operational info will be available after the 23rd Feb (USD @ R 10.83). SA Total includes a R 81m of capital spent in the Technology consortium.	
Operational expenditure	R 7,311		
Capital expenditure	R 5,936	Available on the internal SOR	
Any other, including inter – company expenses (Only if not included in 1,2 or 3 above)	R 1,106	Available on the internal SOR	
Subtotal	R 8,417		
Less: Exclusions			
1. Less: Taxes, levies, municipality rates	R 98	Available on the internal SOR	
2. Less: Public Sector Procurement	R 1,101	Available on the consolidation system	
3. Less: Salaries, wages & directors emoluments	R 3,266	Available on the consolidation system	
4. Less: Pass-through 3rd Party Procurement			
5. Less: Investments, loans, donations qualifying as Enterprise development and Socio-economic contributions			
6. Less: Qualifying Imports			
7. Less: Goods and services where there are no local suppliers or manufacturers			
8. Less: Goods and services with a different technical specification to those available from local manufacturers			

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Mining Charter Assessment

TOTAL MEASURED PROCUREMENT SPEND (DISCRETIONARY SPEND)

Line Item	Actual Spend Value	Last Audited Annual Financial Statement (AFS) to be used Reference	Comments
9 Less : Goods and services carrying a brand different to that available from local manufacturers			
0 Other: Please Specify (Gold in Process, By-Product, Retrenchment, Amortisation, Gold on Hand, Insurance and Industry related charges, Financial accounting adjustment entries)	R 661	Available on the internal SOR and on the consolidation	Financial accounting adjustment includes the differences of controllable (discretionary) spend as reported by Supply Chain from the Finance submission on procurement spend determined from a cost of sales base in the AGA Annual Report. Refer to the Note for the Record "BEE Verification Audit - Difference between DMR reports and Cost of Sales - 29 March 2016"
7 Total Measured Procurement Spend / Discretionary procurement	R 3,291		

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N.Y.C. 10012

Mining Charter Assessment

the following are examples of import and foreign:

- | | |
|---|---|
| 1 | Goods and services where there are no local suppliers or manufacturers |
| 2 | Goods and services carrying a brand different to that available from local manufactures |
| 3 | Goods and services with a different technical specification to those available from local manufacturers |

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SUMMARY

Summary of the procurement spent on BEE entities in terms of capital goods , services and consumables
Summary of multi-national suppliers contribution to social fund

Type of Product Procured	Total Procurement from SA Suppliers (R'000)	Total Procurement from Multi-national Suppliers (R'000)	Total Spent Per Annum (R'000)	Non-Discretionary Spent (R'000)	Discretionary Spent (R'000)	Target 2014	Spent with BEE Entities (R'000)
1 Capital Goods	215	-	215	0	215	40%	139
2 Services	2,459	5	2,464	1,255	1,209	70%	938
3 Consumables	1,948	0	1,948	81	1,868	50%	1,177
Total	4,622	5	4,627	1,336	3,291		2,254
4 Multi-national suppliers contribution to social fund	2010 Awaiting DMR Guidance	2011 Awaiting DMR Guidance	2012 Awaiting DMR Guidance	2013 Awaiting DMR Guidance	2014 Awaiting DMR Guidance	0.5%	0.0%

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Mining Charter Assessment

Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

Name of Enterprise	Enterprise	Monetary R (Rand)	Non-Monetary	Notes	Comments
MOJALE SECURITY SERVICES CC		11,883		2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition. the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Cost directly incurred by AGA directly attributable to Supplier Development
NORTH REEF PLANT HIRE CC		11,883	Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition. the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Assisted by AGA Metallurgy, Cost directly incurred by AGA directly attributable to Supplier Development
MALOMO TRADING AND PROJECT CC		11,883		2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition. the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Cost directly incurred by AGA directly attributable to Supplier Development
LETSOGO RECYCLING		11,883		2015 SMART PROCUREMENT WORLD SMME EXPO - 8-10 September 2015- AGA hosted 5 LHC SMME's at the 9th annual Smart Procurement World 2 day conference and exhibition. the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Cost directly incurred by AGA directly attributable to Supplier Development

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Winning Charter Assessment

Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

Name of Enterprise	Enterprise Type	Monetary R (Rands)	Non-Monetary	Address	Details of the initiative or programme	Comments
EXTREMEMINING SOLUTIONS CC		11,883			2015 SMART PROCUREMENT WORLD SME EXPO - 8-10 September 2015. AGA hosted 5 LHC SMEs at the 9th annual Smart Procurement World 2 day conference and exhibition. the expo provided AGA the opportunity to showcase these leading black-owned suppliers to the public and private sector big business.	Cost directly incurred by AGA directly attributable to Supplier Development
FLIGHT ONE MINING & CONSTRUCTION					Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	The beneficiary received skills development from a vendor in the same service as initiated by the business unit.
THANDANAZI PROJECTS (PTY)LTD					Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	The beneficiary received mentorship from the properties department.
OHSIN LABOUR RELATIONS - LEGAL CC					Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	The beneficiary received mentorship from the properties department.
asek Seventy vestments (PTY)LTD					Contributions made in the form of human resource capacity - Employees time productively deployed to assist the beneficiary	The beneficiary received skills development from a vendor in the same service as initiated by the business unit.

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Mining Charter Assessment

Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

Name of Enterprise	Enterprise Details		Amount Spent (Rands)	Comments
	Monetary R	Non-Monetary		
Enterprise Development Centre OR Tambo	3,479,143			
1 Daniel Mokebele			1,200	Develop SMEs and meet board based local procurement and associated empowerment targets embedded in the mining charter by establishing an Enterprise Development Centre to identify, train, support and mentor entrepreneurs/existing small
Partners Drilling			71,112	Lease Agreement for office / business at below market value rate
Langa, SP			696	Lease Agreement for office / business at below market value rate
Mokotjo Agnes (Mrs)			84	Lease Agreement for office / business at below market value rate
Copper Sunset Trading 104 (Pty) Ltd			277,764	Lease Agreement for office / business at below market value rate
Sublimor 12 CC			108,624	Lease Agreement for office / business at below market value rate
AngloGold Health Services (Sookhupe) Constance			5,400	Lease Agreement for office / business at below market value rate
Dikeledi Rebecca Zwane			1,320	Lease Agreement for office / business at below market value rate
Fakir RA			1,800	Lease Agreement for office / business at below market value rate
Sublimor 12 CC (TAVERNS)			355,044	Lease Agreement for office / business at below market value rate
Manbhique JA t/a Masithandane Tavern			12,636	Lease Agreement for office / business at below market value rate
Molale Security			3,036	Lease Agreement for office / business at below market value rate

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WINNING Charter Assessment

a) Provide list of initiatives, detailing what the initiative entailed, the beneficiaries and amount spent elaborating more on the impact of the initiative

No	Name of Enterprise	Enterprise Development Initiative	Monetary/R (Rands)	Non-Monetary	Start/End Date	Participating Initiative or Programme	Comments
23	Abacus Financial Services				67,500	Lease Agreement for office / business at below market value rate	
	Morgans Hardware (AW Allj)				3,708	Lease Agreement for office / business at below market value rate	
25	Mattosana Community Agricultural Project		2,527,089			Income Generating Community Farming Project	20 beneficiaries Zha vegetable farm under shade net
Total							

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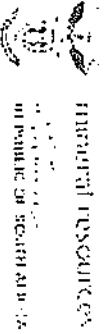
Grouping of mines of South Africa Assessment of Mining Charter 2014 targets

Per the Mining Charter Scorecard		DPM published assessment		Chamber assessment		Broad alignment with DPM	
		(i) Comparison to target	(ii) % of submissions that has met target	(i) Comparison to target	(ii) % of submissions that has met target	(Yes/No)	
Element (Scorecard weighting)	Description	Target	Unweighted	Weighted ¹	Unweighted ¹	Assessment	
Ownership (7/7)	Min HDSA ownership %	20%	(i) 10.6%	(i) 23.5%	(i) 16%	Not achieved well	No - significant difference in definitional interpretation
	Percentage of companies achieving 26%	100%	(ii) 79%	(ii) 90%	(ii) 100%		
	Percentage of companies with HDE, customary (not agreed)		(iii) 6.3%	(iii) 20%	(iii) 41%		
	2. ESOP						
Housing and living conditions (7/7)	Percentage reduction of occupancy rate towards 2014 target	100%	(i) ---	(i) ---	(i) ---	Good progress made	Met
	Percentage conversion of brick to unit family units	100%	(i) ---	(i) 55%	(i) 73%	Work to be done	No
			(ii) 55%	(ii) 63%	(ii) 63%		
Procurement and enterprise development (15/15)	Capital goods (15%)	40%	(i) ---	(i) ---	(i) 77%	Not achieved well	Yes (on weighted data)
	% of companies meeting the target		(ii) 39.6%	(ii) 32.1%	(ii) ---		
	Services (5%)	70%	(i) ---	(i) ---	(i) 63%	Good progress made	Yes (on weighted data)
	% of companies meeting the target		(ii) 33.3%	(ii) 64.9%	(ii) ---		
Consumable goods (25%)	% of companies meeting the target	50%	(i) ---	(i) 55.2%	(i) 72%	Not achieved well	Yes (on weighted data)
			(ii) 60%	(ii) 55.2%	(ii) ---		
	Annual spend on procurement from B-BBEE (15%)	0.5% of procurement	(i) ---	(i) ---	(i) ---	Work to be done	Yes (on weighted data)
	% of companies meeting the target		(ii) 3.3%	(ii) 14.9%	(ii) 20%		
Employment equity (16%)	Top Management (B-BBEE) (1%)	40%	(i) ---	(i) 50.4%	(i) 50.4%	Not achieved well	
	Senior Management (Exco) (4%)	40%	(i) ---	(i) 41.9%	(i) 41.9%	Not achieved	
Artistic Management (3%)	40%					Not achieved well	Yes - but DPM suit critical of which makes dominating at strategic levels of industry
	Human Management (1%)	40%	(i) ---	(i) 54%	(i) 54%	Not achieved well	
Core Skills (7%)	40%					Not achieved well	
Human resource development (25/25)	R&D expenditure as % of total annual payroll	5%	(i) ---	(i) 5.5%	(i) 5.5%	Not achieved well	No
	% of companies achieving the target		(ii) 18.1%	(ii) 56.9%	(ii) 100%		
Mine community development (15/15)	Implement approved community projects	Up to date	(i) ---	(i) ---	(i) 70.6%	Work to be done	Yes - mining issues to be addressed
	% of companies meeting target		(ii) 36%	(ii) ---	(ii) ---		
	Implementation of approved EMPs (12%)	100%	(i) ---	(i) 48.6%	(i) 48.6%	Good progress made	No
	% of companies meeting target		(ii) 44.5%	(ii) 48.6%	(ii) ---		
Sustainable development and growth (29/29)	Implementation of the tripartite action plan for health and safety (12%)	100%	(i) ---	(i) 1.6%	(i) 86.2%	Not achieved well	No - DPM wants occupational health elements to be improved
	% of companies meeting the target		(ii) 2.8%	(ii) 1.6%	(ii) ---		
	Percentage of companies in SA facilities (5%)	100%	(i) ---	(i) 84.6%	(i) 84.6%	Not achieved	Yes
	% of companies meeting the target		(ii) 65.5%	(ii) 84.6%	(ii) ---		



Source: Chamber of mines, Department of Mineral Resources
 Note 1: Weighting based on DPM employment figures
 Note 2: Weighting based on Chamber employment figures, except for ownership, which is based on voluntary and financial sales
 Note 3: Based on independent Chamber Chartering Consultant report

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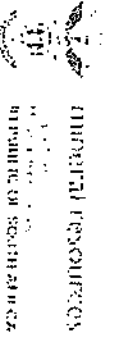
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ATTENDANCE REGISTER**

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
1 Tebogo		Tel: 012 444 3907 Cell: 072 370 9886	
2 Phahladina Kwena Mmeti	Dmr: ETA Impala: SEO Manager	e-mail: tsepo.moshale@dmr.gov.za Tel: (014) 569 8610 Cell: 072 587 6785	LMmeti
3 Jheer Dube	P. Dube	e-mail: kwena.mmeti@impala.co.za Tel: 012 569 6675 Cell: 082 373 0460 e-mail: dubea.clerico@impala.co.za	

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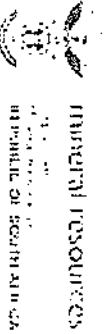


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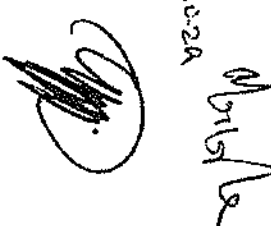

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
4 E. HELL	EXECUTIVE MEMBER IMPALA PARTS	Tel: 014-5696642 Cell: 0828025051 e-mail: frankie.hell@impalarts.co.za	
5 D. Guy	SENIOR MANAGER : ENGINEERING (MINING & SERVICES)	Tel: 014 569 6544 Cell: 082 803 1378 e-mail: dave.guy@implats.co.za	
6 A. Selloe	debetas Trading	Tel: 014 597 0611 Cell: 082 775 9890 e-mail: april@debetatrading.co.za	

MC
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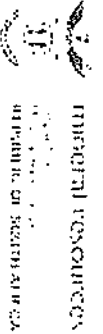


PROCUREMENT SESSIONS CONDUCTED BETWEEN IMPALA, ENTREPRENEURS AND DMR
ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
7			
8	<i>George</i> Makube Gilbert Bogopane MOOPERIMINING MOLABO MINING AND CONSULTING -MANAGING DIRECTOR	Tel: 0824345981 Cell: 0824345981 e-mail: makubed@mooperimining.co.za Tel: 0145664128 Cell: 0838443545 e-mail: gilbert@molabomining.co.za	<i>Abilsha</i> 
10	EVA MONTSHO PEY LTD. MANAGING DIRECTOR	Leapi INVESTMENT Tel: 01145381030 Cell: 0820034134 e-mail: admin@leapiinvestments.com	

mk
MS2

August 24, 2016

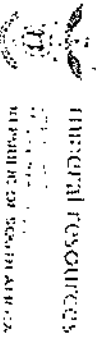


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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
11	J.T. Kleinsmit LOAP Investments	Tel: 014 538 1020 Cell: 084 788 4624 e-mail:	
12	G.S. HATTINGH MVELO MINERALS	Tel: Cell: 082 929 1844 e-mail: gideon.mvelo@gmail.com	
13	Sarel Deonijne Mvelo Minerals	Tel: 023 973 1598 Cell: 083 973 1598 e-mail: info@mvelominerals.com	
14	Hans Mvelo Minerals RARE Minerals	Tel: Cell: 081 465 3440 e-mail: hans.mvelo@gmail.com	
15		Tel:	

Mk M.J.2

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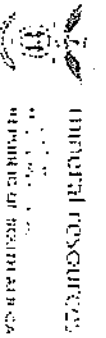


PROCUREMENT SESSIONS CONDUCTED BETWEEN IMPALA, ENTREPRENEURS AND DMR
ATTENDANCE REGISTER


16	R. BOTHA GRE-OROTHOSI	Cell:	
		e-mail:	
		Tel:	082 045 2095
		Cell:	
17	LEBATO BOOI INDEMT HOLDINGS	e-mail:	KAYMONO@GREMUNITY.CO.ZA KAYMONO@BOTHA@NKHUTHINI.CO.ZA
		Tel:	011 056 8094
		Cell:	0734024876
		e-mail:	indemt@holdingssystem.co.za
18	Tobogo Ditso go Projects Mashogo	Tel:	014 5965052
		Cell:	0731245478
		e-mail:	telogo@ditso go projects.co.za
19			
20			
21			

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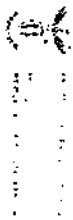


**PROCUREMENT SESSIONS CONDUCTED BETWEEN IMPALA, ENTREPRENEURS AND DMR
ATTENDANCE REGISTER**

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
1	<i>Roryanne Moberg</i> <i>Director of ITA</i>	Tel: 612-444 3936 Cell: e-mail:	
2	3	Tel: Cell: e-mail:	
e-mail:	Tel:	Cell:	e-mail:

MK

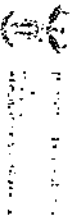
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ATTENDANCE REGISTER FOR A PROCUREMENT SESSION BETWEEN DMR, PLATINUM GROUP METAL (MASEVE) & MINING INDUSTRY ENTREPRENEURS AT DMR OFFICES, 04 OCTOBER 2016, 13:30-16:00

COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
PPC	Mr. M. M. M. M. M.	Tell: 082 853 4453 Cell: 082 853 4453	ke.equality@gmail.com	
PTM	Mr. M. M. M. M.	Tell: 081 711 0617 Cell: 081 711 0617	aditile@gmail.com	
Gm	Mr. M. M. M. M.	Tell: 010 230 0046 Cell: 082 212 8769	gregory.lekoma@gmail.com	
ESIZE	Mr. M. M. M. M.	Tell: 083 388 1591 Cell: 083 388 1591	sr.hair@gmail.com	
ESIZE	Mr. M. M. M. M.	Tell: 083 284 5335 Cell: 083 284 5335	elgeronh@gmail.com	
SHARPSTEK	Mr. M. M. M. M.	Tell: 011 310 1059 Cell: 083 491 056	gdofrey@sharpshell.co.za	
PTM	Mr. M. M. M. M.	Tell: 011 782 2186 Cell: 083 222 9816	engelbrecht@platinumgroupmetals.co.za	

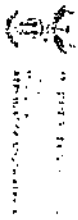
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COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
EXXARO CONSLT	Edith Zunguza	Tell: 018 293 1953 Cell: 073 4010468	Zunguzaed@gmail.com	
KUNENE RAMAPALA INCORPORATED	STEPHANIE CHETTY	Tell: (011) 463 3888 Cell: 072 421 6309	schetty@tr-inc.co.za	
Palam a Tn Justad	Jemy Vilakazi	Tell: 011 062 0008 Cell: 082 4905041	Jemyv@palam a.co.za	
Shudisano Trading HOROHA	Lebo Makua Tlotlo Phele	Tell: Cell: 082 7600266 Tell: 013 666 1452 Cell: 081 476 2855	lebomakua@gmail.com tlotlochehoromining.co.za	
DEEMT AFRICAN FOUNDAATION MANNIKEN MINING & ENGINEERING PHARMED OCCUPATIONAL HEALTH	THABANG MONSIE NOKO CHELOPO Munthata Chelopo	Tell: 017 687 0120 Cell: 082 905 1756 Tell: 014 596 5024 Cell: 082 908 5894 Tell: 015 291 5081 Cell: 072 737 6220	thabang@dreamafrican.co.za noko@manniken.co.za info@manniken.co.za chelopo@pharmed.co.za munthata@chelopo.co.za	

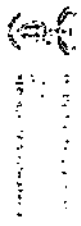
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COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
Alticon	George Coburn	Tell: 011 083 2100 Cell: 083 333 1200	george@kennedys.co.za	
Joint Venture Alticon Carter & Sutcliffe	Thapelo @ Mokone	Tell: 012-751 6001 Cell: 082 444 6934	thapelo@altitudeholdings.co.za	
MADULU CONSTRUCTION	OLWETHU	Tell: 010 223 7060 Cell: 073 682 9154	olwethu@maduludica.co.za info@maduludica.co.za	
Maduludi	Lebo Rikhotso	Tell: 010 223 1060 Cell: 054 826 5814	lebo@maduludica.co.za info@maduludica.co.za	
Coeng	Casim Dendere	Tell: 012 450 3700 Cell: 071 676 2490	info@coeng.co.za casim@coeng.co.za	
Bmr	Bongive Mabuela	Tell: 012-444 3936 Cell:	bongive.mabuela@dmr.gov.za	
DMR	Tobago Placidia	Tell: 012 444 3936 Cell: 072 320 9986	tobago.placidia@dmr.gov.za	
DMR	Maseve	Tell: 011 873 1200 Cell: 079 097 2699	maseve@dmr.gov.za	

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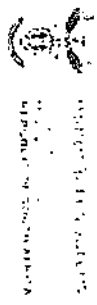


ATTENDANCE REGISTER FOR A PROCUREMENT SESSION BETWEEN DMR, PLATINUM GROUP METAL (MASEVE) & MINING INDUSTRY ENTREPRENEURS AT DMR OFFICES, 04 OCTOBER 2016, 13:30-16:00

COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
CSP	Leslie Stuart	Tell: 072 659 9190 Cell: 072 659 9190	leslie@CenstH.Ro.co.za	
		Tell: Cell:		
		Tell: Cell:		
		Tell: Cell:		
		Tell: Cell:		
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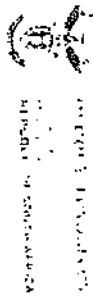
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ATTENDANCE REGISTER FOR A PROCUREMENT SESSION BETWEEN DMR, ANGLO GOLD ASHANTI & MINING
INDUSTRY ENTREPRENEURS AT DMR OFFICES, 5 AUGUST 2016 10:00-12:30

COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
DMR	ASHANTIMANDEBHIND			
BEAKE	KEA BUTI	Tell: 010 5790 5725 Cell: 079 544 6786	kselaka@beake.co.za	
SOLUTIONS	SELAKA			
Chandisoano	Labo Makwa	Tell: 082 7600 266	labmakwa@gmail.com	
Trading Enterprise		Tell: 01456 55303 Cell: 082 8457 137	Raining110grtki@gmail.com	
cc and D.	12. Ntshaki	Tell: 082 583 1178	kece@cecc.co.za	
mining				
U	Flack + Kurland			
COENG	C. Abendero	Tell: 012 450 3700 Cell: 071 676 2490	info@coeng.co.za casiano@coeng.co.za	
Mvelo Mining	Sarel Daengile	Tell: 083 973 1598 Cell: 083 973 1578	info@mvelominerals.com	
Mvelo Minerals	Hans Koen	Tell: 081 465 3410 Cell: 081 465 3410	hans.mvelo@gmail.com	

PK
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ATTENDANCE REGISTER FOR A PROCUREMENT SESSION BETWEEN DMR, ANGLO GOLD ASHANTI & MINING
INDUSTRY ENTREPRENEURS AT DMR OFFICES, 5 AUGUST 2016 10:00-12:30



COMPANY	NAME & SURNAME	CONTACT DETAILS	EMAIL ADDRESS	SIGNATURE
WALCO GOLD MARTIN	GIDEON MARTIN	Tell: Cell: 082 829 1841	gideon.mart@anglicorn	
MARUT M RESOURCES MARULA MARI RESOURCES	THATO MARULU DIBOGGO M THAMUNE	Tell: Cell: 0700 881164 Tell: Cell: 0703 990 4094	#to maruluma@maruluma.co.za danthimungwe@marula m.co.za	
Dinasec v Pamel	Sego	Tell: Cell: 0805705013	Pamela@dinasec.co.za	
DINASEC TERRANCE ANGLICO TCHO ASHANTI	MARTIN MORAWA MORAWA	Tell: 011 395 1147 Cell: 073174 8994 Tell: 018 7003571 Cell: 060 569 3959	terrance@dinassec.co.za Thamara@anggoldashanti.com	
DMR Togo DMR Mampe Nyeber	Phakhele Phakhele Mampe Nyeber	Tell: 012 444 3907 Tell: 012 444 3906 Cell:	toogo.phakhele@dmr.gov.za Mampe.nyeber@dmr.gov.za	

MR
MJS-2

Notes was given on the 06/10/2010 to the program

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PROCUREMENT SESSIONS CONDUCTED BETWEEN LONMIN, ENTREPRENEURS AND DMR
ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
1	Tibogo Phaladiv DMR; ETR	Tel: 012 444 3907 Cell: 072 570 9986 e-mail: tibogo.phaladiv@dmr.gov.za. Tel:	
2	Nico Kruisler JH Supply Loumin	Cell: 063 509 0853 e-mail: nicokruisler@lonmin.com nicokruisler@lonmin.com Tel:	
3	Barrie van der Meer CFO Loumin	Cell: 060 436 4450. e-mail: barrie.vandermeere@lonmin.com. Tel:	

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August 22, 2016




PROCUREMENT SESSIONS CONDUCTED BETWEEN LONMIN, ENTREPRENEURS AND DMIR
ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
4 BEN MAGARA	CEO Lonmin Plc	Tel: 011 218 8500 Cell: 082 904 2382 e-mail: ben.magara@lonmin.com Tel:	
5 Ben Moliman	COO Lonmin	Cell: 082 494 3100 e-mail: Ben.moliman@lonmin.com Tel:	
6 LIAM BLIGNAUT	GM ENG, CAPM INFRASTRUCTURE	Tel: 014 571 2197 Cell: 083 232 2902 e-mail: liam.blignaut@lonmin.com	

Mk M.J.Z

August 22, 2016

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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
7 Happy Nkhoma	ADD: Public Affairs Lonmin Plc 34 Melrose Boulevard Melrose Arch JHB	Tel: 011-218 8300 cell: 060 533 1280 e-mail: happy.nkhoma @lonmin.com	
8 Sereel Dedege	Nvire Minerals	Tel: Cell: 0833 173 1592 e-mail: info@nvireminerals.com	
10 Raymond Botma	CEO NHH Mining Trust Director bKETOISI	Tel: cell: 082 045 2095 e-mail: RaymondBotma@nhhmining.co.za	

MR


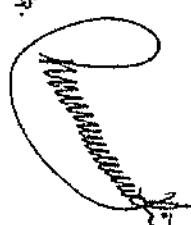



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PROCUREMENT SESSIONS CONDUCTED BETWEEN LONMIN, ENTREPRENEURS AND DIMR
ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
11 PETER MOLOTSI	MANAGING DIRECTOR, 3 GRE ORETHORSE, 3 SATCHI MINING PRODUCTS 3 PRIMO MINING	Tel: (014) 594 2470 Cell: 0763784470 e-mail: peter@primomining.co.za	
12 WALTER MOORE	Operations Manager, - Moabab Mining & Consulting	Tel: 014 594 2057 Cell: 083 696 8155 e-mail: wmoore@moababmining.co.za	
13 GILBERT BOGOFANE	MANAGING DIRECTOR MOLEABO MINING AND CONSULTING	Tel: 014 566 4128 Cell: 083 844 3545 e-mail: gilbert@moababmining.co.za	
14 PAMELA SEGOR	CEO Dimasac	Tel: 011 395 1107 Cell: 0825 705063 e-mail: Pamela@dimasac.co.za	
15 CHRISTIAN ABENDEKE	MANAGING CONSULTING ENGINEER	Tel: 012 450 3700 e-mail: info@coecoc.co.za	

MR
M. J. Z.

August 22, 2016




PROCUREMENT SESSIONS CONDUCTED BETWEEN LONMIN, ENTREPRENEURS AND DMR
ATTENDANCE REGISTER

	Cell:	
	e-mail:	
16	PITSI MINSI	Lynshpin Cedar MD
	Tel: 011 465 9358	P. Si
	Cell: 076 907 3708	
	e-mail: pitsi.minsi@gmail.com	
17	Kgaugelo	Process Engineer
	Tel: 087 150 3550	
	Cell: 083 487 8949	
	e-mail: kgaugelo.mkgwe@webmail.co.za	
18	Abel Baidyi	Project Manager
	Tel: 087 150 3550	
	Cell: 076 021 6017	
	e-mail: abel@munaco.co.za	
19	Busi Shoba	KR - Inc Attorneys
20	STERHANE CHERRY	KUNENE RANAPALA INCORPORATED
21		cell: 083 770 4413
	e-mail: bshoba@kr-inc.co.za	

Mk M.JZ

August 22, 2016

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ATTENDANCE REGISTER




NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
1 STEPHANIE CHETTY	ATTORNEY KUBENUE EMUPHULA INCORPORATED (KE INC.)	Tel: (011) 463 3888 Cell: 079 421 6309 e-mail: schettgetr-inc.co.za	
2 AUREY ISHIVANDERANO	Regional Manager Drink	Tel: (011) 653 0600 Cell: e-mail: aurey.ishivanderano@dmr.gov.za	
3 Joel Maphela	DDG	Tel: 012 444 3977 Cell: 082 4977 241 e-mail: joel.maphela@dmr.gov.za	

MR

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August 22, 2016

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ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
4 BONGINKOSI MOTAU	MANAGING DIRECTOR NATHIB GROUP trading as NATHIB LOGISTICS CONCEPTS SOLUTIONS	Tel: 079 449 6604 Cell: 079 449 6604 e-mail: bonginkosi@nathiblogistics.co.za bonginkosi@gmail.com	
5 (Bongiste Mabusele	Director of ETA	Tel: 018-444-3424 Cell: e-mail:	
6 April Seloe Sebetso Trading		Tel: 014 592 5761 Cell: 082715 9890 e-mail: april@sebetso trading.co.za	

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August 22, 2016

N

PROCUREMENT SESSIONS CONDUCTED BETWEEN LONMIN, ENTREPRENEURS AND DMR
ATTENDANCE REGISTER

NAMES	DESIGNATION & COMPANY	CONTACT DETAILS	SIGNATURE
Ngoben Mampé	DMR	Tel: 012 444 3936 Cell: e-mail: mampengoben & whmngobeni22	① Ngoben
8		Tel: Cell: e-mail:	
10		Tel: Cell: e-mail:	

OK Mampé



DEPARTMENT OF MINERAL RESOURCES
REPUBLIC OF SOUTH AFRICA

STRATEGY FOR THE SUSTAINABLE GROWTH AND MEANINGFUL TRANSFORMATION OF THE SOUTH AFRICAN MINING INDUSTRY

June 2010

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MR M. J. Z

PREFACE

The transition to democracy in South Africa since 1994 has been nothing short of remarkable. In essence, through constructive dialogue and sheer political will, the country has replaced the abhorrent Apartheid system, which denied basic economic and political rights to the majority of the country's population, with a move towards a market democracy.

Whilst making this transition, the country stabilised the inherited fiscal and monetary environment through prudent macroeconomic policies, gradually opened the economy to global economic forces through trade and capital control liberalisation and strengthened the institutions that support democracy. From fiscal deficits close to 9 percent of Gross Domestic Product (GDP) and double digit inflation and a counterproductive import substitution industrialisation model in the early 1990's, the country achieved balanced budgets by 2007, while reducing inflation to less than half its pre-democracy crisis levels. South Africa's economic growth finally started accelerating after nearly two decades of economic stagnation.

The State embarked on a massive programme to rewrite and modernise the country's policies and laws to integrate the previously excluded majority into the mainstream economy through socio-economic transformation.

Despite a significant progress made since 1994 in the first 16 years of democracy as touched on above, South Africa's economy achieved a modest average annual growth rate of 3.3 percent per annum. The necessary reforms to the country's macroeconomic policies allowed the economy to benefit from the rising tide of global economic growth, but the growth was not enough to address the disparities inherited from the apartheid regime.

The sectors that traditionally provided jobs to unskilled and semi-skilled workers, namely agriculture, mining and manufacturing, experienced significant decline in employment levels. In part this was accelerated by South Africa's previous racial exclusionary policies and poor education system, combined with an increase

in unemployment exacerbated the country's levels of poverty and high levels of inequality.

In 2009, South Africa is reported to have become the most unequal country in the world. This is in turn corroborated by the salary differential report indicating that of the top ten JSE listed companies, the difference between the lowest and the highest earners has increased from 37 times to 390 folds over a period of fifteen years. The gross disparities happen at the time when the economy and GDP per capita are growing modestly, suggestive of fundamental economic structural challenges.

In terms of the implementation of the socio-economic transformation of the mining industry, we have reached a critical period of assessing the extent to which the objective has been achieved. To this extent, the observations are that the growth of the industry has been less than salubrious and that transformation within the sector has been at a snails pace.

This strategy seeks to infuse the lessons learnt during the period under review, emphasising the complementary nature of transformation and global competitiveness in achieving the twin goals of sustainable growth and transformation of the mining industry.

The Mining Industry Growth, Development and Employment Task Team (MIGDETT) is a Department of Mineral Resources-led tripartite initiative comprising representatives of government departments (The Presidency, National Treasury and Departments of Public Enterprises, Trade and Industry and Economic Development), organised labour (the National Union of Mineworkers, Solidarity and UASA-The Union) and organised business (the Chamber of Mines of South Africa and the South African Mining Development Association). MIGDETT was formed in December 2008 against the backdrop of the world economic and financial crisis that lead to poor demand for most mineral commodities produced in the country.

At its inception, MIGDETT was tasked with a dual mandate: firstly, to recommend short-term interventions to mitigate the adverse impact of the crisis on the mining industry and to minimise

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job-losses, and secondly, to develop interventions to position South Africa's mining industry for sustainable growth. The Task Team completed phase-one of its mandate during 2009, which resulted in containing job losses to less than fifty-thousand (50 000) jobs versus the 100 000 jobs losses that had been estimated at the beginning of the crisis.

Upon completion of its first mandate, MIGDETT embarked on phase two of its mandate, which entailed delineating strategic interventions to position South Africa's mining industry along a new trajectory of sustainable growth. However, MIGDETT recognised that any attempt to place the industry on a new growth trajectory needed to take the national transformation objectives into account, as transformation is a strategic business imperative in South Africa. Sustainable growth and transformation are inseparable and mutually reinforcing. Hence MIGDETT agreed from the outset that the outcome of its work on the second mandate would culminate in the development of strategic interventions to underwrite the sustainable growth and meaningful transformation of South Africa's mining industry.

To facilitate the development of these interventions in a systematic fashion, MIGDETT established the Competitiveness and Transformation Working Groups which drew their members from government, organised labour and organised business constituencies. Members of the Working Groups formed different sub-committees to examine various strategic options to inform interventions to underpin the sustainable growth and meaningful transformation of the mining industry. Preliminary recommendations emanating from the work of the working groups were presented at the Mining Summit held at the end of March 2010 under the auspices of MIGDETT, which provided a platform for the mining stakeholders to explore and debate the many challenging issues that limit the mining industry to make a meaningful contribution to the sustainable development of our economy.

This strategy is the outcome of strategic dialogue that has underpinned the work of MIGDETT's working groups in their collaborative effort to craft a long-term and holistic plan to ensure that the economy is able to fully benefit from the country's mineral base. The strategy delineates a new long-term growth path that seeks to position the mining industry along a new trajectory of sustainable growth and meaningful transformation, recognising the need to grow and transform the mining industry in a manner that would meet the expectations of all industry's stakeholders and optimize its contribution socio-economic development.

The strategy recognises South Africa's natural endowment of mineral wealth, with a conservative estimate of R18 Trillion, which has a potential development lifespan in excess of a century. Further, the strategy illuminates the prevailing constraints that require an integrated approach to resolve in order to position the industry along sustainable growth trajectory. These include, but not limited to: infrastructure, limited innovation and more broadly R&D, paucity of skills, mineral regulatory environment and limited beneficiation. The strategy also recognises the transformation backlog as a constraint to sustainable development. Towards dealing with these bottlenecks, the strategy makes specific stakeholder commitments whilst it further recommends a set of integrated solutions, incorporating external stakeholders.

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Ms. Susan Shabangu, MP
Minister
Department of Mineral Resources

mk M & Z

VISION

To facilitate sustainable growth, development and effective transformation of the mining industry.

OBJECTIVES OF THE STRATEGY

The purpose of the strategy is two-fold, viz.:

- To develop a set of competitiveness and transformation measures within an integrated framework that will position the mining industry for sustainable growth aligned to broader national transformation objectives.
- To emphasise the mutually reinforcing nature of growth and transformation

1. PROLOGUE

A quantitative analysis over a period of 16 years to 2009 indicates that the aggregated performance of South Africa's mining industry has contracted by one percent relative to a global average of five percent. As a result, the inherent potential value-add linked to the mining industry over this period has been less than optimal. This is equally true as regards the transformation of the sector. After a five-year window of implementing a stakeholder agreed transformation charter for the mining industry, the progress falls significantly below agreed transformation targets.

Mining stakeholders are cognisant that the mining industry cannot grow sustainably unless there is reciprocity in the balance of all stakeholder interests. To this extent, stakeholders committed to collectively develop and efficiently implement a medium to long-term strategy for sustainable growth and transformation of the mining industry under the auspices of the Mining Industry Growth, Development and Employment Task Team (MIGDETT).

Consequently, working groups on mining competitiveness and transformation have been established to contribute to the development of the strategy for "Sustainable Growth and Meaningful Transformation of the South African Mining Industry". In preparing their contributions to the strategy, working groups emphasised the mutually reinforcing nature of growth and transformation.

The strategy underlines the significance of the mining industry to South Africa's economy and further recognises that both performance and transformation of the industry in the recent past has fallen below its potential. The paper further chronicles a number of challenges related to competitiveness and attainment of effective transformation of the mining industry, requiring dedicated and urgent resolution as enablers for positioning the sector along a sustainable transformation and growth trajectory.

The attainment of the sustainable growth and transformation of the mining industry requires that competitiveness and transformation attributes should not be viewed in isolation nor in competition but as complimentary. It is apparent that enhancing competitiveness while accelerating transformation will assist in propelling the industry towards a sustainable growth path.

Consideration for ecologically sustainable exploitation of the country's resources to ensure that the country's citizens benefit optimally from same cannot be overstate. It is further recommended that the challenges identified are addressed in a manner that accelerates both transformation and growth of the industry.

Recognising that unemployment and poverty are at the very heart of South Africa's economic and social challenges, the government's 2009 electoral mandate became centred on the critical need to transform the economy to create decent work and sustainable livelihoods. In line with the Millennium Development Goals, the government also set about targeting to half unemployment and poverty by 2014. However, the government has recognised that it is not just economic growth that is very important in dealing with the country's socio-economic challenges, but that it is also the quality and composition of the growth that also counts. In order to achieve a more sustainable and labour absorptive growth path the government has agreed on the need to develop *New Growth*

Strategy for the country by mid-2010, with the focus of all policies achieving the aim of generating a **New Growth Path** for the South African economy.

In essence, the country has to achieve much higher levels of sustainable, balanced and labour absorbing economic growth to be successful. So what has been recognised by government, organised business and organised labour is that the mining industry has a meaningful contribution to make to address high levels of unemployment, poverty and income inequality in South Africa. To this end, the stakeholders have developed this strategy aimed at making a meaningful contribution to South Africa's higher, sustainable and more labour absorptive economic growth.

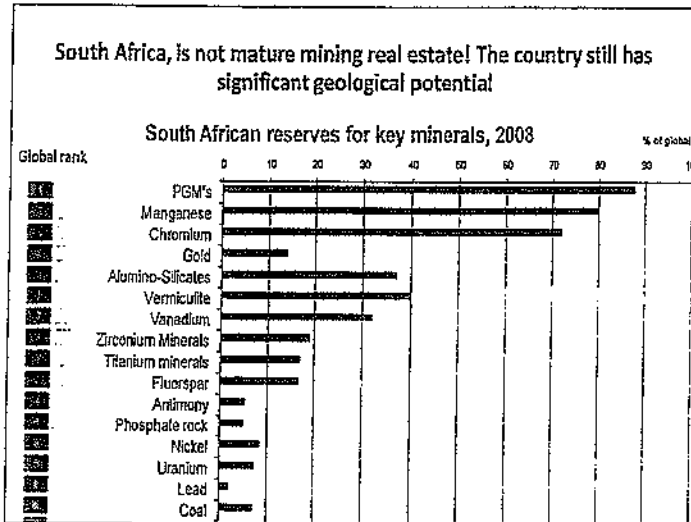
2. MINING INDUSTRY POTENTIAL - NATIONAL ECONOMIC CONTEXT

The South African mining sector in real terms (i.e.: 2005 rand) shrank from R103 billion in 1993 to R92 billion in 2009, despite the synchronised global commodities boom and the significant growth achieved in most other major mining countries and in other components of the South African economy. This has led to a belief in some quarters that the SA mining industry is therefore a "sunset industry" and is likely to slowly fade into obscurity in the next few decades, as reserves are mined out and the industry remains in a decline phase. But are such assertions correct? Is South Africa on the verge of being a "mined out" mature mining frontier where the geological prospects of the country are limited? Has mining already reached its zenith in South Africa and now the sector is on a downward slippery path?

Similar questions were asked of the Australian mining sector in the 1970s as that country's mining industry was perceived to be both mature and with little further growth prospects. However, the perceptions for the most part are simply perceptions. The Australian government, combined with business, the mining universities and the Geoscience Australia, set about reviewing legislation, providing extra incentives for exploration, used the latest techniques for high resolution geological mapping of the country and created a more enabling environment for the mining sector to invest in and grow that country's mining industry. Since 1977 the Australian minerals sector's overall production has increased by over 250% and the country has become a major player in the production of a wide array of minerals.

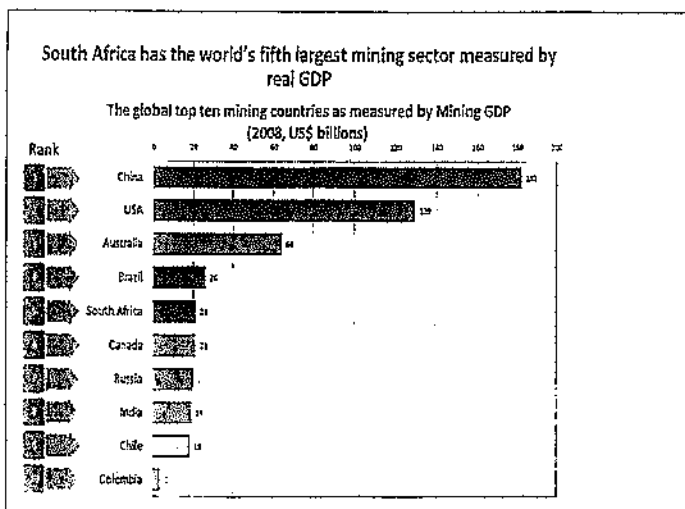
One of the perception challenges is that many protagonists view the decline in South African gold mining output as equivalent to the decline of the entire South African mining industry. While the large-scale mining of gold and diamonds in South Africa has been taking place for more than a century, the country has significant deposits of a range of minerals that are important for the world economy. South Africa over the past 30 years has become a major supplier of platinum group metals, coal, iron ore, manganese, chrome, titanium minerals and so on. The recent Citigroup report corroborates the view that South Africa remains the wealthiest mineral jurisdiction, with a conservative minimum measurable in-situ valuation of US\$2.5 Trillion (excluding energy commodities, such as coal, oil and gas), with Russia and Australia ranked at a distant second and third place, respectively. This mineral endowment is economically exploitable for more than one

hundred years. Some of the country's known world class reserves of a range of minerals are depicted in the following chart:



Source: DMR, USGS

In fact, South Africa is the world's largest reserve holder of platinum group metals, manganese, chrome, gold and alumina-silicates and is a major reserve holder of vermiculite, vanadium, zirconium minerals, titanium minerals, coal and iron ore, among others. Not only is the country a significant player in terms of global mineral reserves, but is also a significant producer of minerals with the world's fifth largest mining industry by value. South Africa mines some 60 different minerals and exports them to over 100 countries around the world.



Source: Global Insight

South Africa has a well-developed mining sector, with the world's best mining companies operating in the country and with well-organised industry structures in the form of government, the Chamber of Mines, South African Mineral Development Association (SAMDA), organised labour, the Council for Geoscience and so on. The mining industry has also established world class institutions in areas like the Mine Rescue Services or the fire inertisation system, the various training colleges, Coaltech Research Association, Mintek, CSIR, etc.

2.1 The value of South Africa's mining industry to national economy

The role and impact of the country's mining industry on the national economy is often poorly understood and appreciated. The mining industry experienced a first phase of discontinuity in operation for the first time since the second Anglo-Boer war in 1899-1902 when the country experienced a precarious balance on energy supply and demand scale in the first quarter of 2008. Perhaps the best way of illustrating the actual role that mining plays in the economy is to "provisionally" remove the mining sector from the economy and then to reflect on the actual economic contribution. With mining temporarily removed the economy would lose:

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- About 18% of GDP (8% directly and another 10 percentage points through the indirect and induced effects of mining).
- Over 50% of the country's merchandise exports.
- About 1 million jobs (directly 500 000 jobs, indirectly and through the spending induced effect another 500 000 jobs).
- About 18% of gross investment (9% directly).
- Approximately 30% of capital inflows into the economy via the financial account of the balance of payments (mining is a major magnet attracting capital inflows to the economy).
- About 35% of the market capitalisation of the JSE.
- 93% of the country's electricity generating capacity.
- About 35% of the country's liquid fuel supply.
- Consumes 15% of the country energy (demand driver)
- About 20% of direct corporate tax receipts (R33 billion in 2008).

The mining sector in South Africa over the past 130-years has provided the anchor for the development of a number of industries that either supply the mining sector or use its products. This cluster of industries includes: energy, financial services, water services, engineering services, specialist seismic, geological and metallurgical services, etc., that are world class in their own right and that owe their very existence to the mining sector. For example, the Johannesburg Securities Exchange (JSE) was originally established on the basis of funding the mining sector in the late 19th century. The mining sector still accounts for a significant 35 percent of the market capitalisation of the JSE and continues to act as a magnet for foreign investment to the country. Once established, the JSE was able to provide the basis for capital raising for other sectors of the economy. This cluster of industries has gone on to service other parts of the economy and provided a significant export base to service the global mining industry.

Research¹ into the multiplier and induced effects of the mining sector indicate that while mining accounts for 8% of GDP directly, the backward linkage to side stream beneficiation adds another 2.3 percentage points to GDP, downstream linkages another 2.2 percentage points are added plus the induced effects adding another 5-6 percentage points, resulting in the overall contribution of the minerals cluster being closer to 18% of GDP. Add in the contribution of over 50% of merchandise exports and one million jobs (500 000 in mining alone) and the overall impact of mining on the economy is substantial.

The following diagram illustrates the significant mineral industry value chain in terms of the services required just for the mining sector.

¹ Lombard and Stadler, The Role of Mining in the South African Economy, 1980 and Economic Commission for Africa, Mineral Cluster Study in Africa, 2004.

Diagram: The significant mining industry value chain

Exploration & Mine Development	Project Implementation & Construction	Opencast/Surface Mining	Underground Mining	Mineral Processing	Smelting & Refining	Bulk Materials Handling	Consulting & Engineering Services
<ul style="list-style-type: none"> • Mining surveying & deposit & mine modelling equipment & services 	<ul style="list-style-type: none"> • Project engineering & design services • Bulk earthworks & surface infrastructure construction services • Shaft sinking & underground mine development 	<ul style="list-style-type: none"> • Opencast/surface contract mining services • Drilling & blasting equipment & consumables • Haulage & excavating equipment • Crushing & screening equipment 	<ul style="list-style-type: none"> • Underground contract mining services • Handheld drilling equipment • Blasting equipment & consumables • Mobile haulage & drilling equipment • Ground support equipment • Ventilation & refrigeration equipment • Winching & hoisting equipment • Other support processes & equipment 	<ul style="list-style-type: none"> • Engineering design & project management services • Contract mineral processing services • Communiton equipment & services • Concentration equipment & services • Tailings equipment services • Process control, assaying & testing equipment • Reagents & chemicals 	<ul style="list-style-type: none"> • Drying equipment & services • Smelting & tapping equipment & services • Converting equipment • Environmental/gas treatment equipment & services • Refractory equipment & consumables • Process control, assaying & sampling equipment & services • Reagents & chemicals 	<ul style="list-style-type: none"> • Conveyor equipment & consumables • Cranes • Valves • Pumps • Materials & storage equipment • Transportation vehicles • Other 	<ul style="list-style-type: none"> • Exploration • Mine planning & design • Geotechnical & surveying • Hydrology • Environmental & social impact assessments • Feasibility studies • Civil construction & bulk earthworks • Procurement & management • Shaft sinking • EHS & Q • Ventilation • Assaying & sampling • Instrumentation & control • Electrical • Maintenance & stores • Contract Mining/Mineral processing

The above list is an abbreviated view of the significant potential role of the mining sector. The associated industries that use mining products to keep the wheels of the South African economy turning, include industries such as 98% of the country's cement and more than 90% of the country's steel fabricated locally from locally produced minerals. It is estimated that another R157 billion in value is added to the local economy through the intermediate and final product industries that use minerals produced by the South African mining sector.

An investigation into the country's top 11 mineral sales categories by value² indicates that from local sales of primary minerals of R58 billion in 2007 that some R157 billion (conservative estimate) in downstream sales and about 60 000 to 100 000 jobs were created in that year. The table below captures some of the downstream activity, although the manufacturing beneficiation value and employment created in areas such as fertilizers, stainless steel, etc., require further investigation.

South Africa is a low-savings economy with a domestic savings rate of about 14% of GDP. In order to grow the economy, the country has to keep growing fixed investment well in excess of 25% of GDP level (it is currently at about 22% of GDP). With a low savings rate and the need to maintain a high investment rate, the country has to attract the equivalent of 7% to 8% of GDP in foreign savings to top up the domestic investment-savings gap (which is equivalent to the country's current account deficit). Because South Africa uses more than it produces locally, the country imports the difference. Running a current account deficit is not a bad thing provided that much of the imports are being used to upgrade the fixed capital stock of the economy for future productive purposes.

² Chamber of Mines of South Africa

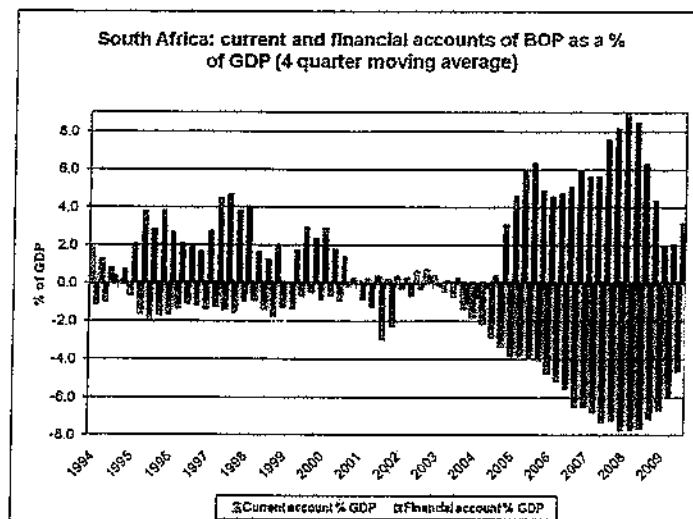
However, the current account deficit has to be funded by a surplus on the financial account, whereby a surplus of capital inflows covers the current account deficit. So the country has to attract surplus savings from the rest of the world to keep the balance of payments in balance.

Table: Preliminary estimates of further downstream beneficiation in South Africa, (2007 data)

MINERAL	Mine production (2007), sales and employment	Local sales	Local beneficiation
PGMs	304 tons (R78 billion sales, 186 000 employees, etc.)	-46 tons valued at R12.4 billion	Manufacture & export of 16.2 million platinum catalytic converters (15% of world share), 4000-5000 jobs and R22 billion in export value
Coal	248 mt (R44.2 billion sales, 60 439 workers)	183 mt local sales valued at R20 billion 120 mt to Eskom 43 mt Sasol 0.672 mt to Steel fabrication	Final product - 201 929 GWh of electricity (86% of SA's electricity supply), value created R40 billion, 30000 jobs (in Eskom). Final products <ul style="list-style-type: none"> • Synfuels 7.3 mt valued at R29 billion • Gas sales 112.9MGJ at R2.7 billion • Polymers 1.73 mt at R9.4 billion • Solvents 1.72 mt at R13.8 billion • Olefins & surfactants 2.2mt at R22.6 billion • Other (waxes, fertilizers, etc) R13 billion 31 860 jobs, R98 billion in sales, R17 billion in taxes (link to iron ore below)
Gold	254 tons (R38 billion in sales, 169 057 employees)	13.2 tons valued at R2 billion	-400 tons refined at Rand Refinery (490 jobs), 7.4 tons of jewellery fabricated employing 2800 people, 8.4 tons of coins fabricated employing 100 people & 4300 people employed in wholesale & retail of gold jewellery.
Iron ore	42.1 mt (R13.4 billion in sales, 13 858 employees)	12.4 mt sold locally valued at R1.7 billion	-6.4 mt of local steel production (4.2 mt flats & 2.1 mt long products). 4.4 mt local sales & 1.4 mt exported with total revenue of R29 billion and 10 000 employees.
Diamonds	15.25 mc (R10 billion, 20 000 workers)	Local sales -R4.9 billion.	1.2 mc imported (cost R14.9 billion), 13.9 mc exported (value R13.2 billion), local sales valued at R4.9 billion (value of cut diamonds valued at R6.3 billion), 2000 cutters.
Nickel	37.9kt (valued at R9 billion)	11.7kt valued at R2.8 billion.	Stainless steel production, -650 kt stainless produced worth R12 billion. About 150kt used locally. (jobs?)
Copper	117.1kt (valued at R5.8 billion)	76.6kt valued at R4 billion	Tubing and wire industry (jobs?)
Manganese	6 mt (valued at R3.6 billion)	-2mt local sales valued at R934 million	Manganese alloys- <ul style="list-style-type: none"> • 1mt produced. 0.2mt sold locally & 0.8mt exported, total sales value R6.5 billion. (jobs=2000) Chemical products (jobs?)
Industrial minerals	Total sales value of R7.5 billion	Local sales R6.7 billion	Cement industry, 14.2 million tons of local production of cement +/- R20 billion industry Fertilizer industry (600kt of fertiliser consumed locally - potash, phosphates, limestone) (jobs)
Chrome	9.7mt (valued at R3 billion)	7.4mt local sales valued at R2.3 billion.	Chrome alloys - <ul style="list-style-type: none"> • 3.5mt produced, 0.4mt sold locally, 3mt exported, total sales R17.5 billion (jobs?) Chemicals and refractories
TOTALS	About R213 billion -about 450 000 workers	-R58 billion local sales	Rough sales value created of about R157 billion (conservative)

South Africa has managed to attract enough foreign capital flows over the past 15 years in order to fund the country's current account deficit. However, relying on foreign capital flow means that the country is vulnerable to external shocks, such as the impact of the drying up of foreign capital flows caused by the 2008/2009 global financial crisis, which reduced the growth potential of the economy.

Constraints to capital inflows can limit a country's capacity for investment, hence lower that country's growth potential.³



The RSA mining sector has a major impact on the balance of payments in two ways, namely, (1) the industry accounts for a significant amount of the country's exports, which via the trade account positively feeds through to the current account (or at least helps reduce the pressure on the current account), while it presents prospects for export of higher value-add goods; and (2) via the JSE the mining industry attracts fairly large capital flows to the country, which positively impact on the country's financial account of the balance of payments.

However, there is a major structural challenge for the South African economy. The country's tradable export sectors, like mining and manufacturing, have experienced weak growth over the past decade, while the non-tradable domestic demand industries have grown at a much faster pace, accelerating the pace of imports which, combined with the poor export performance of the tradable sectors, has exacerbated the country's current account deficit. This weakness has been highlighted by the OECD⁴ country report on South Africa and the Harvard Growth Diagnostic⁵, which concluded that the country's weak export performance was the "Achilles Heel" of the economy.

2.2 The mining industry's linkage with the national growth strategy

In the past decade South Africa's economic growth profile has been driven by rising domestic demand financed by a rising current account deficit and fuelled by domestic credit. This means that Gross Domestic Expenditure has risen at a much faster pace than Gross Domestic Product and that domestic investment has risen faster than domestic savings, and these imbalances are expressed in the country's deteriorating external imbalances, with the current account of the balance of payments ballooning out to 7% of GDP at its peak. While running current account deficits is not necessarily a bad thing, if the imports are used to upgrade the fixed capital stock of the productive sectors of the economy, the domestic demand profile has unfortunately been led by the growth in the non-tradable sectors of the economy (consumer durables and investment in the non-tradable sectors) and the productive tradable sectors of the economy (mining and manufacturing) have grown investment marginally and have significantly underperformed the rest of the economy. This means that the high current account deficit has not been used to upgrade the fixed capital stock of the productive sectors of the economy.

³ South Africa's current and financial account BOP as a % of GDP is sourced from Source: SARB

⁴ OECD Economic Surveys, "South Africa Economic Assessment", volume 2008/15, July 2008.

⁵ Harvard Centre for International Development, CID Paper 129, "South Africa's Export Predicament", August 2006.

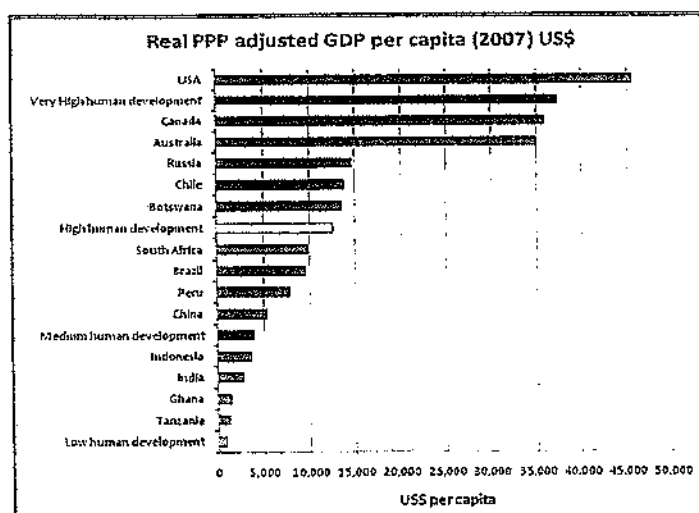
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In essence, there is recognition that the historic credit-fuelled domestic demand-led economic growth profile, as evidenced in South Africa in the past decade, creates unbalanced growth and the build up of large external imbalances, which is not sustainable in the long-term. There is clear recognition that in order to achieve more balanced growth, the country has to rapidly increase its exports, especially of high-value goods. This is where mining enters the equation, if it cannot be grown, it has to be mined.

2.3 The mining sector - key driver of industrialisation in South Africa

The mining sector, for the better part of a century and quarter, played a significant role as the engine for the industrialisation and growth of the South African economy - propelling the country into being the most industrialised country on the African continent. The discovery of first diamonds and then gold in the late nineteenth century drove a century of economic development rivalling the development of many of the world's most industrialised countries. Mining provided the critical mass for the development of the country's capital markets (the JSE), the financial sector, many areas of infrastructure (rail, roads, electricity and water), the nascent manufacturing sector and the minerals complex as a whole provided the export base to generate the foreign currency required to industrialise as well as the opportunities for significant employment creation.

Source: UNDP



Much of the initial impetus of mining was provided by the gold and diamonds sectors with South Africa dominating world supply of gold for the entire 20th century, producing 51 000 tons of gold between 1884 and 2008. Gold alone accounted for a significant 31% of merchandise exports and 7% of GDP in the period between 1950 and 2000.

However, the mining industry also had a tainted past, with a tortured history of migrant labour, the reinforcement of the repressive Apartheid system through racial segregation, the suppression of the development of black people (skills, career

progression and economic participation), a poor safety record and poor environmental performance. Many of these legacy issues have come back to haunt the industry in the modern democratic era as challenges regarding the "social licence to operate", the relatively slow pace of transformation in the industry and the fact that very little of the benefit of mining is captured locally have collectively nurtured the perception that mining is an "uncaring" and/or a "sunset" industry that should be left to its own devices to fade into the sunset. The negative perceptions are further aggravated by the large decline in gold production from South Africa, as traditionally gold mining has been considered to "be" the mining sector.

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STAKEHOLDERS HAVE CONVERGENT EXPECTATIONS ABOUT MINING

It is recognised that stakeholders generally have differing expectations about the mining sector and what the mining sector can achieve for the country. However, the table below confirms a convergent set of expectations from all key stakeholders of the mining industry.

TABLE: Stakeholder expectations from mining

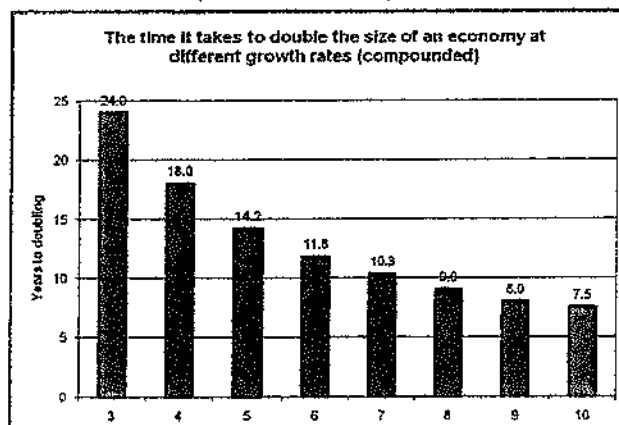
Government	Business	Civil Society/ organised labour
<ul style="list-style-type: none"> • Employment Generation and poverty alleviation impact • Meaningful transformation • Contribution to GDP • Significant attraction for inflows • Growing industry • Multiplier effect • Greater value addition and higher export earnings • Skills development • Compliance with the Laws • Health and Safety Standards • Exploration • Research and development • Sustainable development 	<ul style="list-style-type: none"> • Growing, vibrant and transforming mining industry • Growing investment and production levels • New opportunities for development (i.e. via exploration and good geological prospects) • Creating value for country and shareholders • Employer of choice • Sustainable licence to operate (transforming, safe, limiting environmental impacts, contributing to development) 	<ul style="list-style-type: none"> • Growth in the number of quality jobs • Safe productive place to work • Skills development and career progression for workers • Effective and meaningful transformation • Local economic development (including after mining) • Economic development in major labour sending areas

There is a significant degree of convergence and commonality in the expectations of the different stakeholders. The key words of “*growth*”, “*jobs*”, “*transformation*”, “*poverty alleviation*”, etc., appear to have a degree of resonance among all stakeholders. This is a critically important issue, because there is increasing recognition from all the stakeholders that the critical outcomes that are sought from a successful mining industry are dependent on both *growth* and *transformation* of the sector. In other words growth in the mining sector and the transformation of the mining sector are mutually inclusive and reinforcing issues. With the key concepts of a competitive, growing, transforming and sustainable industry, the South African mining industry is embarking upon a new journey of sustainable mining into the 21st century.

2.4 The Country's political and economic leadership recognise the urgent need for labour absorbing economic growth and transformation in the South African economy

There is broad acceptance among the social partners that economic growth is a critically important component of reducing unemployment and poverty in South Africa. Stated in an alternative manner, there are no countries in the world that have achieved the lowering of poverty and unemployment without high levels of sustainable economic growth over a long period. Given South Africa's nearly 25% unemployment rate, which is staggeringly high compared to comparable middle income countries, it is also recognised that higher growth which is also *more labour absorbing* is required. Countries that have been successful in reducing poverty and unemployment and improved living standards have grown at high growth rates over extended periods. For example, both Malaysia and South Korea, at the height of their growth periods were expanding their economies at more than 7% per annum. This level of economic growth, when compounded on an annual basis

would have doubled the size of their economies every decade. South Africa with an average growth rate of 3.3% (1993 to 2009) will thus double its economy's size every 21.5 years, assuming

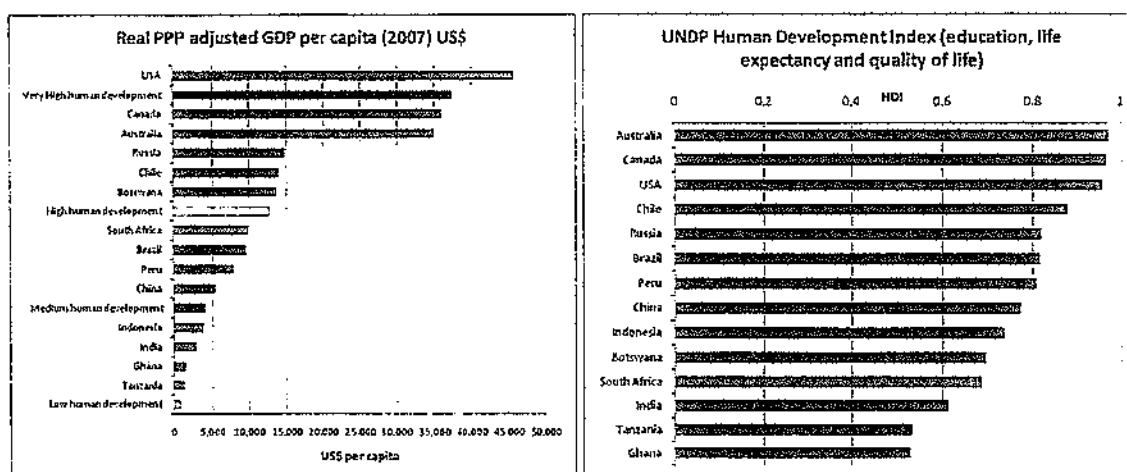


maintenance of this growth rate, which is simply too slow in terms of what is required to deal with the country's economic and social challenges⁶. China, with its annual growth rate of >10% per annum is doubling the size of its economy every seven and a half years, which helps it make substantial inroads into creating employment, reducing poverty and improving living standards. The mining industry has a vital contributory role towards putting South Africa's economy on a faster economic growth trajectory.

2.5 Middle income status, but high levels of poverty and inequality remain

South Africa has a population of 49 million people with a median age of 24.4 years. About 60% of the population is urbanised. South Africa is classified as a middle income country by GDP per capita ranking (UNDP rank 79th in 2007 with PPP adjusted real GDP per capita of US\$9757), however the country ranks poorly at 129th on the UNDP human development index, which indicates the general poor standard of living, low life expectancy and sub-standard educational levels.

South Africa has one of the highest PPP adjusted GDP per capita in Africa, at US\$9757 in 2007, and the South African economy is the largest in Africa at US\$283 billion, or US\$467 billion on the basis of a purchasing power parity calculation (UNDP: 2007 real terms). Between 1993 and 2009 the economy grew by 3.3% per annum, and this accelerated to 3.9% between 2000 and 2009.



Source: UNDP

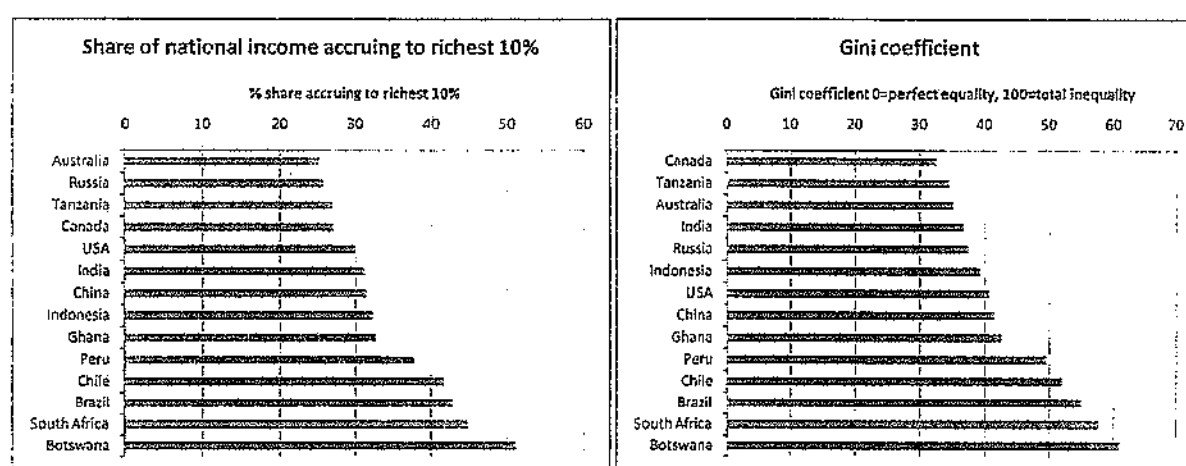
⁶ The chart indicating the economic growth pace and period it takes to double the economy is sourced for the Chamber of Mines.

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The structure of South Africa's economy is remarkably similar to that of an advanced economy with services sector dominating with a 67% share of economic activity, followed by industry with a 30% share and agriculture at 2.5%. Effectively, the economy has followed a growth path with services and demand sectors of the economy dominating the country's growth profile. In contrast, the productive tradable sectors of the economy have remained relatively weak.

There is a significant mismatch in the South African labour market, as large supply of unskilled and semi-skilled workers has not met the need for skills in most sectors of the economy. In general, skill-intensity of the economy has risen sharply over the past 15 years whereas the skills profile of the labour force has not been able to keep pace. The result has been persistently high unemployment, especially in the category of 18 to 25-year olds where over 70% have not been able to find formal sector employment. Unemployment is concentrated among the unskilled and semi-skilled groups of the population and this poses significant challenges for the country. Unfortunately, the skills mismatch means that South Africa has a large pool of unskilled and semi-skilled workers that cannot find productive employment in the economy and which comprise a significant portion of the unemployed. The skills sets still follow to a certain extent the racial bias of the unequal education and skills policies of the past but this is changing consistently.

Nevertheless, the high levels of unemployment result in a high level of income inequality, with the country's Gini coefficient at a very high 57.8% with the richest 10% of the population accrues a relatively high 44.9% of the country's national income. The Gini-coefficient for South Africa is one of the highest in the world, indicative of the gross income disparities between the haves and have nots. Research suggests that bringing the country's unemployment down to 10% would result in the country's Gini-coefficient falling to about 40% to 45%, in line with most comparable competitor countries.

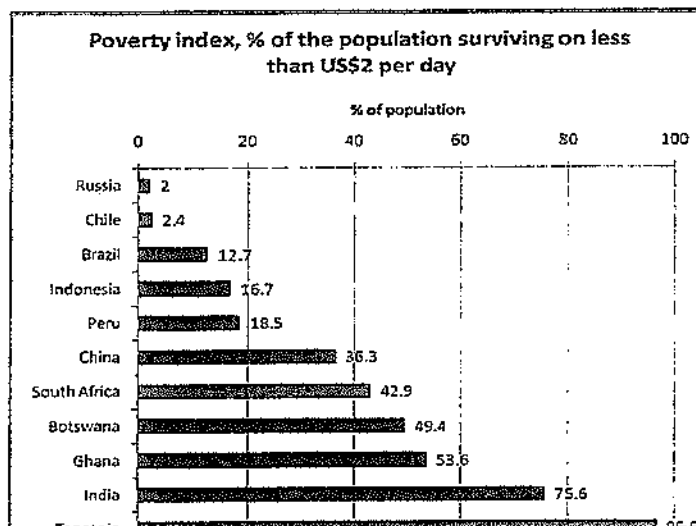


Source: UNDP

South Africa still has a relatively high proportion of the population living on less than US\$2 per day. While social transfers from the state have helped to provide some incomes to indigent households, there still remains an urgent need for creating employment.

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Source: UNDP, 2007



In order to try and address the symptoms of the structural unemployment and poverty crisis the government has developed a significant social welfare system that helps to provide some income to poor households. In 2010, approximately R128 billion of fiscal budget is expensed towards social protection with the majority being in the form of social grants to help the poor.

In the World Economic Forum (WEF) Global Competitiveness Report 2009-2010, South Africa was ranked the 45th most competitive economy out of 133 countries, which places South Africa in the second

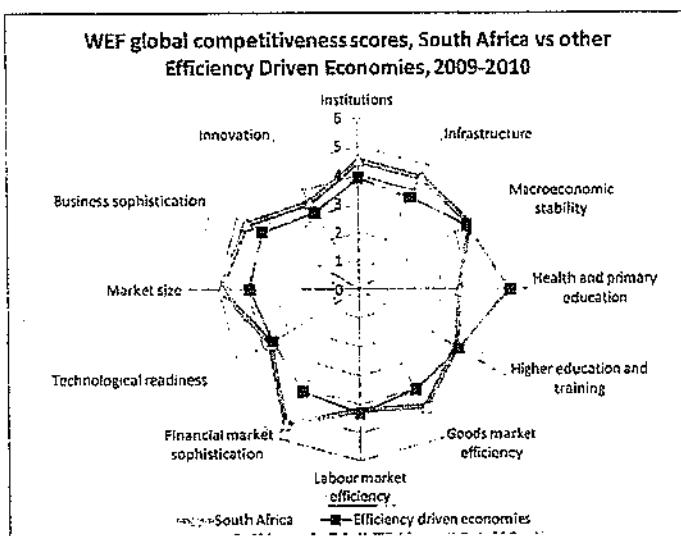
best quartile. While not in the top quartile of the global rankings the country does well in a number of the competitiveness categories. In the areas where South Africa does have competitiveness challenges further analysis and remedial measures are required.

WEF ranks South Africa as an efficiency driven economy, not factor driven, but also not fully into the innovation economy stage. The following are key observations on South Africa's global competitiveness:

- Under the "**Institutions**" heading, the country is ranked highly for protection of property rights (rank 20), for intellectual property rights protection (rank 24), for independence of the judiciary (rank 38), the efficiency of handling legal disputes (rank 18), the transparency of government policy making (rank 24), the strength of auditing and reporting standards (rank 2) and for the efficacy of corporate boards (rank 3). However, the country is ranked poorly for the business costs of crime and violence (rank 133), organised crime (rank 119) and the reliability of the police services (rank 106).
- Under the pillar of "**infrastructure**", the country scores relatively well with an overall rank of 43, but has slipped down the rankings on the quality of electricity supply to position 91 following the precarious energy supply-demand balance experienced in 2008.
- Under the pillar of "**macroeconomic stability**", the country ranks 58 in terms of the government deficit (caused by the global crisis) and 57 for government debt.
- Under the pillar "**Health and Primary Education**", South Africa fares dismally with very weak scores for the impact of diseases on business (such as business impact of HIV/AIDs ranked at 133 out of 133 countries), poor life expectancy (ranked 118) and high infant mortality (rank 106). The country is highly ranked for the large amount of the budget applied to education ranking 32.
- In the pillar "**Higher Education and Training**", South Africa is rated highly for secondary school enrolment (rank 39) and for the quality of the business management schools (rank 30), but

fares poorly in terms of the outcome of secondary education with the quality of maths and science education ranked at 133.

- In terms of the “**Goods Market Efficiency**”, indicators for the country present a mixed picture of rankings. The country has relatively weak intensity in local competition (rank 60) although the new competition laws result in the country being ranked 15 in terms of the effectiveness of local anti-monopoly policy.
- In the “**Labour Market Efficiency**” category, South Africa is ranked relatively poorly in terms of cooperation in labour-employer relations (ranked 121), in the flexibility of wage determination (ranked 123) and in hiring and firing practices (rank 125).
- In the “**Financial Market Sophistication**” pillar, South Africa is ranked highly with financial market sophistication at position 6 and the strength of investor protection at rank 9.
- In the pillar “**Technological Readiness**”, there is a mixed picture with the country ranked 37th for the availability of the latest technologies, 45th for FDI and technology transfers but then relatively weakly in terms of internet users (rank 98) and broadband internet subscribers (rank 84).
- In the “**Market Size**” category, South Africa is ranked 23rd largest market.
- In the pillar “**Business Sophistication**”, the country again has a mixed picture. The country is ranked 22nd for the local supplier quality, 33rd for the state of cluster development, 41st for production process sophistication and 17th for the extent of marketing. However, the country features poorly regarding the nature of competitive advantage (ranked at 80) which impacts on export industries.
- Finally in the pillar of “**Innovation**”, the country ranks well for innovation (rank 36), for the quality of research institutions (rank 29) and company spending on R&D (rank 25). However, in terms of the availability of engineers and scientists the country ranks poorly at 123.



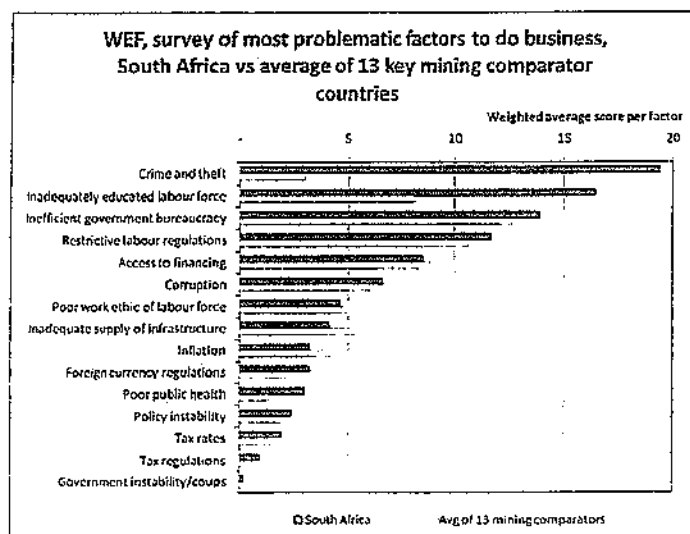
When compared to many other efficiency driven economies South Africa is generally ranked higher, with the notable exception of the country's very poor health and education scores.

The following chart highlights the country specific constraints that the WEF report highlights are key areas that are problematic for doing business in South Africa and which require attention in order to enhance South Africa's overall general competitiveness. For ease of reference the average scores for 13 key comparator mining countries⁷ is also added to the chart,

⁷ The countries include Australia, Botswana, Brazil, Canada, Chile, China, Ghana, India, Indonesia, Peru, South Africa, Tanzania and the USA.

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in order to gauge what the concerns are in the business sectors of the other comparator mining countries. For South Africa, the impact of crime, the status of workforce education, government bureaucracy, restrictive labour market policies and access to financing were classified as major hindrances to doing business in the country. For all the other countries the biggest ticket items were inefficient government bureaucracy and access to finance (so this is not a problem peculiar just to South Africa).



For the survey, the WEF asked respondents to name the five key issues out of a defined list of 15 issues that were the most problematic for doing business in their country and then asked to rank these issues.

Clearly there is a vital need to build on the country's strengths and also to get all these key "Costs of doing business criteria" into the top quartile of the global rankings, i.e. within the top 40 segment of countries.

3. MINING COMPETITIVENES FRAMEWORK

The World Economic Forum further defined competitiveness as the set of institutions, policies and factors that determine the level of productivity of a country. The level of productivity then defines what sustainable level of prosperity can be achieved by that country. The productivity level also determines the rates of return obtained by investments in an economy. Because the rates of return are the fundamental driver of the growth rate of an economy, the more competitive economies tend to attract more investment and therefore tend to grow faster than the less competitive economies.

Due to the changing nature of global competition, which includes fewer barriers to investment and ever increasing trade flows, the rapid diffusion of knowledge, the globalisation of markets, the globalisation of value chains, the increasing knowledge and skill intensity of competition, countries have to consistently improve their relative competitiveness relative to other countries in order to grow prosperity. Nations therefore compete in terms of offering the most productive and sustainable environment for business. The changing nature of competition has also meant that the rules of the global game have changed and countries that compete successfully tend to do so through collaborative forward looking partnerships with key stakeholders (business and labour), rather than the historic approach to development where governments simply try to drive development through policy and incentives.

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The MIGDETT social partners realised the critical importance of the concept of “competitiveness” of the South African mining sector as defining the critical issues that affect the economic performance of the mining sector. The competitiveness project identified a set of critical success factors that affect the global competitiveness of the South African mining sector. The critical pillars include the potential of South Africa (mineral and people potential), market demand, the factor markets (the efficiency and effectiveness of local markets for goods and services, labour and infrastructure), the regulatory environment (the policy framework and capacity of stakeholders), innovation, beneficiation, cost management, and the enabling environment (ease of doing business, infrastructure, etc.). All these factors have a bearing on the ability of the South African mining sector to grow, prosper and transform. However, while certain individual pillars may present binding constraints, the combined aggregate effects of a range of issues are more likely to determine competitiveness versus any single given factor. This means that fixing one or two competitiveness constraints will not be as effective as tackling the top five constraints in terms of unlocking the growth potential for the sector.

TAKING SOUTH AFRICAN MINING INTO THE 21ST CENTURY

For more than hundred years, mining has shaped South Africa’s developmental path and the lives of many of our people. Much has changed during this time. The culture of the mining industry has evolved to what it is today. Many new management practices, methods and technologies have been introduced to mine safer, healthier and more productively.

Mining in 21st century South Africa, however, brings new challenges requiring new solutions. For instance, the way the industry mines today, makes it challenging to:

- a) Eradicate mine fatalities, injury and disease from mining
- b) Access potential mineral resources in a safe manner
- c) Overcome the barriers to women entering mining
- d) Develop a competitive technological advantage for mining
- e) Derive optimal energy and water efficiencies
- f) Align mineral development to the green evolution
- g) Achieve sustainable development
- h) Attract and retain individuals with scarce skills
- i) Change the image of the industry to an ‘employer of choice
- j) Attract investment in exploration, mining development and beneficiation
- k) Transformation

In short, the way the industry mines today requires not less than a revolutionary approach that will enable the mining industry to achieve the aspirations of sustainable mining in a 21st century South African context.

To overcome the above challenges, all stakeholders agree to jointly embark on a new journey to sustainable and competitive mining in the 21st century. Change is necessary in the culture and

management practices through which the stakeholders do the business of mining. This includes the way the industry recruits, engages and incentivises in mining. At the same time, the methods and technologies the industry uses to mine should be critically reviewed, taking account of international benchmarks. Throughout this journey there will need to be an understanding and acceptance amongst stakeholders that all options, including new and 'out of the box' ones, should be considered.

Improving the competitiveness of the South African mining industry should lead to measureable performance and sustainability outcomes. The measurable performance outcomes include:

- Growth in the volume of mining production
- Growth in mining GDP
- Growth in mining fixed investment
- Growth in employment
- Energy and water efficient productivity
- Skills development
- Visible transformation
- Growth in the mineral reserve base through intensified exploration
- Reduction in the high rate of input costs
- Continued improvement in the safety and health performance of the industry
- Continued improvement in the transformation performance of the industry
- Mining technology prowess

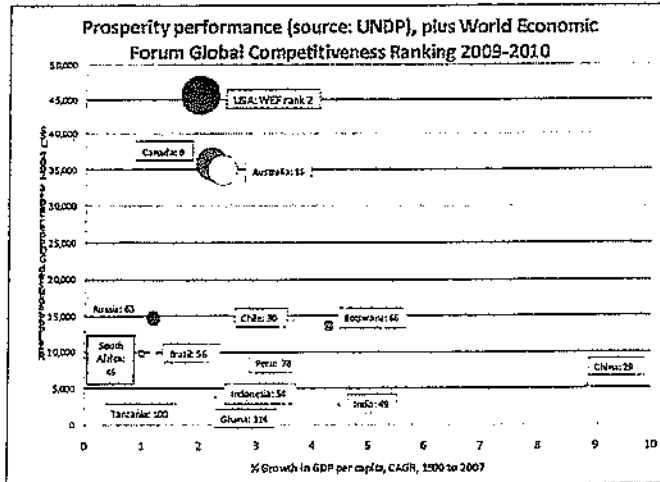
The opportunity cost of the sector's poor growth performance has been significant for the country and for broader society. Given the recognition that a higher and more balanced growth trajectory is only achievable through better performance of the country's balanced growth as opposed to the traditional credit fuelled demand side growth, the opportunity cost of foregone employment opportunities, export growth (with emphasis on high value goods as opposed to primary mineral concentrates) contribution to the economy of the poor performance of the mining sector cannot be overstated.

In order to unpack the issues affecting the growth of the mining sector, explored factors that negatively and positively affect the competitiveness of the South African mining sector.

The link between global competitiveness and prosperity is clearly shown in the following chart, which shows that the country's that have high global competitiveness rankings also tend to have high living standards (Australia, Canada and the USA), or have relatively high GDP per capita growth rates (Botswana, India, Chile and China). South Africa appears to be an anomaly, with a good global competitiveness ranking of 45⁸ yet the country has relatively slow growth in GDP per capita. As discussed previously, the critical need to go for accelerated, more balanced and labour absorbing economic growth for South Africa to reduce unemployment and poverty cannot be overestimated.

⁸ World Economic Forum Global Competitiveness Report 2009-2010.

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Due to the changing nature of global competition, which includes fewer barriers to investment and ever-increasing trade flows, the rapid diffusion of knowledge, the globalisation of markets, the globalisation of value chains, the increasing knowledge and skill intensity of competition, countries have to consistently improve their relative competitiveness versus other countries in order to grow prosperity.

According to Professor Michael Porter⁹ "Competitiveness is defined by the

productivity with which a nation uses its human, capital, and natural resources". Porter further added that:

- Productivity sets the standard of living (wages, returns on capital, returns on natural resources) that a nation can sustain
- Productivity depends on the prices that a nation's products and services command, not just on efficiency
- It is not what industries a nation competes in that matter for prosperity, but how it competes in those industries
- Productivity requires a combination of domestic and foreign firms operating in the nation
- The productivity of local industries is fundamental to competitiveness, not just for traded industries
- Devaluation of a nation's currency does not make a nation more competitive.

Nations therefore compete in terms of offering the most productive and sustainable environment for business. The changing nature of competition has also meant that the rules of the global game have changed and countries that compete successfully tend to do so through collaborative forward looking partnerships with key stakeholders (business and labour), rather than the historic role of development where governments simply try to drive development through policy and incentives. This does not suggest that government should not get the policy settings right. What it does mean is that through collaboration, faster gains in improving competitiveness are achievable.

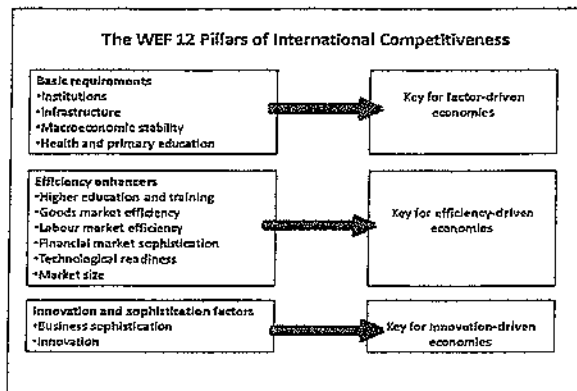
It is clear that the South African government is shifting to a much more collaborative new model of economic development in partnership with organised business and labour.

⁹ Professor Michael E. Porter, "Creating a Competitive South Africa", Institute for Strategy and Competitiveness, Harvard Business School, 3 July 2007.

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3.1 Defining Competitiveness Parameters

The World Economic Forum, as alluded to above defines competitiveness as a set of institutions, policies and factors that determine the level of productivity of a country. Over the past 300 years there has been considerable focus by economists on trying to determine what drives the wealth of



nations. What is clear is that there is no single factor that drives the prosperity of nations. Rather, a combination of factors that work together are the key drivers. Perhaps the best exposition of the framework of competitiveness drivers is captured by the World Economic Forum which highlights 12 key pillars of global competitiveness, which are grouped into three main headings, namely “Basic Requirements”, “Efficiency Enhancers” and “Innovation and Sophistication Factors.”

The World Economic Forum’s 12 pillars of competitiveness are described below:

- Institutions.** The institutional environment is determined by the legal and policy framework in which, business, government and labour interact to generate wealth for a country. The quality of the institutions (both public and private) is just as important as the competitiveness of the legal framework.
- Infrastructure.** Extensive and efficient infrastructure is an essential driver of competitiveness.
- Macroeconomic stability.** A stable macroeconomic environment creates the platform for sustainable long term decision making. However, while macroeconomic stability is a necessary precondition for economic growth, it is reliant on a multiplicity of other factors (like institutions and infrastructure) to enable the growth.
- Health and primary education.** A healthy and educated workforce is vital to a country’s competitiveness and productivity.
- Higher education and training.** The development of skilled human capital (and not just an educated workforce) is critical to productivity and the development of a competitive economy. It is also critical to move up the skills curve as an economy industrialises.
- Goods market efficiency.** Competitive and efficient goods markets (with both foreign and domestic competition) are critical to promote productivity growth, innovation, business sophistication and cost effective outputs that can be used in other industries.
- Labour market efficiency.** The efficiency and flexibility of the labour market are crucial for ensuring that workers are allocated to their most efficient use in the economy and provided with the incentives to do the best in their jobs.
- Financial market sophistication.** A sound, well-regulated and properly functioning financial system is central to the functioning of a modern market economy.
- Technological readiness.** This key pillar is concerned with the speed at which business and an economy can adapt to new technologies in the face of changing global and local conditions.
- Market size.** The size of markets does affect competitiveness because large markets enable firms to exploit economies of scale in production. As the world economy has globalised,

- traditionally defined borders have slowly faded away and countries in regional trading areas have opened up the potential of their domestic industries to achieving economies of scale.
- k) **Business sophistication.** The level of sophistication of a country's business sector helps determine the efficiency of the production of a country's goods and services and ultimately contributes to the productivity of the nation.
 - l) **Innovation.** Research and development is the basis for new product development, which creates demand for mineral commodities, but it also enhances competitiveness in finding technological solutions to enhance cost efficiency, water and energy efficiencies as well as technology and techniques for green-field exploration, which underpin the sustainability of the mining industry. Innovation is central in technology solutions that will ensure that mining and the environment can co-exist, i.e. in line with the green evolution - "greening the mining industry".

While each of these pillars is important in its own right, the critical issue is that all the pillars are interrelated and are mutually inclusive. For example, it is very difficult to promote innovation in absence of the supportive institutional and legal framework, or without a properly skilled and educated work force. Similarly, it is not possible to significantly improve competitiveness of a country by focusing on just one pillar of competitiveness. For example, a country that develops a sound macroeconomic framework, but which neglects to build infrastructure or human capital will achieve much less on the competitiveness front when compared to a country that does all three.

Professor Michael Porter of Harvard University traditionally uses a type of diamond analysis, which focuses on a set of competitiveness issues that affect the industry concerned in terms of defining the critical issues that make up competitiveness. Porter would traditionally use the four pillars of *factor conditions*, *demand conditions*, the *context for firm strategy and rivalry* and an analysis of *related and supporting industries*, as the four key pillars of understanding the competitiveness of a sector. Clearly these overlap with the 12 competitiveness pillars described by the World Economic Forum.

3.2 Refining the competitiveness framework for the SA Mining sector

The critical issue is to make sure that the right competitiveness questions are asked and answered. For example, spending time unpacking an issue like the reliability and cost effectiveness of the telecommunications sector, whilst being an interesting exercise, has very little bearing on the competitiveness of a sector like mining. So any competitiveness analysis has to be tailor-made to fit the specific requirements of the sector being analysed.

Five main pillars, which in turn cover most of the competitiveness pillars listed in the World Economic Forum model are detailed as follows:

- 3.2.1 **The inherent country potential.** The inherent potential of a mining country is mostly determined by the size, quality and location of its mineral deposits and the human capital that can be drawn on in order to extract these resources. This would include:

- a. Natural resource endowment
 - The total endowment of resources, including quality
- b. Human capital/skills
 - Basic education levels, health and life expectancy of workforce
 - Skilled labour availability (local and expatriate)
- c. Geographical factors
 - Availability of water
 - Location of reserves and access to export markets (for value added goods)

3.2.2 The South African market context. This unpacks the efficiency and effectiveness of the country's markets for goods, services and labour, and their impact on the competitiveness of the mining sector. However, it is also appropriate to unpack the structure of the South African mining industry to gauge differences with other key mining jurisdictions. The areas to be considered include;

- a. Factor market efficiency
 - Labour, supply and financial markets
- b. Industry structure
 - Ownership requirements
 - Type of ownership
 - Efficiency of management
 - Business investment in projects that ensure sustainable growth of the industry

3.2.3 The demand for South African commodities (both foreign and local). Clearly market demand and the accessibility of markets are crucial determinants of the future competitiveness of the South African mining industry. The following areas would be covered;

- a. Domestic demand
 - Expected growth in domestic demand for each commodity
- b. International demand
 - Expected growth in domestic demand for each commodity (and its related beneficiated products)

3.2.4 The policy regulatory and administrative environment. This pillar is equivalent to the institutional pillar in the WEF framework and is a key driver of competitiveness. The critical issues that should be covered include;

- a. Regulatory and legal requirements
 - Type, level and quality of regulation influencing the sector
- b. Institutional capacity
 - Ability of state to efficiently process mineral permits and more generally regulate sector. The readiness of the industry to be responsive to the changing regulatory environment is also a key determinant.

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3.2.5 The enabling factors. These factors could be described as the basic factors necessary to drive competitiveness for the mining sector, but also include a specific focus on the “social licence to operate” which has a material bearing on the ability of the mining sector to be competitive, attract investment and to grow. The subjects to be covered include;

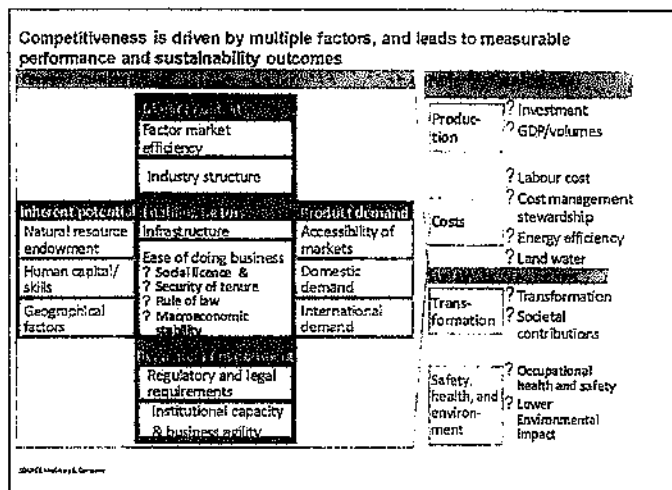
- a. Infrastructure
 - Focus on electricity, water, ports, road and rail infrastructure
- b. Business environment and compliance
 - Social licence to operate
 - Security of tenure
 - Macro-economic stability
- c. Agility of business to the ever-changing operational environment
- d. Investment in new demand drivers, for mined products to be sold proximal to mining sites

3.3 Linking competitiveness back to investment and growth: (focus on outcomes)

One of the key objectives of conducting a competitiveness benchmarking exercise is to determine the critical success factors that drive an industry’s competitiveness in the global context. However, it is also critically important to provide the feedback loop, that continually improving competitiveness has a major bearing on the industry’s (and country’s) ability to grow, reduce unemployment, reduce poverty and raise living standards.

Improving the competitiveness of the South African mining industry should lead to measurable performance and sustainability outcomes. The measurable performance outcomes include:

- Growth in employment.
- Skilled and well sought after workforce
- Improved productivity
- Growing Research and development in mining
- Growth in the volume of mining production.
- Growth in mining GDP.
- Growth in mining fixed investment.
- Growth in earnings (including beneficiated goods)
- Costs efficiency and financial stewardship.
- Continued improvement in the safety and health performance of the industry.
- Continued improvement in the transformation performance of the industry.
- Sound research and development base supportive of industry growth



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- Minimal environmental footprint (Incl. Environmental rehabilitation of exploited sites)
- Incremental exploration expenditure with emphasis on green-fields to replenish finite resources and ensure sustainability
- Proliferation of tangible multiplier effects resultant from a successful mining industry

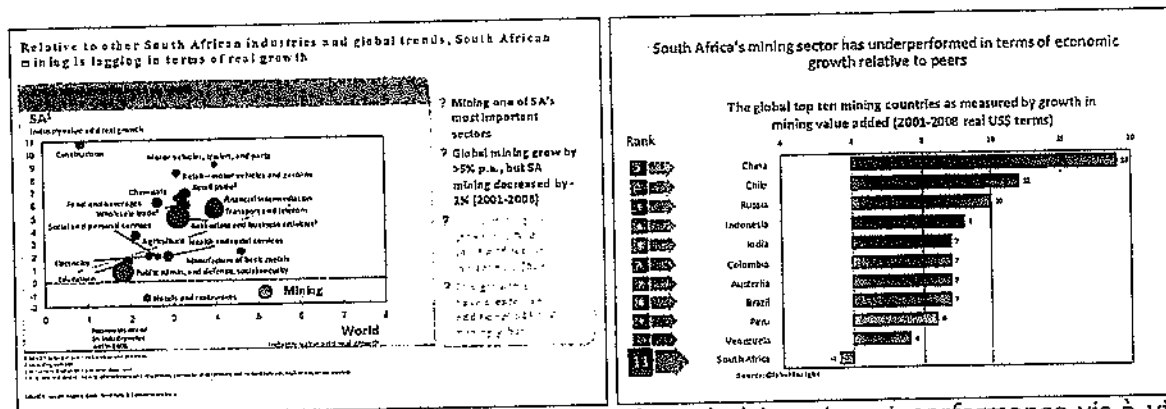
These performance indicators demonstrate the actual outputs that are targeted as a result of improving the industry's competitiveness, as shown in the chart.

3.4 The current economic performance of the South African mining sector

Despite being the mainstay of the South African economy for much of the 20th century, the mining sector in the past two decades has performed relatively poorly. In essence, the mining sector shrank by 0.6% per annum between 1993 and 2009, versus an overall country economic growth rate of 3.3% per annum in the same period.

If one compares the performance of the South African mining sector to other sectors of the economy, and their respective growth rates at the global level for the industries that they participate in, the significant under performance of the South African mining sector is again noteworthy. For example at the global level (on the x-axis in the chart below) the average annual growth rate for construction value added has been weak. However, the South African construction sector achieved growth rates of 11% (shown on the y-axis) in the 2002 to 2008 period, mostly due to the government infrastructure development programme, complimented by the domestic infrastructure boom.

However, even more concerning has been the fact that despite the global commodities boom, which started in 2001 and ran strongly through to 2008 before the global financial crisis hit, the South African mining industry continued to shrink. For the top twenty mining countries in the world the average annual growth rate in their real mining GDPs was a significant 5% growth rate per annum between 2001 and 2008. South Africa's mining industry shrank by 1% per annum in this period.



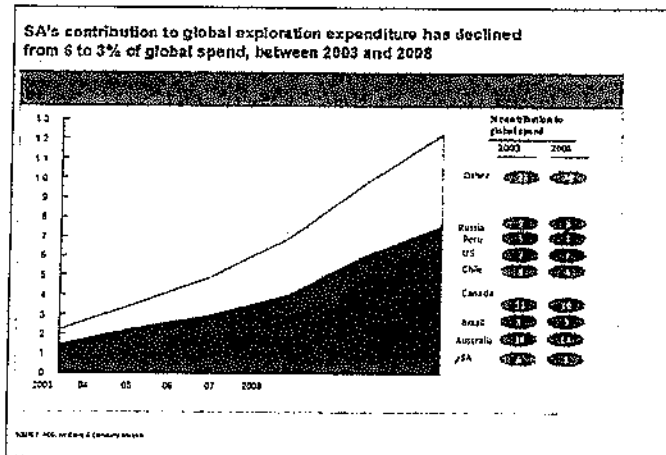
The RSA mining sector has also had a relatively weak capital investment performance vis-à-vis the global competition.

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Linked to the country's relatively weak mining sector performance, South Africa has lost market share on a relative basis in the global exploration stakes. This is not to say that the overall level of expenditure on exploration in South Africa has not grown. Rather, relative to the rest of the world

the share of exploration investment focused on South Africa has declined as when compared to the more rapidly growing expenditures on exploration in the rest of the world.

The poor growth of the RSA mining sector is despite the fact that the South African mining industry produces most of the types of minerals that are in demand at the global level (e.g. coal, iron ore, platinum, gold, etc.).



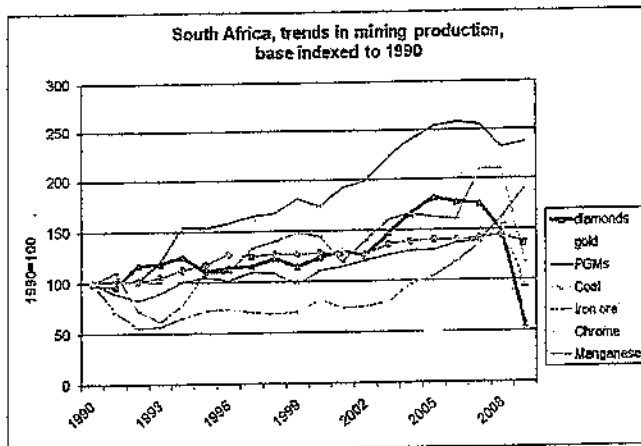
IS THE POOR PERFORMANCE ATTRIBUTABLE TO THE MATURE GOLD SECTOR? While it is correct to apportion some of the blame of the country's poor mining sector economic performance on the decline in production of the country's mature gold mining sector, it is critical to assess that with one notable exception, most of the rest of the minerals have also not had particularly outstanding production growth rates either. In the two decades up to 2009, total South African mining production fell by 0.4% per annum, mostly driven by the 5.3% per annum decline in gold production and the 0.4% decline per annum in diamond production. Platinum group metals production increased by 4.8% per annum, iron ore production increased by 3.3% per annum and manganese production rose by 2.3% per annum in the same period. In the last decade, the rate of decline in gold production has increased to 7.7% per annum and diamond production fell by 2% per annum. PGM production between 2000 and 2009 increased by a modest 2.6% per annum, coal production by only 1.2% per annum and iron ore by a more impressive 6.5% per annum.

SOUTH MINERAL PRODUCTION GROWTH RATES

	Total mining	Iron ore	Manganese	Platinum Group Metals	Coal	Chrome	Diamonds	Gold
1990-1999	-0.4	0.1	-0.3	7.1	2.3	5.4	1.3	-2.9
2000-2009	-0.5	6.5	4.9	2.6	1.2	-0.1	-2.0	-7.7
1990-2009	-0.5	3.3	2.3	4.8	1.8	2.6	-0.4	-5.3
2001-2009	-0.4	5.7	3.7	3.4	1.2	0.1	-3.1	-8.0

Source: StatsSA

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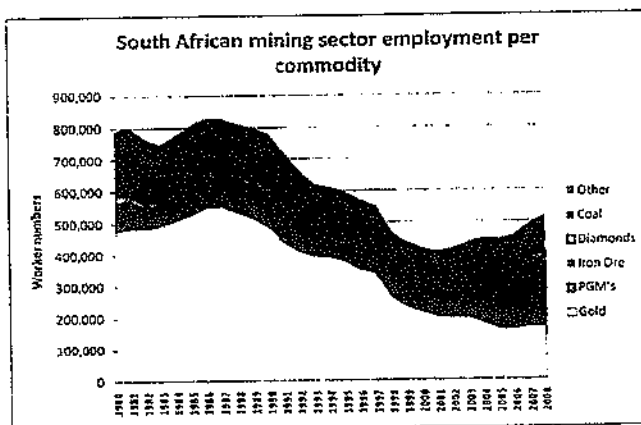


Excluding the gold mining sector, the non-gold mining sector grew production by a relatively modest 1.8% per annum in the period 1993 to 2009, and this growth rate had slowed to 1.1% over the period 2000 to 2009, which leaves much to be desired when compared with globally comparable performance.

At the same time it is important to note that the South African gold mining sector has dominated global production for over 120 years and the industry remains a significant global producer and contributor to the South African economy. In 2009, the industry produced 205 tons valued at R45 billion, employed 160 000 people and remained a significant cog in the mining sector. This is why it remains important that the stakeholders look at ways of slowing the decline in gold production, which would significantly help the rest of the sector to push the overall sector's growth rate to more appropriate levels.

3.5 Employment

Employment in South Africa's mining industry peaked at 828 773 in 1987, with the gold sector alone employing 553 713 people in that year. The decline in gold production and the resulting fall in employment in the gold mining industry, played a key role in the decline of total mining sector employment numbers until the late 1990s. The



Source: DMR/StatsSA

trough in mining sector employment occurred in 2001 and from then onwards the growth in the PGM mining sectors employment numbers more than compensated for the declines in the gold sector. This growth and diversification of the country's mineral basket was enabled by the introduction of a progressive regulatory regime, which made mineral complexes accessible for development. By 2008 total employment stood at 518 519, with PGMs mining employing more than any other commodity.

4 A SPECIFIC SET OF COMPETITIVENESS DRIVERS FOR THE MINING INDUSTRY

The section outlines a set of mining industry specific drivers of competitiveness and recommends a set of interventions sought to mitigate the identified constraints in each of the drivers.

4.1 Infrastructure

Infrastructure has a material impact on the potential growth of the mining sector. Mineral deposits are typically located in distal and remote locations, which require dedicated investment in

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infrastructure that will support their cost effective and competitive development for the benefit of the country.

Amongst the top nineteen mining countries, South Africa's infrastructure features fairly competitively in terms of efficiency and availability, ranking fifth in terms of ports and fourteenth insofar as electricity is concerned. Nevertheless, just under 13 percent of South Africa's bulk freight is currently transported by rail. In addition, current mining practices require significant volumes of water in a water scarce country like South Africa. Infrastructure is one of the key pillars of the competitiveness framework for mining, which has a material impact on the potential growth of the mining sector. Shortages of critical infrastructure such as rail, ports or electricity supply can act as a constraint to growth and can materially affect existing and prospective production. The mining sector stakeholders have considered the array of infrastructure constraints and there is recognition that the mining sector will not resolve these constraints by itself. For this reason, the mining sector is to ensure that mining infrastructure requirements are properly located within the national policy debates as well national infrastructure development programmes. The mining stakeholders have resolved to adopt the following approach:

- To establish an "Integrated Long Term Infrastructure Planning Mechanism" for the mining sector.
- That a systematic problem solving approach to each area of infrastructure is adopted, which identifies the current situation, the expected end state (desired infrastructure needs), identifies the gaps, and links into national processes (or proposed new processes where none currently exist), in order to ensure that the mining sectors requirements are properly articulated and properly considered.

Integrated Long Term Infrastructure Planning Mechanism (ILTIPM)

At present the mining industry's input to national infrastructure processes (such as the electricity Integrated Resource Plan 2), are relatively uncoordinated and ad hoc (depending on the issue). While the industry does have certain long term processes in place for particular minerals, such as the Coal Roadmap process, there has been insufficient consideration given to the long term infrastructure needs of the industry from a tripartite basis. Mining companies tend to engage with specific infrastructure service providers to try and resolve infrastructural issues and often longer term industry and country needs are not properly coordinated or considered. Clearly government requires input from industry on infrastructure requirements and this requires the sharing of information on long term mining plans and the associated infrastructure needs. In order to integrate mining industry infrastructure planning requirements, the MIGDETT tripartite stakeholders are proposing the establishment of an Integrated Long Term Infrastructure Planning Mechanism (ILTIPM) for the mining industry.

The fairly precarious electricity supply-demand balance demonstrates a potential infrastructure constraint to sustainable growth of the mining industry. While there's recognition that that the abundance and cheapest electricity supply in the past created a culture of non-efficiency in developing technological solution to mining, there is a dedicated focus to enhance energy efficiency in this sector, complemented by the research and development programmes intended to

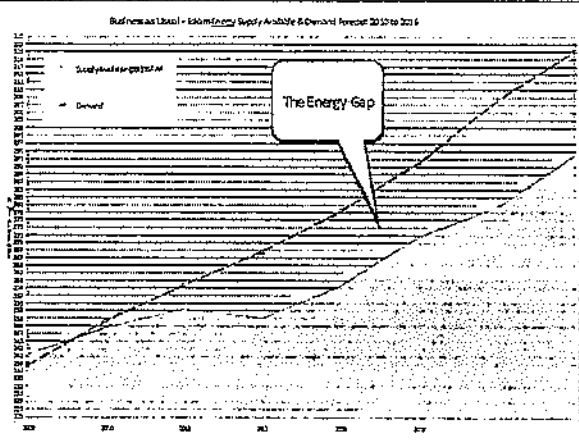
improve such efficiencies. A predictable and reliable electricity supply is also crucial for the industry's processing and beneficiation efforts. The objectives of the ILTIPM include:

- To assess the existing infrastructure arrangements and current infrastructure environment available to the South African mining industry through a process of engagement with industry and government.
- To assess the long term infrastructure requirements of the mining industry through a process of engagement with industry and government. This could be both region specific, and commodity specific. Long term mine plans would help verify the long term infrastructure requirements.
- To identify the gaps between currently available infrastructure and future needs and to make proposals on how these gaps can be resolved, taking into account both industry and national needs and requirements.
- To identify the national processes dealing with infrastructure, and to propose how the mining industry's needs and requirements can be integrated into the national processes.
- To determine areas that are industry and/or government responsibilities (public vs private goods) as well as develop solutions to correct problems in current institutional arrangements for coordination of infrastructure
- To engage with the national processes to ensure that the mining industry's case is properly articulated and addressed.

ELECTRICITY

South Africa has a low reserve margin, which based on expected growth in electricity supply and demand, will remain under pressure for the next few years. The diagram illustrates the gap in electricity supply capacity, assuming maintenance of current supply capacity against projected demand growth. The problem is clear - the envisaged growth in the economy requires an expedient additional supply generation capacity, coupled with more energy efficient means of economic activity. This gap cannot be readily closed in the short and medium term and therefore "demand side initiatives" must be found to reduce the demand without affecting economic growth. Furthermore, non-Eskom generation opportunities must be accelerated to increase the supply.

Figure: Projected energy supply gap



The key uncertainties relevant to closing the energy gap and in so doing solving the problem are:

- RSA peak and energy demand for 2009 to 2016
- Eskom Generation Energy Availability Factors (Actual and Target)
- Supply capacity Eskom and Non-Eskom
- New capacity start dates/ramp up rates
- Medium term price trajectory and regulatory certainty

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- Demand Side Opportunities:
 - Demand Side Management, Demand Market Participation, Energy conservation, Energy Efficiency
- Non-Eskom generation Opportunities
 - Renewables, Co-generation, Own Generation, Independent Generators, Municipal generators.

The LTIPM will unpack the mining industry's electricity needs in more depth, including requirements for beneficiation in the medium and long term. The LTIPM will recommend the contribution of the mining industry towards narrowing the projected energy supply-gap, including focussed energy efficiency and technology development.

RAIL

In South Africa almost all of the significant mineral products are mined in areas distant from users and export harbours. Given that with some exceptions these products are of a low value, high volume nature, rail transport is normally the most economical transport mode over any distance exceeding 100 km and tonnages of 1 million tons or more per year. The Coalink line currently runs 600 kilometres from the traditional coal fields to Richards Bay Coal Terminal, while the Orex iron ore line runs over 800 kilometres to Saldanha.

Currently the rail transport situation in South Africa is characterised by Transnet Freight Rail dominant in long haul freight rail transport, with limited capacity to service the mining industry adequately. Negotiations related to the upgrade of rail facilities for iron ore and coal exports have protracted and execution of planned upgrades, in certain cases, is behind schedule, or the relative efficiency of certain lines is not at reasonable levels. The cost of transportation of bulk commodities has material effect on the country's competitiveness. In addition, large tonnages of mineral products are transported by road, e.g. manganese from the Northern Cape producers to Port Elizabeth, chromite from mines to ferrochrome smelters, ferro-chrome from smelters to ports and coal from collieries to distant power stations and other users, because of the rail service challenges, which has resulted in gross damage of the road infrastructure in the vicinity of such mining fields. The differential costing structure for established and emerging miners also places an extra strain on the latter, who are typically required to pay up to several folds more than their established counterparts, as a result of which their ability to compete meaningfully is impaired.

As a result:

- the final cost of rail and reliability in some cases has implications for the competitiveness of South African producers
- roads are damaged to the point where national and provincial road authorities are unable to keep up with road maintenance
- Rail cost structure must enable diversification of the mineral producers, in line with the competitive and transformation objectives
- constrained transport volumes due to rail capacity constraints thwarts mining growth prospects
- road safety has deteriorated significantly

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The desired end state is for South Africa to be a world leader in mineral production and sales with:

- a reliable, adequate and affordable rail transport service for mineral products
- optimal export of beneficiated (high value) goods as opposed to low value and high volume goods, which will significantly reduce capacity requirements for unlocking mineral potential with only limited volumes of mineral products being transported by road over short distances

To achieve this it will be necessary to:

- Facilitate meaningful competition in heavy haul long distance freight rail transport
- Invest in freight rail infrastructure, services and human capital
- Ensure optimal current rail capacity utilisation
- Co-ordinate such investments to ensure that the needs of the minerals industry are adequately served. Have a clear policy on the apportionment of costs between Transnet (service providers) and industry on dedicated lines.

WATER

Water is an essential input used extensively in the mining industry in the recovery of mineral process as well as dust allaying in mine workings, for air cooling, drinking water for employees and in hydrometallurgical mineral processing. Mines also discharge water, i.e. through ground water pumped from mine workings and via waste water from metallurgical processes.

In general, mines obtain water from local authorities, water boards and in some cases from natural sources such as rivers and ground water. Various challenges regarding water are faced by the mining industry, including:

- The primary constraint is the scarcity of water in South Africa. In some areas mines compete with the local communities and other industries for water.
- Water discharged by mines is usually contaminated and requires treatment prior to release. On the Witwatersrand defunct mine workings (mine environmental legacies) are starting to decant and contaminating ground water.
- It takes an inordinate length of time to obtain permits for water extraction and discharge in terms of the National Water Act. This results in mines operating illegally in some instances.

Measures taken to ease constraints/solve problems include:

- The use of "grey" water by mines for mineral processing to allow communities access to potable water.
- The recovery and recycling of water for mineral processing.
- Treating mine discharge water to release standards.
- Using treated mine discharge water for irrigation.
- Treating mine discharge water to potable standards.
- Public/private partnerships in constructing water supply facilities.
- Investment in research and development to reduce dependence of mining on water as a scarce national resource

It is a desirable end state for water use in mining to achieve the following:

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- all mine discharge water, from working and defunct mines, is treated to potable or release standards
- the recovery and recycling of water is practised an industry standard
- attainment of water-less mining
- the local communities have an ample supply of potable water
- water permits are obtained without undue delay
- It is inevitable that the cost of mining will escalate over time to reflect the scarcity of water in South Africa, which will have a material impact on the mining industry and it is therefore critical that the mining industry invest in technology for efficient water use or water free mining

The ILTIPM has a key role to play in investigating the industry's long term water requirements and developing long term interventions required to sustain the growth of the industry.

4.2 Mineral regulatory framework

The regulatory environment is defined by both the existing laws and regulation (i.e. the regulatory framework) and the efficiency and transparency in which these laws and regulations are administered (the institutional capacity of government and the ability of the companies to apply the laws). In general, for the economy as a whole South Africa is ranked in the second best quartile for the quality and capability of its institutions (rank 45 out of 133). The country is ranked highly in terms of the protection of property rights (rank 20), for independence of the judiciary (rank 38), the efficiency of handling legal disputes (rank 18), the transparency of government policy making (rank 24), and the strength of auditing and reporting standards (rank 2) and for the efficacy of corporate boards (rank 3). However, South Africa is ranked in the middle of the 133 countries that make up the WEF survey for the burden of government regulation on the economy (rank 65) and also ranks close to the middle in terms of the favouritism in decisions of government officials (rank 69).

UN survey of priority investment criteria for exploration and mining

Decision criteria	RANKING	
	Exploration Stage	Mining Stage
Geological potential of target mineral	1	N/A
Measure of profitability	N/A	3
Security of tenure	2	1
Ability to repatriate profits	3	2
Consistency and constancy of mineral policies	4	9
Company has management control	5	7
Mineral ownership	6	11
Realistic exchange regulations	7	6
Stability of exploration and mining terms	8	4
Ability to predetermine tax-liability	9	5
Ability to predetermine environmental obligations	10	8
Stability of fiscal regime	11	10
Ability to raise external financing	12	14

Based on surveys of mining companies, the United Nations devised a schematic of the specific priority investment criteria that mining industry deems to be important, ranked in order of importance, at both the stages of exploration and mining. Clearly the *geological potential* of the mineral prospect and *security of tenure* are the most important issues, without which exploration or mining will not take place.

In general, the majority of the remaining investment criteria for mining and exploration are related to the stability and predictability of the

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policy environment, which are critical issues that provide some degree of comfort to the investors that the investment risks are manageable over the long term.

Much of South Africa's regulatory framework has been totally redeveloped over the course of the last fifteen years with the publication of the white paper in 1998 to the actual finalization of the new Minerals Act in June 2002, with its actual implementation taking place on the 1st May 2004. The broad policy objectives of South Africa's mineral framework are very similar to most competitor countries. Although South Africa's mining regulatory environment does have most of the key objectives comparable to other leading mining jurisdictions, such as the focus on growth, state custodianship of the mineral rights, providing for a competitive mining policy framework, properly regulating environmental and safety challenges and so on,

The Minerals Act No. 50 of 1991 was introduced to restore the common law rights of the mineral rights holder. The State retained a regulatory role in the sense that prospecting and mining activities could not commence unless authorization was given to the holder of the mineral rights. The role of the State in terms of the Minerals Act was regulatory in nature. The State regulated the exercise of the rights by a mineral right holder.

Prior to the democratic dispensation, South Africa had a dual ownership model for mineral rights, in which part of the mineral wealth was held in private hands and the other by State. The private ownership was based on the law of property. A distinguishing feature with this mode of ownership was that almost all privately-owned mineral rights were in white hands, clearly excluding other races.

The culmination of South Africa's mining policy reform is epitomized by the introduction of the new regulatory framework in 2004 with the commencement of the Mineral and Petroleum Resources Development Act, 2002 ("MPRDA"), following the publication of the minerals and mining policy White Paper of 1998. This framework created the transformation agenda for the mining industry, consistent with South Africa constitutional provisions. The mining regulatory framework also embedded requirements for a social licence to operate in the country's mining industry and recognized the notion of mineral wealth as a national patrimony, resulting in the subsequent custodianship of mineral rights to State. This position is further supported by the Constitution of South Africa in terms of which the State is bound to take legislative and other measures to enable citizens to gain equitable access to rights in land. The regulatory framework underpins the attainment of sustainable growth and meaningful transformation of the mining industry.

The sixth year of the MPRDA's implementation provides sufficient basis for an objective performance assessment of the current mining regulatory framework in South Africa. While the introduction of the MPRDA resulted in an unprecedented level of applications for prospecting and mining rights in the history of mining in South Africa (diversification from gold dependence), resulting in a number of mining projects being developed to diversify the mineral exploitation basket, it also coincided with the longest synchronised commodities boom in modern history. However, South Africa's mining industry did not benefit optimally relative to other mining

jurisdictions, with a reported contraction in nominal terms since 2001. This has resulted from a number of contributory factors, with the negative perception of the country's regulatory framework cited as the main deterrent to investment and growth of the sector. At the same time, the extent of transformation of the mining industry against the agreed targets among industry's stakeholders is less than desirable.

The Fraser Institute 2009/10 survey results were used as a yardstick to gauge the performance of the perceptions of the country's regulatory framework, in which South Africa has lost its global ranking from a fairly eminent position of 27th out of 47 countries surveyed in 2002, to 61st out of 72 countries surveyed in 2009. There is consensus on the importance of managing perceptions of the regulatory framework, as they have a profound influence on investment decisions. Notwithstanding the Fraser survey, some mining stakeholders believe that South Africa's mining regulatory framework is relatively good, although there are some specific issues in the architecture of the MPRDA and related legislation that require urgent improvement.

The complexities to access information on mining and related rights, such as information over who holds what rights in a specific area require simplification, as provided for in section 30 of the MPRDA to enable a seamless process for companies investigating new areas to explore, purchase existing mines, and so on. It is strongly recommended that the country should explore the idea of setting up a Mining Cadastre that would collate and provide this type of data to the public at large. Effectively the South African Mineral and Petroleum Titles Registration Office is the Mining Cadastre, but clearly it needs to be reconfigured to enable the information flows to be available on a timely basis. The improvement in the availability and flow of information that should be publicly available will reduce business costs, increase transparency and increase activity in exploration and mining.

It is clear that environmental issues in the mining sector are regulated in terms of the MPRDA and the responsible Minister is the Minister of Mineral Resources. However, lately there has been uncertainty on the governing legislation and the authority as it relates to environmental issues pertaining to mining and related activities, hence leading to duplication of environmental authorization in terms of both the MPRDA and also as per the National Environmental Management Act (NEMA). The lack of certainty of exact requirements, the multiple decision making points in various government departments and the long time frames involved in the issuing of environmental licenses tends to make applications a very complicated, costly and time consuming process for mining companies. The following are some of the key issues:

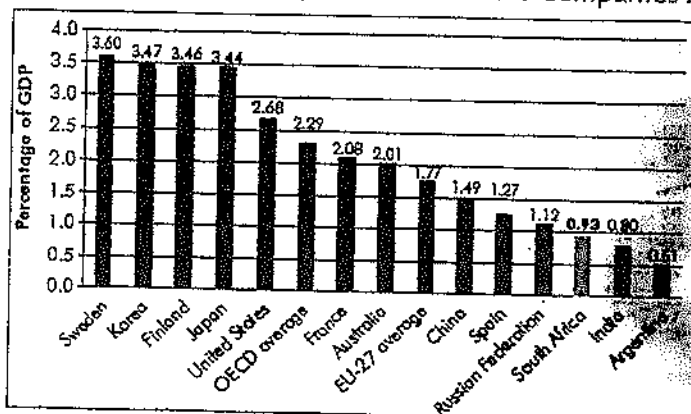
- Fragmentation of the permitting or licensing process, e.g. the water use license issued by the Department of Water Affairs, waste permit and air quality permits issued by municipalities, environmental authorizations issued by the Department of Mineral Resources.
- There is very low level of adherence to environmental compliance requirements.
- Several of the implementing government agencies have insufficient capacity to effectively monitor and evaluate the performance of companies in meeting environmental obligations. The

general trend is to focus mainly on the approval of environmental reports and once the license has been issued there is minimal follow up, to ascertain the actual compliance.

- The MPRDA Amendment Act, read with the National Environmental Management Amendment Act, 2008 ("NEMAA"), envisages various changes to the system of environmental authorisations under the MPRDA.
 - Section 14(2) of the NEMAA provides that its provisions relating to mining will come into force 18 months after the commencement date of NEMAA or the MPRDA Amendment Act, whichever is the later.
 - All applicants for a prospecting right, mining right or mining permit must simultaneously obtain an environmental authorisation in terms of section 24 of National Environmental Management Act, 1998 ("NEMA"), (as amended by NEMAA).

While the new environmental requirements are substantially more onerous on applicants, it is important to state that the industry does not want to be unregulated on meeting this critical issue of managing the environmental impacts of the mining sector, and in particular in avoiding the legacy impacts from the many years where mining was not properly regulated prior to the 1990s. Rather, the industry wants to mine in an environmentally responsible manner, but requires that the laws regulating environmental impacts are clear and implementable and that there is a clear process for applications. Many other mining jurisdictions vest environmental authorisations within a single government department to ensure that a seamless "one-stop" facility for environmental permits is made available, where all issues related to environmental licensing, enforcement, monitoring and evaluation are addressed.

The strategy prioritises the need for strengthening the architecture of the MPRDA to improve its efficiency and effectiveness, as well as strengthening enforcement, monitoring and evaluation of the mineral regulatory framework. Further, this strategy emphasises an urgent need to promote greater cooperation and coordination between the DMR and other government departments to harmonise the mineral regulatory regime with other related legislation impacting on the mining industry, such as water, environment and Companies Act of 2008.



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4.3 Mining Innovation

South Africa is ranked bottom amongst other countries that contribute towards research and technology development, with Gross Expenditure on Research and Development (GERD) under one percent of GDP. In countries such as South Korea, gross expenditure in research and development as percentage of GDP is more

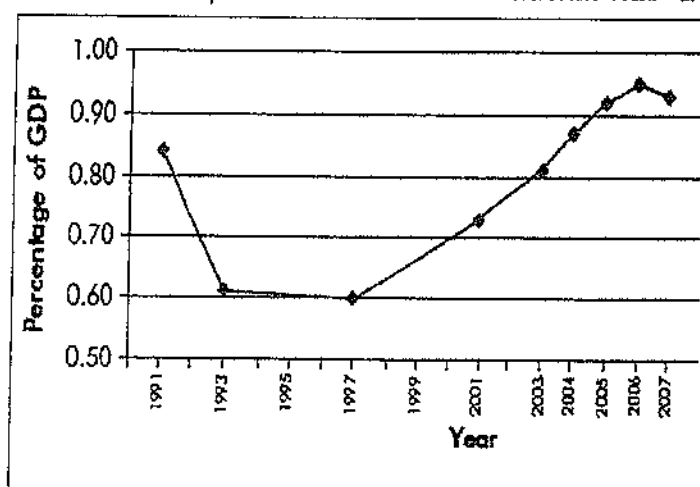
¹⁰ The figure exhibits world GERD as percentage of GDP

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than three folds that of South Africa, while Australia is twice more as highlighted in the graph.

In addition, South Africa has the second highest energy consumption per capita GDP generation, corroborative of a glutinous energy appetite resultant from a generally poor technology base used to sustain the country's economy.

Notably, national research and technology development expenditure as percentage of GDP declined between 1991 and 1997, from 0.84 to 0.6 percent respectively, preceding the advent of the democratic dispensation. While the national R&D expenditure per GDP recovered from 1997, the



mining industry has not recovered from the atrophied culture of innovative research and technology development, which has also contributed significantly to thwarting its competitive growth synchronous with the commodity boom. The research and development capacity that was installed in South Africa pre-1991 remains grossly under-utilised, with the industry almost exclusively using off-shore facilities for its research and development needs, notwithstanding the availability of such facilities in the country, including State owned facilities such as Mintek, CSIR and CGS.

Figure: World GERD as percentage of GDP

Mining innovation straddles research and development (R&D), cost efficiency, productivity and management, all of which impact on sustainable growth and meaningful transformation of South Africa's mining industry. Stakeholders have a common objective towards sustainable mining informed by preservation of our environment, whilst encouraging innovation through development of exploration technology in line with energy efficiency, green mining as well as health and safety.

Currently, mining research and technology development is at its lowest ebb and fragmented, thus stifling potential for South Africa to be on the cutting edge of future technological development. Furthermore, there is preferential use of international facilities at the expense of underutilised local research facilities. Taking into account the importance of mining innovation through research and technology development, cost and management efficiency as well as productivity, stakeholders expressly commit to position mining industry along a sustainable growth path.

The prominence of South Africa's mining industry, as expressively outlined earlier, cannot grow in a sustainable manner unless it is premised on a sound research and development foundation. The research and development value chain presents incentives and opportunities for technical skills development and decent employment for the youth, as well as aforementioned benefits.

The residual potential for discovery of world class mineral deposit with the use of advanced exploration/prospecting technology remains very high in South Africa, with a healthy mineral "real estate". However, the exploration and mining research is currently excluded from the national research incentive scheme, which suggests that mining has not been able to position itself as a key sector of the economy. Mining stakeholders are committed to attaining sustainable growth and meaningful transformation of the industry through research and development.

A number of mining research initiatives are currently underway, but lack coordination and the desired impact. A multi-stakeholder task team must be established within three months of the strategy to establish the current baseline of research and development dedicated to mining, map out the designed levels of research and development and proposes interventions sought to close the gap.

4.4 Beneficiation

South Africa remains a host to considerable known reserves of mineral commodities, ranking among the top five (5) in the world, including albeit not limited to: Chrome, fluorspar, titanium minerals, vanadium, nickel, PGM, uranium, phosphate rock, manganese and vanadium. There are 54 minerals being actively mined in South Africa, with prospects for exploitation of additional two new minerals in the short to medium term. South Africa's exploration "real estate" still presents substantial potential for discovery of other world-class deposits with application of modern exploration technology. South Africa's mining industry remains a sunrise industry in terms of opportunities for investment across the various commodities' value chains.

For more than a century, South Africa's mining industry has contributed to the development of a local economy and secondary industries. The development of mineral complex presents industrial opportunities for value addition through up/down and side stream linkages. However, the mining industry expenditure on goods and services has not supported growth of the local industries (local content) consistent with the government's drive for local industrialisation. The mining industry has the potential to induce prosperous clusters of industries to support its development, which can significantly broaden economic growth and benefits and create decent jobs.

The mineral beneficiation (mineral value addition) programme is a deliberate government intervention presaging a framework within which South Africa intends to implement an orderly development of the country's mineral commodities value chains in order to leverage benefit from inherent comparative and competitive advantages. The strategy seeks to facilitate further economic diversification, improve the country's productive capacity, expedite progress towards a knowledge based economy and attain incremental GDP growth in mineral value addition per capita. The beneficiation strategy compliments the industrialisation policy of South Africa, linked to the recently approved Industrial Policy Action Plan (IPAP).

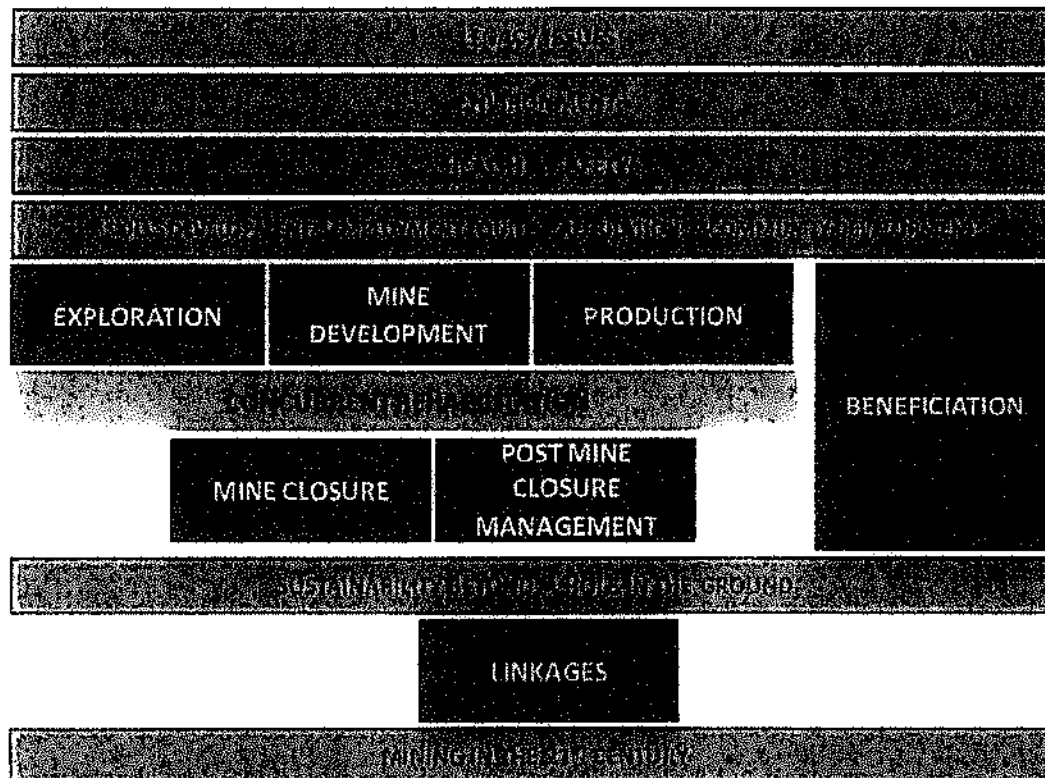
Mining stakeholders commit to support the local beneficiation drive, consistent with government socio-economic development priorities to unlock intrinsic value inherent in the country's mineral resource heritage.

4.5 Sustainable development

Sustainable development framework

The diagram encapsulates the various elements of sustainable development across the various stages of the mining cycle. Even though the extent to which each element applies to each stage of mining is not dealt with specifically that way in the document, it is important to always view sustainable development as applicable from cradle to grave and beyond. The intention is to be forward looking, however to the extent that there are Legacy Issues they will be dealt with in order to understand the context of the current situation, and also to appreciate the magnitude of what lies ahead. Thus we look at the Past, Current and Future towards Sustainable Development.

SUSTAINABLE DEVELOPMENT TOWARDS TRANSFORMATION AND GLOBAL COMPETITIVENESS



Source: Nonkqubela Mazwai: Motjoli Resources

Consideration for ecologically sustainable exploitation of the country's resources to ensure that South Africa's citizens (including corporate citizens) benefit optimally from same is the heart beat of the strategic intent. Prior to the South Africa's democratic dispensation, the focus of the mining industry has been fundamentally premised on the economic sphere of sustainable development (SD), at the exclusion of social and environmental spheres, characteristic of SD. The sustainable development in mining seeks to attain a fairly precarious balance between development (socio-economic) and the environment. Other parts of the strategy deal extensively with various aspects of development in the mining industry, in terms of socio-economic growth, as a result of which this section will only focus on those areas not covered elsewhere in this document. In terms of the recent FRIDGE study on *"The Use Of Economic Instruments And Develop Sectoral Plans To Mitigate*

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The Effects Of Climate Change", the mining industry is the second most vulnerable industry in South Africa regarding the possible impact of global greenhouse gas (GHG) emission commitments and the ability to trade. The study identifies South Africa's mining sector contributing 1.7% of the national greenhouse gases emissions. This considers the SA's economic structural changes that might need to be effected due to carbon-intensive goods and service to *less* carbon-intensive goods and service, and also our trading partners with climate change policy(s) that might require importing less carbon intensive goods and services from South Africa.

ENVIRONMENT

Section 24 of the Constitution guarantees an environment that is not harmful to people's health or their well-being and to have the environment protected for the benefit of present and future generations through reasonable legislative and other measures that prevent pollution and ecological degradation, promote conservation, and secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

The MPRDA makes provision for mine environmental management, embracing the cradle-to-grave approach in prospecting and mining activities whilst ensuring a balance of economic, social and environmental costs.

However, the prior focus of the mining industry on economic benefit, compounded by the legislative vacuum on mine environmental management at the time, has created an abundance of derelict and ownerless mines, which have cumulative impacts on the environment, with compromising effects on the sustainability of the industry. In many cases, these derelict and ownerless mines have a significant impact on the health and safety of local communities and on the environment. Public health and safety impacts include those due to physical features of the mines such as open shafts, unstable slopes on dumps and pits, collapse features and abandoned mine infrastructure. Other hazards result from contaminated water and soil, mining chemicals, explosives, radioactivity, windblown dust and, in the case of coal mines, spontaneous combustion of coal and coal wastes.

This strategy identifies an urgent need for collaborative work on mine environmental management, which will include the following:

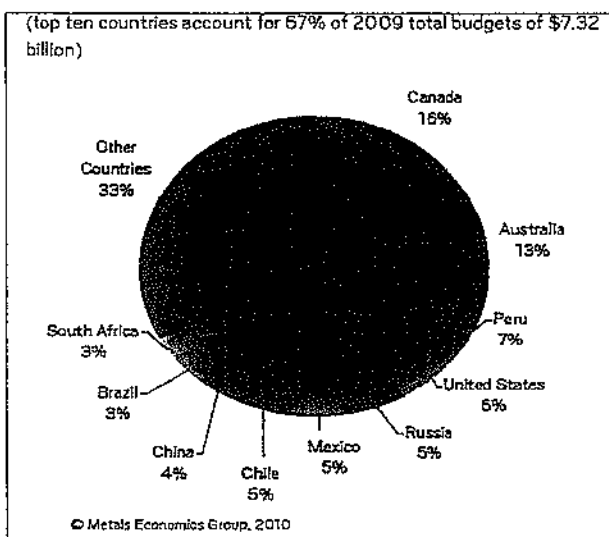
- Establishment of a multi-stakeholder task team on derelict and ownerless mines, which will develop, recommend and implement mechanisms for rehabilitation of these mines to ensure health and safety of proximal communities, and mitigate and eradicate potential toxic pollution to the environment, including water, land and air.
- Adoption of a regional approach in dealing with integrated and cumulative environmental impact resulting from mining.
- Development and implementation of a national action plan for the management of acid mine drainage.
- Support continuous research and development initiatives directed towards the sustainability of mine closure and mining environmental legacies.

- Explore mechanism for concurrent rehabilitation of mines, analogous to the Richards Bay Minerals world's best case study across all other commodities in order to ensure coexistence of mining and the surrounding environment.

HEALTH AND SAFETY

The growth of the mining industry in a sustainable manner is also largely dependent on the conditions of workers in the mining industry. The industry sought to achieve continuous improvements in the health and safety conditions of mineworkers through a number of tripartite initiatives, with varying degrees of success. Following the regression in the country's mine safety performance in 2007, the Mine Health and Safety Council (MHSC) facilitated the 'Tripartite Leadership Action Plan on Health and Safety, followed by the Presidential health and safety audit in 2008, both of which initiatives were directed towards accelerating health and safety improvements in the industry. Stakeholders have also developed and agreed on a set of milestones on occupational health and safety as embedded Tripartite Leadership Action Plan on Health and Safety, which include zero rate fatalities and injuries, elimination of silicosis, elimination of Noise Induced Hearing Loss (NIHL), and implementation of the action plan on TB and HIV and AIDS. The industry requires continuous investment in development of techniques and different approach aimed at improving the health and safety of workers and mining host communities.

The quality of life of communities during and beyond the mining activities, skills development, employment, health and safety including the environment are pertinent to sustainable community development. Skills development and training cannot continue being an exclusive benefit limited to workers but ought to be extended to the community. In addition to the critical skills that are required in the mines, focus should also be on developing portable skills of the workforce to ensure that they are able sustain themselves post mine closure. A joint approach between all stakeholders is required for the development and sustainability of the mining communities, by contributing to education, job skilling and new business development, as well as, restoring the natural environment to the pre-mine state.



EXPLORATION

The mineral resource reservoir at the country's disposal is finite in nature, the lifespan of which is dependent on the depletion rate (rate of extraction) and the rate of replenishing mineral reserves. The demand of mineral commodities has growth sharply in the recent past, which correspondingly resulted in higher rates of extraction to boost the supply side of the equation.

The world exploration expenditure increased by an average of thirty-four percent per annum between 2004 and 2008, ranging from US\$ 2.4 billion to US\$

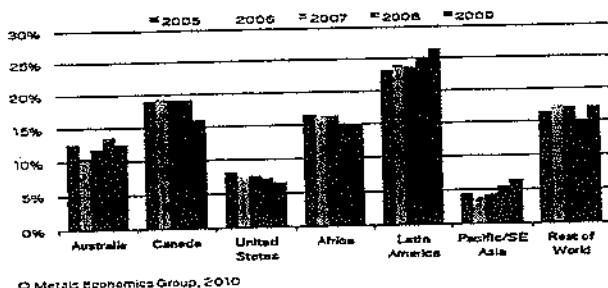
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13.2 billion. This budget declined by 45% in 2009 to US\$7.32 billion, as a result of the impact of the global economic recession. The South African exploration has correspondingly lost its share of the global exploration expenditure from eight (8) percent to four (4) percent and further to 3% in 2009. However, this expenditure in nominal terms has more than doubled during this period, ranging from US\$ 192 million to US\$ 528 million, representing a fraction of the percentage of annual revenues generated from mining.

During the same period, more than eighty (80) percent of South Africa's exploration budget was expensed towards mine-site exploration, with only an insignificant remainder dedicated towards green-fields exploration. At the global level roughly 32% of all exploration expenditure is spent on green-fields (grass roots) exploration¹¹. Contrary to international best practice, the South African mining jurisdiction generally lacks readily available and centralised exploration and/or mining data. Effectively this type of exploration is the *lifeblood* of the mining sector, because it enables the development of a pipeline of potential new mining projects that supplement investment and production in a country.

In excess of 60% of the annual global exploration budget is expensed by junior to mid-tier companies. These juniors tend to raise capital from the world's venture capital markets (very little is raised in the form of bank loans or debt) and these juniors then attempt to find deposits in countries with significant geological prospects that they can then on-sell to the mid-tier or major

Exploration Budgets by Region, 2005-2009
(as a percentage of annual worldwide exploration totals)



mining companies. These companies are typically listed on the London's AIM, Australia's ASX and Canada's TSX, with only a handful listed on the JSE's AltX. There are several possible reasons why South Africa relatively lags its major international mining competitor countries, especially in terms of green-field's exploration. Again sufficient space must be created for a thorough assessment of the issue, but some reasons could include:

- In the first instance South Africa's domestic venture capital market is relatively small compared with that of Canada, Australia and the UK. Since junior resource exploration companies and their grass roots exploration activities are mostly funded by venture capital, there are limited other sources of capital in the South African market for such activities (i.e. the banks will not lend to such high risk entities). However, that does not preclude both domestic and foreign juniors from raising capital in these foreign markets. In the venture capital market of Canada the government has provided a mechanism that incentivises tax payers to invest in high risk exploration companies. This has contributed to the increase in availability of venture capital funding as it lowers the risk to the investor/taxpayer.
- The second reason for the poor track record in exploration has been the significant funding challenges for emerging exploration producers in the South African context.

¹¹ Source: Metals Economics Group, "World Exploration Trends", a special report from MEG for the PDAC International Convention, 2010.

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The need to attract investment in mineral exploration cannot be overemphasised. Various mechanisms are proposed to this effect, noting that South Africa is competing with other exploration jurisdictions for a limited global budget. These include:

- A competitive regulatory framework, consistent with governments priority deliverables
- Investigation of regulatory and macro-economic levers to enhance exploration
- Development and publishing of a mining cadastre system
- Investment in state of the art research and technology for exploration

SUSTAINABLE MINING IN THE 21ST CENTURY - A CASE FOR CHANGE

A COMMON FRAMEWORK TO IMPROVE SUSTAINABILITY, PERFORMANCE AND ENHANCE THE INDUSTRY IMAGE

The SA Mining Sustainability Fact Base completed in 2009 by a team including Prof. May Hermanus concluded that current mining processes, in particularly gold and platinum mining, pose serious challenges to the sustainable growth and meaningful transformation of the industry. The mining industry has also not been able to achieve the health and safety objectives that were agreed with labour and government in 2003, partly due to operating models that prevail in the industry. Hence, new ways to mine 'sustainably' in 21st century South Africa need to be considered, since current processes:

- a) Expose workers to fatal hazards on a continuous basis
- b) Present physical barriers to women in mining
- c) Make it difficult to attract and retain individuals with scarce skills
- d) Render available resources unsafe to mine and hence shorten the time during which mining can create jobs and in other ways contribute to South Africa's development
- e) Hamper the diversification of the economy
- f) Slow progress on implementation of transformation measures

It is clear that current mining methods, coupled with management approaches and technologies will require substantive change to align the industry to the sustainable development paradigm and to achieve the aspirations of sustainable mining in a 21st century South African context.

5. MINING TRANSFORMATION FRAMEWORK

The industry exhibited a tainted past, characterised by an unhappy history of black labourers, the reinforcement of the repressive system through racial segregation, the suppression of the development of black people (skills, career progression and economic participation), neglect of host communities, a poor safety record and poor environmental management, among others. Many of these legacy challenges needed urgent policy interventions to redress prolonged impact of exclusionary apartheid policies in the context of modern democratic era as essentially manifested in the "social licence to operate" requirement of the MPRDA.

It is important to place in context the mining reforms, informed by the evolution of the ruling party's mining and mineral policy orientation directed towards addressing deep rooted and structurally entrenched dispossession of the majority of the citizens of South Africa.

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Central to the history of dispossession of the SA majority is a number of legislative instruments passed over the years, as summarised below.

5.1 Abridged history of dispossession

Land and Mineral rights dispossession: Origin of trust Lands and ownership of land by Blacks

- I. Proclamation 14 of August 1872
- II. The diamond act of 1882

Until the time of the annexation of the ZAR, the then Government legislatively prohibited Africans to purchase land directly. The only avenue available was for Africans to make arrangements with missionaries to buy land on their behalf. The land would then be registered in the name of the missionary on behalf of the African tribes. This became the only method of holding land by Africans in ZAR prior to its annexation.

Following the annexation of South Africa in 1877, Sir Theophilus Shepstone changed the dispensation of missionaries registering and holding purchased land on behalf of African tribes. He instructed that all land purchased by or for natives were to be held in trust by the Secretary for Native Affairs for such natives. In early 1880 the Government of the Transvaal Colony had decided officially that the Secretary for Native Affairs be appointed *ex officio* as trustee for land purchased by native tribes. Article 13 of the Pretoria Convention¹² provided that: "Natives will be allowed to acquire land, but the grant or transfer of such land will in every case be made to and registered in the name of the Native Location hereinafter mentioned, in trust for such natives."

The importance of land ownership for black participation in the mining industry is based on the fact that in terms of the South African common law prevailing then, mineral rights were conferred to the land owner except in cases where mineral rights were severed from surface rights. Furthermore, in terms of the provisions of that legislation, the landowner was granted the exclusive right to prospect together with the option to acquire a mining lease. Black people did not enjoy these rights and privileges as they could not legally own land.

Previous Mining legislation and Black participation in the Mining Industry

Blacks were not only excluded from participating in the mining industry by land-related legislation, but also specific mining legislation. Whilst the Minerals Act 50 of 1991 removed specific prohibitions for Black participation in the mining industry, the institutional and structural exclusion remained intact.

The following sections attest to the fact that the previous legislation prohibited blacks from participating in the mining industry:

- Section 130(1) of the Transvaal Gold and Base Metals Law 35, 1908 stated that: "...no right may be acquired under this Act by a coloured person (includes Africans as defined in the Act), and the holder of a right acquired under the Law No. 15 of 1898 or a prior law or under this Act shall not

¹² Signed on 3 August 1881

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transfer, or sub-let, or permit to be transferred or sub-let, any portion of such right to a coloured person.....”

- Section 23(1) of the Development Trust and Land Act 18, 1936 provided that: “Notwithstanding anything in any other law the following provisions shall apply to land in respect of which the mineral rights are held by the Trust or a Black or in trust for a black tribe or community: (a) no person shall prospect for minerals on such land without the written permission of the Minister: Provided ...sub-section (3) Save as is otherwise provided in this section, the Trust shall in respect of mineral rights held by it, be in the same position as any private holder of mineral rights.”

The law provided that, an applicant for a prospecting permit or mining authorisation must either be the holder of the mineral rights concerned or have the written consent from the holder of the minerals rights before he/she could be issued with a permit or authorisation.

- Section 7 (3) of the repealed Mining Rights Act 20, 1967 reads: “No prospecting permit shall be issued under sub-section (2) - to any coloured person or any association of coloured persons or any corporate body or company in which coloured persons hold a controlling interest, except in respect of State land in the Province of the Cape of Good Hope or private land the ownership of which is vested in a coloured person or an association of coloured persons or a corporate body or company in which coloured persons hold controlling interest;

“to any Black, except in respect of private land of which the South African Development Trust or a Black is the owner or which is held in trust for a Black; in the case of private land, not being land referred to, held in trust for a Black to any nominee of such Black except with the permission.....”

It is true the mining industry played no small role in the present structural inequalities and exclusions that we inherit from our unfortunate history, an economy characterized by a systematic exclusion of blacks from ownership of the means of production and thus from the ability to accumulate wealth; concentration of resources and wealth in the hands of a minority and ensuring that blacks become the mere purveyors of cheap labour; relegation of rural areas into reservoir of cheap labour and their resultant underdevelopment.

It is this history that informed and necessitated the reform of the mining industry, the law that governs the industry and supports institutional framework.

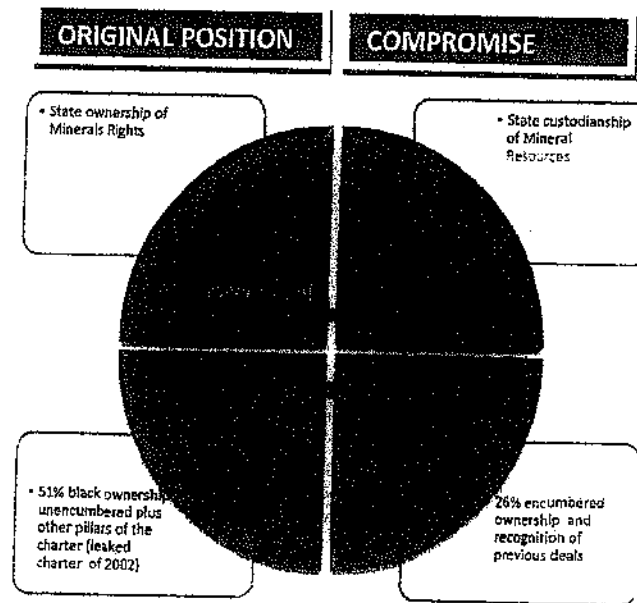
5.2 The mining reform

After coming into power in April 1994, South Africa's new democratic government soon recognised that the Minerals Act 50 of 1991 did not adequately serve the future needs of the country and its people. Consequently the new government embarked on a thorough review of South Africa's mineral legislation. The process of developing a new legislative dispensation involved broad consultation and engagement of all key stakeholder (government, organized labour, business and communities) and culminated in the promulgation of the Mineral and Petroleum Resources Development Act 28 of 2002

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(MPRDA). The Act represents largely a compromise of the original positions of the individual stakeholders.

The concept of state custodianship of mineral resources is a compromise position from state ownership of mineral rights as a policy position of the ANC policy documents.



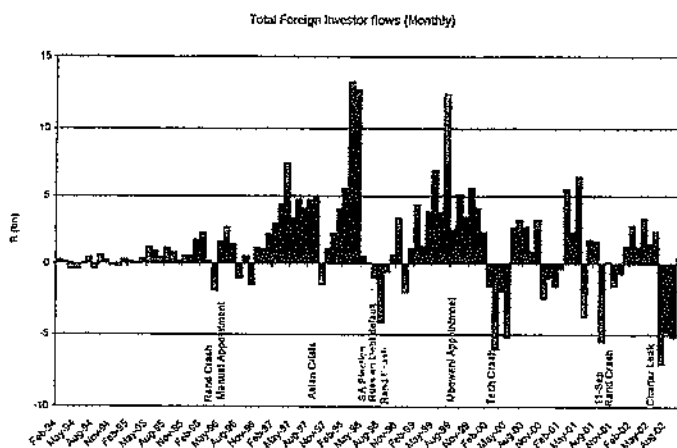
The concept that the State should possess sovereignty over its natural resources is a universally recognized one, and is therefore the approach that was adopted by the South African government. It brought South Africa in line with most other mineral producing countries of the world. The rationale for granting custodianship of mineral resources to the state is also compatible with the South African Constitution and the aims of its Minerals Policy, whereby all citizens obtain equal access to the resources of the country.

It appears though that the initial effects of transformation resulted in the creation of the patriotic black bourgeoisie, albeit a handful and not sufficiently representative as means through which the de-racialisation of the mining industry could be attained. This philosophical stance would find expression in Section 100 of the MPRDA, which provided for the Minister to, within six months of the promulgation of the MPRDA, establish a charter whose main purpose is to redress historical imbalances and to ensure the empowerment of Historically Disadvantaged South Africans (HDSA). The (mining) charter was subsequently developed as a product of, similar to the legislation, extensive consultations and engagements between government, organised labour and industry seeking to address the challenges that face the mining and minerals industry. Whilst these consultations and engagements pre-date 1994, the defining moment for the development of the charter was mining summit of the late 2000. The then Department of Minerals and Energy (DME) held this mining summit with the express objective of clarifying and crystallising the barriers to entry in the mining and minerals sector by the HDSAs. All industry stakeholders participated in this workshop.

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Following the mining summit, a discussion document on BEE was drafted by government. The discussion document was developed taking into consideration the reality that despite the major developments since the new democratic order the South African society still remains characterized by vast racial inequalities in the distribution of and access to wealth, income, skills and employment. Arising from the Summit stakeholders had acknowledged the fact that despite the political miracle in South Africa in 2004, there was notable widening of inequalities and economic marginalization, and the market had not corrected itself. It was noted that since the structured exclusion of Blacks from meaningful economic participation was effected through a battery of discriminatory laws and that market forces had failed to correct these historical imbalances, then the correct response would be to intervene through the instrumentality of legislative measures to facilitate and promote change. It was on this basis and taking all these issues into account that the discussion document was developed. This discussion document became a forerunner to the Broad-based Socio Economic Empowerment (BBSEE) Charter for the mining industry and was leaked to the market in July 2002 with devastating consequences. Compared to a number of world scale events that impacted foreign investor flows into South Africa, the consequences of the leak were ground shattering.



As a result of this, the erstwhile Department of Minerals and Energy immediately invited all stakeholders to an Extended Sector Partnership Committee Meeting in which Business, Government, Labour and specific stakeholders in the industry such as South African Mining Development Association, the Chamber of Mines, community representatives and the National Union of Mineworkers were represented. The Sector Partnership Committee (SPC) was a long-standing committee that was formed in 1999 to

specifically focus on the mining Sector's priorities, which included job creation and retention of existing jobs. A number of other milestones had been reached by this Committee, hence the existing partnership, unique only to South Africa, was used to finalise the mining charter.

The Extended SPC delegated a representative committee to negotiate and develop the mining charter. It is important to note that through this process, the Broad Based Socio Economic Empowerment Charter for the mining industry was completed within a month from the establishment of the negotiating committee.

5.3 The Charter in a Nutshell

The Mining Charter as a tool to effect broad-based socio-economic empowerment to reflect its intention of transforming the South African mining and minerals landscape into one that:

- Facilitates meaningful and sustainable change in the ownership profile/equity;
- Improves the racial and gender composition, provides for training and skills development;

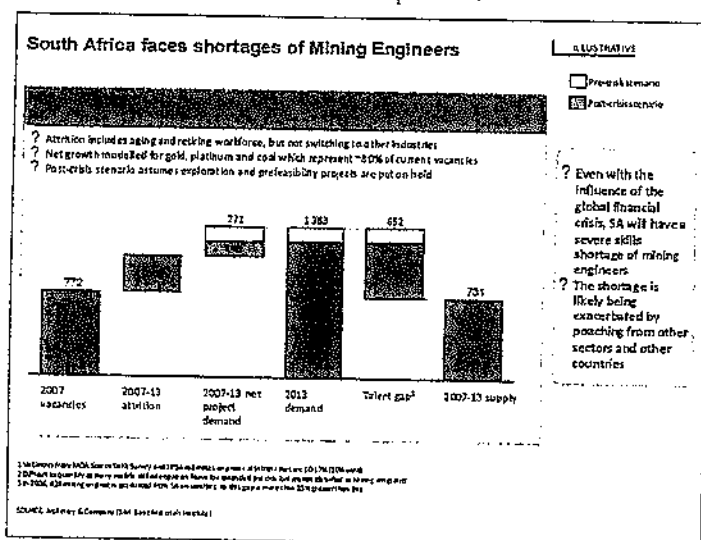
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- Improves delivery on employment equity;
- Establishes rural development strategies with special focus on host communities and major labour sending areas;
- Encourages urban renewal to avoid ghost towns;
- Facilitates procurement of goods and services from HDSA companies
- Encourages beneficiation (production of mineral-based higher value goods) and job creation.

The objectives are more clearly defined in the constitutive seven pillars of the Charter. The Charter became part of the regulatory requirements for conversion of old order rights into new order rights and granting of new rights under the MPRDA.

6. A SET OF TRANSFORMATION DRIVERS FOR THE MINING INDUSTRY

6.1 Human resource development



Over the past 11 years the number of students registering for engineering degrees and diplomas in South Africa has increased substantially, with 388 606 enrolments between 1998 and 2008¹³. Unfortunately, only 53 342 graduations out of the 388 606 enrolments were achieved, indicative of pass rate of only 13.7%. This compares to the international pass rate of over 25%. Furthermore only 15% of mining engineers that graduate in South Africa stay in the mining industry in the longer term, versus 75% staying in mining in the United States and over 80% remaining in the industry in Australia. Other sectors that have skills challenges tend to recruit from the mining sector and large numbers

of mining engineers are now working in the construction and financial services industries. While the South African mining sector has increased its relative levels of investment in skills development, and is currently spending approximately 3% of its total payroll on skills development training, unfortunately skills gaps still remain. It is projected that South Africa faces a shortage of over 500 mining engineers by 2013 and these skill shortages are exacerbated by the transportability of these types of skills into other sectors of the economy or in terms of international recruitment of these skills to go and work in other mining economies.

One of the major threats to the sustainable growth and meaningful transformation of the mining industry is shortage of the requisite skills. It must also be noted that the paucity of skills in companies is not a uniquely South African challenge, with 30% of global companies presenting skills shortage is one of their key strategic threats in short to medium term¹⁴.

¹³ According to the Landelahn Mining Survey 2010.

¹⁴ The BBC global debate on skills (13 July 2010) constituted by representatives of OECD, ILO and several EU universities

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Mining is a knowledge-based industry whose sustainable growth and expansion is predicated upon the availability of skilled human capital. Core and critical mining skills (engineering, geology, project management, metallurgical, artisans, technicians, etc.), are simply in short supply in the South African mining industry¹⁵.

Skills shortage in the mining industry, just like in the other sectors of the economy, is aggravated by the legacy of apartheid laws, which denied Blacks formal opportunities to acquire the requisite skills in technical fields to facilitate their effective participation and meaningful integration into mainstream economic activities. Moreover, the demand for skilled people required in the industry is expected to increase further, as the mining industry is slowly getting 'back to the boom'¹⁶.

As a result of the shortage of the requisite skills and talent, there is a great deal of poaching of skilled and talented staff between companies. The industry's lack of focus on development of requisite skills is closely linked to a number of unfavourable conditions prevailing in the industry, including lack of management support for staff participation in training and development, loss of bonuses for employees who opt to attend training and classes that are arranged after working hours. These conditions make it difficult for employees to register and participate in the various training programmes.

Moreover, the income generated under the present Sectoral Education and Training Authority (SETA) funding system is not sufficient to meet the increasing demand by the mining industry in priority skill areas¹⁷. The one (1) percent skills development levy paid to the Mining Qualifications Authority (MQA), which was established in terms of the Skills Development Act no. 97 of 1998 to drive skills development in the mining industry, is not utilised in its entirety towards the development of skills in the mining industry. Only 20% of the one (1) percent of the mining industry's total annual payroll is used for the implementation of MQA's skills development projects.¹⁸

Under these circumstances, a business as usual approach to human resources development renders the mining industry unsustainable in a long term. For South Africa to remain competitive in the global mining industry and to employ a skilled labour force that is representative of its demographic profile, it must adopt a more radical approach to human resources development which would ensure that the development of requisite skills becomes a priority for the industry.

¹⁵ According to the Workplace Skills Plan (WSP), submitted to the MQA, skills shortages are mainly in the following areas: Trades and technician (artisan and mine technicians); Professionals (engineers, metallurgists, geologists etc) and Foundational learning inclusive of ABET and foundational learning competence.

¹⁶ See PriceWaterHouseCoopers, 'Mine Back to boom...: Review of Global trends in the Mining Industry-2010' (Energy, Utilities and Mining, 2010).

¹⁷ A priority skill is the collective term used to refer to the "Core, Critical and Scarce Skills

¹⁸ The breakdown of MQA Funding Model is as follows: 20% is paid to the National Skills Fund (NSF); 10% goes towards the payment of Administrative costs; 50% is set aside for Mandatory Grants and 20% for Discretionary Grants. The discretionary grant (20%) is allocated to current projects that the MQA implements i.e. learnerships, ABET, internships, and bursaries. Savings from the administrative budget (10%) and unclaimed mandatory grants are used to supplement discretionary grants.

This would entail, among others, ensuring that an enabling environment is created to retain core and critical skills and to encourage greater participation of the workforce in training, demonstrating clearly to employees the advantages of undergoing training and incentivising training by establishing linkages between training and career-pathing.

It is clear that the current reported 3 percent expenditure towards skills development has not yielded desired results of creating a critical mass of skills sought to underpin a competitive and transforming industry. To ensure that there is sufficient funding to support the effective implementation of the proposed human resources development intervention, a target of 5 percent of the companies' total annual payroll is required for skills development by 2014¹⁹. A skills audit to assess the institutional and organisational absorptive capacity needs to be conducted by no later than December 2010 in order to lay the foundation for the proposed human resources development intervention.

6.2 Employment equity

With the dawn of the democratic dispensation and the adoption of the constitution, the need to redress the imbalances of the past are amplified and given impetus by the provision of section 9 in the Constitution *"equality includes the full and equal enjoyment of all rights and freedoms. To promote the achievement of equality, legislative and other measures designed to protect or advance persons, or categories of persons disadvantaged by unfair discrimination may be taken"*.

To give effect to the above constitutional provision and to ensure the implementation of employment equity to redress the effects of discrimination, the Employment Equity Act no. 55 of 1998 (EEA) was enacted to redress the disparities in employment, occupation and income within the labour market. The main thrust of the EEA was to achieve equity in the workplace by implementing affirmative action measures to redress the imbalances experienced by HDSAs, in order to ensure their equitable representation in all occupational categories and levels at the workplace.

The EEA and the mining charter provisions create an environment to diversify the workplace in all occupational categories and not merely a token of temporary, superficial or structural change issue that will elapse by 2014. Instead, it is a mechanism for facilitating equitable representation of HDSAs in society, which will result in a workforce that represents diverse individual and group values, cultures and contributions for many generations to come. There continuous to be an under representation of HDSAs employees in core decision making positions at all employment levels. While the degree of under-representation varies from one decision making position and core occupational category to another, under representation of these groups is particularly severe at executive and senior management level.

¹⁹ Currently the mining industry's total annual payroll exceeds R60 billion of which three percent is reportedly spent annually on skills development.

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To promote diversity and equitable representation in terms of HDSA participation in all decision making positions and core occupational categories or levels of employment within the mining industry, the following targets are set, that every mining company must adhere to a minimum of 40% HDSA representation at each of the following occupational categories by 2014;

- (i) 40% HDSA representation at Top Management (Board) level by 2014;
- (ii) 40% HDSA representation at Senior Management (Excom) level by 2014;
- (iii) 40% HDSA representation at Mid-Management level by 2014;
- (iv) 40% HDSA representation at Junior Management level by 2014;
- (v) 40% HDSA representation at Technical Experts level by 2014.

6.3 Mine community development

Mines are typically located in remote areas where there is generally lack of infrastructure and other amenities of life. As a result, mine closure leads to the creation of ghost towns post mining, which impacts severely on local communities. There is discord between communities around the mining area and the industry, in as far as implementation of the socio-economic development projects.

Mine communities form an integral part of mining development and are most susceptible to the effects of mining, hence the need for meaningful contribution towards community development in terms of size and impact, in keeping with the principles of the social license to operate. Inadequate consultation processes when developing local economic projects for the communities result in the implementation of projects that are not community needs-based. The industry has often indicated its difficulty in identifying the community (interested and affected parties, the relevant community leaders etc), mainly due to the ambiguous definition of "community" as defined by the MPRDA.

Projects that are implemented to address issues of socio-economic development are often company based and fragmented, as a result of which they have minimal impact on the lives of the affected communities, as they are often not aligned to the provincial growth and development strategies as well as Integrated Development Plans (IDPs). Partnerships between mining companies can further promote sustainability of community projects through pooling of resources and prioritising those projects that would have the greatest positive and lasting impact as well as the highest probability of success.

There is often no linkage between the project implemented and the mine operation in terms of its value. The inference that can be drawn is that there is a need for greater stakeholder (i.e. municipality, mining industry, community) participation in the formulation and implementation of community projects. While mining companies expressly support the notion of community development, it is generally established that social development is not their core business. Consequently, it is crucial to explore mechanisms to establish a social (regional based) development fund for companies to contribute towards the implementation of social and labour plan undertakings.

6.4 Housing and living conditions

Since the birth of modern mining industry in the late nineteenth century, single sex hostels have been a significant feature of the system of labour on the mines. The housing and living conditions for many workers in the mining industry were of a substandard nature, adversely impacting on the health, productivity and social well being. The remote location of mining operations necessitated the employers to make provision for housing as an undertaking to be part of the infrastructure required to develop the mine.

The apartheid system developed policies that subjected mine workers to unhygienic housing and living conditions, as this workforce was only seen as a source of production and not an integral part of business. These conditions subject mine workers to poor living conditions in single-sex hostels resulting in social disruptions. These conditions further contribute largely to the spread and provenance of HIV/AIDS and tuberculosis in South Africa.

Progress has been made in addressing housing and living conditions for mine workers, however, the occupancy rate is still disappointingly high and unhygienic. Most mining companies have resorted to providing workers with living out allowances. However, the unintended consequence thereof has been the proliferation of informal settlements. Social disruptions of mine workers can be addressed through the upgrading and conversion of hostels into family units and the promotion of home ownership.

Recognising that the conditions of living for the workforce have a material impact on productivity, , the industry stakeholders commit to restoring the dignity of the workforce, in line with the Constitutional provision, by, where applicable, attaining occupancy rate of one person per room by 2014 and introducing home ownerships schemes for the workforce.

6.5 Procurement

The procurement of services and goods underpinning mining development averages close to R200 billion annually. The mining industry's purchasing power provides a significant advantage to strengthen linkages of mining to side-stream benefits, such as the founding basis for the industrial Alrode in the East Rand of Johannesburg. These linkages further present opportunities for proliferation of mining industry's based manufacturing sector for the capital good sought to advance development of mining projects, including drilling equipment and services, mining machinery, etc. This in turn contributes to the socio-economic development priorities, transformation prospects, eradication of poverty and creation of a critical mass of jobs. The mining industry's sustainable growth can play a pivotal role of ensuring a balanced and growing economy, contribute towards progressive social cohesion and ensure the stability.

One of the major impediments to the sustainable growth and expansion of HDSA-owned enterprises is the lack of market access for their goods and services. Most of these enterprises are often deprived of opportunities, with limited opportunities confined to non-core and/or support functions such as cleaning, security, etc. While empirical evidence points to the bulk of the mining

procurement budget spent in South Africa, the capital goods are often secured from locally based agencies of foreign manufacturing companies.

The value of procurement spent from HDSA-owned enterprises as a percentage of total procurement spent remains negligible. Procurement of capital goods and core services involving huge sums of capital funds managed and dispensed by the mining industry continue to be skewed in favour of untransformed suppliers and/or local-based agencies of multi-nationals that contribute very little value to the South African economy and the socio-economic development of local communities.

South African and preferential procurement can act as both a strategic vehicle for unlocking market access for goods and services produced by compliant South Africa enterprises and a catalyst for the development of local enterprises. While not all goods and services consumed by the local mining industry can be economically produced locally, there are goods and services consumed by the industry which can be economically produced locally with the support of the industry's purchasing power.

There is therefore an urgent need to create an environment for compliant South African enterprises to access the markets. Some HDSA-owned enterprises are constrained by a variety of factors to produce goods that meet the industry standards, including lack of capital, lack of requisite skills and expertise, experience and appropriate machinery and technology. Monetary and non-monetary support, including a supplier development programme, can go a long way in addressing these challenges and creating sustainable HDSA-owned enterprises capable of meeting if not exceeding industry standards.

The mining charter review process presents an opportunity to set clear targets for the procurement of capital goods, consumer goods and core services from compliant South African enterprises. It is crucial that the mining industry's buying power is utilized to develop local enterprises meaningfully. Further, mechanisms of creating an environment for multi-national suppliers of capital goods to contribute towards the socio-economic development of the local communities should be explored.

5.6 Ownership and funding

The mining charter provides a basis for greater ownership of mining industry assets by HDSAs, in line with the objective of de-racialising ownership of the mining industry within the context of transformation. As a result, a number of BEE transactions that purport to facilitate the ownership of mining assets by HDSAs have been concluded since the introduction of the mining charter. However, very few of these transactions have resulted in sufficient true value creation for HDSA. Available evidence indicates that aggregated BEE ownership of the mining industry is, at best, below 9 percent, the bulk of which has accrued to a handful of HDSA beneficiaries. This is a clear indication that the racial pattern of ownership of mining assets has not yet changed fundamentally since the advent of democracy.

Empirical data points to the underlying funding models used to underwrite most BEE transactions being structured in such a way as to result in the actual ownership of mining assets intended for transformation purposes being effectively tied in third party loan agreements. This is largely due to the manner in which loan risk is priced for BEE companies, which results in onerous credit term conditions for BEE loan agreements. In consequence, the net value of a large proportion of empowerment deals ends up being negative due to high interest rates on the loan and moderate dividend flows.

Some mining companies have used the "pool and share" methodology in their quest to gain ownership credits for empowering HDSAs. Through this methodology, established mining companies and black owned companies have entered into 'joint ventures', with each party bringing resources into the deal based on the geographical proximity of their operations. Such joint ventures are typically unincorporated and undivided. Under such arrangements, the benefits are shared on the basis of who has brought what percentage of the reserves into the deal, while the profile of the empowering company retains its original racial profile of ownership, contrary to the spirit of transformation.

Despite the noble intentions of Employees Share Ownership Schemes (ESOPS), community Trusts and other broad-based ownership schemes in spearheading transformation as envisaged in the Mining Charter, a closer examination of these empowerment vehicles highlights the inherent weaknesses in the current model of empowerment. Employees who are non-HDSA continue to benefit through the Charter modalities because of the application of some abstract notions of social cohesion, with some benefiting disproportionately from such schemes.

Fronting remains a major threat to the realisation of the broader transformation objectives of the Mining Charter. In most instances BEE transactions are being put together merely for incorporating blacks as tokens. There are also instances where BEE participants themselves establish companies in their quest to make quick profits without any intention of exploiting minerals.

The complex structures and models for BEE transactions for compliance purposes have resulted in a snails pace progress towards attainment of charter objectives. The benefit of hindsight has taught mining protagonists that BEE ownership is synonymous to the future of mining participation in South Africa, i.e. the mining industry's competitive/sustainable growth cannot be assured at the exclusion of HDSAs, communities and employees. Consequently, stakeholders commit to develop mechanisms of achieving and exceeding the agreed target for BEE ownership in 2014 and beyond.

Ownership remains a central catalyst for effecting meaningful integration of HDSAs into the mainstream economy. Ownership can also provide HDSAs with the operational leverage required to influence the effective implementation of the other elements of the Charter. It is therefore necessary to find innovative ways of expediting de-racialization of ownership and control of the mining industry in a manner that supports and resonates with the meaningful transformation of the sector.

When the Mining Charter was unveiled to the investment community in 2002, the stakeholders emphasised that goalposts would not be shifted. Against this background, mining companies must achieve a minimum target of 26% ownership by 2014 to enable meaningful economic participation of HDSA. Meaningful economic participation includes the following attributes:

- A minimum target of 26% ownership by 2014 to enable meaningful economic participation of HDSA.
- Meaningful economic participation includes, inter alia, the following key attributes:
 - BEE transactions shall be concluded with clearly identifiable beneficiaries in the form of BEE entrepreneurs, workers and communities;
 - Barring any unfavourable market conditions, some of the cash flow should accrue to the BEE partner throughout the term of the investment, and for this purpose, stakeholders will engage the financing entities in order to structure the BEE financing in a manner where a percentage of the accrued cash-flow is used to service the funding of the structure, while the remaining amount is paid to the BEE beneficiaries. Accordingly, BEE entities are enabled to leverage equity in proportion to vested interest over the life of the transaction in order to facilitate sustainable growth of BEE entities.
 - BEE shall have full shareholder rights such as being entitled to full participation at annual general meetings and exercising of voting rights, regardless of the legal form of the instruments used;
 - Ownership shall vest within the agreed timeframes of the BEE structure, taking into account the prevailing market conditions.

7. CONCLUSIONS AND RECOMMENDATIONS

South Africa has an advantage in its rich endowment of mineral resources, but the country's resource endowment does not guarantee that the mining will grow and prosper. Two aspects at the centre of ensuring the attainment of the desired growth and success are conclusively **competitiveness and transformation**. The debate on competitiveness and transformation in the mining industry seems to have been caught in a mutually exclusive binary since the dawn of democracy in South Africa, with proponents of either side emphasising one aspect over the other. The binary seems to arise from a consideration of two critical aspects of the economy, the social welfare and benefits for the broader citizenry on the one hand and profitability of the mining industry on the other.

The mineral development potential for the discovery of new mineral deposits informed by the envisaged growth can unlock further investment opportunities in the mining industry and will extend the life of the industry to remain a sunrise industry for decades.

The desired end state for South Africa's mining industry entails commitment by stakeholders to achieve sustainable growth and meaningful transformation, strive towards the resuscitation of a research driven and competitive mining industry, human resources, community and enterprise development through implementation of the agreed targets.

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To promote diversity and equitable representation in terms of HDSA participation in all decision making positions, the mining industry commits to a minimum of 40% HDSA representation on each level of management by 2014.

The sustainability of community projects will have a significant impact through pooling of resources from individual investors within the same community. The pre-development of consultation and investment in mining projects will be commensurate with the value of the projects, consistent with international best practice. It is also important to prioritise projects with the greatest positive and lasting impact as well as the highest probability of success and further align such local economic development project with provincial growth and development strategies as well as integrated development plans.

Mechanisms to establish a social (regional) development fund for companies must be explored to contribute towards the implementation of social and labour plan undertakings.

The occupancy rate of one person per room as well as the upgrading and conversion of hostels into family units must be attained by 2014. Furthermore, home ownership options should be promoted, and mine workers must be provided with a balanced nutritional meal.

The mining industry's buying power must be utilised to influence multinational supplier companies to contribute to enterprise development, irrespective of the company's turnover. Furthermore, mechanisms of creating an environment for multi-national suppliers of capital goods to contribute towards the social development fund, which will be used towards the socio-economic development, must be explored.

The mining industry commits to achieve a minimum target of 26% ownership by 2014 to enable meaningful participation of HDSA in the mining industry.

An integrated long term infrastructural planning mechanism must be established to evaluate and address shortages of critical infrastructure that has material impact on the potential growth of the mining industry. Engage the relevant national processes of long-term integrated planning process with the mining industry's infrastructural needs.

There is a need for thorough assessment of the current mining related research and technology development landscape to inform mechanisms of resuscitation of research and development culture as well as to strengthen collaborations with local and international research institutions. Furthermore, the regulatory and fiscal incentives have to be explored to make research and technology development an attractive investment area as it has significant potential to yield net investment returns for the mining industry.

The inconsistencies and ambiguities of the regulatory framework, which is a key instrument to promote sustainable growth and meaningful transformation of the mining industry, has to be addressed by amongst others, the review of the Mining Charter and amendment of the MPRDA by

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end of August 2010 and 2010/2011, respectively. It is also imperative to manage perceptions with regard to the regulatory framework, as they have a profound influence on investment decisions.

New techniques and different approach need to be applied to improve the health and safety of workers and communities, attract and retain scarce skills, invest in green-field exploration and R & D to be able to sustain the industry into the 21st century. Furthermore, the South African "Mining Vision 2030" must be located within sustainable development framework.

The mining stakeholders have committed to a "declaration on the strategy for the sustainable growth and meaningful transformation of South Africa's mining industry", which spells out set of commitments by all stakeholders, which outlines and presages the collective work among stakeholders (including other relevant partners to be invited) which seeks to mitigate constraints to the attainment of the strategic intent, i.e. achieving competitiveness and meaningful transformation of the mining industry.

Acknowledgements

The development of this strategy represents another watershed of symbiotic and transversal relationship that cuts across Government on one side, organized labour and the mining industry's' joint efforts as relevant mining stakeholders towards a common purpose and vision for the mining sector, and the South African economy.

The Minister of Mineral Resources, Ms S shabangu (MP) is indebted to all constituent representatives, under the auspices of MIGDETT, ranging from the NUM, through the Chamber of Mines, SAMDA, UASA and solidarity to government. A special mention must be conveyed for the sterling contribution of other government officials from the Presidency, national treasury and public enterprise for their guidance and valuable input during this painstaking process. The voluntary service of invited experts, namely Mr. Peter Tshisevhe, director of Edward Nathan Sonnenbergs and part-time lecturer at Nelson Mandela School of Law (University of the Witwatersrand) and Mr. Peter Leon, partner at Webber Wentzel Attorneys, is much appreciated.

Finally, this strategy has been inspired by the common understanding of stakeholders' collective efforts which resonate with National Government's order of priorities that is geared towards being responsive to the scourge of poverty and unemployment afflicting the millions of South Africans. In conclusion this strategy owes patronage to all South Africans as governed by the Constitution and other enabling legislation.

Annexure

- ❖ Signed mining stakeholders' declaration on strategy for sustainable growth and meaningful transformation of South Africa's mining industry
- ❖ DMR's Mining Charter assessment report, 2009

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ANNEXURE 1:

Signed mining stakeholders' declaration on strategy for sustainable
growth and meaningful transformation of South Africa's mining
industry

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ANNEXURE 2:

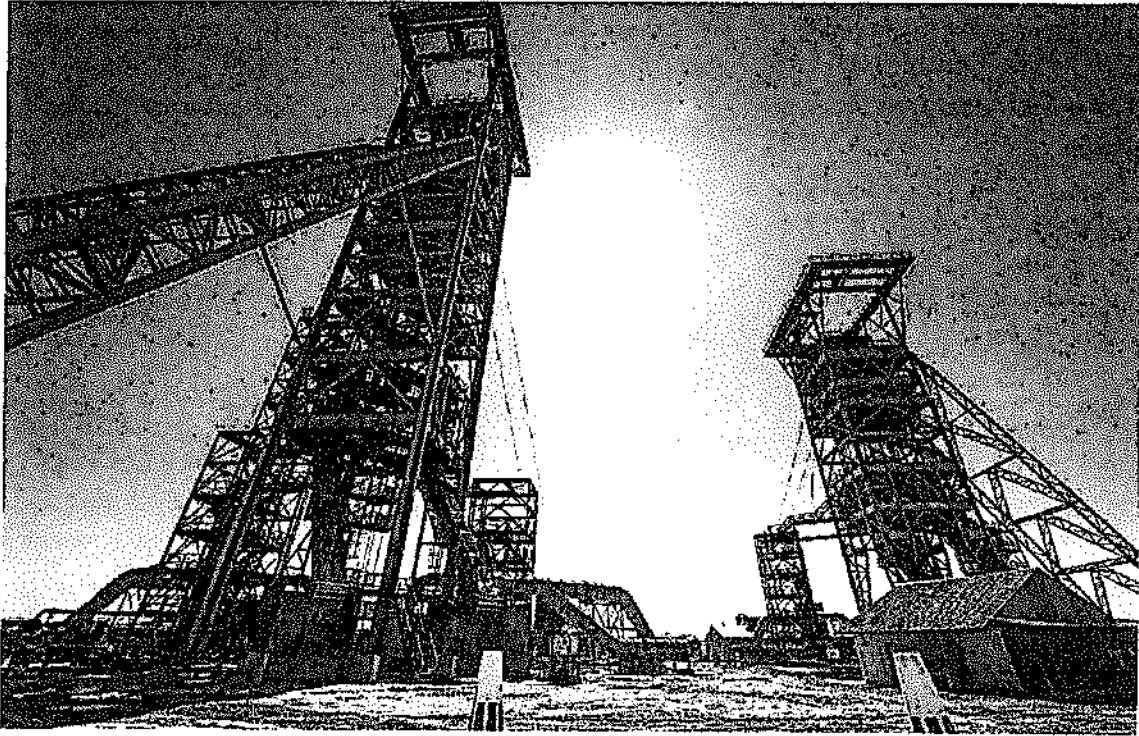
DMR's Mining Charter assessment report, 2009

MR M. J. Z.

Economy

Moody's warns Mining Charter will be 'credit negative' for SA resources groups

21 June 2017 - 11:55 Robert Laing



Picture: SUPPLIED

If the Mining Charter is implemented, the already low credit ratings of South African resources groups might suffer, Moody's warned on Wednesday morning.

A previous version of this article said Moody's note implied it might cut the credit ratings of South African miners. Moody's requested a clarification saying its phrase "credit negative" does not mean it intends downgrading a rating.

The credit ratings agency estimated \$2.5bn (about R33bn) in equity value has been wiped out of the combined \$31bn (R407bn) value of the six mining groups it rates, since Minerals Resources Minister Mosebenzi Zwane unveiled the new Mining Charter last Thursday.

A one notch downgrade would leave only South32 above junk status. Moody's currently rates South32 Baa1 (equivalent to BBB+ in S&P Global Ratings and Fitch's nomenclature) with a stable outlook.

A downgrade would knock AngloGold Ashanti, which is currently on the edge of junk at Baa3, down to Ba1 (equivalent to BB+). Anglo American and Gold Fields would slide from Ba1 to Ba2, Sibanye from Ba2 to Ba3, and Petra Diamonds from B1 to B2.

Moody's said the Mining Charter would worsen the credit ratings of South African miners because most of them would need to fund the required increase in black economic empowerment shareholding to 30% from 26% with debt.

The agency says the new charter's proposed 50%-plus-one-share black economic empowerment rule for prospecting rights means underground reserves that were previously assumed to be available for profitable mining, will have to be accounted for as resources that cannot be profitably mined.

The revised mining charter also places new conditions on the procurement of mining equipment and materials. South African companies will be required to provide 70% of content, with 44% of it empowerment compliant — which requires a number of conditions beyond ownership — and 21% black-owned. A further 5% of content will have to come from 50%-plus-one-vote female-black-owned companies and from 50%-plus-one-vote youth-owned companies. These requirements would add to operating costs for those miners not already in compliance if such new suppliers meeting these requirements charge higher prices, Moody's said.

"A number of the requirements will add to the costs of operating mines and will reduce free cash flow generation. This is evident in that holders of new mining rights will be required to pay a minimum of 1% of annual turnover in a

given financial year to these empowerment shareholders, in accordance with legislative solvency and liquidity requirements and partly offset by ordinary dividend payments," the report said.

"In our view, the payments are contrary to the South African Companies Act and will have a material bearing on free cash flow generation, which will likely decline significantly because of the payments. In turn, reduced cash flow would reduce mining companies' ability to continue to reduce their debt or invest in expansion, such as developing reserves."

...

mlp M-J-2

No	Matriculation No	Matriculation Name	Matriculation Middle Name	Matriculation Surname	Matriculation Sex	Matriculation Date	Matriculation Colour
1	9009010026088	Yasmeen		Abrahams	01-Aug-16	Female	Black: Coloured
2	9002095341084	Luthando	Nelson	Adams	02-Feb-15	Male	Black: African
3	9109180316085	Aalia		Ahmed	01-Sep-16	Female	Black: Coloured
4	8412055258080	ALLAN	JOSEPH	ALIAS	10-Dec-09	Male	Black: Coloured
5	8706200042087	Marcelene	Janeen	Andrews	01-Mar-14	Female	Black: Coloured
6	8704185654083	makgolane	Nkwane	Antony	01-Jul-11	Male	Black: African
7	9103290212086	Khanyisile	Pearl	April	01-Jul-15	Female	Black: African
8	8805036119083	Thabang	Goodwill	Baba	01-May-12	Male	Black: African
9	9112140309083	Hulisani	Precious	Badana	01-Sep-16	Female	Black: African
10	9002085192083	Marc	Theo	Bailey	03-Aug-15	Male	Black: Coloured
11	8308285700083	Buntu		Balintulo	14-Jun-11	Male	Black: African
12	8409076016083	Noedo		Balintulo	09-Jan-14	Male	Black: African
13	8912105440083	Brain	Kabelo	Baloyi	01-May-15	Male	Black: African
14	8911135820082	Dumisane	Thomas	Baloyi	01-Apr-15	Male	Black: African
15	8908315825089	Tshikani	Ivan	Baloyi	01-Apr-15	Male	Black: African
16	8908035809082	Nhlanhla	Treasure	Baloyi	12-Jan-15	Male	Black: African
17	8004065785085	Tshifhiwa	Balcon	Baloyi	07-Jul-08	Male	Black: African
18	8809105342089	Siwela	Jeffrey	Baloyi	01-Apr-13	Male	Black: African
19	8802126070086	Tinyiku	Goodwill	Baloyi	01-Oct-16	Male	Black: African
20	9211125576086	Sukani	Tency	Baloyi	01-Oct-16	Male	Black: African
21	9103095847086	Kutani	Lyle	Baloyi	01-Nov-16	Male	Black: African
22	8910090895083	Rixongile	Myra Toogood	Baloyi	09-Jan-14	Female	Black: African
23	8711281060081	Cathrine		Baloyi	01-Mar-17	Female	Black: African
24	8712215764087	Thabo	Sylvano	Baloyi	17-Feb-15	Male	Black: African
25	9103066055081	Wesley	Kondwani	Baloyi	01-Oct-14	Male	Black: African
26	8702155511085	Joaky	Joao	Banda	03-Mar-14	Male	Black: African
27	9205131015089	Phumza		Bandzo	01-Oct-14	Female	Black: African
28	9004105291085	Iaan	Ross	Banjwa	01-Mar-17	Male	Black: Coloured
29	9001260733083	Hiengiwe	Nonjabulo	Barnard	01-Mar-17	Female	Black: African
30	8902066127084	Asanda	Skara	Bede	02-Feb-15	Male	Black: African
31	8911210282083	Zandile	Emmerantia	Bekwa	01-Apr-13	Female	Black: African

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32	9012160459083	Tabudi	Promise	Bhembe	01-Mar-17	01-Mar-19	Female	Black: African
33	8709221063082	Sinenhlahla	Karen	Bhengu	01-Jan-13	01-Jan-15	Female	Black: African
34	9102280567087	Amanda	Bonisiwe	Bhengu	31-Mar-14	31-Mar-16	Female	Black: African
35	8705295169086	Muhammed	Ilias	Bhyat	31-Mar-14	31-Mar-16	Male	Black: Indian/Asian
36	8204090521089	Vuyokazi		Bikwana	17-May-11	17-May-13	Female	Black: African
37	8812020759080	Mkateko	Sharoll	Bila	01-Jan-17	01-Jan-19	Female	Black: African
38	8511115516088	Mbuso	Comfort	Biyela	01-May-12	01-May-14	Male	Black: African
39	8906195318084	Thabiso	Maggie	Bodibe	03-Mar-14	03-Mar-16	Male	Black: African
40	9205140477080	Mmatlala		Bohlobo	11-Mar-15	11-Mar-17	Female	Black: African
41	9010160592085	Anna-Marie	Patience	Boikhutso	01-Nov-15	01-Nov-17	Female	Black: African
42	8909296051083	Lavhelesani		Bologo	09-Jan-14	09-Jan-16	Male	Black: African
43	8508246032084	Malebo	Patrick	Boshiele	01-Jan-17	01-Jan-19	Male	Black: African
44	8901270765085	Koena	Judith	Boshomane	01-Mar-17	01-Mar-19	Female	Black: African
45	9210135643084	Ogorogile	Johannes	Boshomane	01-Apr-15	01-Apr-17	Male	Black: African
46	8609300373081	Mpho	Winnie	Boshomane	31-Mar-15	31-Mar-17	Female	Black: African
47	9006010461083	Mpho	Johannah	Bothoko	31-Mar-14	31-Mar-16	Female	Black: African
48	8804035375085	Daniel		Botsi	01-Apr-13	01-Apr-15	Male	Black: African
49	8303310124086	Donna	Louise	Boyd	14-Sep-11	14-Sep-13	Female	Black: Coloured
50	9002035456083	Kabelo	Aubrey	Brand	01-Apr-15	01-Apr-17	Male	Black: African
51	8906220107080	Aimee	Megan	Breedenkamp	01-Apr-12	01-Apr-14	Female	Black: Coloured
52	9005065354086	Lungile	Rini	Bucibo	01-Mar-14	01-Mar-16	Male	Black: African
53	8705280942083	Nandipha	Miliceant	Buqa	01-Jan-13	01-Jan-15	Female	Black: African
54	9206165135082	Francois	Daniel	Burger	01-Sep-14	01-Sep-16	Male	Black: African
55	9106201078082	Kgomotso	Koketso	Busang	18-Aug-14	18-Aug-16	Female	Black: African
56	9007050883087	Minenhie	Carol	Buthlezi	05-Mar-14	05-Mar-16	Female	Black: African
57	8212235351080	QUINTIN	MKHOSI	BUTHELEZI	30-Mar-09	30-Mar-11	Male	Black: African
58	8504250352088	Silindile	Zamakhabazela	Buthlezi	01-Apr-13	01-Apr-15	Female	Black: African
59	9012290882089	Nozipho	Hlengiwe	Penelope	01-Jul-15	01-Jul-17	Female	Black: African
60	8706205383080	Njabulo	Cyprian	Buthlezi	31-Mar-15	31-Mar-17	Male	Black: African
61	8905100736083	Philiwe		Buyaphi	10-Mar-14	10-Mar-16	Female	Black: African
62	9107220486082	Xola	Sanele	Catuza	01-May-16	01-May-18	Female	Black: African
63	8910210267086	Sithembelokuhle	Nobuhlalo	Cebekhulu	29-May-12	29-May-14	Female	Black: African
64	8511270812082	Nomfundo	Yvonne	Cebekhulu	06-Jan-14	06-Jan-16	Female	Black: African

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65	9003195539080	Ntokozo	Aubry	Cebisa	31-Mar-15	31-Mar-17	Male	Black: African
66	8911075343087	Sinentlanhla	Mfundo	Cele	12-Jan-15	12-Jan-17	Male	Black: African
67	9003215374088	Siyabonga	Bonginkosi	Cele	01-May-12	01-May-14	Male	Black: African
68	9005155597081	Simpbiwe	Lawrence	Cele	31-Mar-15	31-Mar-17	Male	Black: African
69	9112135453086	Phila	Nandokazi	Cele	01-Mar-17	01-Mar-19	Male	Black: African
70	8309045279087	Godfrey	Hlulani	Chauke	05-Jan-15	05-Jan-17	Male	Black: African
71	9105061032080	Musa	Girly	Chabalala	01-Mar-17	01-Mar-19	Female	Black: African
72	8502145745086	Thumbha	Samuel	Chabalala	17-May-11	17-May-13	Male	Black: African
73	9104220718085	Yamkela	Oko	Chagi	01-Jan-13	01-Jan-15	Female	Black: African
74	9201226289085	Tiro		Chakane	01-Apr-15	01-Apr-17	Male	Black: African
75	8504245901080	Mokgethi	Gift	Chakela	02-Feb-15	02-Feb-17	Male	Black: African
76	8608025514086	Rames		Chauke	01-Aug-14	01-Aug-16	Male	Black: African
77	9303120543086	Khanyisa	Vivian	Chauke	01-Aug-15	01-Aug-17	Female	Black: African
78	9006225739083	Enos		Chauke	03-Nov-14	03-Nov-16	Male	Black: African
79	9312295721088	Nyiko		Chauke	01-Feb-15	01-Feb-17	Male	Black: African
80	8205065714088	Mpho	Vincent	Chauke	07-May-08	07-May-10	Male	Black: African
81	8805235703083	Deon		Chauke	01-Aug-16	01-Aug-18	Male	Black: African
82	9108040680086	Ntsako	Portia	Chauke	27-Aug-14	27-Aug-16	Female	Black: African
83	9205215363082	Nhlamulo	Lyborn	Chauke	01-Oct-16	01-Oct-18	Male	Black: African
84	8704265981083	Elias	Komope	Chauke	02-Feb-15	02-Feb-17	Male	Black: African
85	8901065419088	Pontsho	Johannes	Chauke	17-Feb-15	17-Feb-17	Male	Black: African
86	8708130370083	Nomfanelo		Chauke	14-Sep-11	14-Sep-13	Female	Black: African
87	9205205658087	Jeffrey	Santos	Chauke	01-Apr-15	01-Apr-17	Male	Black: African
88	8808266078086	Isaai	Aibert	Chavalala	11-Mar-15	11-Mar-17	Male	Black: African
89	9204270181085	Kishaliya		Chetty	01-Oct-14	01-Oct-16	Female	Black: Indian/Asian
90	8910190095085	Alicia		Chetty	02-Mar-15	02-Mar-17	Female	Black: Indian/Asian
91	9001030503089	Meera		Chikte	01-Mar-14	01-Mar-16	Female	Black: Indian/Asian
92	8906106187081	Ndumiso		Chili	05-Jan-15	05-Jan-17	Male	Black: African
93	9008145902080	Adolf	Bruce Tumelo	Chiloane	01-Apr-15	01-Apr-17	Male	Black: African
94	9106226246086	Thabang	Followin	Chirwa	01-Mar-17	01-Mar-19	Male	Black: African
95	9110111034086	Asanda		Chithiso	02-Feb-15	02-Feb-17	Female	Black: African
96	9004035560088	Luzuko		Chiya	01-Sep-14	01-Sep-16	Male	Black: African
97	9309190731089	Charity	Tsholofelo	Chocho	01-Mar-17	01-Mar-19	Female	Black: African

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98	9303115882085 Ephraim	Selimo	Chochoisa	01-Mar-17	01-Mar-19 Male	Black: African
99	8912031021080 Reitumetse	Gloria	Choene	01-Sep-16	01-Sep-18 Female	Black: African
100	9209145483085 Shimane	Moses	Chokoe	01-Oct-15	01-Oct-17 Male	Black: African
101	9312220448088 Jennete	Kelebogile	Chowe	20-Feb-15	20-Feb-17 Female	Black: African
102	9004250878082 Nkopodi	Hellen	Chukudu	01-Aug-14	01-Aug-16 Female	Black: African
103	9012055244087 Jaco	Athur	Cloete	01-Apr-16	01-Apr-18 Male	Black: Coloured
104	9210035502083 Jabu	Japhet	Cossa	01-Aug-16	01-Aug-18 Male	Black: African
105	8403285239081 Russell	Vos	Cranswick	01-Mar-15	01-Mar-17 Male	Black: African
106	9108255993081 Nndanganeni	Steven	Dabisha	01-Mar-17	01-Mar-19 Male	Black: African
107	8705260047085 Sajeeda	Innocent	Dalvie	27-Sep-11	27-Sep-13 Female	Black: African
108	8712105904082 Musiwa	Una Maurisha	Davhana	27-Feb-13	27-Feb-15 Male	Black: Coloured
109	8806090072085 Paula	Gerhard	Davis	01-Mar-17	01-Mar-19 Female	Black: African
110	8907245039084 Andre	Mbalenhle	De Beer	01-Mar-17	01-Mar-19 Male	Black: African
111	9101245020083 Jan-Hendrik	Sithembiso	De Meyer	01-Jan-16	01-Jan-18 Male	Black: African
112	9102250252082 Cebisile	Maxwell	Deborah	01-Apr-13	01-Apr-15 Female	Black: African
113	8906085378081 Gordon	Goolam	Deke	01-Jul-15	01-Jul-17 Male	Black: African
114	8904136220089 Rotondwa	Nonkululeko	Denge	01-Mar-17	01-Mar-19 Male	Black: African
115	8510305139081 Taufeeq	Treature Gracious	Dhansay	28-May-09	28-May-11 Male	Black: Indian/Asian
116	8406230293087 Nomakhosi	Vincent	Dhlamini	03-Sep-12	03-Sep-14 Female	Black: African
117	9404260481085 Lumka	Keotshepile	Dhlamini	01-Jan-16	01-Jan-18 Female	Black: African
118	9111230245082 Nongcebo	Yvonne	Dhlamini	01-Nov-16	01-Nov-18 Female	Black: African
119	8902105816085 Jabulani	Pearl	Dhlongolo	31-Mar-14	31-Mar-16 Male	Black: African
120	9107110902081 Omphile	Phemelo	Diale	01-Mar-15	01-Mar-17 Female	Black: African
121	8403090660083 Thokoziile	Clifford	Dibakwane	03-Mar-15	03-Mar-17 Female	Black: African
122	9004130982088 Boitumelo	Aubrey	Dibetso	01-Mar-15	01-Mar-17 Female	Black: African
123	8912190812089 Nape	Esther	Digomo	01-Dec-16	01-Dec-18 Female	Black: African
124	8804250790083 Aobakwe	Nthoke	Digomo	20-Dec-11	20-Dec-13 Female	Black: African
125	9012145358087 Mogodiri		Diketane	22-Jun-14	22-Jun-16 Male	Black: African
126	8908176158083 Khayaletu		Diko	01-Mar-15	01-Mar-17 Male	Black: African
127	9006051228086 Boipelo		Dikokwe	01-Jan-17	01-Jan-19 Female	Black: African
128	8902160382080 Gadifele		Dikotla	01-May-15	01-May-17 Female	Black: African
129	9010170880082 Masego		Dinake	01-Feb-15	01-Feb-17 Female	Black: African
130	9403295827080 Lehlabile		Dipea	01-Mar-17	01-Mar-19 Male	Black: African

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131	9401230427081	Tshepiso	Gloria	Dipholo	01-Mar-17	01-Mar-19	Female	Black: African
132	9210145054082	Banle		Dippennar	01-Mar-15	01-Mar-17	Male	Black: African
133	9112120702083	Mapule	Margaret	Dire	01-Jan-16	01-Jan-18	Female	Black: African
134	8708075958082	Keobakile	Stephen	Dithato	20-Feb-15	20-Feb-17	Male	Black: African
135	9007170281089	Londiwe	Susan	Dladla	30-Mar-15	30-Mar-17	Female	Black: African
136	9107270362084	Jabulile		Dladla	31-Mar-14	31-Mar-16	Female	Black: African
137	8705285590085	Sibongiseni	MnelisiDance	Dladla	30-May-11	30-May-13	Male	Black: African
138	8610265592087	Olwethu		Dlakiya	23-Nov-11	23-Nov-13	Male	Black: African
139	8709290389087	THABISILE	SNELISIWE	DLAMINI	09-Dec-09	09-Dec-11	Female	Black: African
140	9012045126089	Lungelo		Dlamini	03-Sep-12	03-Sep-14	Male	Black: African
141	8703055488085	Sanele	Tobias	Dlamini	17-Mar-14	17-Mar-16	Male	Black: African
142	8902106261083	Phinda	Sipho	Dlamini	01-Apr-13	01-Apr-15	Male	Black: African
143	9105125465086	Sifiso		Dlamini	01-Sep-16	01-Sep-18	Male	Black: African
144	8410080837084	Nomfundo	Penelope	Dlamini	09-Jan-15	26-Mar-17	Female	Black: African
145	8607255673083	Tshokolo	Thomas	Dlamini	25-Aug-14	25-Aug-16	Male	Black: African
146	9012131033082	Manese		Dlamini	01-Mar-17	01-Mar-19	Female	Black: African
147	8607250749086	Thabisile	Kwenzi	Dlamini	01-Nov-16	01-Nov-18	Female	Black: African
148	9302220248083	Khumbuzile	Gwen	Dlamini	01-Feb-17	01-Feb-19	Female	Black: African
149	8912126220084	Musawenkosi	Sabelo	Dlangalala	01-Feb-13	01-Feb-15	Male	Black: African
150	8904210594086	Lerato	Aminah	Dlangalala	01-Apr-15	01-Apr-17	Female	Black: African
151	8508056133089	Mlungisi	Petrus	Dlangamandla	07-Jul-08	19-Feb-10	Male	Black: African
152	8405130617080	Sisanda		Dlova	18-Mar-13	18-Mar-15	Female	Black: African
153	9203186236080	Freedom	Sandile	Dlulisa	31-Mar-15	31-Mar-17	Male	Black: African
154	8906265311084	Deepak		Dookie	01-May-14	01-May-16	Male	Black: African
155	8307145332087	Ronald	Smith	Dracula	27-Feb-13	27-Feb-15	Male	Black: African
156	8508115003083	Eliris		Du Toit	09-Jan-14	09-Jan-16	Male	Black: African
157	9111295988089	Sifiso		Dubazana	03-Mar-14	03-Mar-16	Male	Black: African
158	8308260130082	Mpumelelo	Portia	Dube	03-Sep-12	03-Sep-14	Female	Black: African
159	9202295494085	Njabulo	Kenneth	Dube	01-Mar-17	01-Mar-19	Male	Black: African
160	8805115434080	Nduduzo	Nkethelelo	Dube	31-Mar-15	31-Mar-17	Male	Black: African
161	9406290409085	Nomvundo	Pearl	Dube	01-Mar-17	01-Mar-19	Female	Black: African
162	8906065543084	Wilfred	Khayelihle	Dube	12-Mar-12	12-Mar-14	Male	Black: African
163	9106150271084	Pelican	Nonkululeko	Dube	18-Aug-14	18-Aug-16	Female	Black: African

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164	8608016227086	Simpshiwe	Dubula	01-May-13	01-May-15	Male	Black: African
165	8611111125080	Zandile	Dubula	03-Sep-12	03-Sep-14	Female	Black: African
166	8508045907080	Bambo	Dubula	01-Apr-16	01-Apr-18	Male	Black: African
167	9203270567085	Noluvuyo	Dudumashhe	01-Aug-16	01-Aug-18	Female	Black: African
168	8707180359087	Nokukhanya	Duma	01-Aug-12	01-Aug-14	Female	Black: African
169	9008235218082	Angus	Duxbury	01-Apr-15	01-Apr-17	Male	Black: Coloured
170	8908086257082	Bonakele	Dyalivani	17-Feb-15	17-Feb-17	Male	Black: African
171	9106230480085	Vonani	Dzambukeri	01-Apr-15	01-Apr-17	Female	Black: African
172	8903216081080	Mmboneni	Dzimbae	01-Feb-13	01-Feb-15	Male	Black: African
173	9106221168087	Madzivha	Dzivhani	03-Jun-13	03-Jun-15	Female	Black: African
174	9305040550083	Arinao	Dzivhani	31-Mar-16	31-Mar-18	Female	Black: African
175	9103290658080	Masindi	Dzivhani	01-Sep-15	01-Sep-17	Female	Black: African
176	9402160669080	Sinovuyo	Faba	01-May-16	01-May-18	Female	Black: African
177	9309060102080	Tumiso	Fakube	01-Oct-16	01-Oct-18	Female	Black: African
178	9212310714086	Fanele	Fakude	01-Mar-17	01-Mar-19	Female	Black: African
179	9112030041085	Lesley	February	03-Mar-14	03-Mar-16	Female	Black: Indian/Asian
180	8903225763082	Elekanyani	Fhimani	03-Sep-12	03-Sep-14	Male	Black: African
181	8507051053086	Nokuyolo	Filtane	28-May-09	28-May-11	Female	Black: African
182	8803016206087	Luyanda	Fodo	31-Mar-14	31-Mar-16	Male	Black: African
183	9209010080081	Ute	Francke	01-Jul-15	01-Jul-17	Female	Black: Coloured
184	8109055195086	Nathan	Fredericks	20-Nov-08	20-Nov-10	Male	Black: African
185	8708291013084	Todani	Funyufunyu	01-Jan-13	01-Jan-15	Female	Black: African
186	8609035936087	KARABO	GABANAKGOSI	10-Dec-09	10-Dec-11	Male	Black: African
187	9203031102081	Cokisa	Gabavana	01-Aug-16	01-Aug-18	Female	Black: African
188	9105110018080	Zuane	Gagiano	01-Feb-16	01-Feb-18	Female	Black: African
189	8907075295087	Samkelwa	Galela	27-Feb-13	27-Feb-15	Male	Black: African
190	9202050359085	Erika	Gandoo	03-Feb-14	03-Feb-16	Female	Black: Coloured
191	9205315536082	Bantu	Ganyaza	01-Jan-17	01-Jan-19	Male	Black: African
192	9010250284080	Mabatho	Gaula	01-Mar-15	01-Mar-17	Female	Black: African
193	9302140549081	Fezeka	Gcabashe	01-Mar-17	01-Mar-19	Female	Black: African
194	8808120519085	Sisanda	Gcasamba	21-Nov-11	21-Nov-13	Female	Black: African
195	8101200515086	NTOMBOKHANYO	GCUWA	24-Apr-08	24-Apr-10	Female	Black: African
196	8810295474088	Luntu	Gowabe	01-Aug-15	01-Aug-17	Male	Black: African

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197	7909285997081	DENNIS	MBONISENI	GEBASHE	28-May-09	28-May-11	Male	Black: African
198	9103201170084	Oiona	Zandisiwe	Goso	01-Aug-15	01-Aug-17	Female	Black: African
199	8611165625084	Wonderboy	Proffessor	Gubela	01-Feb-13	01-Feb-15	Male	Black: African
200	8608125897084	Senzo	Manlenkosi	Gumbi	01-Aug-15	01-Aug-17	Male	Black: African
201	8812275752087	Kholofelo		Gumbuta	01-Mar-17	01-Mar-19	Male	Black: African
202	9101080934083	Lungile	Nompilo	Gumede	01-Mar-17	01-Mar-19	Female	Black: African
203	9101120081085	Londeka	Primrose	Gumede	03-Jun-13	03-Jun-15	Female	Black: African
204	8906026088088	Sifiso	Kwazikwenkosi	Gumede	09-Jan-14	09-Jan-16	Male	Black: African
205	9306185926088	Zamani	Perseverance	Gumede	01-Oct-16	01-Oct-18	Male	Black: African
206	8103080347085	Fikile	Brenda	Gumede	16-Feb-09	16-Feb-11	Female	Black: African
207	8511175509080	Sihlahlasemali	Mali	Gumede	31-Mar-15	31-Mar-17	Male	Black: African
208	9010035872084	Asivhanzhi		Gundula	01-Jul-15	01-Jul-17	Male	Black: African
209	8908296238088	Asanda	Monder	Gwababa	31-Mar-14	31-Mar-16	Male	Black: African
210	8802285630084	Ntiahla	Lucky	Gwebani	09-Jan-14	09-Jan-16	Male	Black: African
211	8902010863081	Siphelele		Gwiji	01-Sep-15	01-Sep-17	Female	Black: African
212	8302125332082	SINDILE		GXOVU	09-Feb-09	09-Feb-11	Male	Black: African
213	9502285732083	S'Boniso	Linamandla	Hadebe	01-Jun-15	01-Jun-17	Male	Black: African
214	8110230296088	Ntebatse	Cornelia	Hadebe	01-Feb-13	01-Feb-15	Female	Black: African
215	8903095540081	Ntokozo	Michael	Hadebe	03-Mar-14	03-Mar-16	Male	Black: African
216	9108266016080	Nkosiyabo	Sifiso	Hadebe	01-May-16	01-May-18	Male	Black: African
217	8911035408087	Iziphozonke	Blessing	Hadebe	31-Mar-15	31-Mar-17	Male	Black: African
218	8906266084086	nkosinathi		hadebe	01-Mar-17	31-May-18	Male	Black: African
219	9101050959086	Rabelani		Hadzhi	01-Sep-15	01-Sep-17	Female	Black: African
220	9401130092084	Unali		Hall	01-Feb-17	01-Feb-19	Female	Black: African
221	9103155916086	Kelebohile	Victor	Hantsi	01-Mar-13	01-Mar-15	Male	Black: African
222	8602235581084	Manuel	Mpho	Helepi	01-Apr-12	01-Apr-14	Male	Black: African
223	8811135225086	Mandla	Daniel	Henrique	01-Mar-17	01-Mar-19	Male	Black: African
224	8209146134084	ndlangisa	Sbhakile	Hezekia	16-May-11	16-May-13	Male	Black: African
225	9007105842088	Matsimela	Tony	Hiagala	01-Aug-13	01-Aug-15	Male	Black: African
226	8706026127088	Thabo	Gregory	Hiialele	14-Sep-11	14-Sep-13	Male	Black: African
227	9108030463089	Tsakane	Dorlei	Hlangwane	01-Jan-16	01-Jan-18	Female	Black: African
228	8604265243080	Tebogo	Simon	Hiapa	02-Feb-15	02-Feb-17	Male	Black: African
229	9210055101089	Thulani	Meshack	Hiazo	01-Mar-16	01-Mar-18	Male	Black: African

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230	9111095293086	Mthobisi	Clive	Hlebeia	01-Sep-15	01-Aug-17	Male	Black: African
231	9009225642083	Samukele	Mbonisi	Hlela	20-Jan-14	20-Jan-16	Male	Black: African
232	9204125999085	Muziwenhlanhla	Johannes	Hlengwa	01-Jul-16	01-Jul-18	Male	Black: African
233	9309290849088	Ramakgahlele	Emily	Hlokoa	01-Mar-17	01-Mar-19	Female	Black: African
234	9302050495085	Nyiko	Cute	Hlongo	31-Mar-16	31-Mar-18	Female	Black: African
235	8904015546083	Hloniphani	Xolile	Hlongwa	01-Jul-15	01-Jul-17	Male	Black: African
236	9103096063089	Joseph		Hlongwane	01-Sep-15	01-Sep-17	Male	Black: African
237	9208220326086	Bongekile	Brightness	Hlophe	01-Jun-16	01-Jun-18	Female	Black: African
238	8702135616087	Wisani	Walter	Hlungwani	12-Feb-15	12-Feb-17	Male	Black: African
239	8812280980087	Mihlali	Vuyolwethu	Hobo	01-Sep-14	01-Sep-16	Female	Black: African
240	8403190177087	YOLANDA		HOLLANDER	27-Mar-09	27-Mar-11	Female	Black: Coloured
241	8706165991088	Mosima	Jackson	Hopane	31-Mar-14	31-Mar-16	Male	Black: African
242	8606130885086	Tshlidzi		Hoshela	01-Feb-17	01-Feb-19	Female	Black: African
243	8706280227087	Phelile	Julia	Huma	01-Apr-16	01-Apr-18	Female	Black: African
244	8904095631086	Christopher		Itheng	01-Jul-15	01-Jul-17	Male	Black: African
245	8306266072084	MATASANE		JACOB JAPIE	01-Feb-10	01-Feb-12	Male	Black: African
246	9212110278084	Esther	Nomalizo	Jali	01-Dec-16	01-Dec-18	Female	Black: African
247	8402125818088	Msizi	Lindani	Jali	20-Aug-08	20-Aug-10	Male	Black: African
248	9410065269088	Timothy		Jara	01-Feb-17	01-Feb-19	Male	Black: African
249	8812315272088	Piet	Lesibana	Jawu	01-Sep-15	01-Sep-17	Male	Black: African
250	8505075856088	Luvuno	Nkosinathi	Jele	05-Mar-14	05-Mar-16	Male	Black: African
251	7606305814086	Mzikayise	Mava	Jikija	01-Apr-08	01-Apr-10	Male	Black: African
252	8909235258088	Thamsanqa	Emmanuel	Jim	01-Dec-16	01-Dec-18	Male	Black: African
253	8709045893086	Mthunzi	Caesar	Jiyane	01-Sep-15	01-Jul-17	Male	Black: African
254	8901255888084	Bernardo		Joao	01-Apr-16	01-Apr-18	Male	Black: African
255	8404205536085	Thulani		Jobeta	03-Sep-12	03-Sep-14	Male	Black: African
256	9209085500088	Bongani	Khaya	Johnson	01-Feb-17	01-Feb-19	Male	Black: African
257	8703205152086	DONOVAN	WALTER JAMES	Johnston	15-Mar-10	15-Mar-12	Male	Black: Coloured
258	9008095551085	Nkateko		Joka	31-Mar-14	31-Mar-16	Male	Black: African
259	9102020426081	Noluthando	Prudence	Jokazi	06-Mar-15	06-Mar-17	Female	Black: African
260	8903125662087	Katlego	Nelson	Jones	03-Sep-12	03-Sep-14	Male	Black: African
261	8703105651088	Dondon	Donald	Jonker	01-Mar-17	01-Mar-19	Male	Black: African
262	9406105018089	Charl	Johannes Nicolaas	Jooste	01-Jan-17	01-Jan-19	Male	Black: African

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263	8506290065083	MICHELLE	HILDA	JOSEPH	13-Feb-09	13-Feb-11	Female	Black: African
264	8307260145082	Fatima	Samuel	Kader	01-Feb-13	01-Feb-15	Female	Black: Indian/Asian
265	8804255504083	Thato		Kadi	30-May-11	30-May-13	Male	Black: African
266	9202055022084	Zaeem		Kaka	01-Mar-17	01-Mar-19	Male	Black: Indian/Asian
267	8802045292084	Mitesh	Baloo	Kalan	10-Nov-09	10-Nov-11	Male	Black: Indian/Asian
268	8707310780087	Malehlasele	Lydia	Kalosane	03-Sep-12	03-Sep-14	Female	Black: African
269	9107116076088	Simphiwe		Kalvas	01-Aug-15	01-Aug-17	Male	Black: African
270	8904110143083	Nyakallo	Nthekeleleng	Kanedi	01-May-13	01-May-15	Female	Black: African
271	9210100284088	Aluwani	Ndivhuwo	Kangala	01-Apr-16	01-Apr-18	Female	Black: African
272	8907281057081	Karabo	Paulinah	Kanyane	03-Sep-12	03-Sep-14	Female	Black: African
273	9307295133086	Mogamad	Siddeeq	Karlie	01-Mar-17	01-Mar-19	Male	Black: Coloured
274	8903265264082	Thataetsile	Waiter	Kedibone	01-Mar-17	01-Mar-19	Male	Black: African
275	9103120563088	Thoriso	Glory	Kekana	01-Jul-16	01-Jul-18	Female	Black: African
276	9207135784082	Malesela	William	Kekana	01-Aug-15	01-Aug-17	Male	Black: African
277	9202066120083	Katlego	Tony	Kekana	01-Apr-15	01-Apr-17	Male	Black: African
278	8911160804084	Boitumelo	Rose	Kekana	01-Apr-13	01-Apr-15	Female	Black: African
279	9410315415085	Tshegofatso	Samuel	Kekana	01-Feb-16	01-Feb-18	Male	Black: African
280	8711025567086	Rathabeng	Felix	Kekana	01-Sep-16	01-Sep-18	Male	Black: African
281	9306215486087	Malose	Johannes	Kekana	31-Mar-17	31-Mar-19	Male	Black: African
282	8811045350081	Gientine	Tshegofatso	Kekana	09-Jan-14	09-Jan-16	Male	Black: African
283	8911105821086	Matsobane	Brutus	Kekana	01-Mar-17	01-Mar-19	Male	Black: African
284	9009201316082	Keemenao	Idah	Keapologile	09-Jan-14	09-Jan-16	Female	Black: African
285	8805260074087	Mariska		Kelly	01-Feb-13	01-Feb-15	Female	Black: Coloured
286	9302090592081	Boipelo	Keitumetse	Kepadisa	05-Jan-15	05-Jan-17	Female	Black: African
287	8502015367086	Morwatshoge	Michael	Kgaka	25-Jul-11	25-Jul-13	Male	Black: African
288	9303250912085	Gomolemo	Tryphina	Kgaladi	01-Mar-16	01-Mar-18	Female	Black: African
289	9206240216089	Gomolemo		Kgame	01-Dec-16	01-Dec-18	Female	Black: African
290	8903205525089	Kgabo	Kenneth	Kganyago	01-Feb-13	01-Feb-15	Male	Black: African
291	8812256089087	Mabole	Mollette	Kgaphola	31-Mar-14	31-Mar-16	Male	Black: African
292	9005115643082	Setobane	Jonty	Kgaphola	01-Nov-15	01-Nov-17	Male	Black: African
293	8606245753088	Mokgobi	Maxwell	Kgaphola	02-Jan-13	02-Jan-15	Male	Black: African
294	8708106262082	Mpetjane	Thapelo	Kgari	17-Feb-15	17-Feb-17	Male	Black: African
295	8901230866080	Kgolane	Thato	Kgari	28-Nov-11	28-Nov-13	Female	Black: African

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296	8906180902082	Nthabiseng	Antoinette	Kgasi	01-Sep-16	01-Sep-18 Female	Black: African
297	8805065642088	Dintle		Kgatlle	31-Mar-14	31-Mar-16 Male	Black: African
298	9302210599081	Thatoyaona	Moenyane	Kgobe	01-Jan-16	01-Jan-18 Female	Black: African
299	9205291229082	Fikie	Madinoge	Kgoete	01-Sep-14	01-Sep-16 Female	Black: African
300	9212280500085	Phemelo	Sophy	Kgokong	01-Feb-15	01-Feb-17 Female	Black: African
301	8806215684087	Kgopolo	Evidence	Kgomo	02-Jan-13	02-Jan-15 Male	Black: African
302	9212295827085	Choene	Emerald	Kgomo	31-Mar-15	31-Mar-17 Male	Black: African
303	9006230267088	Neo	Malesia	Kgoee	30-Aug-13	30-Aug-15 Female	Black: African
304	9009196450086	Sylvester	Tshepo	Kgophane	13-Jan-14	13-Jan-16 Male	Black: African
305	9409225627086	Malose	Surprise	Kgosana	01-Mar-17	01-Mar-19 Male	Black: African
306	9009075881088	Lentswe	Peter	Kgwathisi	01-Apr-15	01-Apr-17 Male	Black: African
307	9104065569080	Tiisetso	Phakamosadi	Kgwete	01-May-15	01-May-17 Male	Black: African
308	9003130533081	Nonhlanhla	Patricia	Khaba	09-Jan-14	09-Jan-16 Female	Black: African
309	9007310395088	Palesa	Bridget	Khalila	31-Jan-17	31-Jan-19 Female	Black: African
310	8309285803083	Tieho	Jan	Khakhau	01-Mar-13	01-Mar-15 Male	Black: African
311	8906056144082	Khawathiso	Lionel	Khalushi	20-Jan-14	20-Jan-16 Male	Black: African
312	9203295809082	Nhlanhla	Leonard	Khambula	31-Mar-15	31-Mar-17 Male	Black: African
313	9105020255087	Luyanda		Khambule	01-Mar-17	01-Mar-19 Female	Black: African
314	9206155489085	Maano		Khange	01-Aug-15	01-Aug-17 Male	Black: African
315	8912025813088	Siphosonke	Johannes	Khanye	01-Apr-15	01-Apr-17 Male	Black: African
316	8902135418084	Fred	Bongani	Khawula	02-Jan-13	02-Jan-15 Male	Black: African
317	8607095751081	Madikizela		Khayalethu	29-Sep-11	29-Sep-13 Male	Black: African
318	8503120912089	Nombuso	Zamangwane	Khayile	28-May-09	28-May-11 Female	Black: Coloured
319	9101260421083	Fundile	Charity	Kheswa	31-Mar-15	31-Mar-17 Female	Black: African
320	8708235843083	Phungo	Rodgers	Khodani	01-Jun-12	01-Jun-14 Male	Black: African
321	9310315497085	Thabo		Khosa	01-Aug-15	01-Aug-17 Male	Black: African
322	9205315770087	Ndzalama		Khosa	01-Mar-15	01-Mar-17 Male	Black: African
323	8809080519084	Amukelani	Tierence	Khosa	01-Sep-14	01-Sep-16 Female	Black: African
324	9208126024082	Themba		Khoza	01-Jan-17	01-Jan-19 Male	Black: African
325	9010200487080	Cynthia	Palesa	Khoza	01-Jul-15	01-Aug-17 Female	Black: African
326	8209105667082	Lesedi	Marvellous	Khoza	19-Dec-07	19-Dec-09 Male	Black: African
327	8610185483086	Sabelo	Welcome	Khoza	22-Sep-14	22-Sep-16 Male	Black: African
328	8603205671087	Msawenkosi	Richard	Khoza	01-Nov-15	01-Nov-17 Male	Black: African

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329	9011155023086	Senzo	Khoza	11-Feb-15	11-Feb-17	Male	Black: African
330	8808275998084	Nicholus	Khoza	03-Oct-11	03-Oct-13	Male	Black: African
331	8802165802084	Hlulani	Khoza	16-May-11	16-May-13	Male	Black: African
332	9301295493087	Vamumusa	Khumalo	01-Jul-15	01-Jul-17	Male	Black: African
333	9405176335083	Sanele	Khumalo	01-Mar-17	01-Mar-19	Male	Black: African
334	8101060412085	Thembisile	Khumalo	20-Nov-08	20-Nov-10	Female	Black: African
335	9006095479083	Sthembiso	Khumalo	27-Aug-14	27-Aug-16	Male	Black: African
336	9208126201086	Moses	Khumalo	15-Jan-15	15-Jan-17	Male	Black: African
337	8412305748088	Bafana	Khumalo	14-Dec-11	14-Dec-13	Male	Black: African
338	8807265687087	Sfiso	Khumalo	14-Dec-11	14-Dec-13	Male	Black: African
339	8811225720087	Wandile	Khumalo	31-Mar-14	31-Mar-16	Male	Black: African
340	8812220802086	Langelihle	Khumalo	31-Mar-15	31-Mar-17	Female	Black: African
341	9111220974089	Orphemetse	Khunou	08-Jan-15	08-Jan-17	Female	Black: African
342	9307250138088	Zinhle	Khuzwayo	01-Jan-16	01-Jan-18	Female	Black: African
343	8703045786085	Thabang	Khwenenyana	18-Jul-12	18-Jul-14	Male	Black: African
344	8806136016088	Bandile	Kiviet	01-Oct-15	01-Oct-17	Male	Black: African
345	9201240045083	Megon	Klaasen	01-Sep-15	01-Sep-17	Female	Black: Coloured
346	8802185473080	Mahlogonolo	Kobola	01-Aug-15	01-Aug-17	Male	Black: African
347	9303145096086	Calvin	Kock	02-Feb-15	02-Feb-17	Male	Black: African
348	9202165067086	Thembinkosi	Kojana	01-Sep-15	01-Sep-17	Male	Black: African
349	8903160455082	Letlah	Koki	02-Feb-15	02-Feb-17	Female	Black: African
350	8912165791086	Leonard	Kola	01-Oct-14	01-Oct-16	Male	Black: African
351	8709176000089	Kutullo	Koma	31-Mar-16	31-Mar-18	Male	Black: African
352	9105220518086	Mamoloto	Koma	01-May-14	01-May-16	Female	Black: African
353	9104075661083	Sole	Koma	01-Mar-17	01-Mar-19	Male	Black: African
354	9106230981082	Dineo	Komako	01-Apr-16	01-Apr-18	Female	Black: African
355	9106191070081	Neo	Komako	13-Mar-15	13-Mar-17	Female	Black: African
356	8812295572085	Itumeleng	Komana	31-Mar-14	31-Mar-16	Male	Black: African
357	8609275294080	Tshepo	Komana	31-Mar-14	31-Mar-16	Male	Black: African
358	8508175395080	Rudi	Komane	01-Sep-16	01-Sep-18	Male	Black: African
359	7704205417082	Tshwantsi	Komape	31-Mar-16	31-Mar-18	Male	Black: African
360	9004110871087	Ledile	Komape	09-Jan-14	09-Jan-16	Female	Black: African
361	8604015564082	LUSANDA	KONDLO	12-Jan-09	12-Jan-11	Male	Black: African

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362	9109305651085	Ofentse	Modisaotsile	Konopi	01-Feb-16	01-Feb-18	Male	Black: African
363	8708070900089	Doreer	Mamohaesta	Kopano	02-Feb-15	02-Feb-17	Female	Black: African
364	8406195754081	SIYABULELA	GOODMAN	KOSI	01-Feb-10	01-Feb-12	Male	Black: African
365	9210210561086	Cathrine	Kgomotso	Kowang	08-Jan-15	08-Jan-17	Female	Black: African
366	8905215635089	Hlangaletu	Prince	Krewu	01-Apr-15	01-Apr-17	Male	Black: African
367	9302155638084	Collen	Hlavutelo	Kubayi	01-Mar-17	01-Mar-19	Male	Black: African
368	9212310800083	Jabuisile	Promise	Kubheka	01-Aug-16	01-Aug-18	Female	Black: African
369	8807255392086	Matlebyane	Zacharia	Kudumela	19-Dec-11	19-Dec-13	Male	Black: African
370	9108305217087	Halalisani	Sifiso	Kumalo	12-Jan-15	12-Jan-17	Male	Black: African
371	9006266424082	Sadamu		Kunene	01-Apr-15	01-Apr-17	Male	Black: African
372	8701286097089	Bafana		Kunyane	01-Oct-16	01-Oct-18	Male	Black: African
373	9012220433086	Phegelo	Gratitude	Kupa	31-Mar-16	31-Mar-18	Female	Black: African
374	9301210109081	Rhonal		Kuppusami	01-Aug-16	01-Aug-18	Female	Black: Indian/Asian
375	9003090806089	Ndivhuho		Kutama	12-Mar-15	12-Mar-17	Female	Black: African
376	8401036007088	sipho	berned	kuzwayo	30-May-11	30-May-13	Male	Black: African
377	9002265729084	Thabiso		Kwenane	31-Mar-14	31-Mar-16	Male	Black: African
378	9005221171085	Thendo		Kwinda	01-Oct-15	01-Oct-17	Female	Black: African
379	8806270562087	Mapula	Claudia	Lamola	01-May-14	01-May-16	Female	Black: African
380	8308215714089	Malesela	Charles	Lamola	01-Jan-17	01-Jan-19	Male	Black: African
381	9212110237080	Makale		Langa	01-Jan-17	01-Jan-19	Female	Black: African
382	9012145480089	Nhlanhla	Joel	Langa	01-Oct-14	01-Oct-16	Male	Black: African
383	9104245645081	Nkozenhle	ThandazaniNtethel	Langa	01-Nov-14	01-Nov-16	Male	Black: African
384	9006050617081	Andisiwe	Portia	Langeni	31-Mar-14	31-Mar-16	Female	Black: African
385	8909095046086	Lance	Alex	Langton	31-Mar-14	31-Mar-16	Male	Black: Coloured
386	9108315554081	Rodney		Lebea	02-Feb-15	02-Feb-17	Male	Black: African
387	8803305812082	Madimetja	Sydwell	Lebelo	01-Jan-13	01-Jan-15	Male	Black: African
388	9309216029088	Moeketsi		Lebese	01-Sep-15	01-Sep-17	Male	Black: African
389	9204210994082	Mmakwane	Winnie	Lebeya	06-Nov-14	06-Nov-16	Female	Black: African
390	8410225670085	Tankiso	Sam	Lebona	31-Mar-14	31-Mar-16	Male	Black: African
391	8912300693080	Kedibone	Pearl	Lebopa	01-Sep-16	01-Sep-18	Female	Black: African
392	9207295911087	Lesiba	Francis	Ledwaba	01-Dec-16	26-Mar-17	Male	Black: African
393	9209056226085	Matome	Brilliant	Ledwaba	01-Jan-16	01-Jan-18	Male	Black: African
394	8705155496082	Lesiba	Moses	Ledwaba	10-Mar-14	10-Mar-16	Male	Black: African

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395	8308050328086	Keko	Beauty	Ledwaba	01-Mar-17	01-Mar-19	Female	Black: African
396	9207135489088	Mpho	Lenga	Ledwaba	01-Mar-17	01-Mar-19	Male	Black: African
397	8410020619089	Veronica	Neo	Ledwaba	05-Jan-15	05-Jan-17	Female	Black: African
398	8811215071087	Tebogo	Darlington	Lefeume	02-Feb-15	02-Feb-17	Male	Black: African
399	8709285748081	Thabang	Edmond	Legari	14-Sep-11	14-Sep-13	Male	Black: African
400	8711300359084	Kgaugelo	Ivy	Legoara	13-Mar-15	13-Mar-17	Female	Black: African
401	8902170903081	Pricilla	Bontie	Legopelo	01-Dec-16	01-Dec-18	Female	Black: African
402	8905060638089	Ipeleng	Nkaie	Lehabe	01-Oct-12	01-Oct-14	Female	Black: African
403	8810170641082	Keabetswe	Dimakatso	Lehong	01-Jul-15	01-Jul-17	Female	Black: African
404	8708085019081	Marlon	Clive	Leibrandt	01-Apr-16	01-Apr-18	Male	Black: Coloured
405	9211175770084	Mothlathogo	Samuel	Leimela	01-Mar-17	01-Mar-19	Male	Black: African
406	8807085297083	Mokone	Nethani	Lekale	26-Aug-13	26-Aug-15	Male	Black: African
407	8406140650087	Kedibone	Meilita	Lekganyane	01-May-12	01-May-14	Female	Black: African
408	9210165546082	Kabelo	Mabitsela	Lekganyane	01-Mar-15	01-Mar-17	Male	Black: African
409	7910295267085	Matseleng	Rex	Lekgathoane	02-Feb-15	02-Feb-17	Male	Black: African
410	8804175189080	Donald	Lehlohonolo	Lekgenge	01-May-14	01-May-16	Male	Black: African
411	8901175933085	Bauba	Mogase	Lekgoro	01-Feb-13	01-Feb-15	Male	Black: African
412	9011086103080	Japhtha	Jan	Lekgotho	12-Mar-15	12-Mar-17	Male	Black: African
413	8911185475084	Matseleng	Leon	Lekgothoane	01-May-13	01-May-15	Male	Black: African
414	8407280854083	Madikoto	Dorcas	Lekgothwane	31-Mar-14	31-Mar-16	Female	Black: African
415	9102260996082	Tshidiso	Precious	Lekhobe	01-Aug-15	01-Aug-17	Female	Black: African
416	9109155713084	David	Janje	Lekomanyane	01-Nov-16	01-Nov-18	Male	Black: African
417	9007210186082	Thembi	Mmaphefo	Lekota	13-Jan-14	13-Jan-16	Female	Black: African
418	9104295261086	Daniel	Lebogang	Lekoto	19-Apr-13	19-Apr-15	Male	Black: African
419	7909185194086	Tebogo	William	Lekwape	28-Sep-07	01-Oct-09	Male	Black: African
420	9102215957080	Seeka	Marco	Lelosa	01-Mar-17	01-Mar-19	Male	Black: African
421	9206280908082	Masego		Lencwane	01-Apr-15	01-Apr-17	Female	Black: African
422	8710105259085	Thabo		Lengopeng	14-Dec-11	14-Dec-13	Male	Black: African
423	9011210402085	Pauline		Lengwati	01-Aug-15	01-Aug-17	Female	Black: African
424	8207260399087	Matshediso	Magdeline	Lenkoe	03-Sep-12	03-Sep-14	Female	Black: African
425	8112135576085	KOKOANE	SYDNEY	LENTSOANE	13-Feb-09	13-Feb-11	Male	Black: African
426	8607190850085	Susan		Lentsoe	29-Sep-11	29-Sep-13	Female	Black: African
427	8806215161086	Dwaine	Malcolm	Leo	01-Aug-13	01-Aug-15	Male	Black: Coloured

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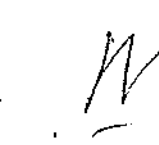

428	7707255478086	Mpotse	Lazarus	Lepee	01-Apr-15	01-Apr-17	Male	Black: African
429	9102275602089	Tsepo	Samuel	Lepeesana	02-Feb-15	02-Feb-17	Male	Black: African
430	9202225187080	Thabang		Lephaila	30-Jun-14	30-Jun-16	Male	Black: African
431	9212316067083	Gibroltar	Thapelo	Lephalaia	01-Feb-17	01-Feb-19	Male	Black: African
432	8212075811086	Moabi		lepheana	07-May-08	07-May-10	Male	Black: African
433	9305200314080	Thato	Stephanic	Lepheane	05-Jan-15	05-Jan-17	Female	Black: African
434	8811100591082	Keabetswe	Cynthia	Lephoto	01-Apr-15	01-Apr-17	Female	Black: African
435	9208195304084	Kagiso		Leretolo	02-Feb-15	02-Feb-17	Male	Black: African
436	9104100651083	Ntsoaki	Mercy	Lesesa	01-Jul-16	01-Jul-18	Female	Black: African
437	9004160801083	Thabana	Adelaide	Lesese	01-Sep-15	01-Sep-17	Female	Black: African
438	9110055730087	Aubrey		Lesetsa	01-Feb-16	01-Feb-18	Male	Black: African
439	9306291152082	Keletso	Fiona	Leshaba	01-Aug-15	01-Aug-17	Female	Black: African
440	8307025877086	Mpusshenu	Given	Leshabane	14-Sep-11	14-Sep-13	Male	Black: African
441	9003200521081	Kholofelo	Elona	Leshabane	31-Mar-16	31-Mar-18	Female	Black: African
442	8805190576086	Sepeke	Yvonne	Leshega	03-Mar-14	03-Mar-16	Female	Black: African
443	9008245438084	Gina	Motshobedi	Lesinya	17-Feb-15	17-Feb-17	Male	Black: African
444	8909285809087	Rodgers	Sebatane	Lesufi	31-Mar-16	31-Mar-18	Male	Black: African
445	8805075809081	Birchleigh	Mpusheng	Lesufi	01-Apr-16	01-Apr-18	Male	Black: African
446	8909300324088	Belindah	Kgaugelo	Lela	25-Mar-13	25-Mar-15	Female	Black: African
447	9303196079080	Thoriso	Innocent	Lethale	31-Mar-16	31-Mar-18	Male	Black: African
448	9303170600083	Keitumetse		Lethokoe	01-Mar-16	01-Mar-18	Female	Black: African
449	8807090673088	Bontle	Beauty	Letlakana	03-Oct-11	03-Oct-13	Female	Black: African
450	8809235934086	Frederick	Ofentse	Letlape	01-Sep-15	01-Sep-17	Male	Black: African
451	8903165889087	Johannes	Nkokone	Letsholo	19-Dec-11	19-Dec-13	Male	Black: African
452	7604165431083	Kabelo	Emanuel	Letshwenyeho	01-May-14	01-May-16	Male	Black: African
453	8504210226083	Boitumelo	Ecstasy	Letsie	01-Feb-17	01-Feb-19	Female	Black: African
454	9004215794085	Chueu	Simon	Letsoalo	31-Mar-14	31-Mar-16	Male	Black: African
455	9012235050081	Releabetswe	Junius Sequnga	Letswalo	01-Mar-13	01-Mar-15	Male	Black: African
456	9012235060081	Releabetswe	Junius Sequnga	Letswalo	01-Feb-13	01-Feb-15	Male	Black: African
457	8908300518087	Fulufhelo		Lifuwa	01-May-15	01-May-17	Female	Black: African
458	9001256070086	Thendo		Ligudu	01-Apr-15	01-Apr-17	Male	Black: African
459	8608275576082	Thabelo		Ligudu	29-Sep-11	29-Sep-13	Male	Black: African
460	9010235965084	Xolani		Lindani	01-Sep-15	01-Aug-17	Male	Black: African

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461	8810265923080	Thembelani	Shaun	Lindani	01-Apr-13	01-Apr-15 Male	Black: African
462	8710160311086	Palesa		Litha	18-Nov-13	18-Nov-15 Female	Black: African
463	9210030796086	Mulalo		Lithole	01-Jul-15	01-Jul-17 Female	Black: African
464	9307180298085	Leetwane	Lydia	Litshibane	01-Apr-15	01-Apr-17 Female	Black: African
465	8902201051082	Ontlametse	Confidence	Lobaleng	01-Dec-16	01-Dec-18 Female	Black: African
466	8610115085084	Labuschagne	Jan	Lodewyk Vosloo	01-May-12	01-May-14 Male	Black: Coloured
467	8703015029086	Donovan	Joseph	Lombard	01-Aug-16	01-Aug-18 Male	Black: Coloured
468	9001310226088	Loreal	Tesnia	Louw	31-Mar-14	31-Mar-16 Female	Black: Coloured
469	8707246064085	Sylvester	Matsilela	Louw	01-Apr-15	01-Apr-17 Male	Black: African
470	9007065063089	Andries	Johannes	Louw	01-Feb-14	01-Feb-16 Male	Black: African
471	9006260429087	Phumla	Sindiswa Janice	Lubelo	03-Mar-14	03-Mar-16 Female	Black: African
472	9403170429085	Bridgette	Nokubonga	Lukhele	31-Mar-15	31-Mar-17 Female	Black: African
473	9003075829080	Sabelo		Lukhele	31-Mar-15	31-Mar-17 Male	Black: African
474	8907150958088	Tshiwela	Phillipine	Lukhwareni	01-Oct-16	01-Oct-18 Female	Black: African
475	8904045688087	Walter	Vhuhwavho	Lumadi	15-Jul-13	15-Jul-15 Male	Black: African
476	9112080525086	Jessica	Shihungasi	Luphodo	01-Feb-15	01-Feb-17 Female	Black: African
477	8707036132084	Ludwick	Letona	Lusufi	01-Jul-16	01-Jul-18 Male	Black: African
478	8508295865087	Rudzani		Lusunzi	16-Nov-11	16-Nov-13 Male	Black: African
479	8802095665080	Reginald	Simphiwe	Luthuli	11-Mar-15	11-Mar-17 Male	Black: African
480	9011065890087	Madoda	Velenseni	Luthuli	01-Jul-15	01-Jul-17 Male	Black: African
481	9010285737086	Thingahangwi		Luvhengo	01-Aug-15	01-Aug-17 Male	Black: African
482	8610055620080	Thivhudzwo		Luvhengo	31-Mar-14	31-Mar-16 Male	Black: African
483	9012070657081	Cindy	Moloko	Maake	01-Oct-14	01-Oct-16 Female	Black: African
484	9008035737083	Katlego	France	Maake	01-Feb-15	01-Feb-17 Male	Black: African
485	8311195628089	Mpho	Selepe	Maake	01-Mar-15	01-Mar-17 Male	Black: African
486	8910045902089	Thabiso	Ntshekeng	Maaneke	01-Oct-14	01-Oct-16 Male	Black: African
487	9810045902089	Thabiso	Ntshekeng	Maaneke	01-Oct-14	01-Oct-16 Male	Black: African
488	8901280836082	Rachel		Maano	30-Jan-13	30-Jan-15 Female	Black: African
489	8211170815083	GOMOLEMO	CONFIDENCE	MAAPE	18-Nov-08	18-Nov-10 Female	Black: African
490	8104245433083	VUSANI	SALMON	MABALEKA	24-Apr-08	20-Aug-10 Male	Black: African
491	9109055804082	Thendo	Emmanuel	Mabannda	01-Sep-15	01-Sep-17 Male	Black: African
492	8602260471086	Refilwe		Mabapa	01-Apr-15	01-Apr-17 Female	Black: African
493	8805106120086	Ntanganedzeni	Alex	Mabasa	28-Mar-13	28-Mar-15 Male	Black: African

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494	8803275595089	Dzunisani	Shaun	Mabasa	25-Aug-14	25-Aug-16	Male	Black: African
495	8607285486084	Donald	Works	Mabasa	09-Jan-14	09-Jan-16	Male	Black: African
496	8804115830082	Ntsako	Chris	Mabasa	11-Mar-15	11-Mar-17	Male	Black: African
497	8508045669086	Bongani	Hleketani	Mabasa	15-Jul-11	15-Jul-13	Male	Black: African
498	8707015808084	Ernest	Bongumusa	Mabaso	01-May-15	01-May-17	Male	Black: African
499	8904215801080	Lucas	Precious	Mabaso	12-Feb-15	12-Feb-17	Male	Black: African
500	9011030769085	Mpumelele	Bhekumuzi	Mabaso	05-Mar-14	05-Mar-16	Female	Black: African
501	9208215521089	Jason	Lunigle	Mabaso	01-May-16	01-May-18	Male	Black: African
502	9009070434081	Reamogetwe	Happiness	Mabaso	01-Jan-13	01-Jan-15	Female	Black: African
503	8401020635084	Samekellisiwe	Glan	Mabatha	23-Sep-11	23-Sep-13	Female	Black: African
504	8912206497081	Mbulaheni	Eleanor	Mabe	31-Mar-15	31-Mar-17	Male	Black: African
505	8901080903082	Tshepo	Calvin	Mabe	01-May-15	01-May-17	Female	Black: African
506	9009015279088	Koonethebe	Salome	Mabe	01-Mar-17	01-Mar-19	Male	Black: African
507	9005310234083	Metja	Moraka	Mabege	01-Nov-15	01-Nov-17	Female	Black: African
508	9203255807084	Evens	Urthur	Mabete	01-Apr-16	01-Apr-18	Male	Black: African
509	9008095691089	Hulisani	Matije Mapula Eliza	Mabege	17-Feb-15	17-Feb-17	Male	Black: African
510	9005290429083	Maite	Edwin	Mabelebele	01-Oct-16	01-Oct-18	Female	Black: African
511	8411185626083	Maesela	Elizabeth	Mabena	14-Sep-11	14-Sep-13	Male	Black: African
512	9201100858088	Itumeleng	Theophilus	Mabena	01-Sep-16	01-Sep-18	Female	Black: African
513	8911145322087	Kgomotso	Godfrey	Mabetswa	01-Sep-15	01-Sep-17	Male	Black: African
514	9006285417083	Khutso	Mogomotsi	Mabito	31-Mar-14	31-Mar-16	Female	Black: African
515	8911252379083	Harry	Sylvia	Mabitsela	06-Sep-11	06-Sep-13	Male	Black: African
516	8510085993087	Nnyeu	Clement	MABITSELA	01-May-15	01-May-17	Female	Black: African
517	8811110897081	Munavho	Brain	Maboko	03-Sep-12	03-Sep-14	Female	Black: African
518	8901300695088	Mamphe	Alfred	Mabote	02-Feb-15	02-Feb-17	Male	Black: African
519	9110055736084	Lesego	Koena	Mabotja	26-Mar-09	26-Mar-11	Male	Black: African
520	8111195294084	KEORAPETSE	Adele	Maboya	01-Jul-16	01-Jul-18	Male	Black: African
521	9206095464081	Tshepiso	Vutomi	Mabunda	19-Jul-12	19-Jul-14	Male	Black: African
522	8709235335088	Pule	Glory	Mabunda	31-Mar-14	31-Mar-16	Female	Black: African
523	9110280962083	Katlego			01-Dec-16	01-Dec-18	Female	Black: African
524	9307280849084	Maserole			08-Jan-15	08-Jan-17	Female	Black: African
525	9003180490083	Jenny			02-Jun-11	02-Jun-13	Female	Black: African
526	8805110679085	Kulani						

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527	8906045615085	Frans	Mozis	Mabuza	01-Oct-15	01-Oct-17	Male	Black: African
528	9004255269089	Nqobile	Buti	Mabuza	01-Jun-15	01-Jun-17	Male	Black: African
529	9201031173086	Thandeka	Trinity	Mabuza	01-Apr-13	01-Apr-15	Female	Black: African
530	9304245396087	Thobani		Mabuza	01-Mar-17	01-Mar-19	Male	Black: African
531	9111180201085	Nonthuthuzelo	Gaeleale Sedia	Macala	02-Dec-13	02-Dec-15	Female	Black: African
532	8907135795084	Tshoarelo	Glen	Machabaphala	19-Dec-11	19-Dec-13	Male	Black: African
533	8905165093081	Karabo	Godwin	Machechewana	01-Mar-17	01-Mar-19	Male	Black: African
534	8701240337084	Marry-Jane	Thembalinhle	Macheke	01-Sep-16	01-Sep-18	Female	Black: African
535	9107305378089	Kabedi	Geminder	Macheru	01-Sep-16	01-Sep-18	Male	Black: African
536	9302020270089	Mosa	Georgina	Machesa	01-Jan-16	01-Mar-18	Female	Black: African
537	9002220903089	Maropene	Lovedelia	Machethe	13-Jan-14	13-Jan-16	Female	Black: African
538	8807150505089	Lerato	Thelma	Machinini	01-Mar-17	01-Mar-19	Female	Black: African
539	8609275416089	Antonie		Machoga	17-Sep-13	17-Sep-15	Male	Black: African
540	8707070520087	eulenda		Madalane	27-Feb-13	27-Feb-15	Female	Black: African
541	8607315238083	Bereng	Kenneth	Madele	01-Jan-13	01-Jan-15	Male	Black: African
542	8505055026082	NEELAM		MADHAV	09-Dec-09	09-Dec-11	Male	Black: Indian/Asian
543	9107110921081	Benedictor		Madiba	31-Mar-15	31-Mar-17	Female	Black: African
544	8009305469085	Matsobane	Jonas	Madiba	14-Sep-11	14-Sep-13	Male	Black: African
545	8008230509080	Zanele	Carol	Madide	15-Sep-09	15-Sep-11	Female	Black: African
546	9208120840087	Lebogang		Madidimalo	01-Sep-16	01-Sep-18	Female	Black: African
547	9401035717082	Elvis		Madigage	01-Dec-16	01-Dec-18	Male	Black: African
548	9105175769080	Siphesande		Madikazi	01-Apr-16	01-Apr-18	Male	Black: African
549	9002060369086	Elina	Nyiko	Madlonga	01-Oct-12	01-Oct-14	Female	Black: African
550	8904226055080	Hulisani	Ezrah	Madima	31-Mar-14	31-Mar-16	Male	Black: African
551	9207050493081	Tendani	Theresa	Madima	01-Feb-15	01-Feb-17	Female	Black: African
552	9209010099081	Kgaubelwane	Portia	Madingwaneng	01-Aug-16	01-Aug-18	Female	Black: African
553	8907140524081	Dineo	Sheron	Madire	01-May-15	01-May-17	Female	Black: African
554	8807050780089	Molatelo	Constance	Madire	01-Apr-16	01-Apr-18	Female	Black: African
555	8511015606088	Otty		Madire	07-Aug-09	07-Aug-11	Male	Black: African
556	8302280846082	Messiah	Dikeledi	Madire	11-Dec-09	11-Dec-11	Female	Black: African
557	8608275486084	LEBOGANG	KEVIN	MADISHA	01-Sep-08	01-Sep-10	Male	Black: African
558	9003166138086	Sabelo	Terrence	Madondo	01-May-12	01-May-14	Male	Black: African
559	7804135414082	Tefo	Samuel	Maduna	03-Sep-12	03-Sep-14	Male	Black: African

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560	9010155747082	Johnson	PRECIOUS	Madzhuta	01-May-15	01-May-17	Male	Black: African
561	8504100887085	MULALO	Macia	MADZIVHANDILA	30-Mar-09	30-Mar-11	Female	Black: African
562	9101101046081	Napogadi	PATIENCE	Maelane	31-Mar-16	31-Mar-18	Female	Black: African
563	8512130793082	GOBAKWE	Florence	MAEMA	17-Jan-08	17-Jan-10	Female	Black: African
564	8609060879087	Dieketseng	FRANK	Maetso	08-Jan-15	08-Jan-17	Female	Black: African
565	8309245793085	MONPEPE		MAFA	16-Sep-08	16-Sep-10	Male	Black: African
566	9203165698086	Rudi		Mafahla	01-Sep-14	01-Sep-16	Male	Black: African
567	8901195403085	Takalane	Elvis	Mafhida	01-Feb-15	01-Feb-17	Male	Black: African
568	9306070920089	Tholang	Shontelle	Mafuako	01-Mar-15	01-Mar-17	Female	Black: African
569	8909071037083	Siyasangisandlasenke	Bongolamancube	Mafunda	01-Aug-14	01-Aug-16	Female	Black: African
570	8308080572083	Precious		Magabe	31-Mar-14	31-Mar-16	Female	Black: African
571	8802285447083	Lwazi		Magadaza	01-Aug-14	01-Aug-16	Male	Black: African
572	8907125400083	Vusi	Johnny	Magagula	27-Feb-13	27-Feb-15	Male	Black: African
573	8706205304086	Modise	Victor	Magana	02-Jan-13	02-Jan-15	Male	Black: African
574	8803016033085	Tommy		Maganedisa	01-Jan-17	01-Jan-19	Male	Black: African
575	8501085887080	Thanduxolo	Kenneth	Magenuka	01-Apr-08	01-Apr-10	Male	Black: African
576	9102035491088	Vongani	Constatine	Mageza	01-Jan-17	01-Jan-19	Male	Black: African
577	8603010457086	Motalepula	Olivia	Magogodi	01-Sep-15	01-Sep-17	Female	Black: African
578	8808025886084	Albert Lesego		Magoleng	03-Sep-12	03-Sep-14	Male	Black: African
579	8810110833088	Bongukuphiwayinkosi	Fortunate	Magubane	31-Mar-14	31-Mar-16	Female	Black: African
580	8212245341089	SIPHUMELELE	CYRIL	MAGWAZA	17-Jan-08	17-Jan-10	Male	Black: African
581	8804055287087	Msizi	Mbhekeleni	Magwaza	02-Jan-13	02-Jan-15	Male	Black: African
582	9104045575082	Lungelo	Nhlanhla	Magwaza	01-Mar-17	01-Mar-19	Male	Black: African
583	9003185580086	Khayelihle	Nelson	Magwaza	31-Mar-15	31-Mar-17	Male	Black: African
584	9005256056086	Mikovhe		Mahada	31-Mar-14	31-Mar-16	Male	Black: African
585	9106046445082	Slow		Mahamba	01-Apr-16	01-Apr-18	Male	Black: African
586	8902275639085	Fumani		Mahani	01-Aug-15	01-Aug-17	Male	Black: African
587	8209235589081	Makgetha	George	Mahape	01-Jul-15	01-Jul-17	Male	Black: African
588	9207310758083	Yolanda		Maheshana	31-Mar-15	31-Mar-17	Female	Black: African
589	9309120370081	Godliver	Mathepna	Mahlake	01-Mar-17	01-Mar-19	Female	Black: African
590	9207165347081	Ngilozi	Mtduduzi	Mahlalela	01-Apr-15	01-Apr-17	Male	Black: African
591	9203280346082	Koketso		Mahlane	01-Apr-16	01-Apr-18	Female	Black: African
592	9010255859084	Dineo	Simon	Mahlane	01-Sep-15	01-Sep-17	Male	Black: African

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593	9005030513089	Adelaide	Thilisile	Mahlangu	01-Jul-15	01-Jul-17	Female	Black: African
594	9012245610080	Dumisane	Emmanuel	Mahlangu	13-Mar-15	13-Mar-17	Male	Black: African
595	8911165652082	Daniel	Fiso	Mahlangu	10-Mar-14	10-Mar-16	Male	Black: African
596	8101270551086	Elizabeth	Gadifele	Mahlangu	01-May-12	01-May-14	Female	Black: African
597	9104295461082	Bongani	Xolani	Mahlangu	13-Jul-15	13-Jul-17	Male	Black: African
598	8602275502081	Bheki	Stephen	Mahlangu	25-Aug-14	25-Aug-16	Male	Black: African
599	8711305720082	Nkosinathi		Mahlangu	06-Oct-11	06-Oct-13	Male	Black: African
600	8611060282080	Gladies	Nokuthula	Mahlangu	03-Sep-12	03-Sep-14	Female	Black: African
601	8602100854087	vivacious	Fundisiwe	Mahlangu	29-Sep-11	29-Sep-13	Female	Black: African
602	9109021182084	Keketso	Precious	Mahlanyane	01-Feb-15	01-Feb-17	Female	Black: African
603	8903070436081	Murishe	Boitumelo	Mahlase	16-Nov-11	16-Nov-13	Female	Black: African
604	9011290944089	Unathi	Francis	Mahlati	01-Apr-13	01-Apr-15	Female	Black: African
605	8702255697081	Matsimele	Francis	Mahlajji	01-Mar-17	01-Mar-19	Male	Black: African
606	9112130934080	Ramaredi	Ethel	Mahlajji	17-Feb-15	17-Feb-17	Female	Black: African
607	9209166299089	Thuto		Mahlelebe	12-Feb-15	12-Feb-17	Male	Black: African
608	8812210403085	Vusani	Thendo	Mahlo	31-Mar-15	31-Mar-17	Female	Black: African
609	8909025576087	Madimetja	Gilbert	Mahlong	31-Mar-14	31-Mar-16	Male	Black: African
610	9112256132089	Lehlogonolo		Mahlwele	01-Mar-15	01-Mar-17	Male	Black: African
611	8901215877086	Teboho		Mahobe	22-Jun-11	22-Jun-13	Male	Black: African
612	9109170674089	Ntsakiso		Mahori	20-Jan-14	20-Jan-16	Female	Black: African
613	9203130479083	Mohlakwana	Maria	Mahubane	01-Apr-13	01-Apr-15	Female	Black: African
614	7709030340086	Rosina	Boitumelo	Mahuma	19-Jul-07	19-Jul-09	Female	Black: African
615	8601240488087	Refilwe	Lovedolia	Mahusi	01-Jan-13	01-Jan-15	Female	Black: African
616	8509030798088	Kgopotso	Comfort	Maile	31-Mar-14	31-Mar-16	Female	Black: African
617	9109115781080	Moahludi		Maile	01-Nov-15	01-Nov-17	Male	Black: African
618	9204080436081	Lebogang		Mailula	01-Jan-16	01-Mar-18	Female	Black: African
619	8807155846082	Thabiso	Jerry	Maimela	19-Dec-11	19-Dec-13	Male	Black: African
620	8812310223086	Prudence	Khomotso	Maimela	15-Feb-10	15-Feb-12	Female	Black: African
621	9012035894084	Mahlatshe	Sebotse	Maimela	01-Jul-15	01-Jul-17	Male	Black: African
622	9208155899081	Letlatji	Josaya	Maimela	01-Nov-16	01-Nov-18	Male	Black: African
623	9211260858083	Osma		Mainganya	16-Mar-15	16-Mar-17	Female	Black: African
624	8209125784081	PHATHUSHEDZO		MAINGANYE	01-Apr-08	07-Jul-10	Male	Black: African
625	9307215766080	Sanele	Lindokuhle	Maisela	01-Aug-15	01-Aug-17	Male	Black: African

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626	8804175546081	Chuené	Kabelo	Matisa	17-May-11	17-May-13	Male	Black: African
627	9101160731086	Mashoto	Raese tjia	Maja	11-Mar-15	11-Mar-17	Female	Black: African
628	8904121172089	Tebogo	Charity	Maja	19-Dec-11	19-Dec-13	Female	Black: African
629	9311035925082	Future	Ntlhane	Maja	01-Mar-17	01-Mar-19	Male	Black: African
630	9302275541085	Phokgedi	Marvin	Maja	01-Mar-17	01-Mar-19	Male	Black: African
631	9104106100085	Thabo	Patric	Majadibodu	11-Mar-15	11-Mar-17	Male	Black: African
632	9007045427081	Tshegofatso	Lawrence	Majane	19-Feb-14	19-Feb-16	Male	Black: African
633	8911290406081	Zethu		Majola	31-Mar-14	31-Mar-16	Female	Black: African
634	8402285765087	NKOSIPHENDULE		MAJOZI	28-May-09	28-May-11	Male	Black: African
635	9109165687088	Xola		Majozini	01-Dec-16	01-Dec-18	Male	Black: African
636	8612201047085	XOLISIZWE	Sonqoba	MAKAE	10-Mar-15	10-Mar-17	Female	Black: African
637	8512045535081	Glen	Lesiba	Makalela	01-Nov-16	01-Nov-18	Male	Black: African
638	9105295829087	Sibonelo	Vusi	Makama	02-Feb-15	02-Feb-17	Male	Black: African
639	9309285757080	Vutomi	Evicky	Makambeni	17-Feb-15	17-Feb-17	Male	Black: African
640	8903156390087	Xivutiso	Life	Makamu	30-Jul-14	30-Jul-16	Male	Black: African
641	9101146144081	Rirhandzu	Leonard	Makamu	01-Apr-15	01-Apr-17	Male	Black: African
642	8912055459083	Tebogo	Paul	Makgaga	15-Aug-12	15-Aug-14	Male	Black: African
643	9204125883081	Paseka		Makgaka	01-Jun-15	01-Jun-17	Male	Black: African
644	8805145473082	Katlego	Ignatius	Makgale	05-May-14	05-May-16	Male	Black: African
645	8901240343088	Portia	Banele	Makgale	26-Mar-15	26-Mar-17	Female	Black: African
646	8703310457081	Katlego	Sarah	Makgale	01-Sep-14	01-Sep-16	Female	Black: African
647	8805235551086	Bith Bethuel		Makgate	01-Oct-16	01-Oct-18	Male	Black: African
648	9406080374085	Tshegofatso	Patricia	Makgatho	01-Jan-16	01-Jan-18	Female	Black: African
649	9202030150083	Rebecca	Mokgadi	Makgatho	01-Mar-17	01-Mar-19	Female	Black: African
650	8910300758085	Morongwa	Lekgale	Makgati	01-May-14	01-May-16	Female	Black: African
651	9303241216083	Dimakatso	Kesentswe	Makgati	31-Mar-17	31-Mar-19	Female	Black: African
652	9007290814082	Tryphosa	Ngwanathema	Makgato	01-Sep-15	01-Sep-17	Female	Black: African
653	8904225512081	Phoka	Kelly	Makgeta	19-Dec-11	19-Dec-13	Male	Black: African
654	8106106269084	Meji	Sandy	Makgoba	01-May-15	01-May-17	Male	Black: African
655	9205141122081	Maile	Renellwe	Makgoba	01-Jul-16	01-Jul-18	Female	Black: African
656	9210021024084	Merlin		Makgoga	27-Jun-14	27-Jun-16	Female	Black: African
657	9011306118082	Tshepho	Mpusheng	Makgolane	08-Jan-15	08-Jan-17	Male	Black: African
658	9302230625080	Katlego Raesetjé		Makgolane	01-Aug-15	01-Aug-17	Female	Black: African

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659	8405315696081	Thotogelo	Alec	Makgothoko	31-Mar-15	31-Mar-17	Male	Black: African
660	9107136033085	Dillo	Patrick	Makhabe	01-Mar-16	01-Mar-18	Male	Black: African
661	9206255424081	Mokhiri	Malesela	Makhatola	01-Apr-15	01-Apr-17	Male	Black: African
662	9103195896082	Rialivhuwa	Revaldo	Makhale	02-Feb-15	02-Feb-17	Male	Black: African
663	9002206202084	Thandoxolo	Good-Present	Makhanya	31-Mar-15	31-Mar-17	Male	Black: African
664	8803185673083	NJABULO	GRADUATE	MAKHANYA	01-Jun-09	01-Jun-11	Male	Black: African
665	9109250042082	Disebo	Lydia	Makhari	01-Mar-17	01-Mar-19	Female	Black: African
666	9208180642084	Vhuhwavho		Makhari	01-Aug-16	01-Aug-18	Female	Black: African
667	8711050410087	Tshegofatso	Jane	Makhaya	01-Mar-13	01-Mar-15	Female	Black: African
668	8612100478084	Thabelo		Makherana	07-Sep-13	07-Sep-15	Female	Black: African
669	8802200730084	Ndivhuho		Makherana	14-Jun-11	14-Jun-13	Female	Black: African
670	8606256061082	Tshepo		Makhetha	03-Feb-14	03-Feb-16	Male	Black: African
671	8305225350086	Thabani Precious Kwenzakwenkosi		Makhoba	31-Mar-15	31-Mar-17	Male	Black: African
672	9004075763089	Usivhane	Canglish	Makhode	01-Feb-15	01-Feb-17	Male	Black: African
673	9001130748089	Dakalo		Makhokha	06-Nov-14	06-Nov-16	Female	Black: African
674	9103175682080	Thulo	Gregory	Makhongoana	31-Mar-16	31-Mar-18	Male	Black: African
675	8004046671081	Lebogang		Makhongoana	09-Jan-14	09-Jan-16	Male	Black: African
676	8001035343086	JOHANNES	MASOJA	MAKHUBA	10-Dec-09	10-Dec-11	Male	Black: African
677	8910195769080	Sebenzile	Lordwick	Makhubele	01-Oct-14	01-Oct-16	Male	Black: African
678	9108265887085	Dzunani	Raymond	Makhubele	01-Sep-15	01-Sep-17	Male	Black: African
679	8807271677080	Litshani		Makhuvha	01-Dec-16	01-Dec-18	Female	Black: African
680	8907075963080	Morake	Clermond	Makhwiting	16-Sep-14	16-Sep-16	Male	Black: African
681	9408265913083	Sesethu	Ondela	Makinana	31-Mar-17	31-Mar-19	Male	Black: African
682	8801225728081	Seiso	Donald	Makintane	01-Aug-15	01-Aug-17	Male	Black: African
683	7608290563082	Petronella		Makitia	25-May-10	25-May-12	Female	Black: African
684	8602176233182	Khali	Alexis	Makoe	01-Oct-15	01-Oct-17	Male	Black: African
685	8910170840088	Shirley	Maakome	Makofane	01-Oct-14	01-Oct-16	Female	Black: African
686	9010225823087	Stanza	Ntobeng	Makofane	01-Mar-17	01-Mar-19	Male	Black: African
687	8901106306088	Dimpho	Ishmael	Makoko	17-Feb-15	17-Feb-17	Male	Black: African
688	9011160511083	Ramosegeng		Makola	01-May-15	01-May-17	Female	Black: African
689	9308105604084	Letlalebane August		Makola	01-Sep-15	01-Sep-17	Male	Black: African
690	9106290860085	Kamogelo	Morwasegole	Makola	01-Feb-13	01-Feb-15	Female	Black: African
691	8904056179083	Tebogo	Owen	Makola	29-Sep-11	29-Sep-13	Male	Black: African

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692	9312315987081	Mamoyahoba	Edwin	Makongoza	01-Mar-17	01-Mar-19	Male	Black: African
693	8712260950086	Olma	Tsakani	Makonto	29-Sep-11	29-Sep-13	Female	Black: African
694	8404170313080	Morongwa	Grace	Makoti	01-Oct-12	01-Oct-14	Female	Black: African
695	9110215726082	Tisetso		Makua	31-Mar-16	31-Mar-18	Male	Black: African
696	9107020857086	Sisanda	Sesethu	Makubalo	01-Aug-14	01-Aug-16	Female	Black: African
697	9110055903080	Khumibelo		Makungo	01-Jan-17	01-Jan-19	Male	Black: African
698	9108190402083	Rakgosebo	Violet	Makuoa	31-Mar-14	31-Mar-16	Female	Black: African
699	8603200633082	Inga	Missy Mamoji	Makuwa	03-Sep-12	03-Sep-14	Female	Black: African
700	9007266147087	Khumoetsile	Arthur	Makuwe	01-Sep-16	01-Sep-18	Male	Black: African
701	8807216062083	Ndivhuwo		Makuya	20-Dec-11	20-Dec-13	Male	Black: African
702	8612181185087	Motale	Priscilla	Makwela	01-Oct-15	01-Oct-17	Female	Black: African
703	9112280808084	Rebecca		Makwela	12-Feb-15	12-Feb-17	Female	Black: African
704	8903270604082	Phathutshedzo		Malada	01-May-15	01-May-17	Female	Black: African
705	9106150622088	Lunia		Malaka	02-Feb-15	02-Feb-17	Female	Black: African
706	9004155719084	Thulani	Mduduzi	Malambule	01-Mar-17	01-Mar-19	Male	Black: African
707	8910275650085	Makateko		Malapane	01-Mar-17	01-Mar-19	Male	Black: African
708	8510175363084	Lordwin	Rapholo	Malatji	01-May-15	01-May-17	Male	Black: African
709	9004020752088	Catherine		Malatji	23-Feb-15	23-Feb-17	Female	Black: African
710	9005156055089	Mohale	Terence	Malatji	01-Jan-16	01-Jan-18	Male	Black: African
711	9112275593089	Glamroy		Malatji	12-Feb-15	12-Feb-17	Male	Black: African
712	9011055458085	Mafeto	Reginal	Malatji	01-Aug-14	01-Aug-16	Male	Black: African
713	9011055459083	Mafete	Rudolph	Malatji	01-Aug-14	01-Aug-16	Male	Black: African
714	8706010711087	Raesetse	Valencia	Malatji	01-Jun-12	01-Jun-14	Female	Black: African
715	9302025917080	Oldrant		Malatji	31-Mar-16	31-Mar-18	Male	Black: African
716	8605040372086	Pulane	Josephine	Malatji	25-Aug-14	25-Aug-16	Female	Black: African
717	9206305935086	Carel	Moshe	Malatji	01-Feb-15	01-Feb-17	Male	Black: African
718	9301080640082	Cynthia Masoko		Malatji	01-Feb-17	01-Feb-19	Female	Black: African
719	9112130455086	Mavis	Gadifele	Malatji	01-Oct-16	01-Oct-18	Female	Black: African
720	8906016175085	Vincent	Mmamokidi	Malatji	31-Mar-14	31-Mar-16	Male	Black: African
721	8702166018088	Phanuel		Malatji	18-Jul-12	18-Jul-14	Male	Black: African
722	9206066042080	Pontsho	Richard	Malatji	17-Feb-15	17-Feb-17	Male	Black: African
723	9112105492080	Lebogang	Gerald	Malatjie	01-May-15	01-May-17	Male	Black: African
724	7501065650087	Sipho		Malatjie	31-Mar-14	31-Mar-16	Male	Black: African

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725	9102260337089	Lerato	Leticia	Malatsi	01-Mar-13	01-Mar-15	Female	Black: African
726	9108165845084	Dimo	Bunny	Malatsi	01-Dec-16	01-Dec-18	Male	Black: African
727	9102260336081	Thato	Betticia	Malatsi	01-Aug-16	01-Aug-18	Female	Black: African
728	8908221066083	Kholofelo	Makoma Elizabeth	Malebana	31-Mar-15	31-Mar-17	Female	Black: African
729	8901065309081	Sakoane	George	Malebo	15-Nov-14	15-Nov-16	Male	Black: African
730	8812041034083	Ratanang	Christinah	Malebye	20-Dec-11	20-Dec-13	Female	Black: African
731	8512315452082	Ntsholane	Martin	Maledu	14-Sep-11	14-Sep-13	Male	Black: African
732	9005130468085	Masego	Sharon	Maleho	04-Mar-15	04-Mar-17	Female	Black: African
733	9311080390083	Pholoshu		Maleka	01-Jul-16	01-Jul-18	Female	Black: African
734	8606295627083	Cedric	Majwane	Maleka	31-Mar-14	31-Mar-16	Male	Black: African
735	8802150819085	Kate	Ramolweji	Maleka	01-Sep-15	01-Sep-17	Female	Black: African
736	8601205438085	TSHEPO	JOHANNES	MALEKA	12-Jan-09	12-Jan-11	Male	Black: African
737	8405085589086	POPO	MAKGAME	MALEKA	22-Dec-08	22-Dec-10	Male	Black: African
738	9208020793089	Thapelo	Pretty	Malele	01-Oct-16	01-Oct-18	Female	Black: African
739	8212255627088	MAAPHOGOLE	CHRISTOPHER	MALEPE	26-Jun-07	20-Aug-10	Male	Black: African
740	9205130684083	Siphiwe	Antonette	Malepe	05-Jan-15	05-Jan-17	Female	Black: African
741	8905045555085	Victor		Malesa	27-Mar-13	27-Mar-15	Male	Black: African
742	8811265481087	Velly	Tshepo	Malesa	31-Mar-16	31-Mar-18	Male	Black: African
743	9312101081081	Mpolokeng		Malima	01-Jan-17	01-Jan-19	Female	Black: African
744	8610165998087	Mbongiseni	Joshua	Malinga	02-Jan-13	02-Jan-15	Male	Black: African
745	8407120399083	NOLUTHANDO	PETUNIA	MALINGA	24-Oct-08	24-Oct-10	Female	Black: African
746	8904045706087	Livhuwani	Stanley	Malitsha	31-Mar-14	31-Mar-16	Male	Black: African
747	9302200592088	Selepe	Refille	Maloma	02-Feb-15	02-Feb-17	Female	Black: African
748	9305310454081	Boitumelo	Isabella	Malomane	31-Mar-15	31-Mar-17	Female	Black: African
749	9104051069087	Kgomotso		Malope	01-Apr-15	01-Apr-17	Female	Black: African
750	8703285958089	Hatlane	Joseph	Maluleka	14-Sep-11	14-Sep-13	Male	Black: African
751	8605106246083	Sello	Michael	Maluleka	01-Dec-16	01-Dec-18	Male	Black: African
752	8607265648083	Nkateko	Morris	Maluleke	06-Jun-11	06-Jun-13	Male	Black: African
753	8110180607086	Mpho	Nesley	Maluleke	03-Feb-15	03-Feb-17	Female	Black: African
754	8110150658085	Busisiwe	Lydia	Maluleke	31-Mar-14	31-Mar-16	Female	Black: African
755	9003235772089	Mieheleto	Welcome	Maluleke	03-Mar-14	03-Mar-16	Male	Black: African
756	9303255617085	Xihluke	Teddy	Maluleke	01-Sep-16	01-Sep-18	Male	Black: African
757	9202175840084	Lufuno		Maluma	01-Oct-15	01-Oct-17	Male	Black: African

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758	9006175121084	Bethuel	Radifadi	Mamabolo	03-Jun-13	03-Jun-15	Male	Black: African
759	8905086240084	Mankgwe	Boyd	Mamabolo	01-May-16	01-May-18	Male	Black: African
760	9304216044088	Tebogo	Jack	Mamabolo	31-Mar-16	31-Mar-18	Male	Black: African
761	9204256169086	Lekau	Elliot	Mamabolo	01-Sep-16	01-Sep-18	Male	Black: African
762	8202250689084	Maphalama	MosenyaCredia	Mamabolo	26-Sep-11	26-Sep-13	Female	Black: African
763	8507165794088	Ndamulelo	Godffrey	Mamafha	14-Nov-11	14-Nov-13	Male	Black: African
764	8507215697083	Tendani		Mamafha	20-Dec-11	20-Dec-13	Male	Black: African
765	8602270790087	Musimuvhi		Mamafha	24-Jun-13	24-Jun-15	Female	Black: African
766	9209165103084	Ivan	Gloria	Mamba	01-Jul-15	01-Jul-17	Male	Black: African
767	9302126123083	Wisdom	Trevor	Mambana	01-Oct-16	01-Oct-18	Male	Black: African
768	8909195915081	Rooi		Mamburu	19-Dec-11	19-Dec-13	Male	Black: African
769	7910045348086	Matome	Remember	Mametja	07-Jul-08	07-Jul-10	Male	Black: African
770	9204070211080	Koketso	Saphira Prudence	Mamogale	01-Apr-15	01-Apr-17	Female	Black: African
771	9208145662086	Kabelo	Kenneth	Mampe	31-Mar-15	31-Mar-17	Male	Black: African
772	9201190515085	Charity	Miemie	Mampho	01-Jan-17	01-Jan-19	Female	Black: African
773	9003140875084	Lerato	Michelle	Mamphoke	17-Sep-13	17-Sep-15	Female	Black: African
774	8712105758082	Kabelo		Mampuru	01-Nov-16	01-Nov-18	Male	Black: African
775	8804286091084	Tshwaane	Ernest	Mampuru	11-Nov-14	11-Nov-16	Male	Black: African
776	8903036214085	Lebedike	Rueben	Mampuru	01-Sep-16	01-Sep-18	Male	Black: African
777	8701090684080	Tlou	Ephinet	Manakana	01-Mar-17	01-Mar-19	Female	Black: African
778	9010075629089	Tumelo	Silas	Manala	03-Feb-14	03-Feb-16	Male	Black: African
779	8701195884080	Madimetja	Jones	Manamela	01-Nov-12	01-Nov-14	Male	Black: African
780	8008250096083	Sandy	Dawn	Manana	18-Nov-13	18-Nov-15	Female	Black: Coloured
781	9001126265080	Bheki	Thandolwethu	Manana	01-Apr-15	01-Apr-17	Male	Black: African
782	8810170560084	Hazel	Baby	Manana	31-Mar-14	31-Mar-16	Female	Black: African
783	9009300207083	Seretlo	Alinah	Manana	12-Mar-15	12-Mar-17	Female	Black: African
784	9205056055086	Siseko		Manciya	01-Mar-17	01-Mar-19	Male	Black: African
785	9002075923083	Athi-Enkosi		Mancolywa	01-May-13	01-May-15	Male	Black: African
786	9103256101083	Lufuno		Mandaha	03-Mar-14	03-Mar-16	Male	Black: Coloured
787	8910205688080	Hakundwi		Mandende	01-Aug-16	01-Aug-18	Male	Black: African
788	9301135633082	Rendani	Lucivs	Mandiwana	01-Sep-16	01-Sep-18	Male	Black: African
789	8902065673088	Rotakala		Manenzhe	03-Mar-14	03-Mar-16	Male	Black: African
790	9103235654087	Mpilo	Gift	Mangali	01-Sep-15	01-Sep-17	Male	Black: African

791	8904045445082	Olebogeng	Lucas	Manganye	27-Feb-13	27-Feb-15	Male	Black: African
792	9002241145082	Kgomotso	Ngwoakoana	Mangena	11-Mar-15	11-Mar-17	Female	Black: African
793	8807300617081	Moyo	Khangalani Sedzar	Mangoma	03-Sep-12	03-Sep-14	Female	Black: African
794	9205290104088	Oratile		Mangope	01-Jun-15	01-Jun-17	Female	Black: African
795	8004125042089	Mooketsi		Mangope	02-Dec-13	02-Dec-15	Male	Black: African
796	9009131136089	Precious Mosima		Manhiwa	01-Sep-16	28-Feb-17	Female	Black: African
797	870825550089	Zuko		Mankayi	01-Feb-13	01-Feb-15	Male	Black: African
798	8910120648086	Elizabeth	Ntanyane	Mankge	01-Aug-13	01-Aug-15	Female	Black: African
799	8506025975085	TSHIMANGADZO		MANNGO	01-Sep-08	01-Sep-10	Male	Black: African
800	9001160843081	Ramorwane	Anitta	Manotoane	24-Apr-13	24-Apr-15	Female	Black: African
801	8205255359082	SIPHELELE	PRAISELORD	MANQELE	28-May-09	28-May-11	Male	Black: African
802	8101065544080	Thabile		Manqoyi	20-Jan-14	20-Jan-16	Male	Black: African
803	8810060821083	Ndivhuho	Brenda	Manthwa	21-Oct-13	21-Oct-15	Female	Black: African
804	9208180127086	Ilcke	Chris-Lynn	Manuel	01-Mar-17	01-Mar-19	Female	Black: Coloured
805	9306170561080	Rudzani		Manyadze	01-Oct-16	01-Oct-18	Female	Black: African
806	9001075737089	Sifiso		Manyala	01-Feb-15	01-Feb-17	Male	Black: African
807	8905165337082	Mika	Benedict	Manyike	01-Aug-15	01-Aug-17	Male	Black: African
808	8404075951083	Dimingo		Manyisi	27-Jun-11	27-Jun-13	Male	Black: African
809	9304240542081	Rebecca	Maseya	Mapane	31-Mar-16	31-Mar-18	Female	Black: African
810	9111260289083	Linda	Portia	Mapasa	01-Jul-15	01-Jul-17	Female	Black: African
811	9305235122086	Tumelo	Johnny	Mapedi	08-Jan-15	08-Jan-17	Male	Black: African
812	8404275601082	Desmond	Obopeng Gaompo	Mapedi	20-Jan-14	20-Jan-16	Male	Black: African
813	9005135591089	Katlego		Mapeka	31-Mar-16	31-Mar-18	Male	Black: African
814	9109086330081	Muziwenkosi		Maphanga	01-Sep-15	01-Sep-17	Male	Black: African
815	9112025499082	Donald	Dudu	Maphanga	31-Mar-16	31-Mar-18	Male	Black: African
816	8703265305087	Njabulo	Nqabentle Musawu	Maphanga	01-Jun-09	01-Jun-11	Male	Black: African
817	8707135868081	Emmanuel	Moloto	Mapheto	03-Mar-14	03-Mar-16	Male	Black: African
818	8405260931087	Nomasondo	Maki	Maphisa	01-Apr-12	01-Apr-14	Female	Black: African
819	8802040963085	Muyahavho	Yolanda	Mapholi	02-Feb-15	02-Feb-17	Female	Black: African
820	8905291074088	Thendo		Mapholi	08-Jan-15	08-Jan-17	Female	Black: African
821	9107185254087	Thabiso	Papa	Maphothoma	01-Sep-15	01-Sep-17	Male	Black: African
822	8708315760082	Edwin	Mimanape	Maphoto	01-Oct-16	01-Oct-18	Male	Black: African
823	8205051022082	Eunice	Managa	Maphutha	19-Oct-09	19-Oct-11	Female	Black: African

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824	9002225591087	Deon	Matome	Maponya	01-Sep-15	01-Sep-17	Male	Black: African
825	9101215993087	Mphile		Mapotsane	01-Oct-14	01-Oct-16	Male	Black: African
826	9202185915082	Kutollo		Mapotsane	01-Aug-16	01-Aug-18	Male	Black: African
827	9207065100085	Tshepiso	Lucas	Mapoulo	01-Jan-16	01-Jan-18	Male	Black: African
828	8606135269088	Bongani	Cedrick	Maqakela	09-Mar-15	09-Mar-17	Male	Black: African
829	8208315295080	Richard	Chaane	Marago	01-Oct-13	01-Oct-15	Male	Black: African
830	9304290641080	Kedibone	Rosinah	Marema	31-Mar-16	31-Mar-18	Female	Black: African
831	8605275852083	Rodney	Tsitsi	Maringa	06-Jun-11	06-Jun-13	Male	Black: African
832	9009170345088	Leatile	Judy	Marobane	01-Dec-16	01-Dec-18	Female	Black: African
833	9211155430089	Derick		Marobela	31-Mar-16	31-Mar-18	Male	Black: African
834	9507095551086	Khomotjo	Reuben	Maroga	01-Sep-16	01-Sep-18	Male	Black: African
835	9009295908083	Ntsako	Katlago	Marolen	12-Feb-15	12-Feb-17	Male	Black: African
836	8808110879085	Emily	Diphale	Marome	01-Sep-16	01-Sep-18	Female	Black: African
837	9201135647084	Kearnogetse		Marope	01-Mar-17	01-Mar-19	Male	Black: African
838	9108010156083	Mologadi	Esmy	Maropola	01-Jul-16	01-Jul-18	Female	Black: African
839	8604165763088	Raymond	Pontsho	Marota	15-Jul-11	15-Jul-13	Male	Black: African
840	9402205455081	Mpho	Seoba	Marota	01-Jan-17	01-Jan-19	Male	Black: African
841	8701030599083	Thendo	Muthundinne	Marubini	20-Dec-11	20-Dec-13	Female	Black: African
842	8910090724081	Motsatsi	Ethel	Marule	06-Nov-14	06-Nov-16	Female	Black: African
843	9107200093080	Bridgett	Sebolaisi	Maruma	01-Oct-15	01-Oct-17	Female	Black: African
844	8710195291089	Phillemon	Keke	Marumo	02-Dec-13	02-Dec-15	Male	Black: African
845	9309155413087	Tinyiko	Prince	Masalesa	01-Oct-15	01-Oct-17	Male	Black: African
846	9108206022081	Nkgobelle	Obed	Masalesa	01-Apr-16	01-Apr-18	Male	Black: African
847	9002060785083	Sanelisiwe	Phindile	Masango	01-Jul-15	01-Jul-17	Female	Black: African
848	8611285884082	Mduduzi Maxwell		Masango	31-Mar-15	31-Mar-17	Male	Black: African
849	9103190450083	Pretty		Masehla	01-Oct-15	01-Oct-17	Female	Black: African
850	8805206117081	Titus	Sifiso	Maseko	01-Aug-15	01-Aug-17	Male	Black: African
851	9312195566088	Sifiso	Wilson	Maseko	01-Aug-15	01-Aug-17	Male	Black: African
852	9203120299087	Siphosethu	Zanele	Maseko	24-Oct-14	24-Oct-16	Female	Black: African
853	8310225608087	Mzikayise	Sibusiso	Maseko	01-Aug-16	01-Aug-18	Male	Black: African
854	8204275987089	Nhlanhla	Andries	Maseko	10-Jul-09	10-Jul-11	Male	Black: African
855	8505085733087	Nicodemus	Nelson Sonwabo	Maselesa	12-Mar-15	12-Mar-17	Male	Black: African
856	8712130604087	Mamotebo	Precilla	Masemola	07-Aug-09	07-Aug-11	Female	Black: African

MK MK M.F.2

857	9211090246087	Matsebe		Masemola	01-Sep-16	01-Sep-18	Female	Black: African
858	8911241073089	Rendani	Olive	Masevhe	01-Dec-16	01-Dec-18	Female	Black: African
859	8510236043089	Nicholas	Ashley	Mashaba	08-Jan-15	08-Jan-17	Male	Black: African
860	8907185694088	Ezaka		Mashaba	01-Sep-16	01-Sep-18	Male	Black: African
861	8606175779087	Ignicous		Mashabela	01-May-12	01-May-14	Male	Black: African
862	8910260889086	Tlou	Betty	Mashalane	03-Jun-13	03-Jun-15	Female	Black: African
863	8708125960088	Mmbulungeni	Lucas	Mashamba	01-May-13	01-May-15	Male	Black: African
864	8605130815085	Ndivhadzo	Mashau Hope	Mashamba	03-Sep-12	03-Sep-14	Female	Black: African
865	9401176175082	Phethani		Mashamba	01-Apr-16	01-Apr-18	Male	Black: African
866	9004121051083	Rendani		Mashamba	01-Aug-13	01-Aug-15	Female	Black: African
867	8702276161083	Seale	Ben	Mashane	01-Aug-16	01-Aug-18	Male	Black: African
868	9311226085084	Thabang		Mashapa	31-Mar-16	31-Mar-18	Male	Black: African
869	9009241281080	Ompha		Mashapha	01-Sep-14	01-Sep-16	Female	Black: African
870	9403055230087	Mpho	Johannes	Mashiane	01-Mar-17	01-Mar-19	Male	Black: African
871	8605055895088	Mothola	Moses	Mashiane	07-Aug-09	07-Aug-11	Male	Black: African
872	8508105960086	Kgausu	David	Mashiane	19-Jul-12	19-Jul-14	Male	Black: African
873	8707190615080	Kgopotso	Debra	Mashiane	03-Sep-12	03-Sep-14	Female	Black: African
874	8309190806080	Matsie	Maryjane	Mashifane	01-Aug-14	01-Aug-16	Female	Black: African
875	8607040305082	Kallego	Bridgette	Mashifane	01-Aug-14	01-Aug-16	Female	Black: African
876	8512055922088	Kgotsofatso		Mashigo	27-Sep-11	27-Sep-13	Male	Black: African
877	9103231032080	Khathutshelo	Lilian	Mashila	01-Aug-15	01-Aug-17	Female	Black: African
878	9005085366086	Leonard	Mongezi	Mashile	01-May-14	01-May-16	Male	Black: African
879	8804270244087	Jabulile	Judith	Mashile	03-Sep-12	03-Sep-14	Female	Black: African
880	9011185606082	Kanego	Malcolm	Mashile	31-Mar-16	31-Mar-18	Male	Black: African
881	8909250739087	Arbetrare	Bontle Shana	Mashimo	01-Oct-16	01-Oct-18	Female	Black: African
882	8907285251089	Keketi	Francis	Mashittitsho	31-Mar-16	31-Mar-18	Male	Black: African
883	7901075529083	Bongani	Nkululeko	Mashiya	10-May-12	10-May-14	Male	Black: African
884	8402275688083	Phathutshedzo	Leonardo	Mashovha	07-May-08	07-May-10	Male	Black: African
885	8905045808088	Fhatuwani	Justinus	Masiavhula	09-Jan-14	09-Jan-16	Male	Black: African
886	8812250211083	Thandeka	Mary	Masilela	01-Sep-15	01-Sep-17	Female	Black: African
887	9312300198082	Melody	Nomfundo	Masilela	31-Mar-15	31-Mar-17	Female	Black: African
888	9207115850085	Gabaitsiwe	Lazarus	Masilo	05-Jan-15	05-Jan-17	Male	Black: African
889	8902100945087	Fionah	Busisiwe	Masimbye	01-Aug-15	01-Aug-17	Female	Black: African

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890	9012270436088	Nontokozo	Magnificent	Masina	21-Jul-14	21-Jul-16	Female	Black: African
891	8711145518084	Khuthadzo		Masindi	01-Apr-13	01-Apr-15	Male	Black: African
892	8901161124087	Thendo		Masindi	02-Feb-15	02-Feb-17	Female	Black: African
893	9001315515089	Samuel	Ofisi	Masinga	20-Dec-11	20-Dec-13	Male	Black: African
894	9303015697088	Joy		Masingi	01-Aug-16	01-Aug-18	Male	Black: African
895	8610206130088	Petrus		Masipa	01-Sep-16	01-Sep-18	Male	Black: African
896	8805250489089	Mokgadi	Agnes	Masipa	01-Mar-15	01-Mar-17	Female	Black: African
897	9009215669088	Mpho	Simon	Masiu	26-Aug-13	26-Aug-15	Male	Black: African
898	8709010863080	Mmakolo	Regina	Masoeu	01-Apr-15	01-Apr-17	Female	Black: African
899	8909241226087	Thandeka		Masoka	01-Dec-16	01-Dec-18	Female	Black: African
900	9107055756088	Muzi	Nhlakanipjo	Masombuka	13-Mar-15	13-Mar-17	Male	Black: African
901	8401100798083	Dumisile	Magugu	Masondo	24-Oct-14	24-Oct-16	Female	Black: African
902	9108265741084	Magape	Evens	Masanyaneng	13-Mar-15	13-Mar-17	Male	Black: African
903	8703160603081	Lucy	Thinawanga	Masutha	02-Jan-13	02-Jan-15	Female	Black: African
904	9112025378088	Dutisani	Shawn	Maswanganyi	01-Oct-15	01-Oct-17	Male	Black: African
905	9006135994083	Moses		Matabane	01-Oct-15	01-Oct-17	Male	Black: African
906	8702105670080	Olebogeng	Frans	Mataboge	01-Feb-13	01-Feb-15	Male	Black: African
907	8812291118081	Lindelani	Locracia	Matamela	01-Jul-15	01-Jul-17	Female	Black: African
908	8207010703083	Thando		Matanga	09-Jan-14	09-Jan-16	Female	Black: African
909	9410085108084	Lehichonolo	Cornelia	Matasane	01-Sep-15	01-Sep-17	Male	Black: African
910	7703080483086	AZWIHANGWISI	PORTIA	MATENZE	22-Dec-08	22-Dec-10	Female	Black: African
911	9207190632085	Siphokuhle		Mateta	01-Feb-17	01-Feb-19	Female	Black: African
912	8807206089088	Joseph	Warren	Mathaba	01-Apr-15	01-Apr-17	Male	Black: African
913	9312195295084	Mogalatjane	Dominic	Mathabatha	01-Mar-17	01-Mar-19	Male	Black: African
914	9106300666084	Mina	Ramasela	Mathabatha	31-Mar-14	31-Mar-16	Female	Black: African
915	9208085475085	Kgaogelo	Tevin	Mathabathe	01-Nov-16	01-Nov-18	Male	Black: African
916	9108225942087	Katlego	Elvis	Mathabela	01-Jan-17	01-Jan-19	Male	Black: African
917	8704080331084	Linah	Nelly	Mathabela	10-May-12	10-May-14	Female	Black: African
918	8902275833084	Tondani		Mathada	13-Mar-15	13-Mar-17	Male	Black: African
919	9002270620088	Muofhe		Mathavha	01-Mar-17	01-Mar-19	Female	Black: African
920	8905150774083	Ramadimetja	Khomotjo	Matheba	01-Mar-17	01-Mar-19	Female	Black: African
921	9208185862083	Happiness		Mathebula	01-Oct-15	01-Oct-17	Male	Black: African
922	8607220553089	Ntombifuthi	Mzondwase	Mathebula	14-Sep-11	14-Sep-13	Female	Black: African

923	9002120326084	Nikiwe	Nellie	Mathebula	02-Jan-13	02-Jan-15	Female	Black: African
924	8709180724088	Victoria		Mathebula	01-Feb-13	01-Feb-15	Female	Black: African
925	9102105291087	Otis		Mathebula	01-Oct-16	01-Oct-18	Male	Black: African
926	8910045814086	Sipho		Mathebula	01-Apr-15	01-Apr-17	Male	Black: African
927	9010050291087	Thandeka	Florence	Mathebula	01-Feb-17	01-Feb-19	Female	Black: African
928	8611095707085	Lebohlang	Vincent	Mathejane	17-May-11	17-May-13	Male	Black: African
929	9009275882084	Moseri	Jonas	Mathekga	01-Jan-16	01-Jan-18	Male	Black: African
930	8412246111081	Tshimangadzo	Hector	Mathele	05-Jun-09	05-Jun-11	Male	Black: African
931	8312085583087	Masiye	Erick	Matheeta	28-Sep-07	07-Jul-09	Male	Black: African
932	9104095611084	Tekani	Lordwish	Mathevula	23-Sep-13	23-Sep-15	Male	Black: African
933	8804260521080	Katlego	Patricia	Mathibe	01-Oct-14	01-Oct-16	Female	Black: African
934	8510255812083	Kgashane	Frans	Mathipa	31-Mar-14	31-Mar-16	Male	Black: African
935	8801155610085	Thomphe	Teddy	Mathivha	01-Mar-15	01-Mar-17	Male	Black: African
936	8609266156082	Talifhani	Mac Owen	Mathode	01-Nov-16	01-Nov-18	Male	Black: African
937	9208195511084	Themba	Condrey	Mathonsi	01-Nov-16	01-Nov-18	Male	Black: African
938	9003020397084	Pinky		Mathope	01-Mar-15	01-Mar-17	Female	Black: African
939	8801275516089	Keletso	Alfred	Mathosa	01-Sep-16	01-Sep-18	Male	Black: African
940	8708265927087	Joseph		Mathugeni	01-Feb-13	01-Feb-15	Male	Black: African
941	9204305752080	Solomuzi Innocent		Mathuniwa	31-Mar-15	31-Mar-17	Male	Black: African
942	9112245664085	Nhloso	Excellent	Matji	01-Sep-16	01-Sep-18	Male	Black: African
943	8712175615089	Chanche		Matlala	01-Aug-13	01-Aug-15	Male	Black: African
944	9206050833080	Mmakwele	Mahodi	Matlala	02-Feb-15	02-Feb-17	Female	Black: African
945	9110010537080	Reshoketswe	Penelope	Matlala	01-Mar-17	01-Mar-19	Female	Black: African
946	8906240255081	Mphakiseng	Patricia	Matlala	14-Sep-11	14-Sep-13	Female	Black: African
947	8206260492082	SEJA	PRETTY	MATLHADISA	01-Apr-08	01-Apr-10	Female	Black: African
948	9303305703083	Botana	Ishmael	Mathake	01-Nov-16	01-Nov-18	Male	Black: African
949	8607235076084	Neo	Goodman	Mathare	12-Dec-14	12-Dec-16	Male	Black: African
950	8804095449085	Itumeleng	Gareth	Mathare	01-Apr-16	01-Apr-18	Male	Black: African
951	8805255709085	Lethogonolo	Meshack	Mathare	01-Mar-17	01-Mar-19	Male	Black: African
952	7805095451089	EDWIN	NIMROD	MATLOA	01-Feb-10	01-Feb-12	Male	Black: African
953	7905165795082	Rendani	Jonas	Matodzi	01-May-15	01-May-17	Male	Black: African
954	8908200526081	Mpho	Phuthi	Matome	13-Mar-15	13-Mar-17	Female	Black: African
955	8806241073081	Kgamedji	Danley	Matsapola	01-Jun-12	01-Jun-14	Female	Black: African

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956	9106145835084	Mohlapachila		Matsapola	01-Feb-13	01-Feb-15	Male	Black: African
957	9001105424088	Nkaboganye	Kanyane	Matsebe	01-Jan-16	01-Jan-18	Male	Black: African
958	8808205848086	Benniekie		Matsebele	06-Jun-11	06-Jun-13	Male	Black: African
959	9102250465080	Remoakantse		Matseke	02-Jan-13	02-Jan-15	Female	Black: African
960	8706095440081	Sunnyboy		Matsheremane	14-Sep-11	14-Sep-13	Male	Black: African
961	8409220422088	Popy	Thulisile	Matshika	13-Jan-14	13-Jan-16	Female	Black: African
962	8704265803089	Muanga	Martin	Matshikini	08-Apr-13	08-Apr-15	Male	Black: African
963	9211050378086	Phophi	Kizzy	Matshikini	01-Aug-16	01-Aug-18	Female	Black: African
964	9004065335088	Sandla		Matshini	11-Mar-15	11-Mar-17	Male	Black: African
965	8304220543084	Mashudu	Reineth	Matshivha	14-May-09	14-May-11	Female	Black: African
966	7412175281088	XHANTI		MATSHOBONGWA	18-Nov-08	18-Nov-10	Male	Black: African
967	9010045632080	Brutus	Paul	Matshubeni	01-Feb-16	01-Feb-18	Male	Black: African
968	8809135980080	Raelani	Adolf	Matshusa	03-Oct-11	03-Oct-13	Male	Black: African
969	9204015477085	Joy		Matsilele	01-Sep-16	01-Sep-18	Male	Black: African
970	9103095085083	Tshokololo	Sylvester	Matsoso	01-Sep-16	01-Sep-18	Male	Black: African
971	8306285876085	Nngudiseni	Makonde Ronald	Matumba	03-Sep-12	03-Sep-14	Male	Black: African
972	8609285560082	Onismus	Lehlogonolo	Mauku	01-Feb-13	01-Feb-15	Male	Black: African
973	9204110821088	Jacqueline		Maunye	01-Oct-16	01-Oct-18	Female	Black: African
974	9105301194088	Tshifhiwa		Mavhalane	13-Mar-15	13-Mar-17	Female	Black: African
975	9301250602086	Mpho		Mavhengela	01-Mar-15	01-Mar-17	Female	Black: African
976	8501251024088	Mpho	Rhoda	Mavhudzida	15-Aug-12	15-Aug-14	Female	Black: African
977	9101015832089	Mavhungu	Vincent	Mavhungu	01-Oct-15	01-Oct-17	Male	Black: African
978	9306090678089	Fhulufhelo	Mandy	Mavhungu	01-Mar-15	01-Mar-17	Female	Black: African
979	8005205417083	Avhafunani		Mavhungu	14-Dec-11	14-Dec-13	Male	Black: African
980	8807070731088	Humbulani	Precious	mavhungu	27-Sep-11	27-Sep-13	Female	Black: African
981	9112180566089	Bongekile	Nurse	Mavimbela	01-Feb-14	01-Feb-16	Female	Black: African
982	8709065295089	Tutu	Tony	Mavimbela	01-Mar-17	01-Mar-19	Male	Black: African
983	8803175471084	Thabani	Elijah	Mavundla	01-Mar-16	01-Mar-18	Male	Black: African
984	8707105473088	Sibusiso		Mavuso	01-Feb-15	01-Feb-17	Male	Black: African
985	8903315852084	Mapheu	Ishmael	Mawasha	09-Jan-14	09-Jan-16	Male	Black: African
986	8603286202083	Collen		Mawelete	01-Jan-13	01-Jan-15	Male	Black: African
987	8802290612085	Edith	Elizabeth	Mawila	01-Mar-17	01-Mar-19	Female	Black: African
988	8611090392081	Thandeka	Agnes	Maxhayi	31-Mar-14	31-Mar-16	Female	Black: African

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J. A. T. J.

989	8807250493087	Thokozile	Maya	31-Mar-15	31-Mar-17	Female	Black: African
990	8804035672085	Tsunduka	Mayayise	22-Jun-14	22-Jun-16	Male	Black: African
991	8706080535085	Nokuthula	Mayisela	01-Apr-15	01-Apr-17	Female	Black: African
992	9301116320089	Siphehile	Mayisela	01-Sep-16	01-Sep-18	Male	Black: African
993	9307170480081	Phumla	Mayisela	01-Feb-15	01-Feb-17	Female	Black: African
994	9204130096083	Nolwazi	Mazibuko	01-Mar-17	01-Mar-19	Female	Black: African
995	8611190773081	Nomonde	Mazibuko	28-Feb-14	28-Feb-16	Female	Black: African
996	9107035586084	Mthokozisi	Mazibuko	01-Feb-16	01-Feb-18	Male	Black: African
997	8607170228088	Lucy	Mazive	01-Aug-16	01-Aug-18	Female	Black: African
998	8705210516080	Onodwa	Mazula	09-Jan-14	09-Jan-16	Female	Black: African
999	9111015644087	Sibulele	Mazule	01-Dec-16	01-Dec-18	Male	Black: African
1000	8004130156080	Zintle	Mbadlanyana	07-Jul-08	01-Apr-10	Female	Black: African
1001	9009265403081	Arthur	Mbambo	31-Mar-15	31-Mar-17	Male	Black: African
1002	8611235617087	Siphamandla	Mbanjwa	31-Mar-14	31-Mar-16	Male	Black: African
1003	9303225769081	Njili	Mbasa	01-Sep-16	01-Sep-18	Male	Black: African
1004	8407315527084	Musawenkosi	Mbata	19-Feb-08	20-Aug-10	Male	Black: African
1005	9007256206083	Sphelele	Mbatha	03-Sep-12	03-Sep-14	Male	Black: African
1006	8307080811087	Patricia	Mbatha	24-Apr-13	24-Apr-15	Female	Black: African
1007	9010130922081	Lungile	Mbatha	01-Apr-15	01-Apr-17	Female	Black: African
1008	9207085531087	Thobani	Mbatha	12-Mar-15	12-Mar-17	Male	Black: African
1009	8808045634084	Siyanda	Mbatyoti	01-Apr-13	01-Apr-15	Male	Black: African
1010	8203210489086	Nyameka	Mbedu	01-Feb-13	01-Feb-15	Female	Black: African
1011	9104045253086	Buhlebenkosi	Mbeje	20-Jan-14	20-Jan-16	Male	Black: African
1012	9203055293089	Andile	Mbeje	01-Mar-17	01-Mar-19	Male	Black: African
1013	8906295297089	Thabo	Mbele	28-Nov-11	28-Nov-13	Male	Black: African
1014	8105140868083	Nondumiso	Mbelembushe	26-Sep-11	26-Sep-13	Female	Black: African
1015	9106010700082	Silindile	Mbelu	20-Jan-14	20-Jan-16	Female	Black: African
1016	8707290753088	Nokhanyo	Mbewana	01-Feb-13	01-Feb-15	Female	Black: African
1017	8004020584086	Bongiwe	Mbhele	28-May-09	28-May-11	Female	Black: African
1018	8710265915088	Sandile	Mbhele	01-Jan-16	01-Jan-18	Male	Black: African
1019	9006140749084	Eureka	Mbhungana	01-Apr-15	01-Apr-17	Female	Black: African
1020	7808280728089	Nontlahla	Mbiko	03-Sep-12	03-Sep-14	Female	Black: African
1021	9001140908087	Lindelani	Mbodi	01-May-15	01-May-17	Female	Black: African

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1022	9101110568083	Rhulani	Patience	Mbombi	01-Mar-17	01-Mar-19	Female	Black: African
1023	9306215648082	Bongani		Mbona	05-Jan-15	05-Jan-17	Male	Black: African
1024	8908305335081	Nhlanhla	Lungisani Gift	Mbonani	01-May-15	01-May-17	Male	Black: African
1025	8708275354082	Thamsanqa	Prichard	Mbonani	20-Dec-11	20-Dec-13	Male	Black: African
1026	8507045505084	Mainly	Abongile	Mbongonya	03-Sep-12	03-Sep-14	Male	Black: African
1027	8410295545084	Mvelo		Mbulawa	01-Jun-12	01-Jun-14	Male	Black: African
1028	9206016044087	Thumani	Clifford	Mbuli	01-Feb-15	01-Feb-17	Male	Black: African
1029	9205065813087	Ngcebo		Mbuyazi	01-Nov-16	01-Nov-18	Male	Black: African
1030	9410285811081	Phumlani	Innocent	Mchunu	01-Mar-17	01-Mar-19	Male	Black: African
1031	8809205822089	Mzukhona	Bruce	Mchunu	03-Sep-12	03-Sep-14	Male	Black: African
1032	8405055318086	Mluleki	Martin	Mchunu	30-May-11	30-May-13	Male	Black: African
1033	9310170259083	S'Duduzo	Portia	Mdanda	01-Mar-17	01-Mar-19	Female	Black: African
1034	8904125478086	Treasure	Tinyiko	Mdhuli	01-Oct-16	01-Oct-18	Male	Black: African
1035	8503160774084	Perm Nwabisa Vuyokazi		Mdingi	14-Sep-11	14-Sep-13	Female	Black: African
1036	9001170394083	Bulelwa	Alucia	Mdleleni	09-Jan-14	09-Jan-16	Female	Black: African
1037	8409156580081	Fortune	Thamsanqa	Mdlongwa	01-Jan-17	01-Jan-19	Male	Black: African
1038	9102275525082	Dumisane	William	Mdluli	01-Oct-14	01-Oct-16	Male	Black: African
1039	9307085756088	Hlulani	Keith	Mdluli	01-Feb-16	01-Feb-18	Male	Black: African
1040	9009196297081	Mthobisi		Mdluli	27-Feb-13	27-Feb-15	Male	Black: African
1041	9207235465087	Mduduzi	Ephraim	Mdluli	01-Aug-16	01-Aug-18	Male	Black: African
1042	8306080525085	Mihloti	Nwamahozo	Mdumela	03-Sep-12	03-Sep-14	Female	Black: African
1043	9204290284081	Franscina	Semakaleng	Medupe	31-Mar-14	31-Mar-16	Female	Black: African
1044	9207175209081	Morgan		Mehala	01-Aug-16	01-Aug-18	Male	Black: African
1045	8903160613086	Gadifele	Nicoleme	Mekgwe	12-Mar-15	12-Mar-17	Female	Black: African
1046	9004011200089	Keletso	Keatlegile	Mekgwe	01-Apr-15	01-Apr-17	Female	Black: African
1047	9107030560084	Melia		Mekgwe	31-Mar-14	31-Mar-16	Female	Black: African
1048	9206170590081	Evelyn	Tebogo	Mekgwe	01-Feb-15	01-Feb-17	Female	Black: African
1049	9009305575088	Sityhilelo		Mene	02-Feb-15	02-Feb-17	Male	Black: African
1050	9107025183082	Fezile	Leonard	Mens	02-Jan-13	02-Jan-15	Male	Black: African
1051	8704300621082	Lerato		Mereyothle	01-Jul-15	01-Jul-17	Female	Black: African
1052	8503035962088	Kgabo	Eliazar	Meso	01-Jun-15	01-Jun-17	Male	Black: African
1053	9111305808087	Tebogo		Meso	26-Nov-14	26-Nov-16	Male	Black: African
1054	9007120907080	Mothepeana	Lisbeth	Meso	01-Mar-17	01-Mar-19	Female	Black: African

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M.M. J. Z.

1055	8712180282081	Busisiwes	Maria	Mfadala	01-Oct-14	01-Oct-16	Female	Black: African
1056	8905150838086	Rorisang		Mfaladi	01-Apr-16	01-Apr-18	Female	Black: African
1057	8207120642080	Antana		Mfazwe	31-Mar-14	31-Mar-16	Female	Black: African
1058	8801235148080	Lungile	Lawrence	Mfeya	29-Sep-11	29-Sep-13	Male	Black: African
1059	9204070566087	Keabaabetswe	Prieska	Mfolo	01-Oct-15	01-Oct-17	Female	Black: African
1060	9201190460084	Carol		Mgiba	12-Feb-15	12-Feb-17	Female	Black: African
1061	9307190564088	Katekani	Caiphonia	Mgiba	01-Oct-16	01-Oct-18	Female	Black: African
1062	8902045261087	Collin	Khumbulani	Mgiba	03-Sep-12	03-Sep-14	Male	Black: African
1063	8503105942085	Ncedo	Richard	Mguzulwa	01-Apr-08	01-Apr-10	Male	Black: African
1064	9201060336083	Masingita		Mhangwane	01-Oct-15	01-Oct-17	Female	Black: African
1065	8209055787088	Allen	Mhlupheki	Mhlambi	01-Aug-16	01-Aug-18	Male	Black: African
1066	8902160384086	Nonzwelo	Simphiwe	Mhlanga	01-Mar-16	01-Mar-18	Female	Black: African
1067	8704225801082	Sabelo	Bethuel	Mhlanga	29-Sep-11	29-Sep-13	Male	Black: African
1068	9106250791080	Datrium	Muntu	Mhlanga	01-Mar-15	01-Mar-17	Female	Black: African
1069	8811225480088	Ntsako	Sufficient	Mhlathi	01-Feb-13	01-Feb-15	Male	Black: African
1070	8912125981082	Nyiko		Mhlathi	31-Mar-14	31-Mar-16	Male	Black: African
1071	8902125850080	Talent		Mhlembe	01-May-12	01-May-14	Male	Black: African
1072	8311055499084	Andries		Mhlongo	01-Jan-13	01-Jan-15	Male	Black: African
1073	9203211124087	Sandra		Mhlongo	05-Jan-15	05-Jan-17	Female	Black: African
1074	9204045243085	Nkosinathi		Mhlongo	31-Mar-16	31-Mar-18	Male	Black: African
1075	8906095731089	Ndivhuwo	Moses	Mikosi	01-Aug-16	01-Aug-18	Male	Black: African
1076	8302055698080	Rendani		Mikosi	01-Dec-16	01-Dec-18	Male	Black: African
1077	9408016191088	Tiyani	Rivoningo	Milani	01-Mar-17	01-Mar-19	Male	Black: African
1078	8705110263080	Itumeleng	Cynthia	Mile	15-Feb-10	15-Feb-12	Female	Black: African
1079	9310280335088	Thandi		Minyuku	12-Feb-15	12-Feb-17	Female	Black: African
1080	9205066218088	Siyabonga		Mjali	01-May-16	01-May-18	Male	Black: African
1081	8507015866086	Msizi	Theo	Mjuza	31-Mar-14	31-Mar-16	Male	Black: African
1082	9212185668086	Abongile		Mkana	01-May-16	01-May-18	Male	Black: African
1083	8703256289084	John	Ericson	Mkandawire	01-Jul-14	01-Jul-16	Male	Black: African
1084	9009220795084	Lona	Linamandla	Mkentane	01-Jan-13	01-Jan-15	Female	Black: African
1085	8902080398083	Zanele		Mkhabela	01-May-16	01-May-18	Female	Black: African
1086	8804066010080	Bonga	Monde	Mkhangelwa	01-Aug-16	01-Aug-18	Male	Black: African
1087	8709035631082	Nyameko	Archibold	Mkhatshane	02-Jan-13	02-Jan-15	Male	Black: African

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1088	9305090449087	Nhlamulo	Thonia	Mkhawana	01-Oct-16	01-Oct-18 Female	Black: African
1089	8011215442087	Nhlanhla	Benedict	Mkhize	19-Sep-11	19-Sep-13 Male	Black: African
1090	8712310428083	Nomvelo	Pumla	Mkhize	14-Sep-11	14-Sep-13 Female	Black: African
1091	8408185744080	Fortune	Nhlanhla	Mkhize	07-Jul-08	07-Jul-10 Male	Black: African
1092	9010140420084	Sindisiwe	Precious	Mkhize	31-Mar-15	31-Mar-17 Female	Black: African
1093	9402045721080	Mahlori	Joseph	Mkhombo	01-Feb-16	01-Feb-18 Male	Black: African
1094	9012146067083	Sipho	Godfrey	Mkhosi	02-Jun-14	02-Jun-16 Male	Black: African
1095	9211115821088	Siyabonga	Brendon	Mkhwanazi	01-Nov-16	01-Nov-18 Male	Black: African
1096	9206060335084	Bonile	Gillian	Mkize	01-Oct-15	01-Oct-17 Female	Black: African
1097	8703260738084	Akhona	Amana	Mkonde	03-Sep-12	03-Sep-14 Female	Black: African
1098	8603255740089	Fezile		Mkula	10-Feb-10	10-Feb-12 Male	Black: African
1099	9002276083083	Ntando	Emmanuel	Mkunjulwa	01-May-14	01-May-16 Male	Black: African
1100	8911260688080	Thobile	Nqobile	Mkwanazi	31-Mar-14	31-Mar-16 Female	Black: African
1101	8905120905080	Nonhlanhla	Portia	Mlaba	01-Jan-17	01-Jan-19 Female	Black: African
1102	8404075347084	Thembane	Kelvin	Mlambo	28-May-09	28-May-11 Male	Black: African
1103	8803315647080	Fundokuhle	Siyabonga	Mlambo	21-Jul-14	21-Jul-16 Male	Black: African
1104	9409255326088	Kayarantsako	Rassie	Mlambo	01-Feb-16	01-Feb-18 Male	Black: African
1105	8207140698088	Phooto	Pebetse	Mlangeni	03-Mar-14	03-Mar-16 Female	Black: African
1106	9104240659087	Andiswa	Jessica	Mlaza	01-Jul-16	01-Jul-18 Female	Black: African
1107	9104011218089	Pumelela		Mlokothe	01-Aug-14	01-Aug-16 Female	Black: African
1108	9211235772088	Timulekani	Sammy	Mlondobozi	01-Apr-15	01-Apr-17 Male	Black: African
1109	9201310232082	Lungile	Wendy	Mlotshwa	16-May-14	16-May-16 Female	Black: African
1110	9110216050086	Sabelo		Mlungwana	01-Oct-16	01-Oct-18 Male	Black: African
1111	9312316172089	Katlego	Happiness	Mmadhlaba	12-Mar-15	12-Mar-17 Male	Black: African
1112	8809140678083	Mathabathe	Alan	Mmaseema	01-Jun-12	01-Jun-14 Female	Black: African
1113	8506085402087	Mukoma	Thebe	Mmbadi	31-Mar-14	31-Mar-16 Male	Black: African
1114	8410185396085	Sinatra	Bricks	Mmokwa	01-Mar-16	01-Mar-18 Male	Black: African
1115	8811026064081	Mogase	Magoro	Mmolawa	01-Nov-15	01-Nov-17 Male	Black: African
1116	9306045511088	Koketso	Clarence	Mmuledi	31-Mar-16	31-Mar-18 Male	Black: African
1117	9111255145084	Mandla	Luthando	Mnatule	01-Dec-16	01-Dec-18 Male	Black: African
1118	9001145585088	Sipesihle	Richard	Mncamase	01-Sep-15	01-Sep-17 Male	Black: African
1119	9004225770083	Mxolisi		Mncube	01-May-14	01-May-16 Male	Black: African
1120	8904201132086	Silindile		Mncube	31-Mar-14	31-Mar-16 Female	Black: African

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1121	8407080730087 LONDIWE	PRIMROSE	MNGADI	24-Oct-08	24-Oct-10 Female	Black: African
1122	8212135358086 BANDILE		MNGANGA	18-Nov-08	18-Nov-10 Male	Black: African
1123	9110035225083 Phumlani	Protus	Mngoma	01-May-12	01-May-14 Male	Black: African
1124	9306230298087 Lindokuhle	Patricia	Mngomezulu	01-Mar-16	01-Mar-18 Female	Black: African
1125	8008290505085 LINDIWE	DOREEN	MNGOMEZULU	27-Jun-07	27-Jun-09 Female	Black: African
1126	9106285993081 Simpniwe		Mngomezulu	31-Mar-15	31-Mar-17 Male	Black: African
1127	8711125645089 Sipehelele	Thubelihle	Mngomezulu	01-Jul-15	01-Jul-17 Male	Black: African
1128	9009205933080 Lawrence	Lindani	Mnguni	01-Apr-16	01-Apr-18 Male	Black: African
1129	8612240699086 Nontle	Catherine	Mniki	01-Mar-14	01-Mar-16 Female	Black: African
1130	8903200934088 Mahlatse	Lizzy	Mnisi	31-Mar-16	31-Mar-18 Female	Black: African
1131	9509286117081 Siphesihle		Mnisi	01-Jan-17	01-Jan-19 Male	Black: African
1132	8503140949087 Swavi	Khethiwe	Mnisi	31-Mar-14	31-Mar-16 Female	Black: African
1133	8604230772080 Elsie	Dikeledi	Mnisi	02-Jan-13	02-Jan-15 Female	Black: African
1134	8602220537083 Phumelele		Mnyameni	01-Feb-13	01-Feb-15 Female	Black: African
1135	8507155313089 Neo	Georgious	Moabi	28-May-09	28-May-11 Male	Black: African
1136	9006266543089 Makhwele	Vincent	Moagi	01-Mar-15	01-Mar-17 Male	Black: African
1137	8810305594081 Oupa		Moagi	25-Aug-14	25-Aug-16 Male	Black: African
1138	9106045587082 Ofentse		Moagi	01-Apr-16	01-Apr-18 Male	Black: African
1139	9202055590080 Retshilitsitsoe		Moahlodi	01-Mar-16	01-Mar-18 Male	Black: African
1140	8508105935088 Refliwe	Timothy	Moahloli	01-Mar-15	01-Mar-17 Male	Black: African
1141	9005076119080 Morongwa	Rudolph	Mochowa	27-Feb-13	27-Feb-15 Male	Black: African
1142	9105015806084 Moneri	Joel	Modiba	03-Mar-14	03-Mar-16 Male	Black: African
1143	8805050449085 Molebogang	Gadima	Modiba	16-Nov-11	16-Nov-13 Female	Black: African
1144	8609275455087 Edward	Magoma	Modiba	05-Sep-11	05-Sep-13 Male	Black: African
1145	8509095556082 Mahlatse		Modika	07-May-08	07-May-10 Male	Black: African
1146	8212215752083 Israel	Karabo	Modimokwane	01-Feb-15	01-Feb-17 Male	Black: African
1147	8807265873018 Tswaki	Jim	Modipe	02-Jan-13	02-Jan-15 Male	Black: African
1148	8907100409083 Portia	Tsholofelo	Modisakeng	01-Feb-13	01-Feb-15 Female	Black: African
1149	7908155448084 GREGORY	TSHEPO	MODISE	18-Nov-08	18-Nov-10 Male	Black: African
1150	9105285797088 Olebogeng	Theophyllus	Modise	01-Sep-15	01-Sep-17 Male	Black: African
1151	8707170604088 MAUGREY	MASEGO	MODISE	02-Dec-09	02-Dec-11 Female	Black: African
1152	9003060491086 Reshoketswe	Caroline Oudi	Modisha	01-Aug-14	01-Aug-16 Female	Black: African
1153	9212276201086 Samuel		Modisha	01-Mar-15	01-Mar-17 Male	Black: African

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1154	9307245232087	Thabo	France	Moeletsi	31-Mar-16	31-Mar-18	Male	Black: African
1155	9103295518081	Martin	Mohwelenaga	Moeng	01-Feb-15	01-Feb-17	Male	Black: African
1156	9002155577080	Lesego	Nelson	Moeng	03-Mar-14	03-Mar-16	Male	Black: African
1157	9008285421081	Katlago	Lawrence	Moepi	01-Sep-16	01-Sep-18	Male	Black: African
1158	8907225587086	Teleki	Goodman	Moeti	01-Mar-17	01-Mar-19	Male	Black: African
1159	8510030521082	KEDUMETSE	JEANETTE	MOETI	01-Apr-08	07-Jul-10	Female	Black: African
1160	8705275883086	Maruping	Thabo	Mofokeng	12-Mar-15	12-Mar-17	Male	Black: African
1161	8507125301081	Abram	Simelane	Mofokeng	28-May-09	28-May-11	Male	Black: African
1162	8709035239084	T'sibela	German	Mofokeng	01-Sep-15	01-Sep-17	Male	Black: African
1163	9001105891088	Katiso	Arbort	Mofokeng	03-Mar-14	03-Mar-16	Male	Black: African
1164	9112105484087	Emmanuel	Modupi	Mofokeng	01-Apr-16	01-Apr-18	Male	Black: African
1165	9302190310087	Palesa	Sylvia	Mofokeng	30-Jun-14	30-Jun-16	Female	Black: African
1166	8601315701083	Christopher	Kamoho	Mofolo	01-Jan-13	01-Jan-15	Male	Black: African
1167	8901050956086	Masha		Mofolo	02-Feb-15	02-Feb-17	Female	Black: African
1168	9001095488085	Koena	Trevor	Mofya	31-Mar-14	31-Mar-16	Male	Black: African
1169	8902085607082	Kebonang	Advice	Mogaadile	02-Jan-13	02-Jan-15	Male	Black: African
1170	8601300742084	MODIBO	BRUNHILDE	MOGADIME	04-Feb-09	04-Feb-11	Female	Black: African
1171	9102280602082	Dineo		Mogakane	01-Sep-16	01-Sep-18	Female	Black: African
1172	9009070656089	Retedile	Motheri	Mogane	01-Sep-16	01-Sep-18	Female	Black: African
1173	9310020558080	Boikhutso	Annah	Mogano	01-Oct-14	01-Oct-16	Female	Black: African
1174	9111151101082	Mmakgomo	Rahab	Mogano	01-Oct-15	01-Oct-17	Female	Black: African
1175	9101095960081	Hlakudi	Wesly	Mogano	02-Feb-15	02-Feb-17	Male	Black: African
1176	9409250559089	Tsholofelo		Mogapi	01-Mar-17	01-Mar-19	Female	Black: African
1177	9009225368085	Tisetso	Perceverance	Mogoru	01-Sep-15	01-Sep-17	Male	Black: African
1178	8808275937082	Ntshibashibe	Cedric	Mogoru	01-Jul-15	01-Jul-17	Male	Black: African
1179	8212225916082	Mojaleta	Lodwick	Mogoshi	10-Feb-10	10-Feb-12	Male	Black: African
1180	8404020914087	Seipati	Pearl	Mohala	03-Sep-12	03-Sep-14	Female	Black: African
1181	9201030368083	Maropeni	Florence	Mohale	13-Jul-15	13-Jul-17	Female	Black: African
1182	8801221160081	Kgotsofallang		Mohale	02-Feb-15	02-Feb-17	Female	Black: African
1183	9008070079086	Sameera		Mohamed	01-May-13	01-May-15	Female	Black: Indian/Asian
1184	8803166185187	Gerard	Thato	Mohapi	31-Mar-14	31-Mar-16	Male	Black: African
1185	9108110202084	Millicent	Sentserere	Mohlala	31-Mar-14	31-Mar-16	Female	Black: African
1186	8812135271088	Cynet	Rhudolf	Mohlala	31-Mar-14	31-Mar-16	Male	Black: African

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1187	9106055313080	Koketso	Mamoshweu	Mohlala	11-Mar-15	11-Mar-17	Male	Black: African
1188	9006190643088	Tiego		Mohlamonyane	31-Mar-14	31-Mar-16	Female	Black: African
1189	9303240614080	Lebogang	Francina	Mohlanka	01-Sep-16	01-Sep-18	Female	Black: African
1190	9209240751089	Tselane	Anna	Moholo	01-Apr-15	01-Apr-17	Female	Black: African
1191	7809225570081	Tebogo	Walter	Mohloboeng	07-May-08	07-May-10	Male	Black: African
1192	8907096026081	Karabo		Moirwagale	12-Dec-14	12-Dec-16	Male	Black: African
1193	8804220550088	Milly	Rorisang	Motitobo	01-Apr-16	01-Apr-18	Female	Black: African
1194	8903106061085	Sello	John	Mojale	10-Jul-13	10-Jul-15	Male	Black: African
1195	9011306016088	Thato		Mojaje	31-Mar-15	31-Mar-17	Male	Black: African
1196	8707045949080	Andrew		Mojaji	14-Dec-11	14-Dec-13	Male	Black: African
1197	8407145751086	MESULAM	Tshehla	MOJALEFA	19-Dec-07	19-Dec-09	Male	Black: African
1198	9009231352081	Makgatle	Linah	Mojapelo	01-Oct-12	01-Oct-14	Female	Black: African
1199	8704265538081	Phuti		Mojapelo	09-Jan-14	09-Jan-16	Male	Black: African
1200	8705315740080	Tumisang	Ephraime	Moje	10-Feb-14	10-Feb-16	Male	Black: African
1201	9201190991088	Reshoketswe	Wendy	Mojela	01-Apr-15	01-Apr-17	Female	Black: African
1202	8909240711089	Tetelo	Tersia	Mokalapa	31-Mar-15	31-Mar-17	Female	Black: African
1203	8509135815084	Sello	Paul	Mokete	01-Nov-15	01-Nov-17	Male	Black: African
1204	9205215443082	Mduduzi	Elvis	Mokete	13-Jan-14	13-Jan-16	Male	Black: African
1205	9106080760081	Mamosega	Hlogologo	Precious Mokgala	01-Apr-15	01-Apr-17	Female	Black: African
1206	8803265423086	Tshepiso	Ishmael	Mokgalaka	17-Sep-13	17-Sep-15	Male	Black: African
1207	8809290258082	Seswahla	Althea	Mokgata	01-Apr-15	01-Apr-17	Female	Black: African
1208	8105105284086	Daniel	Rammusi	Mokgatle	01-Jul-11	01-Jul-13	Male	Black: African
1209	8704130886087	Lerato	Cheryl	Mokgehle	01-Jul-16	01-Jul-18	Female	Black: African
1210	8102020821084	Semane		Mokgosi	14-Dec-11	14-Dec-13	Female	Black: African
1211	9112260757087	Nnete	Tshepang Koketso	Mokgothu	01-Nov-16	01-Nov-18	Female	Black: African
1212	8912055294084	Lucianus	Modutswane	Mokhele	01-Oct-15	01-Oct-17	Male	Black: African
1213	8908025426087	Manfred	Letshabo	Mokhele	01-Aug-15	01-Aug-17	Male	Black: African
1214	9311285230084	Phineas	Mpho	Mokheseng	01-Mar-16	01-Mar-18	Male	Black: African
1215	9009150350082	Kamogelo	Kgaugelo	Mokhine	30-Jan-15	30-Jan-17	Female	Black: African
1216	9111225229083	Khotatso		Mokhorro	01-Aug-16	01-Aug-18	Male	Black: African
1217	9108090338080	Annah	Pinkie	Mokhuoane	02-Dec-13	02-Dec-15	Female	Black: African
1218	9104041143083	Chuene	Benigna	Mokoatedi	13-Jan-14	13-Jan-16	Female	Black: African
1219	8504185907087	Toka	Aaron	Mokoatlle	17-Feb-15	17-Feb-17	Male	Black: African

1220	8403285716088	Phuti	Eric	Mokobane	31-Mar-14	31-Mar-16	Male	Black: African
1221	8906170168082	Nthebane	Patricia	Mokoena	01-Mar-16	01-Mar-18	Female	Black: African
1222	9007070441080	Moipone		Mokoena	01-Mar-13	01-Mar-15	Female	Black: African
1223	9204175374080	Thabang	Pardin	Mokoena	01-Apr-15	01-Apr-17	Male	Black: African
1224	8611185777089	Jacob	Agose	Mokoena	17-May-11	17-May-13	Male	Black: African
1225	9212180355085	Mahlase	Jane	Mokoena	01-Mar-15	01-Mar-17	Female	Black: African
1226	9411245226089	Aryton	Thapelo	Mokoena	01-Apr-16	01-Apr-18	Male	Black: African
1227	8405135345083	Thabo	Thomson	Mokoena	05-Jan-15	05-Jan-17	Male	Black: African
1228	9010235647088	Gaopalelwe	Ernest	Mokoisa	01-Jun-15	01-Jun-17	Male	Black: African
1229	9003036669088	Refilwe Trevor		Mokoka	01-Oct-16	01-Oct-18	Male	Black: African
1230	8907220903080	Keabetswe		Mokolobate	01-Aug-16	01-Aug-18	Female	Black: African
1231	9312180762080	Rebone	Claudia	Mokome	01-Apr-16	01-Apr-18	Female	Black: African
1232	9110315203081	Elias	Rable	Mokone	01-Sep-16	01-Sep-18	Male	Black: African
1233	8804090392082	Pricilla	Mokgadi	Mokoni	03-Oct-11	03-Oct-13	Female	Black: African
1234	8909095505081	Mahlatshe	Johannes	Mokonyama	01-Apr-15	01-Apr-17	Male	Black: African
1235	9010090279084	Neo	Masingoaneng	Mokotedi	31-Mar-14	31-Mar-16	Female	Black: African
1236	8806010506089	Bareng	Naomi	Mokua	03-Sep-12	03-Sep-14	Female	Black: African
1237	9009245571080	Ronald		Mokuoa	01-Feb-17	01-Feb-19	Male	Black: African
1238	8904125925086	Thabang	James	Mokwala	01-Apr-15	01-Apr-17	Male	Black: African
1239	9110075613081	Maelelele	Nelson	Mokwala	01-Apr-15	01-Apr-17	Male	Black: African
1240	8909140756085	Refilwe	Glacia	Mokwatedi	01-Jan-13	01-Jan-15	Female	Black: African
1241	9211055429082	Mcedisi	Evander	Mokwena	01-Apr-15	01-Apr-17	Male	Black: African
1242	9405040129084	Ntakanyane	Lydia-Comfort	Molaba	01-Jan-16	01-Jan-18	Female	Black: African
1243	9007286101080	Mercea	Lethamaga	Molaba	01-Mar-17	01-Mar-19	Male	Black: African
1244	9109080944085	Resegofetse	Petunia	Molale	01-Apr-15	01-Apr-17	Female	Black: African
1245	8403020793087	Itumeleng	Mary	Molale	01-Apr-12	01-Apr-14	Female	Black: African
1246	8506195850084	Ephraim	Khungwane	Molamudi	31-Mar-14	31-Mar-16	Male	Black: African
1247	9003026142088	Paul	Thaliso	Molaoa	01-Jan-16	01-Jan-18	Male	Black: African
1248	8509010904086	Tsholofelo	Idah	Molaoa	07-Aug-09	07-Aug-11	Female	Black: African
1249	9005046107082	James	Lebohang	Molathiwa	13-Jul-15	13-Jul-17	Male	Black: African
1250	8909221555083	Kelelo	Mathilda	Molatuoa	01-Jul-15	01-Jul-17	Female	Black: African
1251	9012125375085	Tshepo	McDonald	Molebatsi	01-Apr-13	01-Apr-15	Male	Black: African
1252	9403240533080	Gomolemo	Trinity	Moleele	01-Mar-17	01-Mar-19	Female	Black: African

1253	9003275567084	Keabetswe	Molefe	01-Apr-12	01-Apr-14	Male	Black: African
1254	9309241475082	Neo	Molefe	01-Mar-17	01-Mar-19	Female	Black: African
1255	9109220524086	Lethogonolo	Molefe	02-Feb-15	02-Feb-17	Female	Black: African
1256	8902255529082	Mogomotsi	Molefe	02-Dec-13	02-Dec-15	Male	Black: African
1257	9111100533088	Jennifer	Moleha	01-Feb-16	01-Feb-18	Female	Black: African
1258	9002245611089	Ofentse	Moleko	01-May-15	01-May-17	Male	Black: African
1259	8710145875080	Sello	Molekwa	01-Mar-16	01-Mar-18	Male	Black: African
1260	9105295378085	Edwin	Molekwa	05-Jan-15	05-Jan-17	Male	Black: African
1261	9308220891087	Nnanna	Molele	01-Jan-16	01-Jan-18	Female	Black: African
1262	9108145765089	Lesetja	Molepo	02-Feb-15	02-Feb-17	Male	Black: African
1263	8903175521084	Abram	Molepo	01-Mar-15	01-Mar-17	Male	Black: African
1264	8906046454088	Paseka	Molise	20-Jan-14	20-Jan-16	Male	Black: African
1265	9302015425086	Karabo	Molobi	01-Oct-15	01-Oct-17	Male	Black: African
1266	9102246272087	Thato	Moloi	02-Dec-13	02-Dec-15	Male	Black: African
1267	9207070623089	Zinhle	Moloi	01-Apr-15	01-Apr-17	Female	Black: African
1268	8803315476084	Kutlo	Moloko	01-Nov-15	01-Nov-17	Male	Black: African
1269	8509025923089	Mmaphuti	Molokomme	20-Jan-14	20-Jan-16	Male	Black: African
1270	8912295536088	Tshepho	Molokomme	01-Apr-15	01-Apr-17	Male	Black: African
1271	9110230643080	Bridget	Molomo	31-Mar-14	31-Mar-16	Female	Black: African
1272	9212265499089	Mathatsi	Molomo	17-Feb-15	17-Feb-17	Male	Black: African
1273	8505026015081	Makgere	Molomo	09-Jan-14	09-Jan-16	Male	Black: African
1274	8504180713086	Disego	Molongoana	01-Jun-15	01-Jun-17	Female	Black: African
1275	9209140269083	Kgomotso	Moloto	01-Mar-17	01-Mar-19	Female	Black: African
1276	8806145707081	Chuene	Moloto	31-Mar-14	31-Mar-16	Male	Black: African
1277	8809250785082	Mmatshoko	Moloto	05-Sep-14	05-Sep-16	Female	Black: African
1278	8901205695084	Matlou	Moloto	27-Feb-13	27-Feb-15	Male	Black: African
1279	8703120535084	Keseabetswe	Molotsane	01-Jul-15	01-Jul-17	Female	Black: African
1280	8911215464082	Dithapelo	Molwantwa	19-Dec-11	19-Dec-13	Male	Black: African
1281	8008045795080	Jonathan	Mompe	04-Sep-07	04-Sep-09	Male	Black: African
1282	9202040421086	Goitseone	Monametsi	01-Jul-15	01-Jul-17	Female	Black: African
1283	8507095871089	Segomotso	Moncho	25-May-12	25-May-14	Male	Black: African
1284	8311095864081	Tebogo	Monepya	01-Jul-15	01-Jul-17	Male	Black: African
1285	8102085426084	Puni	Monewe	01-Apr-15	01-Apr-17	Male	Black: African

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1286	9107255887089	Mongaole	Petrus	Mongaole	01-Mar-17	01-Mar-19	Male	Black: African
1287	9301061138080	Audrey	Martha	Mongoe	31-Mar-14	31-Mar-16	Female	Black: African
1288	9105300898085	Kwena		Monoke	19-Mar-15	19-Mar-17	Female	Black: African
1289	8509096074085	Zolani		Monqo	19-Dec-11	19-Dec-13	Male	Black: African
1290	9201145772088	Thapelo	Harry Michael	Montoedi	01-Oct-15	01-Oct-17	Male	Black: African
1291	9204180838087	Tshilidizi		Monyani	13-Mar-15	13-Mar-17	Female	Black: African
1292	9010046016085	Caleb	Lehlogonolo	Monyela	01-Feb-16	01-Feb-18	Male	Black: African
1293	8606140615085	Patricia	Modiehi	Monyobo	03-Sep-12	03-Sep-14	Female	Black: African
1294	8910170187084	Alisha	Taryn	Moodley	01-Jan-13	01-Jan-15	Female	Black: Indian/Asian
1295	9012315559084	Gaopallwe	Moses William	Mooketsi	01-Oct-14	01-Oct-16	Male	Black: African
1296	9005100974088	Malehlohonolo		Moorosi	01-Mar-16	01-Mar-18	Female	Black: African
1297	8503186261082	Maphenchane	Emmanuel	Moorosi	20-Aug-08	20-Aug-10	Male	Black: African
1298	8907090429083	Kagiso	Linda	Moraba	12-Mar-15	12-Mar-17	Female	Black: African
1299	8212075638083	Dennis	Mogase	Moraba	01-Mar-17	01-Mar-19	Male	Black: African
1300	9011035246089	Given	Ivan Kealeboga	Morakwi	31-Mar-15	31-Mar-17	Male	Black: African
1301	8910200275081	Nonkululeko	Kefiwe	Moralo	31-Mar-14	31-Mar-16	Female	Black: African
1302	8611045824089	Shimane	Andries	More	01-Apr-15	01-Apr-17	Male	Black: African
1303	9205085796080	Masilo	Patrick	Moremi	02-Feb-15	02-Feb-17	Male	Black: African
1304	9406170384085	Hefty		Moremi	01-Mar-17	01-Mar-19	Female	Black: African
1305	9304065290089	Lerato	Vusi Ebenezer	Moremi	01-Mar-17	01-Mar-19	Male	Black: African
1306	9308300984083	Oratile	Motshidisi	Moretiwe	01-Mar-17	01-Mar-19	Female	Black: African
1307	9403310241085	Mapaseka		Morgan	01-Jan-16	01-Jan-18	Female	Black: African
1308	9007121123083	Mmabatho	Alice	Moropa	02-Jun-14	02-Jun-16	Female	Black: African
1309	9007035692082	Kamogelo	Paul	Moropa	01-Sep-15	01-Sep-17	Male	Black: African
1310	8607105803088	Tshepo	Andrew	Moropa	29-Sep-11	29-Sep-13	Male	Black: African
1311	9109020314084	Emma		Morotoba	06-Jan-14	06-Jan-16	Female	Black: African
1312	8308145404082	GODFREY	TEBOGO	MORULE	23-Jul-07	23-Jul-09	Male	Black: African
1313	8901285615085	Serepong	Kamogelo	Moruthanyane	01-Oct-14	01-Oct-16	Male	Black: African
1314	9205181002086	Khanani		Moruti	01-Feb-14	01-Feb-16	Female	Black: African
1315	9011260653082	Aobakwe	Petronella	Mosadi	01-Mar-17	01-Mar-19	Female	Black: African
1316	8502155424085	Mico	Bakang	Mosako	09-Jan-14	09-Jan-16	Male	Black: African
1317	8706165256086	GIFT	TUMELO TSHEPC MOSALA		09-Feb-09	09-Feb-11	Male	Black: African
1318	8806145923084	Winas	Nkobole	Mosamedi	20-Dec-11	20-Dec-13	Male	Black: African

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1352	8311195452084	Theophilas	Mojalefa	Motlogedi	19-Oct-07	19-Oct-09	Male	Black: African
1353	9202226052085	Mphonyana		Motloung	01-Mar-17	01-Mar-19	Male	Black: African
1354	8205075690088	Tibisi	Amos	Motloung	09-Jan-14	09-Jan-16	Male	Black: African
1355	9009161415080	Mfihliseng	Maria	Motloung	01-Apr-15	01-Apr-17	Female	Black: African
1356	9107275211088	Boikanyo		Motsaathebe	31-Mar-16	31-Mar-18	Male	Black: African
1357	9011045706080	Thabang		Motsamai	01-Sep-15	01-Sep-17	Male	Black: African
1358	9009020606085	Kagiso	Johanna	Motsepe	01-Jan-17	01-Jan-19	Female	Black: African
1359	9101210785082	Matsake	Nelly	Motsetane	01-Jun-16	01-Jun-18	Female	Black: African
1360	8202225326085	Isaac	Batsile	Motshwaedi	14-Sep-11	14-Sep-13	Male	Black: African
1361	8409235208084	Glen	RantimiShimi	Motshwanedi	01-Apr-15	01-Aug-17	Male	Black: African
1362	8706280205083	Tshegofatso	Ivy	Motsoenyane	03-Jun-13	03-Jun-15	Female	Black: African
1363	8806100403080	Sarina	Sempotseng	Motsuki	01-Feb-13	01-Feb-15	Female	Black: African
1364	9211230503082	Rebaone	Boingotlo	Motswadi	01-Apr-15	01-Apr-17	Female	Black: African
1365	9209165718089	Wellem		Motswadire	01-Feb-16	01-Feb-18	Male	Black: African
1366	8809070479080	Mashoto	Nthuloane	Motswiane	01-Feb-13	01-Feb-15	Female	Black: African
1367	9211205431087	Manqoba	Vivian	Moyana	31-Mar-15	31-Mar-17	Male	Black: African
1368	8802200708080	Thobile	Rejoice	Moyane	31-Mar-14	31-Mar-16	Female	Black: African
1369	9108025952088	Fortunate		Moyo	02-Oct-14	02-Oct-16	Male	Black: African
1370	9208210595088	Rolivhuwa		Mpanamana	01-May-15	01-May-17	Female	Black: African
1371	9009141317083	Nomcebo	Given	Mpanza	01-Jun-16	01-Jun-18	Female	Black: African
1372	9304150786082	Nontobeko	Nokukhanya	Mpanza	01-Jul-15	01-Jul-17	Female	Black: African
1373	9004260836088	Modjadji	Koketso	Mphago	17-Feb-15	17-Feb-17	Female	Black: African
1374	8709195794084	Nkgobe	Hector	Mphahlele	31-Mar-14	31-Mar-16	Male	Black: African
1375	9105180363085	Magauta	Mologadi	Mphahlele	01-Mar-17	01-Mar-19	Female	Black: African
1376	8808055626087	Mafori	Emmanuel	Mphahlele	31-Mar-14	31-Mar-16	Male	Black: African
1377	9011205826082	Mabodutwane	Ocean	Mphahlele	31-Mar-14	31-Mar-16	Male	Black: African
1378	9004255575089	Llepa	Malebo Jeffrey	Mphahlele	02-Feb-15	02-Feb-17	Male	Black: African
1379	9111300765084	Mahlatshe	Ramaesele	Mphahlele	01-Apr-15	01-Apr-17	Female	Black: African
1380	8906185316080	John	Tshepang	Mphahlele	01-Jul-15	01-Jul-17	Male	Black: African
1381	9007275303085	Thapelo	Brian	Mphahlele	01-Jul-15	01-Jul-17	Male	Black: African
1382	8803050766087	Matshelane	Cynthia	Mphahlele	31-Mar-14	31-Mar-16	Female	Black: African
1383	9203065700081	Rocky	Thabang	Mphahlele	17-Feb-15	17-Feb-17	Male	Black: African
1384	8705085847081	Lebogang	Lesetja	Mphahlele	31-Mar-14	31-Mar-16	Male	Black: African

Handwritten signatures and initials at the bottom of the page.

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1385	9212095156081	Tshepo	Charles	Mphahiele	31-Mar-15	31-Mar-17	Male	Black: African
1386	9008221018082	Londoni	Khakhu Princess	Mphaphuli	01-Mar-15	01-Mar-17	Female	Black: African
1387	8812070965082	Portia	Itumeleng	Mpharoane	02-Feb-15	02-Feb-17	Female	Black: African
1388	9209075466084	Lehlohonolo		Mphirime	09-Feb-15	09-Feb-17	Male	Black: African
1389	9001275828084	Samuel	Nkileng	Mphule	01-Sep-14	01-Sep-16	Male	Black: African
1390	9205030785089	Mabolai	Rachel	Mphule	01-Oct-16	01-Oct-18	Female	Black: African
1391	9107090202080	Thato	Lizzy	Mphuthi	12-Feb-15	12-Feb-17	Female	Black: African
1392	9003280350088	Cecilia		Mphuti	01-Aug-16	01-Aug-18	Female	Black: African
1393	8608165663081	Calvin		Mpilo	01-Mar-15	01-Mar-17	Male	Black: African
1394	8909186156083	Bongani	Unako	Mpiti	01-Nov-16	01-Nov-18	Male	Black: African
1395	9012120833088	Imameleng	Aretha	Mpitso	14-Oct-13	14-Oct-15	Female	Black: African
1396	9107275685083	Thabiso	Xavier Dominic	Mpopo	01-Mar-17	31-Aug-18	Male	Black: African
1397	9008210884080	Thembisa		Mpoza	31-Mar-14	31-Mar-16	Female	Black: African
1398	9002190309085	Mmadillo	Portia	Mporu	01-Apr-15	01-Apr-17	Female	Black: African
1399	8707045887082	Bongani	Cedrick	Msane	14-Sep-11	14-Sep-13	Male	Black: African
1400	8710315577086	Wilson	Khashane	Msendeu	03-Jan-13	03-Jan-15	Male	Black: African
1401	8109180356082	Asanda	Coshiona	Msengi	20-Jan-09	20-Jan-11	Female	Black: African
1402	8909245277086	Zwelibanzi	Maxwell	Msibi	09-Jan-14	09-Jan-16	Male	Black: African
1403	8901230495088	Philisile	Angie	Msikwa	01-Apr-16	01-Apr-18	Female	Black: African
1404	8704100779080	Thando	Nonkonzo	Msimang	31-Mar-15	31-Mar-17	Female	Black: African
1405	8705290380084	Phumelele	Pearl	Msomi	20-Dec-11	20-Dec-13	Female	Black: African
1406	9007195968082	Masigcinane		Mteki	01-Apr-16	01-Apr-18	Male	Black: African
1407	8503085703085	THABANE	EODISON	MTHABELA	18-Nov-08	18-Nov-10	Male	Black: African
1408	9110145825087	Vutomi	Sheriff	Mthembi	31-Mar-16	31-Mar-18	Male	Black: African
1409	9112010356081	Busisiwe	Maureen	Mthembu	01-Apr-14	01-Apr-16	Female	Black: African
1410	8201305630085	SENZO	WISEMAN	MTHSEMBU	01-Sep-08	01-Sep-10	Male	Black: African
1411	8012065598085	Vusumuzi	Thuthukani	Mthembu	01-Nov-16	01-Nov-18	Male	Black: African
1412	8612135326084	Euctas	Sibonelo	Mthethwa	01-Oct-16	01-Oct-18	Male	Black: African
1413	8107105788082	Msizi	Vusi	Mthethwa	31-Mar-14	31-Mar-16	Male	Black: African
1414	9012245803081	Wilson		Mthethwa	01-Mar-17	01-Mar-19	Male	Black: African
1415	9405290357088	Fezile	Khayelihle	Mthethwa	01-Mar-17	01-Mar-19	Female	Black: African
1416	8705056182088	Lebo		Mthethwa	31-Mar-15	31-Mar-17	Male	Black: African
1417	8801245543080	Sphiwe	Amos	Mthimunye	12-Mar-15	12-Mar-17	Male	Black: African

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1418	9201300324089	Nelisiwe	Maqane	Mthimunya	04-Aug-14	04-Aug-16	Female	Black: African
1419	8901170722087	Zamani	Zamokuhle	Mthiyane	01-Feb-13	01-Feb-15	Female	Black: African
1420	9102015456085	Nkosinathi	Fanny	Mthombeni	13-Mar-15	13-Mar-17	Male	Black: African
1421	8703245596086	Thembani		Mthombeni	01-Mar-17	01-Mar-19	Male	Black: African
1422	9011010430088	Bathabile	Patricia	Mthombeni	01-Nov-16	01-Nov-18	Female	Black: African
1423	9111305535086	Mixo	Edmon	Mthombeni	01-Sep-16	01-Sep-18	Male	Black: African
1424	9012275887087	Isack		Mthombeni	31-Mar-16	31-Mar-18	Male	Black: African
1425	8012065716083	Sibusiso	Trevor	Mthombeni	01-Oct-15	01-Oct-17	Male	Black: African
1426	8905030695086	Lulana	Noxolo	Mthuntutho	01-Feb-15	01-Feb-17	Female	Black: African
1427	8705020294084	Nokukhanya		Mthuthwa	01-Mar-15	01-Mar-17	Female	Black: African
1428	9001306134080	Celumusa	Siphephelo	Mtshali	01-Oct-14	01-Oct-16	Male	Black: African
1429	8707115653083	Bongumusa		Mtshali	08-Jun-15	08-Jun-17	Male	Black: African
1430	9210315875084	Mlawuli	Lungelo	Mtshali	07-Dec-14	07-Dec-16	Male	Black: African
1431	9102155847085	Khanyiso		Mtshulana	01-Oct-14	01-Oct-16	Male	Black: African
1432	8508095335083	Koketso	Marvin	Mtsweni	13-Jan-14	13-Jan-16	Male	Black: African
1433	8603115293089	Vuyani	Alfred	Mtuti	01-Jun-15	01-Jun-17	Male	Black: African
1434	8808140973080	Ongeziwe		Mtyelwa	01-May-13	01-May-15	Female	Black: African
1435	9004166064082	Ndanduleni		Muavhi	27-Feb-13	27-Feb-15	Male	Black: African
1436	8109170555081	Livhuwani	Mamcy	Mudau	12-Mar-15	12-Mar-17	Female	Black: African
1437	9102246150085	Lutendo	Happy	Mudau	01-Jul-15	01-Jul-17	Male	Black: African
1438	9201281091087	Asiashu		Mudau	01-Oct-15	01-Oct-17	Female	Black: African
1439	9304100437083	Pfano		Mudau	01-Feb-16	01-Feb-18	Female	Black: African
1440	9012165852084	Selaelo	Winston	Mudau	01-Apr-15	01-Apr-17	Male	Black: African
1441	8410055701083	Rudzani	Patrick	Mudau	29-Jan-08	29-Jan-10	Male	Black: African
1442	9203296010086	Nsumbedzo	Johannes	Mudau	01-Mar-17	01-Mar-19	Male	Black: African
1443	7912195523088	Mbengeni	Michael	Mudimeli	01-Apr-08	01-Apr-10	Male	Black: African
1444	8804116057081	Aluwani	Samuel	Mudtambi	01-Oct-12	01-Oct-14	Male	Black: African
1445	8807170678080	Anzatsihlizi	Cathrene	Mudtambi	03-Sep-12	03-Sep-14	Female	Black: African
1446	8212125878085	Mishumo	Wayans	Mudzielwana	01-Nov-12	01-Nov-14	Male	Black: African
1447	9103040477088	Rudzani	Melba	Muedi	26-Mar-15	26-Mar-17	Female	Black: African
1448	9002081134089	Ndivhuwo		Mufamadi	31-Mar-15	31-Mar-17	Female	Black: African
1449	8402205731086	Vonani	Alfred	Mugari	01-Aug-15	01-Aug-17	Male	Black: African
1450	8402030385082	Vhonani	Faith	Mugivhi	07-Aug-09	07-Aug-11	Female	Black: African

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1451	8901036064088	Thabelo	Isaac	Mugovhani	01-Feb-13	01-Feb-15	Male	Black: African
1452	8910220574083	Lutendo	Charlotte	Mugwena	05-Jan-15	05-Jan-17	Female	Black: African
1453	8205085416086	Gumani	Prince	Mukaswe	28-Mar-13	28-Mar-15	Male	Black: African
1454	9411100892082	Dikeledi	Pretty	Mukhari	01-Aug-16	01-Aug-18	Female	Black: African
1455	8703285402088	Lusani	Goodintend	Mukhavhuli	01-Jul-11	01-Jul-13	Male	Black: African
1456	9110200830089	Sedzani Jubilliah		Mukhithi	06-Nov-14	06-Nov-16	Female	Black: African
1457	9001096153084	Bethuel	Mbavhalelo	Mukhola	01-Mar-15	01-Mar-17	Male	Black: African
1458	9411180498081	Confidence	Msindi	Mukona	01-Mar-17	01-Mar-19	Female	Black: African
1459	8912085845087	Sanele		Mukondeleli	03-May-12	03-May-14	Male	Black: African
1460	8801230632088	Tendani		Mukwevho	01-Oct-16	01-Oct-18	Female	Black: African
1461	9010195929088	Randani	Prince	Mulabisana	05-Jan-15	05-Jan-17	Male	Black: African
1462	8805105730083	Themba	Isaiah	Mulambo	03-Jun-13	03-Jun-15	Male	Black: African
1463	8505275861086	Ronald	Lufuno	Mulaudzi	25-Mar-09	25-Mar-11	Male	Black: African
1464	8509191287087	Phathutshedzo	Daphney	Mulaudzi	03-Sep-12	03-Sep-14	Female	Black: African
1465	9212100709080	Mutshidzi		Mulaudzi	31-Mar-16	31-Mar-18	Female	Black: African
1466	8808170751083	Munelewa		Mulaudzi	01-Mar-17	01-Mar-19	Female	Black: African
1467	9105021260086	Thuso	Karen	Mulelu	01-Nov-16	01-Nov-18	Female	Black: African
1468	9104240785080	Zwanga	Vaidah	Mulibana	03-Sep-12	03-Sep-14	Female	Black: African
1469	7712045684084	MPHO	GIFT	MULIMA	06-Oct-08	06-Oct-10	Male	Black: African
1470	8306305368089	Ben		Muller	01-Feb-17	01-Feb-19	Male	Black: African
1471	8304305680082	Azwidowi		Mululuma	13-Mar-15	13-Mar-17	Male	Black: African
1472	8611040109080	Suneshnee		Munlial	31-Mar-14	31-Mar-16	Female	Black: Indian/Asian
1473	9204081082082	Rendani		Munonaka	01-Jan-17	01-Jan-19	Female	Black: African
1474	8812220591085	Tshimangadzo		Muntswu	01-Feb-13	01-Feb-15	Female	Black: African
1475	8710215590080	Walter		Munyai	01-May-15	01-May-17	Male	Black: African
1476	8111135348081	ARINAO		MUNYAI	01-Apr-08	01-Apr-10	Male	Black: African
1477	8805030940088	Ntambudzeni	Caroline	Munyai	27-Feb-13	27-Feb-15	Female	Black: African
1478	8509060746080	Livhuwani	Portia	Munyangane	28-May-09	28-May-11	Female	Black: African
1479	8007290341087	Livhuwani		Muofhe	02-Feb-15	02-Feb-17	Female	Black: African
1480	8912310519085	Rabelani		Muremela	09-Jan-14	09-Jan-16	Female	Black: African
1481	8910270962089	Lutendo		Muremi	03-Jun-13	03-Jun-15	Female	Black: African
1482	9003110964082	Tshudufhadzo		Murovhi	01-Mar-15	01-Mar-17	Female	Black: African
1483	9302155856082	Kgabo		Murudu	01-Aug-16	01-Aug-18	Male	Black: African

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1484	9203115164080	Tyran	Murugan	14-Feb-14	14-Feb-16	Male	Black: Indian/Asian
1485	9009271116081	Phathutshedzo	Musalafu	01-Aug-16	01-Aug-18	Female	Black: African
1486	8505290629088	Shonisani	Musekwa	01-Apr-08	01-Apr-10	Female	Black: African
1487	8308165941088	Thilivhali	Musengwa	31-Mar-14	31-Mar-16	Male	Black: African
1488	8308185367086	Phatutshedzo	Mushanganyisi	07-Aug-09	07-Aug-11	Male	Black: African
1489	9310130222080	Masana	Mushwana	01-Mar-17	01-Mar-19	Female	Black: African
1490	8912205822081	Omphemetse	Musi	01-Apr-13	01-Apr-15	Male	Black: African
1491	8211285709080	Fhatuwani	Musingadi	01-Apr-08	01-Apr-10	Male	Black: African
1492	8609185598083	Lutendo	Mutavhatsindi	31-Mar-14	31-Mar-16	Male	Black: African
1493	9208251095089	Phuluso	Mutele	01-Aug-16	01-Aug-18	Female	Black: African
1494	8610300668082	Mukondeleli	Mutheiwana	01-Oct-14	01-Oct-16	Female	Black: African
1495	9203010614080	Andani	Muthelo	13-Mar-15	13-Mar-17	Female	Black: African
1496	8405215704084	Collen	Muthelo	01-Oct-12	01-Oct-14	Male	Black: African
1497	8504250898080	FHULUFHELO	Charles Nkhetheni	26-Jun-07	26-Jun-09	Female	Black: African
1498	9012175678081	Oikantswe	Muthelo	01-Jan-17	01-Jan-19	Male	Black: African
1499	9306250699081	Ndamulelo	Mutshinya	01-Mar-17	01-Mar-19	Female	Black: African
1500	9007026040085	Fulufhele	Mutshinya	01-Mar-15	01-Mar-17	Male	Black: African
1501	8603170934080	Rofhiwa	Mutshinyalo	15-Jul-11	15-Jul-13	Female	Black: African
1502	8409246030089	Nshengedzeni	Muyanalo	01-Mar-15	01-Mar-17	Male	Black: African
1503	9202160957083	Angel	Mvambo	31-Mar-14	31-Mar-16	Female	Black: African
1504	8903190891082	Tshepiso	Mvubu	01-Apr-13	01-Apr-15	Female	Black: African
1505	9409165543087	Sicelo	Mvubu	31-Mar-17	31-Mar-19	Male	Black: African
1506	9408065587087	Sinethemba	Mvula	01-Mar-17	01-Mar-19	Male	Black: African
1507	9009250404086	Zande	Mvulani	01-Mar-15	01-Mar-17	Female	Black: African
1508	9008080480084	Phindile	Myaka	05-Jan-15	05-Jan-17	Female	Black: African
1509	8907125565083	Xolani	Myanga	01-Mar-16	01-Mar-18	Male	Black: African
1510	8210150442082	Onesims	Myendeki	01-Feb-13	01-Feb-15	Female	Black: African
1511	8911230526089	Ayanda	Myeza	20-Jan-14	20-Jan-16	Female	Black: African
1512	8804245472086	Lungelo	Myeza	23-Sep-11	23-Sep-13	Male	Black: African
1513	8909045439084	Ashton	Mzileni	12-Mar-15	12-Mar-17	Male	Black: African
1514	8501150556081	LONDEKA	MZIMANDE	06-Oct-08	06-Oct-10	Female	Black: African
1515	8903070730087	Thembelihle	Mzimela	01-Mar-17	01-Mar-19	Female	Black: African
1516	9003020597089	Phindile	Mzimela	01-Oct-16	01-Oct-18	Female	Black: African

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1517	9101280676088	Nonhle	Nokukhanya	Mzobe	06-Jan-14	06-Jan-16	Female	Black: African
1518	8804096023087	Siphamandla	Hecules	Mzolo	03-Mar-14	03-Mar-16	Male	Black: African
1519	8605115705087	Jongane		Mzukwa	13-Jan-14	13-Jan-16	Male	Black: African
1520	9402245228084	Kyle	Camden	Naidoo	01-Jan-16	01-Jan-18	Male	Black: African
1521	9204015094088	Jason		Naidoo	01-Jun-15	01-Jun-17	Male	Black: Indian/Asian
1522	9008115031084	Jarod	Christopher	Naidoo	01-Jul-15	01-Jul-17	Male	Black: Coloured
1523	8409060178089	Perusha		Naidoo	17-May-11	17-May-13	Female	Black: Indian/Asian
1524	9010031385081	Bokang	Vivian	Naille	31-Mar-16	31-Mar-18	Female	Black: African
1525	8703245227088	Taurean	Jevaldo	Nair	09-Jan-14	09-Jan-16	Male	Black: Indian/Asian
1526	8611266056080	Simphele	Siyabonga	Nala	01-Dec-16	01-Dec-18	Male	Black: African
1527	9205080036086	Tshepiso		Napo	01-Mar-15	01-Mar-17	Female	Black: African
1528	8808150422085	Mahlatsi	Christina	Nare	31-Mar-15	31-Mar-17	Female	Black: African
1529	8909300311085	Princess	Zethu	Ncamphalala	01-Apr-15	01-Apr-17	Female	Black: African
1530	8611200542088	Khanyisile		Ncanana	31-Mar-15	31-Mar-17	Female	Black: African
1531	8809041113081	Nlepane	Nteseng	Nchabeleng	31-Mar-14	31-Mar-16	Female	Black: African
1532	7708245728085	David	Lebohlang	Ncube	13-Mar-15	13-Mar-17	Male	Black: African
1533	8909050968084	Sibonile	Happiness	Ncube	01-Oct-15	01-Oct-17	Female	Black: African
1534	8803150620085	Mbavhalele		Ncube	19-Dec-11	19-Dec-13	Female	Black: African
1535	9004176027087	Mawande		Ncume	01-Jul-15	01-Jul-17	Male	Black: African
1536	9202210853084	Richcon	Busisiwe	Ndaba	13-Mar-15	13-Mar-17	Female	Black: African
1537	8708230582082	Nokuthula	Gloria	Ndaba	17-May-11	17-May-13	Female	Black: African
1538	8304250722087	Ditiro	Shirley	Ndaba	31-Jan-14	31-Jan-16	Female	Black: African
1539	8103095471086	Thabiso	Daniel	Ndaba	23-Jul-07	23-Jul-09	Male	Black: African
1540	8704175854801	Mabaleka	Jonas	Ndaba	17-May-11	17-May-13	Male	Black: African
1541	8811010995084	Lindiwe	Alice	Ndabana	01-Oct-15	01-Oct-17	Female	Black: African
1542	8705275467088	Ntate	Elias	Ndabeng	02-Feb-15	02-Feb-17	Male	Black: African
1543	9008185845082	Gudani	Edmont	Ndadza	31-Jul-14	31-Jul-16	Male	Black: African
1544	8806040563084	Zamazangwa	Impudance	Ndata	01-Apr-14	01-Apr-16	Female	Black: African
1545	8712065560080	Siyabonga	Monde	Ndebele	05-Jan-15	05-Jan-17	Male	Black: African
1546	8304275800082	Phathumusa	MandisiCyril	Ndebele	15-Sep-09	15-Sep-11	Male	Black: African
1547	8307156555088	Sibongiseni	Lindelani	Ndebele	07-Mar-12	07-Mar-14	Male	Black: African
1548	9009130799085	Sandra	Mayeziwe	Ndhlovu	02-Oct-14	02-Oct-16	Female	Black: African
1549	8208115307085	Phumlani	Cedric	Ndhlovu	19-Oct-09	19-Oct-11	Male	Black: African

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1550	8807190390088	Barbara	Thembi	Ndhlovu	01-Mar-15	01-Mar-17	Female	Black: African
1551	8910046006088	Andzani	Gary	Ndhukwani	01-Feb-13	01-Feb-15	Male	Black: African
1552	9006075229086	Thabiso	Nkumbulo	Ndima	31-Mar-14	31-Mar-16	Male	Black: African
1553	9206240784086	Reolebogile		Ndimande	02-Feb-15	02-Feb-17	Female	Black: African
1554	8803155445082	Mpumelele	Success	Ndlalose	01-Mar-13	01-Mar-15	Male	Black: African
1555	8306150329087	Maria	Boniswa	Ndlangisa	02-Jan-13	02-Jan-15	Female	Black: African
1556	9208045808086	Xolani	Mthokozisi	Ndlazi	31-Mar-15	31-Mar-17	Male	Black: African
1557	8708315752089	Lunghile	Ntsemi	Ndleve	01-Apr-15	01-Apr-17	Male	Black: African
1558	9206085780082	Bongani	David	Ndlovu	01-Apr-15	01-Apr-17	Male	Black: African
1559	8909125976088	Ndumiso	Thamsanqa	Ndlovu	01-Nov-16	01-Nov-18	Male	Black: African
1560	9312080772080	Patience	Sesi	Ndlovu	31-Mar-17	31-Mar-19	Female	Black: African
1561	9007070427089	Nolwazi	Faithfull	Ndlovu	01-Apr-16	01-Apr-18	Female	Black: African
1562	8706020710087	Sibusiso		Ndongeni	02-Jan-13	02-Jan-15	Female	Black: African
1563	8903045456081	Ntakuseni	Vele Patrick	Ndou	01-Mar-15	01-Mar-17	Male	Black: African
1564	8406035810085	Ntakuseni	Patrick	Ndou	01-May-13	01-May-15	Male	Black: African
1565	8907115998088	Ndamulelo	Cyril	Ndou	01-Apr-15	01-Apr-17	Male	Black: African
1566	9102235551087	Senzangakhona		Ndumo	01-Aug-16	01-Aug-18	Male	Black: African
1567	9106216175089	Fhetani		Ndvhuwo	12-Mar-15	12-Mar-17	Male	Black: African
1568	8706106173085	Sanele	Sydwell	Ndzelu	01-May-13	01-May-15	Male	Black: African
1569	8901140757080	Nhlamulo	Eugenia	Ndzovela	01-Apr-13	01-Apr-15	Female	Black: African
1570	9208200863082	Eulenda	Lerato	Ndzumeni	01-Feb-15	01-Feb-17	Female	Black: African
1571	8203230502082	Tshifhiwa	Mercy	Nedambale	02-Jan-13	02-Jan-15	Female	Black: African
1572	8612025817085	Tshisamphiri		Neduvhuledza	19-Dec-11	19-Dec-13	Male	Black: African
1573	9101140971083	Talifhani		Nefolovhodwe	01-Aug-15	01-Aug-17	Female	Black: African
1574	8507035883087	Elekanyani	Shadrack	Negwangwatini	19-Dec-11	19-Dec-13	Male	Black: African
1575	8506260606080	Lazola		Nelani	01-Sep-11	01-Sep-13	Female	Black: African
1576	8809170982082	Ntanganedzeni		Nelufule	31-Mar-14	31-Mar-16	Female	Black: African
1577	8406160336088	FULUFHELO	CONFIDENCE	NELWAMONDO	17-Jan-08	17-Jan-10	Female	Black: African
1578	9003070808089	Londolani		Nemadevhele	01-Apr-15	01-Apr-17	Female	Black: African
1579	8808180953083	Lufuno		Nemadodzi	01-Apr-13	01-Apr-15	Female	Black: African
1580	8611035889084	Pfunzo		Nemaheni	14-Dec-11	14-Dec-13	Male	Black: African
1581	9311280409089	Konanani		Nemakhavhani	01-Apr-16	01-Apr-18	Female	Black: African
1582	8604106112080	Todani		Nemakundani	19-Dec-11	19-Dec-13	Male	Black: African

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1583	8911156003089	Humbulani		Nemakundani	31-Mar-14	31-Mar-16	Male	Black: African
1584	8410095808088	Masala	Bob	Nemakundani	14-Sep-11	14-Sep-13	Male	Black: African
1585	8708190858084	Winnie		Nemambavhani	25-Jul-11	25-Jul-13	Female	Black: African
1586	9210230716082	Ndivhuwo	Confidence	Nemangani	01-Mar-17	01-Mar-19	Female	Black: African
1587	9207295498085	Tendani	Adrian	Nemavhola	01-Aug-15	01-Aug-17	Male	Black: African
1588	8904060799082	Murendeni		Nemaxwi	01-May-15	01-May-17	Female	Black: African
1589	8804215976082	Livhuwani	David	Nembilwi	31-Mar-14	31-Mar-16	Male	Black: African
1590	8505180487084	Getrude		Nemshungwa	01-May-12	01-May-14	Female	Black: African
1591	8911030913081	Tshamaano		Nemurangoni	09-Jan-14	09-Jan-16	Female	Black: African
1592	8807090505082	Sheron		Nemutudi	01-Nov-13	01-Nov-15	Female	Black: African
1593	9402135534088	Mziwokuthula	Perfect	Nene	01-Mar-17	01-Mar-19	Male	Black: African
1594	8911035845080	Lethukuthula	Nhlonipho	Nene	01-Oct-16	01-Oct-18	Male	Black: African
1595	8708125566083	Maanda	Christopher	Nengome	03-Sep-12	03-Sep-14	Male	Black: African
1596	9109240941088	Dakalo		Nengovhela	01-Sep-16	01-Sep-18	Female	Black: African
1597	8312121039086	Rudzani		Neptumbada	04-Aug-14	04-Aug-16	Female	Black: African
1598	8911095832085	Thakhani		Nesengani	02-Feb-15	02-Feb-17	Male	Black: African
1599	9104261080080	Funanani		Nethamba	01-Aug-15	01-Aug-17	Female	Black: African
1600	9004080580080	Fhumulani	Theima	Nethathe	01-Sep-16	01-Sep-18	Female	Black: African
1601	8611075610085	Fhumudzo	Murendeni	Nethavhanani	01-Sep-11	01-Sep-13	Male	Black: African
1602	9202180603089	Rofhiwa	Precious	Nethavhani	01-May-14	01-May-16	Female	Black: African
1603	9009146175080	Sedzani	Shane	Nethenzheni	01-Aug-16	01-Aug-18	Male	Black: African
1604	8706165995089	Fhatuwani	Cedric	Netili	29-Sep-11	29-Sep-13	Male	Black: African
1605	8503220413087	Wanani		Netshandama	30-Mar-09	30-Mar-11	Female	Black: African
1606	7704270578081	Avhashoni	Ishereene	Netshapasha	18-Dec-07	18-Dec-09	Female	Black: African
1607	9010235975083	Faranani	Vincent	Netshidzivhani	02-Feb-15	02-Feb-17	Male	Black: African
1608	8806146070083	Thabelo		Netshifhefhe	01-Apr-15	01-Apr-17	Male	Black: African
1609	9305241191083	Murendeni		Netshilaphala	01-Aug-15	01-Aug-17	Female	Black: African
1610	8712286049087	Vhahangwele		Netshiombo	01-Jan-17	01-Jan-19	Male	Black: African
1611	7809215631083	Mpho	Abel	Netshipale	15-Jul-11	15-Jul-13	Male	Black: African
1612	8902076009082	Rudzani		Netshirembe	01-Mar-15	01-Mar-17	Male	Black: African
1613	9405291129080	Thendo	Precious	Netshisaulu	01-Mar-17	01-Mar-19	Female	Black: African
1614	9011035732088	Vhahangwele		Netshituka	17-Feb-15	17-Feb-17	Male	Black: African
1615	9003160800087	Funanani	Glender	Netshitungulu	31-Mar-14	31-Mar-16	Female	Black: African

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1616	9211065836086	Vhalani	Godknows	Netshivhangoni	01-Jan-16	01-Jan-18	Male	Black: African
1617	9005041025081	Rabelani	Lorraine	Netshivhazwaulu	01-Nov-15	01-Nov-17	Female	Black: African
1618	8503150916083	MPHO	SYMPATHIAH	NETSHIVHUYU	05-Nov-08	05-Nov-10	Female	Black: African
1619	9108070564085	Andisani		Netsianda	01-Jul-15	01-Jul-17	Female	Black: African
1620	8607050378086	Mmathapelo		Netsianda	01-Mar-17	01-Mar-19	Female	Black: African
1621	8403055790081	NDIVHUDZANNYI	OESLEY	NEVHUTALI	18-Dec-07	18-Dec-09	Male	Black: African
1622	9002185706089	Ntshuxeko	Difference	Ngamba	31-Mar-14	31-Mar-16	Male	Black: African
1623	8912015807082	Andile	Mdeliseni	Ngongo	31-Mar-15	31-Mar-17	Male	Black: African
1624	9412310318082	Sibonelesihle	Favorite	Ngema	01-Sep-16	01-Sep-18	Female	Black: African
1625	9211295969087	Nqaba	Eugene	Ngema	01-Sep-16	01-Sep-18	Male	Black: African
1626	8902250658084	Magoge	Vernolia	Ngoasheng	01-Jan-13	01-Jan-15	Female	Black: African
1627	9311160538080	Lunghile		Ngobeni	08-Jan-15	08-Jan-17	Female	Black: African
1628	8407160346085	Nompumelelo	Adelaide	Ngobeni	02-Jan-13	02-Jan-15	Female	Black: African
1629	8408195550089	Tebogo	Percy	Ngobeni	01-Apr-08	01-Apr-10	Male	Black: African
1630	9202280869085	Mehlotti	Penelope	Ngobeni	11-Nov-14	11-Nov-16	Female	Black: African
1631	9208146126081	Tsietisi	Carlos	Ngobeni	31-Mar-16	31-Mar-18	Male	Black: African
1632	87110256608088	Matimba	Isaac	Ngobeni	31-Mar-14	31-Mar-16	Male	Black: African
1633	9311190843088	Nhluvuko		Ngobeni	01-Oct-16	01-Oct-18	Female	Black: African
1634	9009295323085	Siphelele		Ngobese	01-May-14	01-May-16	Male	Black: African
1635	9007171240084	Amanda	Fundiswa	Ngodwana	01-Jul-16	01-Jul-18	Female	Black: African
1636	9206015940087	Khuthadzo	Reginald	Ngoma	10-Jun-15	10-Jun-17	Male	Black: African
1637	8404145530081	William	Solomon	Ngomane	06-Sep-11	06-Sep-13	Male	Black: African
1638	7906050436089	Annah	Tabadie	Ngope	19-Jul-07	19-Jul-09	Female	Black: African
1639	9311190642084	Noxolo	Suzan	Ngozo	17-Feb-15	17-Feb-17	Female	Black: African
1640	9107140907084	Athule		Ngqalakhazi	02-Feb-15	02-Feb-17	Female	Black: African
1641	7009215394085	Desmond	Siyanda	Ngubane	14-Sep-11	14-Sep-13	Male	Black: African
1642	9109095853081	Vetemnseni	Njabulo	Ngubane	01-Jan-17	01-Jan-19	Male	Black: African
1643	8809015845080	Meluleki		Ngubane	09-Jan-14	09-Jan-16	Male	Black: African
1644	9201315783089	Lwando	Zukisa	Ngubentombi	01-Dec-16	01-Dec-18	Male	Black: African
1645	8904165247086	Phangile	Ekibal	Nguxa	03-Mar-15	03-Mar-17	Male	Black: African
1646	8604086075083	Mfanafuthi		Ngwane	09-Jan-14	09-Jan-16	Male	Black: African
1647	8411085572080	Bongani	Patrick	Ngwane	01-Apr-13	01-Apr-15	Male	Black: African
1648	9105065748087	Gerald		Ngwasheng	01-Feb-15	01-Feb-17	Male	Black: African

1543

1649	8809086257082	Thomas	Moropane	Ngwato	05-Mar-14	05-Mar-16	Male	Black: African
1650	9410175226085	Lindokuhle	Alex	Ngwenya	01-Mar-16	01-Mar-18	Male	Black: African
1651	8806295608089	Senzo	Alex	Ngwenya	01-May-14	01-May-16	Male	Black: African
1652	9102180169083	Nomsa	Queeneth	Ngwenya	01-Jan-16	01-Jan-18	Female	Black: African
1653	8707071239083	Ntomfuthi	Anitah	Ngwenya	02-Jan-13	02-Jan-15	Female	Black: African
1654	8404295996082	Thabo		Nhlane	20-Aug-08	26-Jun-09	Male	Black: African
1655	9011175918083	Prince	Wilson	Nhlapho	17-Feb-15	17-Feb-17	Male	Black: African
1656	9306095811081	Themba	John	Nhlapo	01-Feb-15	01-Feb-17	Male	Black: African
1657	8909175493083	Lunga		Nhlapo	03-Jun-13	03-Jun-15	Male	Black: African
1658	8911255357089	Landizwe	Thubelihle	Njapha	31-Mar-15	31-Mar-17	Male	Black: African
1659	7310175605084	Buyisile	Lennox	Njingna	31-Mar-15	31-Mar-17	Male	Black: African
1660	8708045491081	Desmond	Thembinkosi	Njongo	01-Apr-15	01-Apr-17	Male	Black: African
1661	9205045510084	Lizwi	Fortune	Nkabinde	05-Jan-15	05-Jan-17	Male	Black: African
1662	8907315543080	Sinenhlanhla	Siyabonga Regina	Nkabinde	24-Oct-14	24-Oct-16	Male	Black: African
1663	9209085550083	Sibusiso		Nkabinde	01-Nov-16	01-Nov-18	Male	Black: African
1664	8808175532082	Leeto	Edmond	Nkabinde	02-Jan-13	02-Jan-15	Male	Black: African
1665	9203021106084	Nthepe	Caroline	Nkadimeng	01-Sep-16	01-Sep-18	Female	Black: African
1666	8508245265081	Mmeshi	Jeremiah	Nkadimeng	17-May-11	17-May-13	Male	Black: African
1667	8811165347081	Kgaogelo	Reginald	Nkau	01-Oct-14	01-Oct-16	Male	Black: African
1668	9206226353088	Matome	David	Nkawana	13-Jul-15	13-Jul-17	Male	Black: African
1669	8711115662086	Teboho	Peter	Nkesi	15-Jun-11	15-Jun-13	Male	Black: African
1670	8903010399084	Pifoniah	Mmabotshwane	Nkgadime	02-Jan-13	02-Jan-15	Female	Black: African
1671	8902120266084	Kedibone		Nkgwang	10-Feb-14	10-Feb-16	Female	Black: African
1672	9104175659086	Mbongiseni	Collen	Nkhambule	01-Oct-15	01-Oct-17	Male	Black: African
1673	9006281247088	Kgaogelo	Degracious	Nkhapele	01-Jul-15	01-Jul-17	Female	Black: African
1674	8608155833082	Godfrey	Tshimangadzo	Nkhumeleni	19-Dec-11	19-Dec-13	Male	Black: African
1675	9204040804089	Murendeni	Carrol	Nkhumeleni	22-Apr-14	22-Apr-16	Female	Black: African
1676	9009081350086	Ndivhuwo	Marcia	Nkhumeleni	01-Aug-16	01-Aug-18	Female	Black: African
1677	9104070324083	Sebotse	Pearl	Nkoana	02-Feb-15	02-Feb-17	Female	Black: African
1678	9009120284080	Mmapeti	Maria	Nkoana	01-Nov-16	01-Nov-18	Female	Black: African
1679	8006255337080	Tshepo	Rudolph	Nkoane	31-Mar-14	31-Mar-16	Male	Black: African
1680	8904036173081	Lawrance	Ngoako	Nkoane	31-Mar-14	31-Mar-16	Male	Black: African
1681	9001051225083	Nhlomang	Judith	Nkogatse	02-Feb-15	02-Feb-17	Female	Black: African

NK MK M.J.2

1544

1682	9210080747088	Conny	Nkhafole	Nkoko	01-Jul-15	01-Jul-17	Female	Black: African
1683	8402245747084	Mbutana	Jacob	Nkomo	02-Feb-15	02-Feb-17	Male	Black: African
1684	8803055725088	Tsholofelo	Gervain	Nkonoane	01-Mar-16	01-Mar-18	Male	Black: African
1685	9009290503087	Nontokozo	Tolinhlahlala	Nkosi	01-Feb-13	01-Feb-15	Female	Black: African
1686	9112060878083	Ntombikayise	Pretty	Nkosi	24-Oct-14	24-Oct-16	Female	Black: African
1687	9209300738083	Taelo	Lumbe	Nkosi	31-Mar-16	31-Mar-18	Female	Black: African
1688	9101210429087	Nompumelelo	Wendy	Nkosi	06-Jan-14	06-Jan-16	Female	Black: African
1689	9107260304088	Zandile	BonganiMagnificen	Nkosi	01-Sep-16	01-Sep-18	Female	Black: African
1690	8610275719084	Sandile	Mthonzi	Nkosi	17-May-11	17-May-13	Male	Black: African
1691	8311295900081	Londa	Promise	Nkosi	23-Mar-09	23-Mar-11	Male	Black: African
1692	8910070748084	Nokwanda	Hiherile	Nkuna	31-Mar-15	31-Mar-17	Female	Black: African
1693	8709225651080	Raymond	Eunice	Nkuna	03-Sep-12	03-Sep-14	Male	Black: African
1694	9112205802089	Enock	Kulani	Nkuna	01-Sep-16	01-Sep-18	Male	Black: African
1695	8906285732087	Tiyani	Khumbudzo	Nkuna	11-Mar-15	11-Mar-17	Male	Black: African
1696	9201130922086	Pamela		Nkuna	01-Oct-16	01-Oct-18	Female	Black: African
1697	9006200817086	Lorato		Nkwe	31-Mar-14	31-Mar-16	Female	Black: African
1698	8709106437088	Disky		Nkwiniika	01-Apr-15	01-Apr-17	Male	Black: African
1699	9105225901089	Adolf		Ndwambi	01-Oct-16	01-Oct-18	Male	Black: African
1700	8809066246089	Phumlani		Noah	01-Oct-12	01-Oct-14	Male	Black: African
1701	9107210635086	Pamela		Nolakana	01-Aug-16	01-Aug-18	Female	Black: African
1702	8307060536084	YONELA		NOMBEWU	13-Feb-09	13-Feb-11	Female	Black: African
1703	9011165548080	Ngcaili		Nomlala	01-Dec-16	01-Dec-18	Male	Black: African
1704	8905115790083	Harrison	Hlanganani	Nomzanga	02-Dec-13	02-Dec-15	Male	Black: African
1705	7604180540082	Unathi	Ursula	Nondula	28-May-09	28-May-11	Female	Black: African
1706	8703095837085	Mandlenkosi	Moses	None	01-Mar-17	01-Mar-19	Male	Black: African
1707	8711135608085	Tshepo		Nong	14-Dec-11	14-Dec-13	Male	Black: African
1708	9202140911085	Nosicelo		Nonginzi	01-Apr-15	01-Apr-17	Female	Black: African
1709	9105185608088	Steven	Mantje	Nonyana	01-May-15	01-May-17	Male	Black: African
1710	8904046127085	Charles	Padron	Nonyana	01-Nov-15	01-Nov-17	Male	Black: African
1711	8105270652083	NOMTHANDAZO		NONZINYANA	20-Jan-09	20-Jan-11	Female	Black: African
1712	8603315144082	Nazir		Noor Mahomed	01-Apr-08	01-Apr-10	Male	Black: Indian/Asian
1713	9305115778080	Vutomi	Themba	Novela	01-Mar-17	01-Mar-19	Male	Black: African
1714	8708165576083	MSIZI		NSIMBI	14-Sep-11	14-Sep-13	Male	Black: African

mk mk M.S.7

1545

1715	9006250348081	Mpho	Daphney	Ntahane	17-Feb-14	17-Feb-16	Female	Black: African
1716	8310270958080	NOMAPHELO		NTETA	24-Apr-08	24-Apr-10	Female	Black: African
1717	9209206200089	Sipho	Vincent	Nthethe	01-Aug-16	01-Aug-18	Male	Black: African
1718	8509201083088	Sithembiso		Nthlabane	29-Sep-11	29-Sep-13	Female	Black: African
1719	8903211130080	Amanda		Ntibane	01-Sep-15	03-Aug-17	Female	Black: African
1720	9411065375081	Zola		Ntintili	01-Mar-17	01-Mar-19	Male	Black: African
1721	8612281026082	Babalwa		Ntlangula	01-Jan-13	01-Jan-15	Female	Black: African
1722	8506016263087	Phumlani		Ntloko	07-May-08	07-May-10	Male	Black: African
1723	9012040955086	Oregolaganitse	Shadigolo	Ntoane	01-Oct-15	01-Oct-17	Female	Black: African
1724	8408110619084	Nondumiso	Nokukhanya	Ntombela	01-Apr-08	01-Apr-10	Female	Black: African
1725	8510200515088	Matamela		Ntshagovhe	24-Nov-08	28-Sep-09	Female	Black: African
1726	8203165625080	MBULELO	TEBOHO	NTSHALI	19-Oct-09	19-Oct-11	Male	Black: African
1727	8705100547088	Siyasanda		Ntshuntsha	01-May-16	01-May-18	Female	Black: African
1728	8605055926081	Tumelo	Thokathololo	Ntsoane	01-Jan-13	01-Jan-15	Male	Black: African
1729	9209185793088	Mphiwa	Andy	Ntsoane	01-Mar-17	01-Mar-19	Male	Black: African
1730	8806235680081	Tumelo	Elvis	Ntsoane	14-Dec-11	14-Dec-13	Male	Black: African
1731	9007170816082	Mmakwele	Meta	Ntsoane	01-Apr-15	01-Apr-17	Female	Black: African
1732	9309105501080	Morena	Ernest	Ntsomotho	01-Apr-15	01-Apr-17	Male	Black: African
1733	9007130564087	Margaret	Nadima	Ntuli	25-Jul-14	25-Jul-16	Female	Black: African
1734	8012200460084	MBALENHLE		NTULI	13-Feb-09	13-Feb-11	Female	Black: African
1735	9107200364085	Tandeka	Marshaleen	Ntuli	01-Feb-13	01-Feb-15	Female	Black: African
1736	9105250621081	Lisa	Silindile	Ntuli	14-Jan-14	14-Jan-16	Female	Black: African
1737	9207291263087	Mercy	Zodwa	Ntuli	01-Jan-16	01-Mar-18	Female	Black: African
1738	8902245844088	Lucky	Benjamin	Ntuli	03-Mar-14	03-Mar-16	Male	Black: African
1739	9306050354085	Tiyiselani	Thandi	Nukeri	01-Sep-16	01-Sep-18	Female	Black: African
1740	9106155899087	Zusakhe		Nxantsiya	01-Aug-16	01-Aug-18	Male	Black: African
1741	8110065778085	Siyabonga	Siphumelele	Nxasana	15-Sep-09	15-Sep-11	Male	Black: African
1742	8908181015082	Butelwa	Faith	Nxesi	01-Mar-15	01-Mar-17	Female	Black: African
1743	8709040642082	Grace	Nodoli	Nxiba	14-Dec-11	14-Dec-13	Female	Black: African
1744	9009046065084	Zamani	Christopher	Nxumalo	19-Feb-15	19-Feb-17	Male	Black: African
1745	9003295897081	Njabulo	Justice	Nxumalo	01-Aug-14	01-Aug-16	Male	Black: African
1746	8404205379080	Eric	Xolani	Nxumalo	17-May-11	17-May-13	Male	Black: African
1747	9302080406086	Anelo	Precious	Nxumalo	01-Jun-15	01-Jun-17	Female	Black: African

MS

MS

1. K. M. J. Z

1748	8911260627088	Nqobile	Makhosazana	Nxusa	24-Oct-14	24-Oct-16	Female	Black: African
1749	9302200580083	Yolisa	Zikhona	Nyaba	01-Mar-15	01-Mar-17	Female	Black: African
1750	8510240498089	Thato		Nyabela	13-Jun-11	13-Jun-13	Female	Black: African
1751	9101060652085	Pfutho		Nyadzani	01-May-15	01-May-17	Female	Black: African
1752	9104255833080	Thabiso	Eliphus	Nyaka	05-Jan-15	05-Jan-17	Male	Black: African
1753	9204285841085	Jim		Nyalunga	01-Aug-15	01-Aug-17	Male	Black: African
1754	8708106165087	Koba	Jan	Nyama	29-Jul-14	29-Jul-16	Male	Black: African
1755	8302035814088	NDIVHUWO		NYAMBENI	18-Nov-08	18-Nov-10	Male	Black: African
1756	9007230303089	Dithlare	Dineo	Nyambose	27-Feb-13	27-Feb-15	Female	Black: African
1757	8702205933081	Njabulo		Nyathi	24-Oct-14	24-Oct-16	Male	Black: African
1758	8507065847085	Syabonga	Victor	Nyathi	17-May-11	17-May-13	Male	Black: African
1759	9005256331083	Lungelo	Jack	Nyawo	01-Feb-15	01-Feb-17	Male	Black: African
1760	8804175493086	Peter	Kevin	Nyembe	01-Jan-13	01-Jan-15	Male	Black: African
1761	9111070570086	Ziningi	Mbalenhle	Nzama	02-Jan-13	02-Jan-15	Female	Black: African
1762	8308175317089	Thabang	Nkhweng	Nzimande	25-Sep-13	25-Sep-15	Male	Black: African
1763	8605235765086	Lunga	Sidwell	Nzimande	31-Mar-14	31-Mar-16	Male	Black: African
1764	9105080748088	Samatha		Nzimande	05-Dec-14	05-Dec-16	Female	Black: African
1765	8911170269088	Vangile		Nzimande	01-Jul-15	01-Jul-17	Female	Black: African
1766	9004240615081	Nokuthula	Innocentia	Nziyana	09-Jan-14	09-Jan-16	Female	Black: African
1767	9105215756089	Wandile	Excess	Nzuza	01-Mar-17	01-Mar-19	Male	Black: African
1768	8809145666083	Sikelela	Malibongwe	Nzuza	01-May-14	01-May-16	Male	Black: African
1769	8207095651082	Kelebogile	Dennie	Obotseng	02-Jan-13	02-Jan-15	Male	Black: African
1770	8810315515084	Obakeng	Daniel	Olehile	31-Mar-14	31-Mar-16	Male	Black: African
1771	9002145071087	Theodore	Lynn	Olyn	01-Apr-16	01-Apr-18	Male	Black: Coloured
1772	9209190270080	Kefuoe	Faith	Padi	01-Jan-17	01-Jan-19	Female	Black: African
1773	9302100127084	Tshepang		Pakalitha	01-Mar-17	01-Mar-19	Female	Black: African
1774	9307131005084	Ntombifuthi	Patricia	Pakati	01-Nov-16	01-Nov-18	Female	Black: African
1775	9209135246088	Sibusiso		Pakela	01-Mar-17	01-Mar-19	Male	Black: African
1776	9205305810083	Mothelo	Lancelot	Papale	01-Jul-15	01-Jul-17	Male	Black: African
1777	9012150860084	Dimakatjo	Maggie	Papo	01-Jul-15	01-Jul-17	Female	Black: African
1778	8612045216086	Suveer		Patei	01-Apr-15	01-Apr-17	Male	Black: African
1779	8508105679082	Ierata	Jacob	patsa	06-Jun-11	06-Jun-13	Male	Black: African
1780	9104290305086	Palesa	Joy	Pereko	01-Mar-17	01-Mar-19	Female	Black: African

MA

SK

W A . J J

1781	8911290797083	Hunadi	Smarty	Petja	01-Jul-15	01-Jul-17	Female	Black: African
1782	8808140461086	Moloko	Kearabetswe	Petronella	01-Apr-12	01-Apr-14	Female	Black: African
1783	9003115479086	Isaac	Ndlala	Phadi	20-Jan-14	20-Jan-16	Male	Black: African
1784	9104305389083	Moshige	Thato	Phahlamohlaka	01-Oct-14	01-Oct-16	Male	Black: African
1785	9304200647086	Mmathoto		Phahlane	14-Mar-17	14-Mar-19	Female	Black: African
1786	8902255353087	Naphtali	Magaboke	Thembu Phahle	01-Apr-13	01-Apr-15	Male	Black: African
1787	9008036088080	Pheganyane	Thabang	Phakoago	01-Jul-15	01-Jul-17	Male	Black: African
1788	8808295566085	Thabang	Sidney	Phakoe	14-Dec-11	14-Dec-13	Male	Black: African
1789	9107045551086	Kamogelo	Tseke	Phala	05-Jan-15	05-Jan-17	Male	Black: Indian/Asian
1790	9201215775086	Manisupe	Jackson	Phaladi	01-Oct-14	01-Oct-16	Male	Black: African
1791	8801280229082	Nonhlanhla	Bothale	Phalama	31-Mar-14	31-Mar-16	Female	Black: African
1792	9001250299087	Tumelo	Memory	Phalani	01-Sep-15	01-Sep-17	Female	Black: African
1793	8901106165088	Thys	Itumeleng	Phallane	31-Mar-14	31-Mar-16	Male	Black: African
1794	8809060783087	Mamagobe	Glodine	Phasha	01-Mar-17	01-Mar-19	Female	Black: African
1795	9306280768088	Thabiso	Rhoda	Phasha	01-Mar-17	01-Mar-19	Female	Black: African
1796	8712176006080	Joel	Tswaledi	Phasha	31-Mar-14	31-Mar-16	Male	Black: African
1797	8709211068083	Tebogo	Maile	Phasha	05-Sep-14	05-Sep-16	Female	Black: African
1798	9109026269084	Maboshe		Phaswana	01-Nov-16	01-Nov-18	Male	Black: African
1799	9005230556086	Mpho	Shaunice	Phathela	01-Feb-15	01-Feb-17	Female	Black: African
1800	9102105211085	Molefi	Casseus	Phatlane	01-Jun-15	01-Jun-17	Male	Black: African
1801	8708100912088	Mathabo		PHEME	01-Mar-17	01-Mar-19	Female	Black: African
1802	8402027276088	Bafana	Petrus	Phetheni	17-May-11	17-May-13	Male	Black: African
1803	8810025997085	Mpatametse	Stephen	Phetla	01-Jan-13	01-Jan-15	Male	Black: African
1804	8612180467080	Tebogo	Pilgrene	Phetla	30-Mar-09	30-Mar-11	Female	Black: African
1805	9211260991082	Maefo	Emily	Phetla	17-Feb-15	17-Feb-17	Female	Black: African
1806	8712301064087	Doris		Phiri	31-Mar-14	31-Mar-16	Female	Black: African
1807	8512240373080	BARBARA	NOMPUMELELO	PHIRI	27-Mar-09	27-Mar-11	Female	Black: African
1808	9407015620089	Shaun		Phiti	01-Mar-17	01-Mar-19	Male	Black: African
1809	9006156196089	Tshepho	Rodney	Phogole	01-May-15	01-May-17	Male	Black: African
1810	9301156160080	Freedom		Phokane	01-Dec-16	01-Dec-18	Male	Black: African
1811	8702270327086	Phumza		Phokojo	17-May-11	17-May-13	Female	Black: African
1812	9011300711080	Kenelliwe	Jeanette	Pholo	01-Jul-15	03-Aug-17	Female	Black: African
1813	8811245694080	Comfort	Mothusi	Phologane	01-Nov-16	01-Nov-18	Male	Black: African

MK

MK

111.72

1548

1814	8306035432080	Karabo	Phooko	01-Aug-07	01-Aug-09	Male	Black: African
1815	8910111012086	Funanani	Phophi	01-May-15	01-May-17	Female	Black: African
1816	8610225251089	Lebogang	Phoshoko	03-Sep-12	03-Sep-14	Male	Black: African
1817	9408210331084	Tlou	Phukubje	01-Mar-17	01-Mar-19	Female	Black: African
1818	8207055677085	VULEDZANI	PHUNDULU	11-Dec-09	11-Dec-11	Male	Black: African
1819	9201245844084	Humbelani	Phunge	01-Mar-17	01-Mar-19	Male	Black: African
1820	8902090748087	Jeanette	Phutiagae	01-Apr-16	01-Apr-18	Female	Black: African
1821	9002050754081	Refilwe	Pico	01-Apr-15	01-Apr-17	Female	Black: African
1822	8812105095087	Remano	Piet	14-Jan-14	14-Jan-16	Male	Black: Coloured
1823	9007205726082	Lwanele	Pika	01-Feb-15	01-Feb-17	Male	Black: African
1824	8906235929080	Mpheelo	Pila	01-Mar-17	01-Mar-19	Male	Black: African
1825	9008205623089	Tshepo	Pilane	05-Jan-15	05-Jan-17	Male	Black: African
1826	8906120169081	Petrusha	Pillay	19-Feb-14	19-Feb-16	Female	Black: Indian/Asian
1827	9104105088083	Keolin	Pillay	12-Feb-15	12-Feb-17	Male	Black: Indian/Asian
1828	8508045078080	Xenophin	Pitt	31-Mar-14	31-Mar-16	Male	Black: Coloured
1829	9204075368083	Tshepo	Poffu	01-Aug-16	01-Aug-18	Male	Black: African
1830	9103165364087	Thabang	Ponoane	01-Mar-16	01-Mar-18	Male	Black: African
1831	9312220170088	Nthabiseng	Popane	01-Feb-16	01-Feb-18	Female	Black: African
1832	9208100081082	Akira	Premraj	03-Feb-14	03-Feb-16	Female	Black: Indian/Asian
1833	8804215145084	Keith	Pretorius	01-Apr-15	01-Apr-17	Male	Black: Coloured
1834	9108120318086	NONO	PUDUMO	02-Feb-15	02-Feb-17	Female	Black: African
1835	8401185344084	Thuto	Pule	02-Jan-13	02-Jan-15	Male	Black: African
1836	9006235204086	Patrick	Pule	03-Sep-12	03-Sep-14	Male	Black: African
1837	9006105695082	Oiwetu	Qawukeni	01-Sep-16	01-Sep-18	Male	Black: African
1838	8009035748089	MZWAMADODA	QIQIMANA	13-Feb-09	13-Feb-11	Male	Black: African
1839	8912025333087	Tamsanqa	Qwabe	01-Aug-15	01-Aug-17	Male	Black: African
1840	9207215662083	Mkhuseli	Qwabe	01-Apr-15	01-Apr-17	Male	Black: African
1841	8602120810085	Itumeleng	Rabeng	07-Aug-09	07-Aug-11	Female	Black: African
1842	8906306059080	Carl	Rabothata	03-May-12	03-May-14	Male	Black: African
1843	9105035512084	Katlego	Rachidi	09-Jan-14	09-Jan-16	Male	Black: African
1844	8407065936089	Thopane	Rachoeane	01-May-12	01-May-14	Male	Black: African
1845	8503305702081	Tendani	Radali	09-Jan-14	09-Jan-16	Male	Black: African
1846	8710125251088	Mzonkosi	Radebe	03-Sep-12	03-Sep-14	Male	Black: African

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1847	8911225269083	Thamsanqa	Mongezi	Radebe	29-Jul-14	29-Jul-16	Male	Black: African
1848	9209180747089	Nothando		Radebe	01-Feb-16	01-Feb-18	Female	Black: African
1849	9103295347085	Phllmon	Zwelakhe	Radebe	01-Oct-15	01-Oct-17	Male	Black: African
1850	8912175708088	Lehlohonolo		Radebe	01-Apr-16	01-Apr-18	Male	Black: African
1851	8806031120084	Zanele	Gladys	Radebe	14-Sep-11	14-Sep-13	Female	Black: African
1852	8709250687082	Naledi	Maapetle	Radingoana	01-Jan-17	01-Jan-19	Female	Black: African
1853	8803041160085	Anna		Radingwane	26-May-11	26-May-13	Female	Black: African
1854	8710155902089	Phumudzo	Vincent	Radzilani	01-Mar-15	01-Mar-17	Male	Black: African
1855	9002215399087	Mashudu	Clifford	Radzilani	01-Jul-15	01-Jul-17	Male	Black: African
1856	8811090765084	Takalani		Radzuma	05-May-14	05-May-16	Female	Black: African
1857	9203286082087	Tshildzi		Radzuma	31-Mar-15	31-Mar-17	Male	Black: African
1858	9012295829085	Piwokuhle		Rafuza	01-Aug-15	01-Aug-17	Male	Black: African
1859	9004266173080	Zwokalula		Ragimana	01-Apr-15	01-Apr-17	Male	Black: African
1860	8105090586081	JUDY	MOTSHABI	RAIKANE	19-Oct-09	19-Oct-11	Female	Black: African
1861	9311050808080	Devorieni		Rakgalakane	01-Aug-16	01-Aug-18	Female	Black: African
1862	8909020773085	Agnes		Rakgogo	01-Apr-16	01-Apr-18	Female	Black: African
1863	8905016069082	Murendeni		Rakhalaru	17-Mar-15	17-Mar-17	Male	Black: African
1864	8812030429088	Boitumelo	Rosina	Rakobela	01-Feb-13	01-Feb-15	Female	Black: African
1865	9307250471083	Helen	Ramadimetja	Rakobela	01-Mar-17	01-Mar-19	Female	Black: African
1866	9108105882080	Thabo	Patrick	Rakoo	01-Mar-17	01-Mar-19	Male	Black: African
1867	7807195533089	MASILO	WILLIAM	RAKUBO	04-Oct-07	04-Oct-09	Male	Black: African
1868	9002136008080	Assan	Reneloe	Ralebona	10-Mar-14	10-Mar-16	Male	Black: African
1869	9012105709089	Rapoone	Sidwell	Ralefume	14-Jan-14	14-Jan-16	Male	Black: African
1870	9311045351089	Thabang	Fortune	Ralehoko	01-Apr-16	01-Apr-18	Male	Black: African
1871	8703165390080	Moeketsi	Shadrack	Raleting	23-Sep-11	23-Sep-13	Male	Black: African
1872	8004240500084	MASHUDU		RALUFULUVHI	23-Aug-07	23-Aug-09	Female	Black: African
1873	8502180457084	Vhutshilo		Ralulimi	29-Jun-11	29-Jun-13	Female	Black: African
1874	8811260685088	Shudufhadzani		Ralupfumo	01-May-15	01-May-17	Female	Black: African
1875	8603025619084	Mbavhalelo		Raluswinga	09-Jan-14	09-Jan-16	Male	Black: African
1876	8409010819089	Thizwiwondi	Doris	Raluswinga	25-Jul-11	25-Jul-13	Female	Black: African
1877	9106155318088	James	Kagiso	Ramabu	01-Jan-16	01-Jan-18	Male	Black: African
1878	9204155546087	Tshifularo	Lloyd	Ramabulana	02-Jun-14	02-Jun-16	Male	Black: African
1879	87111111039081	Mudzuli	Prudence	Ramabulana	01-Mar-15	01-Mar-17	Female	Black: African

[Handwritten signatures and initials]

		RAMADOLELA		16-Sep-08	16-Sep-10	Female	Black: African
1880	8008240395082	LINDELANI					
1881	9007225583083	Keorapetse	Prince	01-Mar-17	01-Mar-19	Male	Black: African
1882	8211195546085	Khuliso	Melton	17-Mar-14	17-Mar-16	Male	Black: African
1883	9311235422088	Sidney	Madibeng	01-Jan-17	30-Jun-18	Male	Black: African
1884	9106010838080	Abrinah	Kgoetja	01-Mar-15	01-Mar-17	Female	Black: African
1885	8706235856089	Phumudzo		11-Mar-15	11-Mar-17	Male	Black: African
1886	8903160567084	Lutendo	Elisabeth	31-Mar-14	31-Mar-16	Female	Black: African
1887	8807170986087	Livhuwani	Mavis	05-Mar-14	05-Mar-16	Female	Black: African
1888	8907230578088	Lufuno	Rabelani	01-Sep-13	01-Sep-15	Female	Black: African
1889	8905290514084	Matodzi	Lorraine	01-Aug-13	01-Aug-15	Female	Black: African
1890	8910025877087	Koena		01-Aug-14	01-Aug-16	Male	Black: African
1891	9106100252085	Tebogo	Salvator	25-Mar-13	25-Mar-15	Female	Black: African
1892	8904125343082	Kenosi	Daniel	01-Sep-16	01-Sep-18	Male	Black: African
1893	9105045613088	Mogodi	Smiley	12-Mar-15	12-Mar-17	Male	Black: African
1894	8310315583083	Mosegofatsi	Aaron	01-Apr-12	01-Apr-14	Male	Black: African
1895	7907095496088	Moeketsi	Isaac	26-Sep-11	26-Sep-13	Male	Black: African
1896	9011295428088	Thabang		01-Sep-16	01-Sep-18	Male	Black: African
1897	9301041055081	Mashau		01-Apr-16	01-Apr-18	Female	Black: African
1898	9009085762088	Tshimangadzo	Givem	03-Sep-12	03-Sep-14	Male	Black: African
1899	8903095516081	Vuledzani	Justice	17-Feb-15	17-Feb-17	Male	Black: African
1900	8406190388083	Tshifhiwa	Virgina	02-Feb-15	02-Feb-17	Female	Black: African
1901	8505170804082	Mpho		02-Jan-13	02-Jan-15	Female	Black: African
1902	8905256130081	Tshifhiwa		05-May-14	05-May-16	Male	Black: African
1903	8607245433085	Obakeng	Fortune	07-Aug-09	07-Aug-11	Male	Black: African
1904	8707125839086	Chiliboy	Mreatlala	06-Jun-11	06-Jun-13	Male	Black: African
1905	8709170859084	Mathabana	Unice	23-Sep-13	23-Sep-15	Female	Black: African
1906	9303135832086	Avhaluvhei		01-Aug-15	01-Aug-17	Male	Black: African
1907	8612050122088	Mulalo		31-Mar-15	31-Mar-17	Female	Black: African
1908	9302075817081	Rathipa	Mabitje	01-Jan-17	01-Jan-19	Male	Black: African
1909	9101175405080	Maphuti	Jacklin	01-Nov-15	01-Nov-17	Male	Black: African
1910	9004155217089	Mohau		01-Oct-16	30-Sep-18	Male	Black: African
1911	9109140037086	Trisha		30-Jan-15	30-Jan-17	Female	Black: African
1912	8609070684089	Mbulungeni		02-Jan-13	02-Jan-15	Female	Black: African

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1913	8711080519089	Tshinanne	Ramukumba	29-Sep-11	29-Sep-13	Female	Black: African
1914	8408145812084	Sello	Ramusi	05-May-14	05-May-16	Male	Black: African
1915	9110200149084	Manketeng	Rancho	01-Jan-17	01-Jan-19	Female	Black: African
1916	9201155232080	Motswasele	Rankudu	01-Dec-16	01-Dec-18	Male	Black: African
1917	9009095921088	Elelwani	Rannu	01-Oct-16	01-Oct-18	Male	Black: African
1918	9404190471081	Kgodiso	Ranoto	01-Mar-17	01-Mar-19	Female	Black: African
1919	9203225981084	Thabo	Ranoto	09-Jan-14	09-Jan-16	Male	Black: African
1920	9302280900086	Tshedza	Rantete	01-Apr-15	01-Apr-17	Female	Black: African
1921	9309145859084	Karabo	Ranhitong	01-May-16	01-May-18	Male	Black: African
1922	9311175890088	Thakisi	Rapetswa	01-Nov-16	01-Nov-18	Male	Black: African
1923	8604011129088	Phenyo	Raphalalani	02-Jan-13	02-Jan-15	Female	Black: African
1924	8404150339089	Kgomotso	Rapula	01-Feb-15	01-Feb-17	Female	Black: African
1925	9311305975080	Mohau	Rasamane	31-Mar-16	31-Mar-18	Male	Black: African
1926	8607180518080	Patience	Raseloma	01-Oct-12	01-Oct-14	Female	Black: African
1927	9205121230086	Hannah	Rasethe	01-Sep-16	01-Sep-18	Female	Black: African
1928	8602166106083	Mohlatlego	Rasethe	14-Dec-11	14-Dec-13	Male	Black: African
1929	8904125654082	Louwy	Ratau	27-Feb-13	27-Feb-15	Male	Black: African
1930	9102185385080	Letsatsi	Ratau	05-Jan-15	05-Jan-17	Male	Black: African
1931	8807060876083	Rendani	Rathogwa	09-Jan-14	09-Jan-16	Female	Black: African
1932	8812240960088	Tshegofatso	Rathaa	31-Mar-15	31-Mar-17	Female	Black: African
1933	9207115707087	Zwanga	Ratombo	31-Mar-14	31-Mar-16	Male	Black: African
1934	9306050584087	Mogoshadi	Ratseke	01-Feb-17	01-Feb-19	Female	Black: African
1935	8409150806086	Thihanedzwi	Ratshibvumo	01-Apr-08	01-Apr-10	Female	Black: African
1936	8905315310088	Lesley	Ratshivhadelo	01-Oct-14	01-Oct-16	Male	Black: African
1937	9012295828087	Sipeshile	Ratuza	02-Feb-15	02-Feb-17	Male	Black: African
1938	8912110117080	Muneebah	Raven	27-Sep-11	27-Sep-13	Female	Black: Coloured
1939	8511035919081	Sipho	Rawasha	14-Jul-11	14-Jul-13	Male	Black: African
1940	8812195152087	Julian	Reddi	09-Jan-14	09-Jan-16	Male	Black: Indian/Asian
1941	8810095569087	Ashley	Rikhotso	31-Mar-14	31-Mar-16	Male	Black: African
1942	8910260862083	Jamela	Rikhotso	01-Aug-14	01-Aug-16	Female	Black: African
1943	8304225430089	EVAN	RIKHOTSO	01-Sep-08	01-Sep-10	Male	Black: African
1944	8904125738083	Rector	Rikhotso	25-Aug-14	25-Aug-16	Male	Black: African
1945	9212130245089	Breda	Rikhotso	13-Mar-15	13-Mar-17	Female	Black: African

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1946	8505281199083	SINAYE	RINI	02-Feb-15	02-Feb-17	Female	Black: African
1947	8609196157085	Evans	Rissenga	03-Mar-14	03-Mar-16	Male	Black: African
1948	9008200714081	Ongezwa	Rodolo	31-Mar-14	31-Mar-16	Female	Black: African
1949	9104085266089	Nkululeko	Roliwe	01-Jan-16	01-Jan-18	Male	Black: African
1950	9009250490085	Busiswa	Ronose	02-Feb-15	02-Feb-17	Female	Black: African
1951	8905140210081	Megan	Roux	01-Mar-16	01-Mar-18	Female	Black: African
1952	9404125019088	Julian	Roux	01-Apr-15	01-Apr-17	Male	Black: African
1953	7910235802082	Babalo	Rozani	28-Mar-13	28-Mar-15	Male	Black: African
1954	9104290104083	Aloma	Rudman	20-Jan-14	20-Jan-16	Female	Black: African
1955	9201225733083	Patrick	Sabela	22-Sep-14	22-Sep-16	Male	Black: African
1956	8701245381087	William	Thuthukani	01-Apr-12	01-Apr-14	Male	Black: African
1957	9206016241089	David	Rangwetsi	01-Nov-15	01-Nov-17	Male	Black: African
1958	8902120602080	Rebelani	Tshepo	01-Sep-16	01-Sep-18	Female	Black: African
1959	9208245780085	Vincent	Antonette	02-Jan-13	02-Jan-15	Male	Black: African
1960	8908236271082	Thabang	Koketso	01-Oct-15	01-Oct-17	Male	Black: African
1961	8909095034082	Jose	Sakoane	09-Jan-14	09-Jan-16	Male	Black: African
1962	8912190747087	Game	Joaquim Roelvert	01-Dec-16	01-Dec-18	Female	Black: African
1963	7807280077083	Masingita	Salgueiro	01-Feb-13	01-Feb-15	Female	Black: African
1964	8711175680085	Siyabonga	Sambo	31-Mar-14	31-Mar-16	Male	Black: African
1965	8602075830088	Makondelela	Samka	03-Sep-12	03-Sep-14	Male	Black: African
1966	8912240921088	Tshiwela	Sandane	31-Mar-14	31-Mar-16	Female	Black: African
1967	9009091070088	Gcobisa	Sandani	01-Aug-15	01-Aug-17	Female	Black: African
1968	8510255811085	Matome	Sandile	31-Mar-16	31-Mar-18	Male	Black: African
1969	9207020115087	Jennifer	Sape	01-May-16	01-May-18	Female	Black: African
1970	8907310426083	Tlou	Sapsford	06-Nov-14	06-Nov-16	Female	Black: African
1971	8404305282085	Jan	Sathekge	10-Nov-09	10-Nov-11	Male	Black: Coloured
1972	8607156115085	Tumele	Scherman	01-Apr-13	01-Apr-15	Male	Black: African
1973	8904025726089	Mmaladithomo	Seadira	01-Feb-13	01-Feb-15	Male	Black: African
1974	9101290818084	Marcia	Sebake	31-Mar-14	31-Mar-16	Female	Black: African
1975	8407190741081	Kelebogile	Sebake	30-May-11	30-May-13	Female	Black: African
1976	8903200719083	Katlego	Sebako	19-Mar-15	19-Mar-17	Female	Black: African
1977	8901110448082	Felicia	Sebe	01-Mar-16	01-Mar-18	Female	Black: African
1978	8808140846088	Makgari	Sebei	27-Sep-11	27-Sep-13	Female	Black: African
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1979	9411055192082	Lebohang	Jose	Sebetsoane	01-Mar-17	01-Mar-19	Male	Black: African
1980	8606140561081	Thabitha	Moshitanye	Sebeyi	01-Nov-12	01-Nov-14	Female	Black: African
1981	9209140678085	Lerato	Perceverance	Sebola	13-Jul-15	13-Jul-17	Female	Black: African
1982	8911100803089	Mmabiyalwa	Rebecca	Sebola	02-Feb-15	02-Feb-17	Female	Black: African
1983	9104296011084	Matome	Lucky	Sebone	01-Aug-15	01-Aug-17	Male	Black: African
1984	8911130601081	Theodora	Pabala	Sebone	03-Mar-14	03-Mar-16	Female	Black: African
1985	9001275489085	Simon	Liba	Sebothoma	01-Jul-15	01-Jul-17	Male	Black: African
1986	8709196028088	Swaartbooi	Bertha	Sebothoma	13-Jan-14	13-Jan-16	Male	Black: African
1987	9304270432088	Basetsana	Bertha	Sediketso	01-Dec-16	01-Dec-18	Female	Black: African
1988	8611065423085	Phogole	Christian	Seepei	29-Sep-11	29-Sep-13	Male	Black: African
1989	8908050634084	Sewela	Prudence	Seete	31-Mar-14	31-Mar-16	Female	Black: African
1990	7907030499080	Mashadi	Queen	Sefike	27-Jul-07	27-Jul-09	Female	Black: African
1991	9303075140086	Jacob	Motsabi	Sefojane	01-Apr-15	01-Apr-17	Male	Black: African
1992	8701120556084	Thato	Ntebeng	Sefolo	01-Jul-15	01-Jul-17	Female	Black: African
1993	8905085542084	Michael	Dipuo	Sefora	31-Mar-15	31-Mar-17	Male	Black: African
1994	9004185473082	Bhekuyise	Kgomotso	Segabi	31-Mar-14	31-Mar-16	Male	Black: African
1995	9206245552082	Obakeng	Paul	Segale	01-Mar-17	01-Mar-19	Male	Black: African
1996	9009135909085	Olebogeng Aron		Segoe	31-Mar-14	31-Mar-16	Male	Black: African
1997	9105050421088	Pernia	Realeboga	Segopolo	12-Feb-15	12-Feb-17	Female	Black: African
1998	8908215307089	Thabo	Thato	Segoto	01-Sep-15	01-Sep-17	Male	Black: African
1999	8801265709082	Mokgaranyane	Desmond	Sehloho	03-Sep-12	03-Sep-14	Male	Black: African
2000	8608025845084	Lebohang	Eric	Sehloho	01-Sep-15	01-Jul-17	Male	Black: African
2001	9408290305081	Manthamane	Suzan	Sehole	01-Mar-17	01-Mar-19	Female	Black: African
2002	9009300540087	Choaro	Keabetswe	Sehularo	30-Sep-14	30-Sep-16	Female	Black: African
2003	9012225098082	Kutlwano		Sehume	09-Jan-14	09-Jan-16	Male	Black: African
2004	8901055411087	Thabo	Sylvester	Sejesho	01-Sep-15	01-Sep-17	Male	Black: African
2005	9102020687088	Tebogo		Sekele	01-Mar-16	01-Mar-18	Female	Black: African
2006	8612285799080	Andrew	Thumishi	Sekgobela	11-Mar-15	11-Mar-17	Male	Black: African
2007	9210065931087	Ngoako	Sydney	Sekgobela	17-Feb-15	17-Feb-17	Male	Black: African
2008	9003286000083	Tebatso	Benedict	Sekgobela	01-Feb-15	01-Feb-17	Male	Black: African
2009	9206090756085	Refilwe	Innocentia	Sekgoro	01-Aug-16	01-Aug-18	Female	Black: African
2010	8810275535080	Johannes	Itumeleng	Sekgosapelo	03-Sep-12	03-Sep-14	Male	Black: African
2011	8306036319088	Thabo	Sean David	Sekhaolelo	02-Jan-13	02-Jan-15	Male	Black: African

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2012	8905100527086	Nthabiseng	Sekhwele	09-Jan-14	09-Jan-16	Female	Black: African
2013	8212256025084	Thabang	Sekotse	01-Sep-15	01-Sep-17	Male	Black: African
2014	8707090616089	Vuyolwethu	Seku	03-Sep-12	03-Sep-14	Female	Black: African
2015	9202016030085	Chune	Sekwakwa	31-Mar-15	31-Mar-17	Male	Black: African
2016	8503190836085	Mosilletsi	Sekwati	01-Nov-15	01-Nov-17	Female	Black: African
2017	9210055096081	Evans	Selala	01-Dec-16	01-Dec-18	Male	Black: African
2018	8205115592088	MAGATE	SELEME	18-Nov-08	18-Nov-10	Male	Black: African
2019	9008110332081	Nkele	Selameia	01-Apr-15	01-Apr-17	Female	Black: African
2020	9108170787081	Ramokone	Selepe	01-Jul-15	01-Jul-17	Female	Black: African
2021	8707256032089	Richard	Seli	17-May-11	17-May-13	Male	Black: African
2022	9008190512081	Mokgaetji	Seloana	31-Mar-14	31-Mar-16	Female	Black: African
2023	8512275035083	Mogobadi	Seloga	19-Dec-11	19-Dec-13	Male	Black: African
2024	8806020899086	Nare	Semenya	13-Mar-15	13-Mar-17	Female	Black: African
2025	8609200921088	Sewawa	Semenya	05-Jan-15	05-Jan-17	Female	Black: African
2026	9101091231081	Ntelo	Semono	01-Mar-15	01-Mar-17	Female	Black: African
2027	9209285474084	Fhatuwani	Sengani	01-Apr-16	01-Apr-18	Male	Black: African
2028	8111100426086	Moyagabo	Senyolo	01-Oct-14	01-Oct-16	Female	Black: African
2029	9301140764088	Maasago	Sepadi	01-Jul-15	01-Jul-17	Female	Black: African
2030	8309025432086	lesetja	Sepale	07-May-08	07-May-10	Male	Black: African
2031	9105270615089	Mokodupe	Sepheu	15-Dec-14	15-Dec-16	Female	Black: African
2032	9209185290085	Chune	Sepuru	01-Aug-16	01-Aug-18	Male	Black: African
2033	9101240460086	Busiswe	Sereme	08-Jan-15	08-Jan-17	Female	Black: African
2034	9209215443084	Kopyane	Serepong	31-Mar-15	31-Mar-17	Male	Black: African
2035	8902086308086	Nthethe	Serine	17-Feb-15	17-Feb-17	Male	Black: African
2036	9403140222081	Matsholo	Seroebele	01-Mar-17	01-Mar-19	Female	Black: African
2037	8903155937086	Potego	Seroka	07-Sep-13	07-Sep-15	Male	Black: African
2038	8512130382084	Rinny	Serwale	01-Apr-12	01-Apr-14	Female	Black: African
2039	9603065706089	Sello	Seshibe	01-Feb-17	01-Feb-19	Male	Black: African
2040	9003041016085	Phillipine	Seshoeni	13-Mar-15	13-Mar-17	Female	Black: African
2041	9109115465080	Kamogelo	Sesoko	01-Jul-14	01-Jul-16	Male	Black: African
2042	9009065409080	Phuti	Setati	01-Jul-15	01-Aug-17	Male	Black: African
2043	8101015917089	Petrus	Setati	13-Feb-09	13-Feb-11	Male	Black: African
2044	9109035435080	Mohau	Sethojane	30-Jun-14	30-Jun-16	Male	Black: African

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2045	9401035701086	Amogelang	Isaac	Setilo	31-Mar-17	31-Mar-19	Male	Black: African
2046	8510220780084	THABISENG		SETLABA	09-Feb-09	09-Feb-11	Female	Black: African
2047	8412126153088	ISHMAEL	POTSO	SETLABA	02-Feb-09	02-Feb-11	Male	Black: African
2048	9205290365085	Moshopsadi	Constance	Setladi	01-Jul-15	01-Jul-17	Female	Black: African
2049	9105140236082	Kamogelo	Shanell	Setlolamathe	01-Sep-16	01-Sep-18	Female	Black: African
2050	8809296039080	Lerato	David	Setoaba	01-Mar-17	01-Mar-19	Male	Black: African
2051	8705255657088	Boitumelo		Setshedi	01-Feb-15	01-Feb-17	Male	Black: African
2052	9004040878087	Tshegofatso	Marry	Setseba	12-Mar-15	12-Mar-17	Female	Black: African
2053	9304150094081	Sabera	Mohamed	Sewnath	01-Mar-17	01-Mar-19	Female	Black: Indian/Asian
2054	9109250407087	Selleen		Sewpershad	30-Jan-15	30-Jan-17	Female	Black: Indian/Asian
2055	8609275551083	SIMPHIWE	HARMONY	SHABALALA	11-May-08	11-May-10	Male	Black: African
2056	9006095488084	Manyaba	Lesedi	Shai	31-Mar-15	31-Mar-17	Male	Black: African
2057	9108015151089	Zamokwakhe		Shangase	01-Apr-13	01-Apr-15	Male	Black: African
2058	9008130569084	Nikeziwe	Samkelisiwe	Shange	13-Sep-13	13-Sep-15	Female	Black: African
2059	8804110927081	Chuene	Linah	Shapo	01-Apr-13	01-Apr-15	Female	Black: African
2060	9011030437089	Tshedza		Shavhani	01-Sep-16	01-Sep-18	Female	Black: African
2061	9112255837084	Philemon	Yuri	Shetele	01-Feb-13	01-Feb-15	Male	Black: African
2062	8605295721086	Amukelani		Shilubana	01-Apr-13	01-Apr-15	Male	Black: African
2063	9102020991084	Joy	Clothilda	Shilubana	01-Oct-16	01-Oct-18	Female	Black: African
2064	9004275914086	Theron	Fana	Shiluvana	01-Apr-15	01-Apr-17	Male	Black: African
2065	8606070595083	Mhlabasi	Pernly	Shingange	31-Mar-14	31-Mar-16	Female	Black: African
2066	9301070966083	Thembi Portia		Shingele	26-Mar-15	26-Mar-17	Female	Black: African
2067	8907315852085	Londoni	Oscar	Shiriele	01-Apr-15	01-Apr-17	Male	Black: African
2068	8310155439081	Wisani		Shivambu	19-Dec-07	19-Dec-09	Male	Black: African
2069	9303250598082	Itumeleng	Mahlako	Shoba	01-Oct-16	01-Oct-18	Female	Black: African
2070	8512185451081	Nkosenathi	Presgod	Shoba	20-Aug-08	19-Feb-10	Male	Black: African
2071	9001195612089	Odirile		Shole	01-Oct-14	01-Oct-16	Male	Black: African
2072	8706120824085	Zanele	Abigail	Shongwe	01-Oct-14	01-Oct-16	Female	Black: African
2073	9206170732089	Nhlelelo	Prudence	Shongwe	01-Sep-16	01-Sep-18	Female	Black: African
2074	9103201270181	Muleya	Martha	Siabukandu	31-Mar-15	31-Mar-17	Female	Black: African
2075	8907220551087	Phumudzo		Siavhe	01-Nov-14	01-Nov-16	Female	Black: African
2076	8908130466085	Thulisile	Gloria	Sibanyoni	01-Aug-16	01-Aug-18	Female	Black: African
2077	9505180368085	Thembakazi		Sibeko	01-Mar-17	01-Mar-19	Female	Black: African

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2078	9310230879086	Nkosingiphile	Favourite	Sibisi	01-Mar-17	01-Mar-19	Female	Black: African
2079	8510086021086	Thuso		Sibiya	01-Oct-15	01-Oct-17	Male	Black: African
2080	7908195254088	Jabulane		Sibiya	29-Jul-14	29-Jul-16	Male	Black: African
2081	8805285363085	Henry		Sibiya	01-Apr-15	01-Apr-17	Male	Black: African
2082	9101270700088	Pelegina		Sibiya	03-Sep-12	03-Sep-14	Female	Black: African
2083	9105170182081	Pearl		Sibiya	03-Jun-15	03-Jun-17	Female	Black: African
2084	8907045997085	Knowledge		Sibiya	29-Sep-11	29-Sep-13	Male	Black: African
2085	9305105519080	Hyacinth		Sibiya	31-Mar-15	31-Mar-17	Male	Black: African
2086	8407075899087	Luyanda		Sibozo	20-Dec-11	20-Dec-13	Male	Black: African
2087	8102140623089	Ncumisa		Sibulali	07-Jul-08	24-Nov-09	Female	Black: African
2088	8104065723084	Sabelo		Sidima	20-Aug-08	24-Apr-10	Male	Black: African
2089	9102056182087	Harry		Sigagamba	19-Jan-15	19-Jan-17	Male	Black: African
2090	9111296000082	Sisonke		Sigedle	31-Mar-14	31-Mar-16	Male	Black: African
2091	8610075533081	Jeffrey		Sigida	01-May-15	01-May-17	Male	Black: African
2092	7803020354080	Nonsikelelo		Sigwebela	31-Mar-15	31-Mar-17	Female	Black: African
2093	9206036157083	Basil		Sihlangu	17-Feb-15	17-Feb-17	Male	Black: African
2094	9306155378088	Nkosana		Sihlangu	03-Mar-14	03-Mar-16	Male	Black: African
2095	9104141012089	Oko		Sihoyiya	01-May-14	01-May-16	Female	Black: African
2096	8905106135082	Ndumiso		Sikakane	31-Mar-14	31-Mar-16	Male	Black: African
2097	8506105950081	Thembile		Sikhwitshi	31-Mar-14	31-Mar-16	Male	Black: African
2098	8810135802084	Mogomotsi		Siko	01-Oct-14	01-Oct-16	Male	Black: African
2099	9104060274082	Itumeleng		Sikosana	01-Jan-16	01-Jan-18	Female	Black: African
2100	8803185087086	Matete		Siliane	01-Jan-17	01-Jan-19	Male	Black: African
2101	9103111049089	Takalani		Siliga	01-May-15	01-May-17	Female	Black: African
2102	9308140935089	Tshimangadzo		Silika	01-Apr-16	01-Apr-18	Female	Black: African
2103	8307310397089	Rabelani		Silima	01-May-12	01-May-14	Female	Black: African
2104	7705040693084	Khunjuzwa		Simayile	23-Sep-11	23-Sep-13	Female	Black: African
2105	9106140333085	Zamaswazi		Simelane	31-Mar-14	31-Mar-16	Female	Black: African
2106	8807115655086	Sizwayinkosi		Simelane	24-Oct-14	24-Oct-16	Male	Black: African
2107	8901120816088	Phumzile		Simelane	25-May-12	25-May-14	Female	Black: African
2108	9105240248086	Siindokuhle		Sindane	01-Jul-15	01-Jul-17	Female	Black: African
2109	9003236252081	Takalani		Slobo	31-Mar-15	31-Mar-17	Male	Black: African
2110	8805011021080	Koleka		Siqiti	01-Jan-13	01-Jan-15	Female	Black: African

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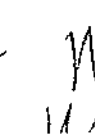
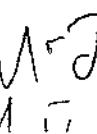
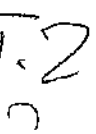
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2111	8702285613082	Thabo	Michael	Sithole	03-Sep-12	03-Sep-14	Male	Black: African
2112	8808025933084	Thendo	Shadrack	Sithole	01-Feb-13	01-Feb-15	Male	Black: African
2113	9008140796081	Nothile	Nompilo	Sithole	31-Mar-15	31-Mar-17	Female	Black: African
2114	8706085844086	Sibusiso	Lindelani	Sithole	29-Jun-11	29-Jun-13	Male	Black: African
2115	8802086019081	Rosario		Sitoe	19-Dec-11	19-Dec-13	Male	Black: African
2116	8710065412088	Phumlani	Cyril	Siwela	03-Sep-12	03-Sep-14	Male	Black: African
2117	8612280647086	Ntombifuthi	Nompumetelo	Siyaya	31-Mar-15	31-Mar-17	Female	Black: African
2118	8712010731083	Sanele		Siyaya	31-Mar-15	31-Mar-17	Female	Black: African
2119	8009305474085	Salok	Vusumuzi	Skakane	28-Feb-14	28-Feb-16	Male	Black: African
2120	8608295460085	Klaas	Sibusiso	Skhosana	23-Sep-13	23-Sep-15	Male	Black: African
2121	8903310611089	Tshegofatso		Skhosana	18-Nov-13	18-Nov-15	Female	Black: African
2122	9208010382083	Bhadi	Betty	Skhosana	01-Aug-16	01-Aug-18	Female	Black: African
2123	9209160298088	Tarryn	Geneve	Small	18-Aug-14	18-Aug-16	Female	Black: Coloured
2124	9003145124082	Vincent	Zamile	Snymes	01-Mar-17	01-Mar-19	Male	Black: African
2125	8709296014085	Sihle	Luvuyo	Sogayise	27-Sep-11	27-Sep-13	Male	Black: African
2126	9011255548081	Mozi	Patrick	Soko	15-Jan-15	15-Jan-17	Male	Black: African
2127	8706070287085	Michelle		Solomons	05-Sep-11	05-Sep-13	Female	Black: African
2128	9309100307087	Shirani	Shamene	Soloms	01-Aug-16	01-Aug-18	Female	Black: Coloured
2129	9006090777085	Zimasa	Lucia	Somi	03-Oct-13	03-Oct-15	Female	Black: African
2130	8903180600089	Sanda		Soqinase	01-Sep-16	01-Sep-18	Female	Black: African
2131	9205185007081	Darion	Albe	Stevens	01-Apr-15	01-Apr-17	Male	Black: Coloured
2132	8808185829080	Khanya		Stuma	01-Jun-15	01-Jun-17	Male	Black: African
2133	8907165503385	Thato	Bernet	Suping	31-Mar-14	31-Mar-16	Male	Black: African
2134	8811140616089	Zamampondo		Susela	01-Jul-15	01-Jul-17	Female	Black: African
2135	8308295670086	Bulumko	Honest	Swartbooi	20-Nov-07	20-Nov-09	Male	Black: African
2136	8802200381086	Renciah	Boitumelo	Tabane	02-Jul-14	02-Jul-16	Female	Black: African
2137	8908095537086	Phumudzo	Livhuwani	Takalani	01-Aug-13	01-Aug-15	Male	Black: African
2138	9011295334088	Ramotsete	Jack	Tala	31-Mar-14	31-Mar-16	Male	Black: African
2139	8910040023089	Puseletso		Tau	01-Oct-15	01-Oct-17	Female	Black: African
2140	8703305539083	Stephen	Bongani	Tau	31-Mar-14	31-Mar-16	Male	Black: African
2141	9211110464082	Regina	Lebohlang	Tau	05-Jan-15	05-Jan-17	Female	Black: African
2142	8103030655082	NOKUTHULA	SIPHOKAZI	TCHALIEU NGOMSE	09-Dec-09	09-Dec-11	Female	Black: African
2143	8405195517084	Precious	Sello	Tefu	31-Mar-14	31-Mar-16	Male	Black: African

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2144	9212085437087	Sisa	Teka	01-Jul-16	01-Jul-18	Male	Black: African
2145	8812300330081	Nthabiseng	Mathapelo	03-Sep-12	03-Sep-14	Female	Black: African
2146	8508275630089	Bhekubaba	Tembe	01-Sep-15	01-Sep-17	Male	Black: African
2147	8908120576083	Mbali	Nontobeko Bellinda Thabethe	02-Jan-13	02-Jan-15	Female	Black: African
2148	9302065783087	Moses	Thahala	01-Mar-15	01-Mar-17	Male	Black: African
2149	9209106584087	Khurishi	Thamaga	01-Sep-16	01-Sep-18	Male	Black: African
2150	8401025346083	Thabo	Thantsha	31-Mar-14	31-Mar-16	Male	Black: African
2151	9007215767084	Phuti	Thantsha	31-Mar-14	31-Mar-16	Male	Black: African
2152	8502230737089	Tshavhungwa	Thanyani	08-Jan-15	08-Jan-17	Female	Black: African
2153	9305060965088	Vhutali	Thanyani	01-Sep-16	01-Sep-18	Female	Black: African
2154	9111220571083	Reratile	Tharasmibi	01-Apr-15	01-Apr-17	Female	Black: African
2155	8703030306089	Tumelo	Thatedi	01-Mar-12	01-Mar-14	Female	Black: African
2156	9210050957089	Lelethu	Thekwane	01-Sep-16	01-Sep-18	Female	Black: African
2157	8408070889081	muofhe	thenga	01-Apr-08	01-Apr-10	Female	Black: African
2158	8711085759086	Muthuhathoniwi	Thenga	01-Oct-16	01-Oct-18	Male	Black: African
2159	8709175761087	Tshepo	Thenjekwayo	01-Mar-17	01-Mar-19	Male	Black: African
2160	8512196132084	Khuliso	Theswane	01-Aug-12	01-Aug-14	Male	Black: African
2161	9009040288088	Thandi	Thibile	01-Aug-16	01-Aug-18	Female	Black: African
2162	8904205737088	Emmanuel	Thivhafuni	01-Oct-16	01-Oct-18	Male	Black: African
2163	8301070629080	TLAKALE	THOBADI	22-Dec-08	22-Dec-10	Female	Black: African
2164	9011235978085	Edwin	Thobejane	24-Jun-14	24-Jun-16	Male	Black: African
2165	9101125613080	Masilo	Thobela	13-Mar-15	13-Mar-17	Male	Black: African
2166	8511090646082	BABY	MAMOROKAQUEI THOKA	04-Feb-09	04-Feb-11	Female	Black: African
2167	8007255589084	Bangani	Thomase	09-Jan-14	09-Jan-16	Male	Black: African
2168	7912215533083	Morithi	Thotse	27-Jun-07	27-Jun-09	Male	Black: African
2169	9105050684081	Khangwelo	Thovhakale	01-Aug-15	01-Aug-17	Female	Black: African
2170	8604030922083	Tshiwela	Thubagale	20-Dec-11	20-Dec-13	Female	Black: African
2171	8802210197084	Reshoketswe	Thubakgale	01-Feb-13	01-Feb-15	Female	Black: African
2172	9101265864089	Dumsani	Thubane	15-Jan-15	15-Jan-17	Male	Black: African
2173	8609085562080	Hulisani	ThuKhutha	01-May-12	01-May-14	Male	Black: African
2174	8304050460086	Tshepiso	Thupae	30-Mar-09	30-Mar-11	Female	Black: African
2175	8904250801086	Nosihle	Thusi	31-Mar-15	31-Mar-17	Female	Black: African
2176	9102210975087	Moshopyadi	Thutse	01-Oct-15	01-Oct-17	Female	Black: African

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2177	9210120326083	Mbali	Felicity	Thwala	01-Nov-16	01-Nov-18	Female	Black: African
2178	9006230930081	Ayanda		Tikayo	01-Jun-12	01-Jun-14	Female	Black: African
2179	8312095702081	Ngcali		Tile	01-Mar-13	01-Mar-15	Male	Black: African
2180	8706285206086	Mahlomola	Johannes	Tjakata	01-Mar-16	01-Mar-18	Male	Black: African
2181	8904241175087	Sehlorana	Penester	Tjale	03-Sep-12	03-Sep-14	Female	Black: African
2182	8901075434085	Mashapa	Johannes	Tjale	01-Apr-15	01-Apr-17	Male	Black: African
2183	9108115929087	Bushy		Tjebane	31-Mar-16	31-Mar-18	Male	Black: African
2184	9007015842087	Manafake	Walter	Tladi	01-Mar-15	01-Mar-17	Male	Black: African
2185	8505020389086	Cythia	Madibuseng	Tladi	03-Mar-14	03-Mar-16	Female	Black: African
2186	8806105839080	Isaac		Tlake	01-Mar-13	01-Mar-15	Male	Black: African
2187	9011175523081	Tshireletso		Tlhale	01-Mar-17	01-Mar-19	Male	Black: African
2188	9308071149080	Lerato	Sylvia	Tlhareseng	01-Mar-15	01-Mar-17	Female	Black: African
2189	9110170456089	Rachel	Papatso	Tlhoale	01-Nov-16	01-Nov-18	Female	Black: African
2190	9211115542080	Tlotlo	Rebaone Immanuel	Thomelang	01-Sep-16	01-Sep-18	Male	Black: African
2191	8805270840089	Raisebe	Hunadi	Thomatsana	01-Jan-13	01-Jan-15	Female	Black: African
2192	8105305303082	Lebowa	Norbet	Thomatsane	07-Aug-09	07-Aug-11	Male	Black: African
2193	8807280501081	Mashamaite		Tlou	17-Feb-15	17-Feb-17	Female	Black: African
2194	9302065301088	Itumeleng	Michael	Tongwane	01-Mar-17	01-Mar-19	Male	Black: African
2195	8909025987086	Thabo	Emmanuel	Toolo	01-Apr-15	01-Apr-17	Male	Black: African
2196	9203065088081	Remarco		Trollip	01-Mar-17	01-Mar-19	Male	Black: African
2197	7705035964086	Azwiliangwisi	Lindelani	Tsanwani	03-Aug-11	03-Aug-13	Male	Black: African
2198	9108085813089	Phenyo	Joshua	Tsatsi	01-Apr-16	01-Apr-18	Male	Black: African
2199	8603280289086	Mokgadi	Dinah	Tshabalala	03-Mar-14	03-Mar-16	Female	Black: African
2200	8812190863084	Dipuo	Innocentia Mahlaol	Tshegofatso	31-Mar-14	31-Mar-16	Female	Black: African
2201	8706100891088	Phindile	Philister Cynthia	Tshehla	01-Oct-14	01-Oct-16	Female	Black: African
2202	8905020525087	Kholofelo	Edith	Tsheoga	17-Sep-13	17-Sep-15	Female	Black: African
2203	8907106096082	Ndivhuho	Ronald	Tshibalo	01-Apr-15	01-Apr-17	Male	Black: African
2204	8908315799086	Mbavhalelo		Tshifularo	01-Apr-16	01-Apr-18	Male	Black: African
2205	9105196018087	Wanga		Tshihwela	05-Jan-15	05-Jan-17	Male	Black: African
2206	8504120854081	Phatuwani	Tiny	Tshikala	01-May-15	01-May-17	Female	Black: African
2207	9007125468088	Olebogeng	Christian	Tshikane	01-Mar-13	01-Mar-15	Male	Black: African
2208	8601295694084	Avhasei	Norman	Tshikonelo	20-Nov-08	20-Nov-10	Male	Black: African
2209	9102135999089	Livhuwani		Tshikororo	01-Apr-15	01-Apr-17	Male	Black: African

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2210	9001191155083	Rilwele	Mikovhe Mudifamb	Tshikovhi	02-Jan-13	02-Jan-15	Female	Black: African
2211	9001275534088	Jeremiah	Tselanyana	Tshilicane	01-Apr-13	01-Apr-15	Male	Black: African
2212	8411080557086	Mulalo	Idah	Tshilowa	07-Aug-09	07-Aug-11	Female	Black: African
2213	9110155868084	Shabane	Given	Tshilwane	13-Mar-15	13-Mar-17	Male	Black: African
2214	8405180686084	LONDANI		TSHINAHVA	13-Nov-07	13-Nov-09	Female	Black: African
2215	8711220520088	Khodani		Tshiololi	03-Sep-12	03-Sep-14	Female	Black: African
2216	9104250877082	Andani	Philistus	Tshipetane	03-Mar-14	03-Mar-16	Female	Black: African
2217	8505080724081	Mpho	Praise	Tshishonga	31-Mar-14	31-Mar-16	Female	Black: African
2218	8902060577086	Murendeni	Obidience	Tshisikule	12-Sep-11	12-Sep-13	Female	Black: African
2219	9204255380080	Rotondwa		Tshisudungwane	31-Mar-14	31-Mar-16	Male	Black: African
2220	8801280425086	Thakhani		Tshivhase	27-Sep-11	27-Sep-13	Female	Black: African
2221	8208180865082	ROSEMARY	NDIVHUWO	TSHIVHILINGE	02-Mar-09	02-Mar-11	Female	Black: African
2222	9102095700089	Rendani	Justice	Tshivule	03-Mar-14	03-Mar-16	Male	Black: African
2223	8906151260080	Gundo	Clamentine	Tshoenyane	01-Mar-13	01-Mar-15	Female	Black: African
2224	9110201142088	Lufuno	Daphney	Tshovhote	01-May-15	01-May-17	Female	Black: African
2225	9009161361086	Mulalo	Pertunia	Tshovhote	03-Mar-14	03-Mar-16	Female	Black: African
2226	8808175649084	shudufhadzo	Nelly	Tshusa	15-Jul-11	15-Jul-13	Male	Black: African
2227	8608050482084	Boitumelo	KGABISANG	Tshwaane	01-Oct-15	01-Oct-17	Female	Black: African
2228	8807226060085	CASWELL		TSIBULI	31-Mar-14	31-Mar-16	Male	Black: African
2229	9103115637087	Khumbelo	Gustav	Tsiku	02-Feb-15	02-Feb-17	Male	Black: African
2230	8306275695081	Tumisang	Christopher	Tsineng	01-May-12	01-May-14	Male	Black: African
2231	9106105981084	Mmakwena	Bryane	Tsipa	12-Mar-15	12-Mar-17	Male	Black: Coloured
2232	8801205812087	Tsepo	Orient	Tsiu	09-Jan-14	09-Jan-16	Male	Black: African
2233	8912310907082	Khuliso		Tsiwana	11-Mar-15	11-Mar-17	Female	Black: African
2234	8506295509085	Kgotso		Tsoai	25-Jul-11	25-Jul-13	Male	Black: African
2235	8402210523080	Tebatso		Tsoai	01-Jul-15	01-Jul-17	Female	Black: African
2236	9104276116085	Lehlohonolo	Maagathoko	Tsoho	01-Mar-17	01-Mar-19	Male	Black: African
2237	9104105796081	John	Elizabeth	Tsoka	29-Jun-15	29-Jun-17	Male	Black: African
2238	8910050496084	Ntswaki	Christina	Tsotetsi	01-May-14	01-May-16	Female	Black: African
2239	9009101627083	Puleng	Donald	Tsotetsi	01-Mar-16	01-Mar-18	Female	Black: African
2240	9109035062082	Pule	Marriam	Tsubella	01-Mar-16	01-Mar-18	Male	Black: African
2241	9102110553083	Nthabiseng	Tshokolo	Tsuke	01-Sep-15	01-Sep-17	Female	Black: African
2242	8912085282083	Johannes		Tsulo	03-Sep-12	03-Sep-14	Male	Black: African

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2243	9012165381084	Modishe	Piet	Tswaane	31-Mar-15	31-Mar-17	Male	Black: African
2244	8910171056080	Carol	Meditate	Twala	01-Dec-16	01-Dec-18	Female	Black: African
2245	9205230406080	Thando	Pontsho	Twala	01-Feb-17	01-Feb-19	Female	Black: African
2246	9004260753085	Akona	Zine Qamsile	Tyira	01-Aug-15	01-Aug-17	Female	Black: African
2247	8301225716087	Ntuthuko	Brian	Tyolo	31-Mar-15	31-Mar-17	Male	Black: African
2248	9405310238086	Courtney	Lashua-Lasdlane	Ukena	01-Jan-17	01-Jan-19	Female	Black: Coloured
2249	9304060322085	Mammutle	Rhouda	Uoane	01-Jan-17	01-Jan-19	Female	Black: African
2250	9307060272085	Vuyisile	Nonkululeko	Valashiya	11-Mar-15	11-Mar-17	Female	Black: African
2251	9109265172080	Leren		Valjee	01-Jan-16	01-Jan-18	Male	Black: Indian/Asian
2252	8602165801080	Thlarihani	Almond	Valoyi	12-Mar-15	12-Mar-17	Male	Black: African
2253	8804125237088	Ama	Nangomso	Van Averbek	03-Sep-12	03-Sep-14	Male	Black: Coloured
2254	7605240032085	MARIA		VAN DER WESTH	02-Feb-09	02-Feb-11	Female	Black: Coloured
2255	9106220208082	Eden	Margo	Van Wyk	01-Apr-16	01-Apr-18	Female	Black: Coloured
2256	7812035253088	Tsekiso	Duncan	Vanstreyer	01-Aug-15	01-Aug-17	Male	Black: African
2257	9106225236088	Luyanda	Gift	Vena	01-Mar-17	01-Mar-19	Male	Black: African
2258	8506256612084	Siphamandla	Junior	Vezi	01-Mar-16	01-Mar-18	Male	Black: African
2259	9206025816087	Mulisa	Simon	Vhangani	01-Aug-16	01-Aug-18	Male	Black: African
2260	9305086033085	Mashau		Vhukhudo	01-Mar-15	01-Mar-17	Male	Black: African
2261	8910036127084	Mfanafuthi	Doctor	Vlakazi	01-Apr-13	01-Apr-15	Male	Black: African
2262	9105140896083	Zanele	Charmaine	Vlakazi	01-Oct-14	01-Oct-16	Female	Black: African
2263	8903225411088	Sphiwe	Cecil	Vlakazi	01-Apr-13	01-Apr-15	Male	Black: African
2264	9107125407084	Mlungisi	Treavor	Vlane	30-Jan-15	30-Jan-17	Male	Black: African
2265	9111010763080	Chrystal	Amber	Vries	01-Jun-15	01-Jun-17	Female	Black: African
2266	9211290629082	Luke		Vuyiseka	01-Mar-17	01-Mar-19	Female	Black: African
2267	8601110559082	S'Lindile	S'Thembile	Wela	01-Apr-14	01-Apr-16	Female	Black: African
2268	8109110781086	Kelebogile	Pontsho	Wessie	20-Aug-08	07-Jul-10	Female	Black: African
2269	8403225191087	Roderick		Williams	17-Oct-08	17-Oct-10	Male	Black: Coloured
2270	9304110070080	Kay	Nadine	Witbooi	01-Mar-17	01-Mar-19	Female	Black: Coloured
2271	8801110992081	Sinethemba		Wopula	31-Mar-14	31-Mar-16	Female	Black: African
2272	9003096134080	Vusi	Vincent	Xaba	02-Dec-13	02-Dec-15	Male	Black: African
2273	8510090507088	Minenhle	Nomthandazo	Xaba	03-Aug-11	03-Aug-13	Female	Black: African
2274	8411105743083	Sithule		Xanga	01-Aug-16	01-Aug-18	Male	Black: African
2275	9108035188087	Lungile		Xhwantini	01-Jul-13	01-Jul-15	Male	Black: African

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2276	8011145531082	Skhona	Goodwill	Xulu	19-Feb-08	20-Aug-10	Male	Black: African
2277	8508020425082	SIVUYILE		YALELA	24-Apr-08	24-Apr-10	Female	Black: African
2278	8703101333087	Nompumelelo	Noluthando	Yedwa	23-Sep-11	23-Sep-13	Female	Black: African
2279	9101015639088	Nhlakanipho	Sphesihle	Yeni	05-Jan-15	05-Jan-17	Male	Black: African
2280	8908080302082	Nandi	Jabulile	Yika	01-Oct-12	01-Oct-14	Female	Black: African
2281	8410095525088	BHEKISISA	GOODMAN	ZACA	01-Jun-09	01-Jun-11	Male	Black: African
2282	9403240370087	Sinenhlanhla		Zama	01-Jan-16	01-Jan-18	Female	Black: African
2283	8803301088083	Nondzuzo		Zathelela	01-Oct-14	01-Oct-16	Female	Black: African
2284	8605295640088	Lubabalo	Lucas	ZENZILE	31-Mar-14	31-Mar-16	Male	Black: African
2285	8507275616080	Boitumelo		Zikalala	01-Apr-15	01-Apr-17	Male	Black: African
2286	8605050634086	Nosibulelo	Julie	Zilibokwe	01-Mar-14	01-Mar-16	Female	Black: African
2287	9401225162081	Innocent	Mpho	Zim	01-Mar-17	01-Mar-19	Male	Black: African
2288	8808056163080	Maganyeni	Vincent	Zimu	01-Mar-16	01-Mar-18	Male	Black: African
2289	9108030340089	Fundiswa	Yolanda	Zitha	05-Jan-15	05-Jan-17	Female	Black: African
2290	9312220535082	Anda		Zodala	31-Mar-16	31-Mar-18	Female	Black: African
2291	8401195563087	Lucky		Zombene	01-Oct-14	01-Oct-16	Male	Black: African
2292	7906165706087	Siphiwe	Ernest	Zondi	17-May-11	17-May-13	Male	Black: African
2293	8504196174083	Simpfiwe		Zondo	28-Mar-13	28-Mar-15	Male	Black: African
2294	9309020335085	Lindiwe	Precious	Zondo	01-Apr-16	01-Apr-18	Female	Black: African
2295	7910225496085	Mzomuhle	Thandisizwe	Zondo	02-Feb-15	02-Feb-17	Male	Black: African
2296	9203101300086	Sinegugu	Balungile	Zondo	31-Mar-15	31-Mar-17	Female	Black: African
2297	7802155475082	Mduduzi	Joseph	Zulu	27-Sep-07	27-Sep-10	Male	Black: African
2298	8907160484083	Noluthando	Phumelele	Zulu	19-Dec-11	19-Dec-13	Female	Black: African
2299	9003125824081	Khayelihle	Percy	Zulu	01-Sep-16	01-Sep-18	Male	Black: African
2300	9012075411088	Andile	Brian	Zulu	01-Sep-16	01-Sep-18	Male	Black: African
2301	9003036028087	Nhlakanipho	Ian	Zulu	31-Mar-15	31-Mar-17	Male	Black: African
2302	8904185480089	Simangaliso	Patrick	Zulu	01-Mar-17	01-Mar-19	Male	Black: African
2303	9007180906089	Nokukhanya	Priscilla	Zuma	05-Jan-15	05-Jan-17	Female	Black: African
2304	8704065533084	Thamsanqa	Ndumiso	Zuma	13-Jul-15	13-Jul-17	Male	Black: African
2305	8701165633087	Khumbulani	Maxwell	Zuma	27-Sep-11	27-Sep-13	Male	Black: African
2306	8801200644089	Nkosizanokusa	Nqobile	Zungu	03-Jun-13	03-Jun-15	Female	Black: African
2307	9101040979087	Thandelwethu	Abigail	Zungu	24-Oct-14	24-Oct-16	Female	Black: African
2308	9306151255082	Nobuhle	Precious	Zungu	01-Mar-17	01-Mar-19	Female	Black: African

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2309	9105150774089	Nqobile	Siphokazi Revival	Zungu	31-Mar-15	31-Mar-17	Female	Black: African
2310	8510135534089	Silumko	Leslie	Zwana	01-Apr-09	01-Apr-11	Male	Black: African
2311	9203285182086	Nkosinathi	Jean-Cloude	Zwane	01-Dec-16	01-Dec-18	Male	Black: African
2312	9312011095080	Nokubongwa	Nomzamo	Zwane	01-Jan-17	01-Jan-19	Female	Black: African
2313	9507175312086	Thalente	Simphiwe	Zwane	01-Mar-17	01-Mar-19	Male	Black: African
2314	9203215509085	Siyabonga		Zwane	01-Dec-16	30-Nov-17	Male	Black: African
2315	9309015157080	Sipho	Hendry	Zwane	01-Mar-16	01-Mar-18	Male	Black: African

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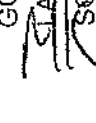
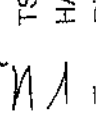
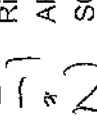

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Employer	Employer Ref No	Programme Description
COUNCIL FOR GEOSCIENCE	L400713105	Geology
SOUTH DEEP GOLD MINE	L770732933	Geology
AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD	L650706247	Environmental Management
Akapo Jewels	L720763848	Jewellery Design and Manufacturing
COUNCIL FOR GEOSCIENCE	L400713105	Geology
GOLD FIELDS TRUST PTY LTD	L590723237	Metallurgy (mineral processing)
CONVENTION BUSINESS ASSOCIATES	L410786166	Environmental Management
ANGLOVAAL MINING LIMITED	L310720638	Geology
GOLDPLAT RECOVERY PTY LTD	L210715738	Chemical Engineering (mineral processing)
GERHARD MOOLMAN FINE JEWELLERY	L250744739	Jewellery Design and Manufacturing
AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD	L650706247	Mining Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Electrical Engineering (heavy current)
AI TECHNICAL SERVICES	L180788004	Geology
EXXARO RESOURCES LIMITED	L600739082	Mining Engineering
IMPALA PLATINUM SERVICES LTD	L520713662	Mining Engineering
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
MINERALS OPERATIONS EXECUTIVE PTY LTD	L180724868	Mechanical Engineering
MINTEK	L180720718	Chemical Engineering (mineral processing)
Palabora Copper Pty Ltd	L430771826	Mechanical Engineering
Palabora Copper Pty Ltd	L430771826	Mining Engineering
REDPATH MINING (SA) PTY LTD	L680717230	Industrial Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Metallurgy (mineral processing)
THARISA MINERALS	L890769179	Mining Engineering
MTSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mining Engineering
MINTEK	L180720718	Chemical Engineering (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
IMPALA PLATINUM SERVICES LTD	L520713662	Mining Engineering
THARISA MINERALS	L890769179	Chemical Engineering (mineral processing)
Sephaku Cement	L610768303	Electrical Engineering (heavy current)
SOUTH DEEP GOLD MINE	L770732933	Geology
MINTEK	L180720718	Chemical Engineering (mineral processing)

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L870767110	Electrical Engineering (heavy current)
L560761159	Jewellery Design and Manufacturing
L260763356	Mining Engineering
L260763356	Electrical Engineering (heavy current)
L310734977	Geology
L460735717	Mining Engineering
L650706247	Mining Engineering
L870767110	Mining Engineering
L280772676	Chemical Engineering (mineral processing)
L760789000	Chemical Engineering (mineral processing)
L260763356	Geology
L460735717	Safety Management
L690713724	Environmental Management
L700788245	Chemical Engineering (mineral processing)
L580786855	Geology
L860758509	Mining Engineering
L400713105	Geology
L310734977	Geology
L090758485	Mechanical Engineering
L740703766	Jewellery Design and Manufacturing
L400713105	Chemical Engineering (mineral processing)
L460735717	Geology
L460735717	Mechanical Engineering
L350761161	Jewellery Design and Manufacturing
L400713105	Mining Engineering
L590723237	Metallurgy (mineral processing)
L740735537	Industrial Engineering
L490768985	Mining Engineering
L660788227	Chemical Engineering (mineral processing)
L650710538	Environmental Management
L080780564	Geology
L870729615	Geology
L070781135	Jewellery Design and Manufacturing

LEBOWA PLATINUM MINES	
Shadow Jewelers	
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	
PETROLEUM AGENCY SA	
ANGLOGOLD ASHANTI LTD (V/R)	
AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD	
LEBOWA PLATINUM MINES	
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	
RE TSHEPENG GENERAL CONSTRUCTION 59	
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	
ANGLOGOLD ASHANTI LTD (V/R)	
RUSTENBURG PLATINUM MINES LTD	
THALIWE'S TRADING ENTERPRISE CC	
TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD	
EZULWINI MINING COMPANY	
COUNCIL FOR GEOSCIENCE	
PETROLEUM AGENCY SA	
ASSMANG LTD	
PRINS & PRINS	
COUNCIL FOR GEOSCIENCE	
ANGLOGOLD ASHANTI LTD (V/R)	
ANGLOGOLD ASHANTI LTD (V/R)	
WORLD OF PLATINUM MARKETING PTY LTD	
COUNCIL FOR GEOSCIENCE	
GOLD FIELDS TRUST PTY LTD	
STAFARGE SOUTH AFRICA	
SOMKHELE MINE	
TSHEPO RECRUITMENT MINNING(PTY)LTD	
HARMONY GOLD MINING CO	
Richards Bay Mining Pty Ltd	
AFRIMAT AGGREGATES (KZN) (PTY) LTD	
SOFFIA FINE JEWELLERY CC	

TSHEPO RECRUITMENT MINNING(PTY)LTD
 ASHOK JEWELLERS
 MIZANE MANUFACTURING JEWELLERS CC
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 Sephaku Cement
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 ANGLOVAAL MINING LIMITED
 KAI BATLA MINERALS INDUSTRY
 ANGLOGOLD ASHANTI LTD (V/R)
 PNEUMA JEWELLERS CC
 SOUTH DEEP GOLD MINE
 COUNCIL FOR GEOSCIENCE
 IKOTI COAL
 KAI BATLA MINERALS INDUSTRY
 Keaton Mining Pty Ltd
 MINTEK
 MINTEK
 MINTEK
 Palabora Copper Pty Ltd
 SOUTH DEEP GOLD MINE
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 PNEUMA JEWELLERS CC
 TSHENTU SERVICES (PTY) LTD
 AI TECHNICAL SERVICES
 KAI BATLA MINERALS INDUSTRY
 ANGLOGOLD ASHANTI LTD (V/R)
 SPRINS & PRINS
 ASHOK JEWELLERS
 Palabora Copper Pty Ltd
 Palabora Copper Pty Ltd
 SOUTH DEEP GOLD MINE
 COUNCIL FOR GEOSCIENCE
 Sephaku Cement

L660788227 Electrical Engineering (heavy current)
 L960706747 Jewellery Design and Manufacturing
 L890720396 Jewellery Design and Manufacturing
 L660788227 Mechanical Engineering
 L610768303 Electrical Engineering (heavy current)
 L280772676 Analytical Chemistry
 L310720638 Mine Survey
 L770769893 Geology
 L460735717 Environmental Management
 L540755511 Jewellery Design and Manufacturing
 L770732933 Industrial Engineering
 L400713105 Geology
 L450788684 Industrial Engineering
 L770769893 Geology
 L010770677 Mining Engineering
 L180720718 Electrical Engineering (heavy current)
 L180720718 Metallurgy (mineral processing)
 L180720718 Chemical Engineering (mineral processing)
 L430771826 Mechanical Engineering
 L770732933 Industrial Engineering
 L660788227 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L140787989 Chemical Engineering (mineral processing)
 L180788004 Chemical Engineering (mineral processing)
 L770769893 Environmental Management
 L460735717 Chemical Engineering (mineral processing)
 L740703766 Jewellery Design and Manufacturing
 L960706747 Jewellery Design and Manufacturing
 L430771826 Metallurgy (mineral processing)
 L430771826 Electrical Engineering (heavy current)
 L770732933 Industrial Engineering
 L400713105 Geology
 L610768303 Analytical Chemistry

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SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
WORLD OF PLATINUM MARKETING PTY LTD	L350761161	Jewellery Design and Manufacturing
AI TECHNICAL SERVICES	L180788004	Chemical Engineering (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
COUNCIL FOR GEOSCIENCE	L400713105	Geology
KHUMANI IRON ORE MINE	L620768327	Electrical Engineering (heavy current)
NICOLOR (PTY) LTD	L730782291	Safety Management
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
THARISA MINERALS	L890769179	Metallurgy (mineral processing)
PRINS & PRINS	L740703766	Jewellery Design and Manufacturing
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Electrical Engineering (heavy current)
EXXARO RESOURCES LIMITED	L600739082	Electrical Engineering (heavy current)
EXXARO COAL CENTRAL (PTY) LTD	L100724873	Geology
HARMONY GOLD MINING CO	L650710538	Environmental Management
Zerbatone Mining Pty Ltd	L540781806	Mining Engineering
COUNCIL FOR GEOSCIENCE	L400713105	Geology
HARMONY GOLD MINING CO	L650710538	Environmental Management
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
VUNENE MINING (PTY) LTD	L080771183	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Electrical Engineering (heavy current)
TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD	L580786855	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD	L580786855	Metallurgy (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
HARMONY GOLD MINING CO	L650710538	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
Firefly Investments 251	L090782154	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
AI TECHNICAL SERVICES	L180788004	Safety Management
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
LEBOWA PLATINUM MINES	L870767110	Mining Engineering

Sephaku Cement
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)
 Akapo Jewels
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 ZULULAND ANTHRACITE COLLIERY PTY LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 Akapo Jewels
 Atteridgeville Jewellery Project
 COUNCIL FOR GEOSCIENCE
 COUNCIL FOR GEOSCIENCE
 Jindal Mining Sa Pty Ltd
 KEITH WHITE DESIGN LTD
 Palabora Copper Pty Ltd
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 VUNENE MINING (PTY) LTD
 VUNENE MINING (PTY) LTD
 LAFARGE SOUTH AFRICA
 NKOMATI MINE
 LAFARGE SOUTH AFRICA
 ANGLOGOLD ASHANTI LTD (V/R)
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 COUNCIL FOR GEOSCIENCE
 Keaton Mining Pty Ltd
 LAFARGE SOUTH AFRICA
 MIZANE MANUFACTURING JEWELLERS CC
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 WORLD OF PLATINUM MARKETING PTY LTD

L610768303 Analytical Chemistry
 L260763356 Mechanical Engineering
 L460735717 Safety Management
 L460735717 Mechanical Engineering
 L720763848 Jewellery Design and Manufacturing
 L280772676 Metallurgy (mineral processing)
 L810755514 Industrial Engineering
 L460735717 Electrical Engineering (heavy current)
 L720763848 Jewellery Design and Manufacturing
 L060767706 Jewellery Design and Manufacturing
 L400713105 Geology
 L400713105 Geology
 L730773472 Electrical Engineering (heavy current)
 L440731711 Jewellery Design and Manufacturing
 L430771826 Metallurgy (mineral processing)
 L260763356 Electrical Engineering (heavy current)
 L080771183 Electrical Engineering (heavy current)
 L080771183 Geology
 L740735537 Chemical Engineering (mineral processing)
 L850763220 Mechanical Engineering
 L740735537 Mechanical Engineering
 L460735717 Chemical Engineering (mineral processing)
 L660788227 Mechanical Engineering
 L460735717 Chemical Engineering (mineral processing)
 L460735717 Mining Engineering
 L260763356 Mining Engineering
 L650706247 Metallurgy (mineral processing)
 L400713105 Geology
 L010770677 Mining Engineering
 L740735537 Mechanical Engineering
 L890720396 Jewellery Design and Manufacturing
 L260763356 Geology
 L350761161 Jewellery Design and Manufacturing

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COUNCIL FOR GEOSCIENCE	L400713105	Geology
LAFARGE SOUTH AFRICA	L740735537	Environmental Management
SOUTH DEEP GOLD MINE	L770732933	Environmental Management
COUNCIL FOR GEOSCIENCE	L400713105	Geology
SOUTH DEEP GOLD MINE	L770732933	Chemical Engineering (mineral processing)
EXXARO RESOURCES LIMITED	L600739082	Mechanical Engineering
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mining Engineering
Firefly Investments 251	L090782154	Chemical Engineering (mineral processing)
BUFFELSFONTEIN GOLD MINE	L020710689	Mining Engineering
FOSKOR (PTY) LTD	L920711290	Metallurgy (mineral processing)
LEBOWA PLATINUM MINES	L870767110	Geology
TSHENTU SERVICES (PTY) LTD	L140787989	Mechanical Engineering
LAFARGE SOUTH AFRICA	L740735537	Mechanical Engineering
Palabora Copper Pty Ltd	L430771826	Analytical Chemistry
Keaton Mining Pty Ltd	L010770677	Electrical Engineering (heavy current)
Art In Jewellery Manufacture And Training	L490776426	Jewellery Design and Manufacturing
LAFARGE SOUTH AFRICA	L740735537	Geology
COUNCIL FOR GEOSCIENCE	L400713105	Geology
FRASER ALEXANDER PTY LTD - TAILINGS WAGES	L790759056	Geology
PRINS & PRINS	L740703766	Jewellery Design and Manufacturing
MINTEK	L180720718	Chemical Engineering (mineral processing)
BUFFELSFONTEIN GOLD MINE	L020710689	Geology
Akapo Jewels	L720763848	Jewellery Design and Manufacturing
COUNCIL FOR GEOSCIENCE	L400713105	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
REDPATH MINING (SA) PTY LTD	L680717230	Mechanical Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
COUNCIL FOR GEOSCIENCE	L400713105	Geology
HARMONY GOLD MINING CO	L650710538	Geology
IKOTI COAL	L450788684	Mining Engineering

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PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
TAU LEKOA GOLD MINING COMPANY LIMITED	L530782301	Mechanical Engineering
COUNCIL FOR GEOSCIENCE	L400713105	Geology
IKOTI COAL	L450788684	Mine Survey
LEBOWA PLATINUM MINES	L870767110	Geology
AFRIMAT AGGREGATES (KZN) (PTY) LTD	L870729615	Mechanical Engineering
FOSKOR (PTY) LTD	L920711290	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
TRONOX MINERAL SANDS (PTY) LTD	L420747976	Geology
BLYVOORUITZICHT GM CO LTD	L300723196	Environmental Management
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mechanical Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Mine Survey
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
TSHENTU SERVICES (PTY) LTD	L140787989	Analytical Chemistry
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
AFRIMAT AGGREGATES (KZN) (PTY) LTD	L870729615	Electrical Engineering (heavy current)
COUNCIL FOR GEOSCIENCE	L400713105	Chemical Engineering (mineral processing)
LEBOWA PLATINUM MINES	L870767110	Geology
Richards Bay Mining Pty Ltd	L080780564	Geology
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mechanical Engineering
WORLD OF PLATINUM MARKETING PTY LTD	L350761161	Jewellery Design and Manufacturing
TSHENTU SERVICES (PTY) LTD	L140787989	Industrial Engineering
MINTEK	L180720718	Chemical Engineering (mineral processing)
VIRGINIA JEWELLERY SCHOOL	L590739233	Jewellery Design and Manufacturing
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
ASHOK JEWELLERS	L960706747	Jewellery Design and Manufacturing
LAFARGE SOUTH AFRICA	L740735537	Electrical Engineering (heavy current)
HERNIC FERROCHROME PTY LTD	L570719619	Electrical Engineering (heavy current)
RE TSHEPENG GENERAL CONSTRUCTION 59	L760789000	Mining Engineering
SOUTH DEEP GOLD MINE	L770732933	Geology
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing

L740738762 Mining Engineering
 L890720396 Jewellery Design and Manufacturing
 L170747788 Jewellery Design and Manufacturing
 L870767110 Environmental Management
 L870767110 Mining Engineering
 L280772676 Geology
 L210715738 Metallurgy (mineral processing)
 L840730834 Chemical Engineering (mineral processing)
 L460735717 Mining Engineering
 L400713105 Environmental Management
 L510702592 Jewellery Design and Manufacturing
 L260763356 Chemical Engineering (mineral processing)
 L650710538 Mining Engineering
 L080757893 Chemical Engineering (mineral processing)
 L610768303 Chemical Engineering (mineral processing)
 L650710538 Mechanical Engineering
 L460735717 Environmental Management
 L180724868 Metallurgy (mineral processing)
 L170747788 Jewellery Design and Manufacturing
 L440731711 Jewellery Design and Manufacturing
 L770769893 Geology
 L650710538 Geology
 L650710538 Geology
 L610768303 Mechanical Engineering
 L620768327 Mechanical Engineering
 L650710538 Analytical Chemistry
 L170747788 Jewellery Design and Manufacturing
 L890720396 Jewellery Design and Manufacturing
 L260763356 Metallurgy (mineral processing)
 L460735717 Metallurgy (mineral processing)
 L660725435 Mining Engineering
 L690713724 Mechanical Engineering
 L650710538 Mechanical Engineering

EXXARO COAL (PTY) LTD
 MIZANE MANUFACTURING JEWELLERS CC
 RARE EARTH CREATIONS (PTY) LTD
 LEBOWA PLATINUM MINES
 LEBOWA PLATINUM MINES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 GOLDPLAT RECOVERY PTY LTD
 IDWALA INDUSTRIAL HOLDINGS PTY LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 COUNCIL FOR GEOSCIENCE
 DAVID BOLDING
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 HARMONY GOLD MINING CO
 VAMETCO ALLOYS
 Sephaku Cement
 HARMONY GOLD MINING CO
 ANGLOGOLD ASHANTI LTD (V/R)
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 RARE EARTH CREATIONS (PTY) LTD
 KEITH WHITE DESIGN LTD
 KAI BATLA MINERALS INDUSTRY
 HARMONY GOLD MINING CO
 HARMONY GOLD MINING CO
 Sephaku Cement
 KHUMANI IRON ORE MINE
 HARMONY GOLD MINING CO
 RARE EARTH CREATIONS (PTY) LTD
 MIZANE MANUFACTURING JEWELLERS CC
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 AFRIMAT AGGREGATES (EASTERN CAPE) (PTY) LTD
 RUSTENBURG PLATINUM MINES LTD
 HARMONY GOLD MINING CO

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BLYVOORUITZICHT GM CO LTD
 DAVID BOLDING
 WESTERN PLATINUM LTD
 Sephaku Cement
 GERHARD MOOLMAN FINE JEWELLERY
 WORLD OF PLATINUM MARKETING PTY LTD
 TAU LEKOA GOLD MINING COMPANY LIMITED
 COUNCIL FOR GEOSCIENCE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 COUNCIL FOR GEOSCIENCE
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 PNEUMA JEWELLERS CC
 ANGLOGOLD ASHANTI LTD (V/R)
 IKOTI COAL
 IMPALA PLATINUM SERVICES LTD
 Palabora Copper Pty Ltd
 Palabora Copper Pty Ltd
 RUSTENBURG PLATINUM MINES LTD
 RUSTENBURG PLATINUM MINES LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 Art in Jewellery Manufacture And Training
 KEITH WHITE DESIGN LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)
 LAFARGE SOUTH AFRICA
 ANGLOVAAL MINING LIMITED
 RE TSHEPENG GENERAL CONSTRUCTION 59
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TSHEPO RECRUITMENT MINNING (PTY) LTD
 COUNCIL FOR GEOSCIENCE

L300723196 Geology
 L510702592 Jewellery Design and Manufacturing
 L610713770 Mining Engineering
 L610768303 Mechanical Engineering
 L250744739 Jewellery Design and Manufacturing
 L350761161 Jewellery Design and Manufacturing
 L530782301 Geology
 L400713105 Geology
 L280772676 Environmental Management
 L400713105 Chemical Engineering (mineral processing)
 L650706247 Mechanical Engineering
 L540755511 Jewellery Design and Manufacturing
 L460735717 Environmental Management
 L450788684 Metallurgy (mineral processing)
 L520713662 Mining Engineering
 L430771826 Metallurgy (mineral processing)
 L430771826 Geology
 L690713724 Metallurgy (mineral processing)
 L690713724 Safety Management
 L260763356 Mining Engineering
 L260763356 Mining Engineering
 L260763356 Electrical Engineering (heavy current)
 L490776426 Jewellery Design and Manufacturing
 L440731711 Jewellery Design and Manufacturing
 L260763356 Metallurgy (mineral processing)
 L460735717 Mining Engineering
 L460735717 Geology
 L740735537 Mining Engineering
 L310720638 Mining Engineering
 L760789000 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L660788227 Mine Survey
 L400713105 Geology

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VAMETCO ALLOYS
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
ANGLOGOLD ASHANTI LTD (V/R)
MARULA PLATINUM (PTY) LTD
Cronimet Chrome Mining Sa Pty Ltd
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
ANGLOGOLD ASHANTI LTD (V/R)
Shadow Jewelers
RUSTENBURG PLATINUM MINES LTD
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
AI TECHNICAL SERVICES
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
LIME DISTRUBTORS PTY LTD
VIRGINIA JEWELLERY SCHOOL
ANGLOGOLD ASHANTI LTD (V/R)
TSHEPO RECRUITMENT MINNING(PTY)LTD
Sephaku Cement
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
THALIWE'S TRADING ENTERPRISE CC
MIZANE MANUFACTURING JEWELLERS CC
COUNCIL FOR GEOSCIENCE
COUNCIL FOR GEOSCIENCE
TSHEPO RECRUITMENT MINNING(PTY)LTD
Glen Douglas Dolomite Pty Ltd
IKOTI COAL
LEBOWA PLATINUM MINES
MARULA PLATINUM (PTY) LTD
ANGLOGOLD ASHANTI LTD (V/R)
Bomanxele Trading and Projects
DE BEERS CONSOLIDATED MINES PROPRIETARY LIMITED
LAFARGE SOUTH AFRICA
RE TSHEPENG GENERAL CONSTRUCTION 59

L080757893 Geology
L260763356 Electrical Engineering (heavy current)
L460735717 Geology
L070732831 Metallurgy (mineral processing)
L120771763 Geology
L280772676 Analytical Chemistry
L580786855 Mechanical Engineering
L460735717 Electrical Engineering (heavy current)
L560761159 Jewellery Design and Manufacturing
L690713724 Mining Engineering
L280772676 Metallurgy (mineral processing)
L180788004 Metallurgy (mineral processing)
L260763356 Electrical Engineering (heavy current)
L290724444 Analytical Chemistry
L590739233 Jewellery Design and Manufacturing
L460735717 Mining Engineering
L660788227 Mechanical Engineering
L610768303 Analytical Chemistry
L280772676 Metallurgy (mineral processing)
L700788245 Chemical Engineering (mineral processing)
L890720396 Jewellery Design and Manufacturing
L400713105 Geology
L400713105 Geology
L660788227 Mechanical Engineering
L870747542 Chemical Engineering (mineral processing)
L450788684 Geology
L870767110 Geology
L070732831 Mining Engineering
L460735717 Chemical Engineering (mineral processing)
L060788603 Geology
L910750852 Geology
L740735537 Metallurgy (mineral processing)
L760789000 Chemical Engineering (mineral processing)

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WORLD OF PLATINUM MARKETING PTY LTD
 BENICON OPENCASST MINING (PTY) LTD
 KEITH WHITE DESIGN LTD
 COUNCIL FOR GEOSCIENCE
 MATLA COAL NO 2 PAYROLL_T2S7
 MINTEK
 MINTEK
 NICOLOR (PTY) LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 KEITH WHITE DESIGN LTD
 BLYVOORUITZICHT GM CO LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 GERHARD WOOLMAN FINE JEWELLERY
 IKOTI COAL
 SOUTH DEEP GOLD MINE
 WORLD OF PLATINUM MARKETING PTY LTD
 SOUTH DEEP GOLD MINE
 IMPALA PLATINUM SERVICES LTD
 LEBOWA PLATINUM MINES
 LEBOWA PLATINUM MINES
 LEBOWA PLATINUM MINES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 AI TECHNICAL SERVICES
 FOSKOR (PTY) LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 RUSTENBURG PLATINUM MINES LTD
 LEBOWA PLATINUM MINES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 WESTERN PLATINUM LTD

L350761161 Jewellery Design and Manufacturing
 L250764414 Mechanical Engineering
 L440731711 Jewellery Design and Manufacturing
 L400713105 Geology
 L620714073 Mining Engineering
 L180720718 Chemical Engineering (mineral processing)
 L180720718 Geology
 L730782291 Metallurgy (mineral processing)
 L260763356 Metallurgy (mineral processing)
 L260763356 Metallurgy (mineral processing)
 L260763356 Metallurgy (mineral processing)
 L660788227 Mechanical Engineering
 L460735717 Mining Engineering
 L440731711 Jewellery Design and Manufacturing
 L300723196 Electrical Engineering (heavy current)
 L460735717 Geology
 L250744739 Jewellery Design and Manufacturing
 L450788684 Geology
 L770732933 Industrial Engineering
 L350761161 Jewellery Design and Manufacturing
 L770732933 Geology
 L520713662 Mining Engineering
 L870767110 Geology
 L870767110 Metallurgy (mineral processing)
 L870767110 Safety Management
 L280772676 Analytical Chemistry
 L180788004 Chemical Engineering (mineral processing)
 L920711290 Mining Engineering
 L260763356 Industrial Engineering
 L690713724 Mine Survey
 L870767110 Safety Management
 L260763356 Mine Survey
 L610713770 Geology

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ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
SOUTH DEEP GOLD MINE	L770732933	Jewellery Design and Manufacturing
HARMONY GOLD MINING CO	L650710538	Mechanical Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
Art In Jewellery Manufacture And Training	L490776426	Jewellery Design and Manufacturing
Palabora Copper Pty Ltd	L430771826	Mining Engineering
UNIVERSAL COAL DEVELOPMENT I	L760770661	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
NKOMATI MINE	L850763220	Geology
SOUTH DEEP GOLD MINE	L770732933	Geology
LEBOWA PLATINUM MINES	L870767110	Metallurgy (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
AI TECHNICAL SERVICES	L180788004	Chemical Engineering (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
RE TSHEPENG GENERAL CONSTRUCTION 59	L760789000	Mining Engineering
LEBOWA PLATINUM MINES	L870767110	Geology
MARULA PLATINUM (PTY) LTD	L070732831	Mining Engineering
HARMONY GOLD MINING CO	L650710538	Mining Engineering
IMPALA PLATINUM SERVICES LTD	L520713662	Geology
Keaton Mining Pty Ltd	L010770677	Metallurgy (mineral processing)
FRASER ALEXANDER PTY LTD - TAILINGS WAGES	L790759056	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
Palabora Copper Pty Ltd	L430771826	Chemical Engineering (mineral processing)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
MINTEK	L180720718	Chemical Engineering (mineral processing)
DWARSRIVER CHROME MINE (PTY) LTD	L790791778	Geology
EXXARO RESOURCES LIMITED	L600739082	Metallurgy (mineral processing)
HARMONY GOLD MINING CO	L650710538	Environmental Management

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L690713724 Analytical Chemistry
 L690713724 Analytical Chemistry
 L280772676 Metallurgy (mineral processing)
 L770732933 Industrial Engineering
 L100724873 Geology
 L180788004 Chemical Engineering (mineral processing)
 L200713735 Industrial Engineering
 L180720718 Chemical Engineering (mineral processing)
 L400713105 Geology
 L620768327 Electrical Engineering (heavy current)
 L890769179 Metallurgy (mineral processing)
 L460735717 Analytical Chemistry
 L180720718 Metallurgy (mineral processing)
 L580786855 Mining Engineering
 L770732933 Chemical Engineering (mineral processing)
 L460735717 Chemical Engineering (mineral processing)
 L770741231 Geology
 L280772676 Metallurgy (mineral processing)
 L400713105 Geology
 L310720638 Mining Engineering
 L450788684 Geology
 L080771183 Mining Engineering
 L440731711 Jewellery Design and Manufacturing
 L580786855 Geology
 L910731530 Mechanical Engineering
 L650710538 Chemical Engineering (mineral processing)
 L820734343 Geology
 L260763356 Metallurgy (mineral processing)
 L450788684 Mining Engineering
 L650710538 Chemical Engineering (mineral processing)
 L180724868 Analytical Chemistry
 L280772676 Chemical Engineering (mineral processing)
 L740735537 Mechanical Engineering

RUSTENBURG PLATINUM MINES LTD
 RUSTENBURG PLATINUM MINES LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 SOUTH DEEP GOLD MINE
 EXXARO COAL CENTRAL (PTY) LTD
 AI TECHNICAL SERVICES
 IMERY'S REFRACTORY MINERALS SOUTH AFRICA (PTY) LTD
 MINTEK
 COUNCIL FOR GEOSCIENCE
 KHUMANI IRON ORE MINE
 THARISA MINERALS
 ANGLOGOLD ASHANTI LTD (V/R)
 MINTEK
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY) LTD
 SOUTH DEEP GOLD MINE
 ANGLOGOLD ASHANTI LTD (V/R)
 MODIKWA MINING PERSONNEL SERVICES (PTY) LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 COUNCIL FOR GEOSCIENCE
 ANGLOVAAL MINING LIMITED
 IKOTI COAL
 VUNENE MINING (PTY) LTD,
 KEITH WHITE DESIGN LTD
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY) LTD
 SOUTH AFRICAN FERROCHROME AND MINING PTY LTD
 HARMONY GOLD MINING CO
 BAFOKENG RASIMONE MANAGEMENT SERVICES PTY LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 IKOTI COAL
 HARMONY GOLD MINING CO
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 LAFARGE SOUTH AFRICA

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BAFOKENG RASIMONE MANAGEMENT SERVICES PTY LTD	L820734343	Electrical Engineering (heavy current)
SOUTH DEEP GOLD MINE	L770732933	Environmental Management
VIRGINIA JEWELLERY SCHOOL	L590739233	Jewellery Design and Manufacturing
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Metallurgy (mineral processing)
MINTEK	L180720718	Mechanical Engineering
ASHOK JEWELLERS	L960706747	Jewellery Design and Manufacturing
THALIWE'S TRADING ENTERPRISE CC	L700788245	Metallurgy (mineral processing)
SOUTH DEEP GOLD MINE	L770732933	Industrial Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Analytical Chemistry
THUSANG METALLURGICAL ENGINEERING , TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
MIZANE MANUFACTURING JEWELLERS CC	L890720396	Jewellery Design and Manufacturing
IKOTI COAL	L450788684	Mining Engineering
Kimberley Underground Mine Jv	L830772200	Geology
LEBOWA PLATINUM MINES	L870767110	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mining Engineering
LEBOWA PLATINUM MINES	L870767110	Mining Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
COUNCIL FOR GEOSCIENCE	L400713105	Geology
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
RE TSHEPENG GENERAL CONSTRUCTION 59	L760789000	Environmental Management
BENICON OPENCAST MINING (PTY) LTD	L250764414	Electrical Engineering (heavy current)
Firefly Investments 251	L090782154	Mining Engineering
ZULULAND ANTHRACITE COLLIERY PTY LTD	L810755514	Electrical Engineering (heavy current)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
HARMONY GOLD MINING CO	L650710538	Environmental Management
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
HERNIC FERROCHROME PTY LTD	L570719619	Mining Engineering
HERNIC FERROCHROME PTY LTD	L010774471	Mining Engineering
AI TECHNICAL SERVICES	L180788004	Environmental Management
EXXARO RESOURCES LIMITED	L600739082	Metallurgy (mineral processing)
SOUTH DEEP GOLD MINE	L770732933	Geology
Bomanxele Trading and Projects	L060788603	Geology

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COUNCIL FOR GEOSCIENCE
 Akapo Jewels
 AI TECHNICAL SERVICES
 PNEUMA JEWELLERS CC
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)
 COUNCIL FOR GEOSCIENCE
 ANGLOGOLD ASHANTI LTD (V/R)
 PNEUMA JEWELLERS CC
 VIRGINIA JEWELLERY SCHOOL
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 Cronimet Chrome Mining Sa Pty Ltd
 CULLINAN DIAMOND MINE (PTY) LTD
 Palabora Copper Pty Ltd
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 COUNCIL FOR GEOSCIENCE
 AI TECHNICAL SERVICES
 SOMKHELE MINE
 IKOTI COAL
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 IMPALA PLATINUM SERVICES LTD
 KAI BATLA MINERALS INDUSTRY
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 LEBOWA PLATINUM MINES
 LEBOWA PLATINUM MINES
 MINTEK
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 HARMONY GOLD MINING CO
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 EXXARO RESOURCES LIMITED
 EXXARO COAL CENTRAL (PTY) LTD

L400713105 Geology
 L720763848 Jewellery Design and Manufacturing
 L180788004 Environmental Management
 L540755511 Jewellery Design and Manufacturing
 L460735717 Electrical Engineering (heavy current)
 L460735717 Chemical Engineering (mineral processing)
 L400713105 Geology
 L460735717 Environmental Management
 L540755511 Jewellery Design and Manufacturing
 L590739233 Jewellery Design and Manufacturing
 L280772676 Metallurgy (mineral processing)
 L660788227 Chemical Engineering (mineral processing)
 L660788227 Mechanical Engineering
 L120771763 Geology
 L530769159 Mechanical Engineering
 L430771826 Industrial Engineering
 L280772676 Metallurgy (mineral processing)
 L400713105 Mining Engineering
 L180788004 Chemical Engineering (mineral processing)
 L490768985 Mechanical Engineering
 L450788684 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L520713662 Mining Engineering
 L770769893 Geology
 L280772676 Metallurgy (mineral processing)
 L870767110 Geology
 L870767110 Geology
 L180720718 Chemical Engineering (mineral processing)
 L180724868 Analytical Chemistry
 L650710538 Geology
 L280772676 Metallurgy (mineral processing)
 L600739082 Mining Engineering
 L100724873 Environmental Management

L430771826 Electrical Engineering (heavy current)
 L260763356 Metallurgy (mineral processing)
 L180788004 Metallurgy (mineral processing)
 L650710538 Environmental Management
 L180788004 Safety Management
 L460735717 Mechanical Engineering
 L400713105 Geology
 L080780564 Mining Engineering
 L460735717 Geology
 L960706747 Jewellery Design and Manufacturing
 L580786855 Geology
 L180788004 Metallurgy (mineral processing)
 L440731711 Jewellery Design and Manufacturing
 L760789000 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L660788227 Mining Engineering
 L870767110 Geology
 L770732933 Mining Engineering
 L690713724 Geology
 L690713724 Mine Survey
 L280772676 Metallurgy (mineral processing)
 L460735717 Environmental Management
 L280772676 Metallurgy (mineral processing)
 L180788004 Environmental Management
 L740735537 Geology
 L180720718 Chemical Engineering (mineral processing)
 L200723254 Geology
 L580760645 Mechanical Engineering
 L560761159 Jewellery Design and Manufacturing
 L260763356 Mining Engineering
 L790791778 Mine Survey
 L460735717 Geology
 L100724873 Environmental Management

Palabora Copper Pty Ltd
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 AI TECHNICAL SERVICES
 HARMONY GOLD MINING CO
 AI TECHNICAL SERVICES
 ANGLOGOLD ASHANTI LTD (V/R)
 COUNCIL FOR GEOSCIENCE
 Richards Bay Mining Pty Ltd
 ANGLOGOLD ASHANTI LTD (V/R)
 ASHOK JEWELLERS
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 AI TECHNICAL SERVICES
 KEITH WHITE DESIGN LTD
 RE TSHEPENG GENERAL CONSTRUCTION 59
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 LEBOWA PLATINUM MINES
 SOUTH DEEP GOLD MINE
 RUSTENBURG PLATINUM MINES LTD
 RUSTENBURG PLATINUM MINES LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 ANGLOGOLD ASHANTI LTD (V/R)
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 AI TECHNICAL SERVICES
 LAFARGE SOUTH AFRICA
 MINTEK
 KLOOF G M CO LTD
 TWO RIVERS PLATINUM (PTY) LTD
 Shadow Jewellers
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 DWARSRIVER CHROME MINE (PTY) LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 EXXARO COAL CENTRAL (PTY) LTD

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ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
KAI BATLA MINERALS INDUSTRY	L770769893	Environmental Management
LAFARGE SOUTH AFRICA	L740735537	Industrial Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
ASHOK JEWELLERS	L960706747	Jewellery Design and Manufacturing
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Metallurgy (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
RUSTENBURG PLATINUM MINES LTD	L690713724	Mining Engineering
Palabora Copper Pty Ltd	L430771826	Metallurgy (mineral processing)
RE TSHEPENG GENERAL CONSTRUCTION 59	L760789000	Mechanical Engineering
Shadow Jewellers	L560761159	Jewellery Design and Manufacturing
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
INTSIKA SKILLS BENEFICIATION PROJECTS	L210757557	Jewellery Design and Manufacturing
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
LAFARGE SOUTH AFRICA	L740735537	Mining Engineering
B HABERL JEWELLERY DESIGNERS	L600738118	Jewellery Design and Manufacturing
RUSTENBURG PLATINUM MINES LTD	L690713724	Mining Engineering
DWARSRIVER CHROME MINE (PTY) LTD	L790791778	Geology
SOUTH DEEP GOLD MINE	L770732933	Geology
MINTEK	L180720718	Chemical Engineering (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
Cronimet Chrome Mining Sa Pty Ltd	L120771763	Safety Management
UNIVERSAL COAL DEVELOPMENT I	L760770661	Metallurgy (mineral processing)
AI TECHNICAL SERVICES	L180788004	Metallurgy (mineral processing)
ANGLOVAAL MINING LIMITED	L310720638	Chemical Engineering (mineral processing)
RUSTENBURG PLATINUM MINES LTD	L690713724	Metallurgy (mineral processing)
XSTRATA SOUTH AFRICA (PTY)LTD MINING DIVISION	L150713636	Environmental Management
HARMONY GOLD MINING CO	L650710538	Mining Engineering
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)

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AI TECHNICAL SERVICES	L180788004	Environmental Management
GOLD FIELDS TRUST PTY LTD	L590723237	Chemical Engineering (mineral processing)
LEBOWA PLATINUM MINES	L870767110	Mechanical Engineering
LAFARGE SOUTH AFRICA	L740735537	Chemical Engineering (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
WESTERN CHROME MINES	L260739364	Environmental Management
MARULA PLATINUM (PTY) LTD	L070732831	Environmental Management
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD	L580786855	Chemical Engineering (mineral processing)
COUNCIL FOR GEOSCIENCE	L400713105	Environmental Management
GOLD FIELDS TRUST PTY LTD	L590723237	Metallurgy (mineral processing)
COUNCIL FOR GEOSCIENCE	L400713105	Geology
LAFARGE SOUTH AFRICA	L740735537	Chemical Engineering (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
MARULA PLATINUM (PTY) LTD	L070732831	Mining Engineering
MINERALS OPERATIONS EXECUTIVE PTY LTD	L180724868	Electrical Engineering (heavy current)
MARULA PLATINUM (PTY) LTD	L070732831	Mechanical Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Analytical Chemistry
Atteridgeville Jewellery Project	L060767706	Jewellery Design and Manufacturing
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mine Survey
LAFARGE SOUTH AFRICA	L740735537	Mining Engineering
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mechanical Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
MASEVE INVESTMENTS 11	L350773471	Mining Engineering
IKOTI COAL	L450788684	Geology
Sephaku Cement	L610768303	Electrical Engineering (heavy current)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
ANGLOVAAL MINING LIMITED	L310720638	Mine Survey
IMPALA PLATINUM SERVICES LTD	L520713662	Mining Engineering
MASEVE INVESTMENTS 11	L350773471	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)

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L180788004 Geology
 L180788004 Chemical Engineering (mineral processing)
 L400713105 Geology
 L570719619 Chemical Engineering (mineral processing)
 L620714073 Mechanical Engineering
 L430771826 Mechanical Engineering
 L770732933 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L400713105 Geology
 L460735717 Mine Survey
 L400713105 Mining Engineering
 L400713105 Environmental Management
 L870767110 Mining Engineering
 L660788227 Mining Engineering
 L460735717 Mining Engineering
 L580786855 Electrical Engineering (heavy current)
 L260763356 Mining Engineering
 L660788227 Geology
 L480717596 Analytical Chemistry
 L460735717 Environmental Management
 L180720718 Chemical Engineering (mineral processing)
 L010739367 Chemical Engineering (mineral processing)
 L460735717 Analytical Chemistry
 L310720638 Mining Engineering
 L760789000 Metallurgy (mineral processing)
 L760789000 Metallurgy (mineral processing)
 L870767110 Environmental Management
 L890720396 Jewellery Design and Manufacturing
 L280772676 Metallurgy (mineral processing)
 L580760645 Mining Engineering
 L870767110 Geology
 L180724868 Metallurgy (mineral processing)
 L460735717 Analytical Chemistry

AI TECHNICAL SERVICES
 AI TECHNICAL SERVICES
 COUNCIL FOR GEOSCIENCE
 HERNIC FERROCHROME PTY LTD
 MATLA COAL NO 2 PAYROLL T2S7
 Palabora Copper Pty Ltd
 SOUTH DEEP GOLD MINE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 COUNCIL FOR GEOSCIENCE
 ANGLOGOLD ASHANTI LTD (V/R)
 COUNCIL FOR GEOSCIENCE
 COUNCIL FOR GEOSCIENCE
 LEBOWA PLATINUM MINES
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 HOLCIM (SOUTH AFRICA) PTY LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 MINTEK
 WONDERKOP SMELTER
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOVAAL MINING LIMITED
 RE TSHEPENG GENERAL CONSTRUCTION 59
 RE TSHEPENG GENERAL CONSTRUCTION 59
 LEBOWA PLATINUM MINES
 MIZANE MANUFACTURING JEWELLERS CC
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TWO RIVERS PLATINUM (PTY) LTD
 LEBOWA PLATINUM MINES
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 ANGLOGOLD ASHANTI LTD (V/R)

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PNEUMA JEWELLERS CC

AI TECHNICAL SERVICES

COUNCIL FOR GEOSCIENCE

LEBOWA PLATINUM MINES

THARISA MINERALS

AI TECHNICAL SERVICES

KAI BATLA MINERALS INDUSTRY

SIBANYE GOLD ACADEMY PROPRIETARY LIMITED

PNEUMA JEWELLERS CC

ANGLOGOLD ASHANTI LTD (V/R)

ANGLOGOLD ASHANTI LTD (V/R)

LAFARGE SOUTH AFRICA

MINTEK

TSHEPO RECRUITMENT MINNING(PTY)LTD

EZULWINI MINING COMPANY

TSHENTU SERVICES (PTY) LTD

AFRIMAT AGGREGATES TRADING

Cronimet Chrome Mining Sa Pty Ltd

AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

Palabora Copper Pty Ltd

KEITH WHITE DESIGN LTD

RUSTENBURG PLATINUM MINES LTD

LEBOWA PLATINUM MINES

Stefanutti Stocks Mining Services Salaries

GOLDPLAT RECOVERY PTY LTD

LEBOWA PLATINUM MINES

AI TECHNICAL SERVICES

IMERY'S REFRACTORY MINERALS SOUTH AFRICA (PTY) LTD

MODIKWA MINING PERSONNEL SERVICES (PTY) LTD

ANGLOGOLD ASHANTI LTD (V/R)

IKOTI COAL

- L540755511 Jewellery Design and Manufacturing
- L180788004 Chemical Engineering (mineral processing)
- L400713105 Geology
- L870767110 Electrical Engineering (heavy current)
- L890769179 Chemical Engineering (mineral processing)
- L180788004 Analytical Chemistry
- L770769893 Geology
- L260763356 Mining Engineering
- L540755511 Jewellery Design and Manufacturing
- L460735717 Electrical Engineering (heavy current)
- L460735717 Mining Engineering
- L740735537 Chemical Engineering (mineral processing)
- L180720718 Metallurgy (mineral processing)
- L660788227 Mine Survey
- L860758509 Metallurgy (mineral processing)
- L140787989 Industrial Engineering
- L950701203 Mine Survey
- L120771763 Metallurgy (mineral processing)
- L650706247 Metallurgy (mineral processing)
- L280772676 Jewellery Design and Manufacturing
- L280772676 Metallurgy (mineral processing)
- L430771826 Geology
- L440731711 Jewellery Design and Manufacturing
- L690713724 Metallurgy (mineral processing)
- L870767110 Mechanical Engineering
- L620774341 Mining Engineering
- L210715738 Metallurgy (mineral processing)
- L870767110 Mechanical Engineering
- L180788004 Environmental Management
- L200713735 Metallurgy (mineral processing)
- L770741231 Environmental Management
- L460735717 Mining Engineering
- L450788684 Metallurgy (mineral processing)

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TSHEPO RECRUITMENT MINNING(PTY)LTD
 PNEUMA JEWELLERS CC
 IVANPLATS (PTY) LTD
 MINTEK
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 PNEUMA JEWELLERS CC
 PNEUMA JEWELLERS CC
 VERGENOEG MINING COMPANY PTY LTD
 HERNIC FERROCHROME PTY LTD
 EVANDER GOLD MINES LTD - KINROSS DIVISION
 Kimberley Underground Mine Jv
 PNEUMA JEWELLERS CC
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 Keaton Mining Pty Ltd
 Palabora Copper Pty Ltd
 KEITH WHITE DESIGN LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 IMFUNDISO SKILLS DEVELOPMENT (PTY) LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 HARMONY GOLD MINING CO
 Klipfontein Sands Pty Ltd
 Stefanutti Stocks Mining Services Salaries
 TAU LEKOA GOLD MINING COMPANY LIMITED
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 RE TSHEPENG GENERAL CONSTRUCTION 59
 MINTEK
 ANGLOVAAL MINING LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 AI TECHNICAL SERVICES
 EXXARO RESOURCES LIMITED
 MODIKWA MINING PERSONNEL SERVICES (PTY) LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

L660788227 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L230738892 Geology
 L180720718 Metallurgy (mineral processing)
 L660788227 Chemical Engineering (mineral processing)
 L540755511 Jewellery Design and Manufacturing
 L540755511 Jewellery Design and Manufacturing
 L270717418 Environmental Management
 L570719619 Electrical Engineering (heavy current)
 L280714058 Geology
 L830772200 Electrical Engineering (heavy current)
 L540755511 Jewellery Design and Manufacturing
 L660788227 Mechanical Engineering
 L010770677 Mining Engineering
 L430771826 Geology
 L440731711 Jewellery Design and Manufacturing
 L260763356 Electrical Engineering (heavy current)
 L910749409 Jewellery Design and Manufacturing
 L280772676 Metallurgy (mineral processing)
 L280772676 Chemical Engineering (mineral processing)
 L650710538 Environmental Management
 L890759907 Electrical Engineering (heavy current)
 L620774341 Mining Engineering
 L530782301 Geology
 L180724868 Analytical Chemistry
 L760789000 Mining Engineering
 L180720718 Metallurgy (mineral processing)
 L310720638 Metallurgy (mineral processing)
 L460735717 Mining Engineering
 L180788004 Safety Management
 L600739082 Metallurgy (mineral processing)
 L770741231 Geology
 L280772676 Metallurgy (mineral processing)

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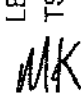
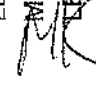
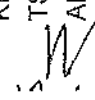
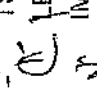

Zerbatone Mining Pty Ltd	L540781806	Mining Engineering
COUNCIL FOR GEOSCIENCE	L400713105	Geology
HARMONY GOLD MINING CO	L650710538	Geology
LEBOWA PLATINUM MINES	L870767110	Mining Engineering
COUNCIL FOR GEOSCIENCE	L400713105	Geology
REDPATH MINING (SA) PTY LTD	L680717230	Mechanical Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Electrical Engineering (heavy current)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
RUSTENBURG PLATINUM MINES LTD	L690713724	Geology
LAFARGE SOUTH AFRICA	L740735537	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
AI TECHNICAL SERVICES	L180788004	Environmental Management
MINTEK	L180720718	Chemical Engineering (mineral processing)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
Palabora Copper Pty Ltd	L430771826	Mining Engineering
AI TECHNICAL SERVICES	L180788004	Safety Management
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mechanical Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
COUNCIL FOR GEOSCIENCE	L400713105	Geology
COUNCIL FOR GEOSCIENCE	L400713105	Geology
LEBOWA PLATINUM MINES	L870767110	Geology
LEBOWA PLATINUM MINES	L870767110	Geology
Palabora Copper Pty Ltd	L430771826	Electrical Engineering (heavy current)
Palabora Copper Pty Ltd	L430771826	Mining Engineering
Palabora Copper Pty Ltd	L430771826	Mining Engineering
Palabora Copper Pty Ltd	L430771826	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
SOUTH DEEP GOLD MINE	L770732933	Mining Engineering
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mining Engineering
AI TECHNICAL SERVICES	L180788004	Safety Management
FRASER ALEXANDER PTY LTD - TAILINGS WAGES	L790759056	Environmental Management

HERNIC FERROCHROME PTY LTD
 LEBOWA PLATINUM MINES
 UNIVERSAL COAL DEVELOPMENT I
 LAFARGE SOUTH AFRICA
 KEITH WHITE DESIGN LTD
 SOUTH DEEP GOLD MINE
 SOUTH DEEP GOLD MINE
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 TSHENTU SERVICES (PTY) LTD
 WESTERN PLATINUM LTD
 SOUTH DEEP GOLD MINE
 Palabora Copper Pty Ltd
 HARMONY GOLD MINING CO
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 EXXARO COAL CENTRAL (PTY) LTD
 Palabora Copper Pty Ltd
 ANGLOGOLD ASHANTI LTD (V/R)
 PNEUMA JEWELLERS CC
 TECHNICAL DEMONSTRATION CENTRE (SECTION 21) COMPANY
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 MINTEK
 TSHENOPO RECRUITMENT MINNING(PTY)LTD
 TSHENTU SERVICES (PTY) LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 Cronimet Chrome Mining Sa Pty Ltd
 ANGLOGOLD ASHANTI LTD (V/R)
 Bme
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 GOLDPLAT RECOVERY PTY LTD
 ANGLOGOLD ASHANTI LTD (V/R)

L570719619 Geology
 L870767110 Geology
 L760770661 Environmental Management
 L740735537 Mining Engineering
 L440731711 Jewellery Design and Manufacturing
 L770732933 Mining Engineering
 L770732933 Mining Engineering
 L460735717 Metallurgy (mineral processing)
 L460735717 Environmental Management
 L260763356 Metallurgy (mineral processing)
 L140787989 Industrial Engineering
 L610713770 Geology
 L770732933 Environmental Management
 L430771826 Analytical Chemistry
 L650710538 Geology
 L280772676 Analytical Chemistry
 L100724873 Geology
 L430771826 Chemical Engineering (mineral processing)
 L460735717 Mechanical Engineering
 L540755511 Jewellery Design and Manufacturing
 L910742990 Geology
 L280772676 Metallurgy (mineral processing)
 L180720718 Chemical Engineering (mineral processing)
 L660788227 Mining Engineering
 L140787989 Metallurgy (mineral processing)
 L460735717 Mechanical Engineering
 L120771763 Metallurgy (mineral processing)
 L460735717 Metallurgy (mineral processing)
 L120776457 Industrial Engineering
 L260763356 Electrical Engineering (heavy current)
 L280772676 Metallurgy (mineral processing)
 L210715738 Metallurgy (mineral processing)
 L460735717 Geology

FOSKOR (PTY) LTD	L920711290	Geology
LAFARGE SOUTH AFRICA	L740735537	Mechanical Engineering
LEBOWA PLATINUM MINES	L870767110	Geology
RUSTENBURG PLATINUM MINES LTD	L690713724	Mechanical Engineering
Akapo Jewels	L720763848	Jewellery Design and Manufacturing
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
Palabora Copper Pty Ltd	L430771826	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
MINERALS OPERATIONS EXECUTIVE PTY LTD	L180724868	Metallurgy (mineral processing)
TSHENTU SERVICES (PTY) LTD	L140787989	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
MARULA PLATINUM (PTY) LTD	L070732831	Environmental Management
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
MURRAY AND ROBERTS CEMENTATION PTY LTD	L540719392	Mining Engineering
Palabora Copper Pty Ltd	L430771826	Mining Engineering
Palabora Copper Pty Ltd	L430771826	Metallurgy (mineral processing)
THARISA MINERALS	L890769179	Electrical Engineering (heavy current)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
SOUTH DEEP GOLD MINE	L770732933	Geology
Akapo Jewels	L720763848	Jewellery Design and Manufacturing
EXXARO COAL (PTY) LTD	L740738762	Electrical Engineering (heavy current)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Electrical Engineering (heavy current)
AL TECHNICAL SERVICES	L180788004	Chemical Engineering (mineral processing)
SMITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD	L650706247	Metallurgy (mineral processing)
COUNCIL FOR GEOSCIENCE	L400713105	Geology
UNIVERSAL COAL DEVELOPMENT I	L760770661	Environmental Management
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
AI TECHNICAL SERVICES	L180788004	Metallurgy (mineral processing)
HARMONY GOLD MINING CO	L650710538	Mine Survey
IDWALA INDUSTRIAL HOLDINGS PTY LTD	L840730834	Chemical Engineering (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
RUSTENBURG PLATINUM MINES LTD	L690713724	Geology
COUNCIL FOR GEOSCIENCE	L400713105	Geology
MINTEK	L180720718	Chemical Engineering (mineral processing)
HARMONY GOLD MINING CO	L650710538	Electrical Engineering (heavy current)
LEBOWA PLATINUM MINES	L870767110	Electrical Engineering (heavy current)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
MIZANE MANUFACTURING JEWELLERS CC	L890720396	Jewellery Design and Manufacturing
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
Cronimet Chrome Mining Sa Pty Ltd	L120771763	Metallurgy (mineral processing)
KAI BATLA MINERALS INDUSTRY	L770769893	Environmental Management
IKOTI COAL	L450788684	Geology
PALABORA MINING CO LTD	L710711468	Chemical Engineering (mineral processing)
LEBOWA PLATINUM MINES	L870767110	Environmental Management
HARMONY GOLD MINING CO	L650710538	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
LEBOWA PLATINUM MINES	L870767110	Metallurgy (mineral processing)
TSHENTU SERVICES (PTY) LTD	L140787989	Electrical Engineering (heavy current)
LEBOWA PLATINUM MINES	L870767110	Electrical Engineering (heavy current)
MIZANE MANUFACTURING JEWELLERS CC	L890720396	Jewellery Design and Manufacturing
LEBOWA PLATINUM MINES	L870767110	Mining Engineering
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Environmental Management
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
TSHENTU SERVICES (PTY) LTD	L140787989	Chemical Engineering (mineral processing)
LEBOWA PLATINUM MINES	L870767110	Mine Survey
IMFUNDISO SKILLS DEVELOPMENT (PTY) LTD	L910749409	Jewellery Design and Manufacturing

THUSANG METALLURGICAL ENGINEERING	TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
LEBOWA PLATINUM MINES		L870767110	Mining Engineering
THUSANG METALLURGICAL ENGINEERING	TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
EXXARO RESOURCES LIMITED		L600739082	Metallurgy (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)		L460735717	Chemical Engineering (mineral processing)
HOLCIM (SOUTH AFRICA) PTY LTD		L480717596	Analytical Chemistry
LEBOWA PLATINUM MINES		L870767110	Geology
ANGLOGOLD ASHANTI LTD (V/R)		L460735717	Mining Engineering
LEBOWA PLATINUM MINES		L870767110	Electrical Engineering (heavy current)
LEBOWA PLATINUM MINES		L870767110	Mine Survey
TALA PROCESSING (PTY) LTD		L770788851	Environmental Management
ANGLOGOLD ASHANTI LTD (V/R)		L460735717	Geology
RUSTENBURG PLATINUM MINES LTD		L690713724	Geology
THARISA MINERALS		L890769179	Geology
ANGLOGOLD ASHANTI LTD (V/R)		L460735717	Environmental Management
BLYVOORUITZICHT GM CO LTD		L300723196	Mining Engineering
HARMONY GOLD MINING CO		L650710538	Electrical Engineering (heavy current)
LEBOWA PLATINUM MINES		L870767110	Geology
Palabora Copper Pty Ltd		L430771826	Environmental Management
ANGLOGOLD ASHANTI LTD (V/R)		L460735717	Mining Engineering
ASHOK JEWELLERS		L960706747	Jewellery Design and Manufacturing
ANGLOGOLD ASHANTI LTD (V/R)		L460735717	Mining Engineering
THUSANG METALLURGICAL ENGINEERING	TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
THUSANG METALLURGICAL ENGINEERING	TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
TSHEPO RECRUITMENT MINNING(PTY)LTD		L660788227	Chemical Engineering (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)		L460735717	Mining Engineering
IKOTI COAL		L450788684	Mining Engineering
IKOTI COAL		L450788684	Metallurgy (mineral processing)
Keaton Mining Pty Ltd		L010770677	Geology
UNIVERSAL COAL DEVELOPMENT I		L760770661	Geology
WORLD OF PLATINUM MARKETING PTY LTD		L350761161	Jewellery Design and Manufacturing
AI TECHNICAL SERVICES		L180788004	Metallurgy (mineral processing)
RUSTENBURG PLATINUM MINES LTD		L690713724	Chemical Engineering (mineral processing)

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TALA PROCESSING (PTY) LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)

Palabora Copper Pty Ltd

SOUTH DEEP GOLD MINE

COUNCIL FOR GEOSCIENCE

COUNCIL FOR GEOSCIENCE

HARMONY GOLD MINING CO

MASEVE INVESTMENTS 11

MINTEK

ANGLOVAAL MINING LIMITED

LEBOWA PLATINUM MINES

MARULA PLATINUM (PTY) LTD

KEITH WHITE DESIGN LTD

RUSTENBURG PLATINUM MINES LTD

Shadow Jewelers

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

COUNCIL FOR GEOSCIENCE

COUNCIL FOR GEOSCIENCE

WORLD OF PLATINUM MARKETING PTY LTD

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

ANGLOGOLD ASHANTI LTD (V/R)

HERNIC FERROCHROME PTY LTD

Palabora Copper Pty Ltd

THARISA MINERALS

LEBOWA PLATINUM MINES

ANGLOGOLD ASHANTI LTD (V/R)

MINTEK

SIBANYE GOLD ACADEMY PROPRIETARY LIMITED

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

AI TECHNICAL SERVICES

L770788851 Electrical Engineering (heavy current)
 L460735717 Environmental Management
 L460735717 Mining Engineering
 L430771826 Electrical Engineering (heavy current)
 L770732933 Electrical Engineering (heavy current)
 L400713105 Geology
 L400713105 Geology
 L650710538 Geology
 L350773471 Environmental Management
 L180720718 Chemical Engineering (mineral processing)
 L310720638 Mining Engineering
 L870767110 Mining Engineering
 L070732831 Mining Engineering
 L440731711 Jewellery Design and Manufacturing
 L690713724 Metallurgy (mineral processing)
 L560761159 Jewellery Design and Manufacturing
 L280772676 Chemical Engineering (mineral processing)
 L400713105 Geology
 L400713105 Geology
 L350761161 Jewellery Design and Manufacturing
 L280772676 Metallurgy (mineral processing)
 L460735717 Metallurgy (mineral processing)
 L570719619 Metallurgy (mineral processing)
 L430771826 Mining Engineering
 L890769179 Metallurgy (mineral processing)
 L870767110 Geology
 L460735717 Mining Engineering
 L180720718 Electrical Engineering (heavy current)
 L260763356 Electrical Engineering (heavy current)
 L280772676 Metallurgy (mineral processing)
 L280772676 Chemical Engineering (mineral processing)
 L280772676 Analytical Chemistry
 L180788004 Analytical Chemistry

IKOTI COAL
 COUNCIL FOR GEOSCIENCE
 SOUTH DEEP GOLD MINE
 HARMONY GOLD MINING CO
 FRASER ALEXANDER PTY LTD
 RUSTENBURG PLATINUM MINES LTD
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 THALIWE'S TRADING ENTERPRISE CC
 ANGLOGOLD ASHANTI LTD (V/R)
 AI TECHNICAL SERVICES
 Keaton Mining Pty Ltd
 AI TECHNICAL SERVICES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)
 BUFFELSFONTEIN GOLD MINE
 AI TECHNICAL SERVICES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 PNEUMA JEWELLERS CC
 SOUTH DEEP GOLD MINE
 HARMONY GOLD MINING CO
 EXXARO RESOURCES LIMITED
 LEBOWA PLATINUM MINES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 MURRAY AND ROBERTS CEMENTATION PTY LTD
 MARULA PLATINUM (PTY) LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 AI TECHNICAL SERVICES
 Zerbatone Mining Pty Ltd
 Zerbatone Mining Pty Ltd
 ANGLOGOLD ASHANTI LTD (V/R)
 FOSKOR (PTY) LTD

L450788684 Geology
 L400713105 Geology
 L770732933 Mine Survey
 L650710538 Electrical Engineering (heavy current)
 L580759050 Industrial Engineering
 L690713724 Electrical Engineering (heavy current)
 L580786855 Electrical Engineering (heavy current)
 L460735717 Analytical Chemistry
 L700788245 Electrical Engineering (heavy current)
 L460735717 Geology
 L180788004 Chemical Engineering (mineral processing)
 L010770677 Electrical Engineering (heavy current)
 L180788004 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L460735717 Safety Management
 L460735717 Mining Engineering
 L020710689 Chemical Engineering (mineral processing)
 L180788004 Environmental Management
 L260763356 Metallurgy (mineral processing)
 L540755511 Jewellery Design and Manufacturing
 L770732933 Metallurgy (mineral processing)
 L650710538 Geology
 L600739082 Metallurgy (mineral processing)
 L870767110 Geology
 L260763356 Mining Engineering
 L540719392 Mining Engineering
 L070732831 Safety Management
 L280772676 Chemical Engineering (mineral processing)
 L180788004 Metallurgy (mineral processing)
 L540781806 Mining Engineering
 L540781806 Mining Engineering
 L460735717 Mining Engineering
 L920711290 Mining Engineering

L440731711 Jewellery Design and Manufacturing
 L430771826 Environmental Management
 L430771826 Mechanical Engineering
 L140787989 Metallurgy (mineral processing)
 L680717230 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L600739082 Mining Engineering
 L180724868 Metallurgy (mineral processing)
 L910731530 Mechanical Engineering
 L280772676 Metallurgy (mineral processing)
 L520713662 Mining Engineering
 L260763356 Mining Engineering
 L260763356 Mining Engineering
 L540719392 Mining Engineering
 L540719392 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L430771826 Industrial Engineering
 L770741231 Mine Survey
 L660788227 Mechanical Engineering
 L690713724 Geology
 L740735537 Chemical Engineering (mineral processing)
 L180720718 Metallurgy (mineral processing)
 L540781806 Mining Engineering
 L100724873 Geology
 L180724868 Chemical Engineering (mineral processing)
 L580759050 Industrial Engineering
 L650710538 Metallurgy (mineral processing)
 L620768327 Electrical Engineering (heavy current)
 L260763356 Mechanical Engineering
 L650710538 Chemical Engineering (mineral processing)
 L180788004 Environmental Management
 L180788004 Metallurgy (mineral processing)
 L870747542 Geology

KEITH WHITE DESIGN LTD
 Palabora Copper Pty Ltd
 Palabora Copper Pty Ltd
 TSHENTU SERVICES (PTY) LTD
 REDPATH MINING (SA) PTY LTD
 PNEUMA JEWELLERS CC
 EXXARO RESOURCES LIMITED
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 SOUTH AFRICAN FERROCHROME AND MINING PTY LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 IMPALA PLATINUM SERVICES LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 MURRAY AND ROBERTS CEMENTATION PTY LTD
 MURRAY AND ROBERTS CEMENTATION PTY LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 Palabora Copper Pty Ltd
 MODIKWA MINING PERSONNEL SERVICES (PTY) LTD
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 RUSTENBURG PLATINUM MINES LTD
 LAFARGE SOUTH AFRICA
 MINTEK
 Zerkatone Mining Pty Ltd
 EXXARO COAL CENTRAL (PTY) LTD
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 FRASER ALEXANDER PTY LTD
 SHARMONY GOLD MINING CO
 RHUMANI IRON ORE MINE
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 HARMONY GOLD MINING CO
 AI TECHNICAL SERVICES
 AI TECHNICAL SERVICES
 Glen Douglas Dolomite Pty Ltd





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Palabora Copper Pty Ltd
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)
 PNEUMA JEWELLERS CC
 HERNIC FERROCHROME PTY LTD
 Shadow Jewelers
 ANGLOGOLD ASHANTI LTD (V/R)
 FRASER ALEXANDER PTY LTD
 AI TECHNICAL SERVICES
 COUNCIL FOR GEOSCIENCE
 GOLD FIELDS TRUST PTY LTD
 Palabora Copper Pty Ltd
 TROLLOPE MINING SERVICES (2000) PTY LTD
 Palabora Copper Pty Ltd
 WORLD OF PLATINUM MARKETING PTY LTD
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 Palabora Copper Pty Ltd
 LEBOWA PLATINUM MINES
 AI TECHNICAL SERVICES
 LEBOWA PLATINUM MINES
 HARMONY GOLD MINING CO
 ANGLOGOLD ASHANTI LTD (V/R)
 LEBOWA PLATINUM MINES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 COUNCIL FOR GEOSCIENCE
 ANGLOGOLD ASHANTI LTD (V/R)
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 Glen Douglas Dolomite Pty Ltd
 MINTEK
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 LAFARGE SOUTH AFRICA
 Palabora Copper Pty Ltd
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED

L430771826 Mining Engineering
 L460735717 Mining Engineering
 L460735717 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L570719619 Mining Engineering
 L560761159 Jewellery Design and Manufacturing
 L460735717 Chemical Engineering (mineral processing)
 L580759050 Industrial Engineering
 L180788004 Chemical Engineering (mineral processing)
 L400713105 Geology
 L590723237 Metallurgy (mineral processing)
 L430771826 Electrical Engineering (heavy current)
 L840713756 Mine Survey
 L430771826 Metallurgy (mineral processing)
 L350761161 Jewellery Design and Manufacturing
 L650706247 Mining Engineering
 L430771826 Metallurgy (mineral processing)
 L870767110 Electrical Engineering (heavy current)
 L180788004 Environmental Management
 L870767110 Geology
 L650710538 Geology
 L460735717 Mine Survey
 L870767110 Geology
 L260763356 Chemical Engineering (mineral processing)
 L400713105 Geology
 L460735717 Environmental Management
 L260763356 Mining Engineering
 L870747542 Mechanical Engineering
 L180720718 Chemical Engineering (mineral processing)
 L260763356 Mining Engineering
 L740735537 Chemical Engineering (mineral processing)
 L430771826 Geology
 L260763356 Geology

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Bomanxele Trading and Projects	L060788603	Industrial Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
EXXARO COAL (PTY) LTD	L740738762	Electrical Engineering (heavy current)
Jindal Mining Sa Pty Ltd	L730773472	Metallurgy (mineral processing)
Keaton Mining Pty Ltd	L010770677	Metallurgy (mineral processing)
ANGLOVAAL MINING LIMITED	L310720638	Metallurgy (mineral processing)
BUFFELSFONTEIN GOLD MINE	L020710689	Mechanical Engineering
VUNENE MINING (PTY) LTD	L080771183	Environmental Management
UNIVERSAL COAL DEVELOPMENT I	L760770661	Environmental Management
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
HARMONY GOLD MINING CO	L650710538	Metallurgy (mineral processing)
MINERALS OPERATIONS EXECUTIVE PTY LTD	L180724868	Metallurgy (mineral processing)
TSHENO RECRUITMENT MINNING(PTY)LTD	L660788227	Mechanical Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mine Survey
MINTEK	L180720718	Chemical Engineering (mineral processing)
LAFARGE SOUTH AFRICA	L740735537	Mechanical Engineering
B HABERL JEWELLERY DESIGNERS	L600738118	Jewellery Design and Manufacturing
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
NKOMATI MINE	L850763220	Mining Engineering
AI TECHNICAL SERVICES	L180788004	Chemical Engineering (mineral processing)
COUNCIL FOR GEOSCIENCE	L400713105	Geology
Art In Jewellery Manufacture And Training	L490776426	Jewellery Design and Manufacturing
MIZANE MANUFACTURING JEWELLERS CC	L890720396	Jewellery Design and Manufacturing
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
Akapo Jewels	L720763848	Jewellery Design and Manufacturing
MIZANE MANUFACTURING JEWELLERS CC	L890720396	Jewellery Design and Manufacturing
LAFARGE SOUTH AFRICA	L740735537	Analytical Chemistry
B HABERL JEWELLERY DESIGNERS	L600738118	Jewellery Design and Manufacturing
RE TSHEPENG GENERAL CONSTRUCTION 59	L760789000	Electrical Engineering (heavy current)
EXXARO RESOURCES LIMITED	L600739082	Geology
HARMONY GOLD MINING CO	L650710538	Analytical Chemistry
AI TECHNICAL SERVICES	L180788004	Environmental Management

FRASER ALEXANDER PTY LTD	L580759050	Chemical Engineering (mineral processing)
ASHOK JEWELLERS	L960706747	Jewellery Design and Manufacturing
AI TECHNICAL SERVICES	L180788004	Environmental Management
SOUTH DEEP GOLD MINE	L770732933	Environmental Management
COUNCIL FOR GEOSCIENCE	L400713105	Geology
Glen Douglas Dolomite Pty Ltd	L870747542	Mining Engineering
MINTEK	L180720718	Analytical Chemistry
MURRAY AND ROBERTS CEMENTATION PTY LTD	L540719392	Mining Engineering
AFRIMAT AGGREGATES (KZN) (PTY) LTD	L870729615	Mechanical Engineering
HARMONY GOLD MINING CO	L650710538	Geology
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
AFRIMAT AGGREGATES (KZN) (PTY) LTD	L870729615	Geology
THARISA MINERALS	L890769179	Chemical Engineering (mineral processing)
SOUTH DEEP GOLD MINE	L770732933	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
CONCOR PROJECTS (PTY) LTD	L420737282	Mining Engineering
IMPALA PLATINUM SERVICES LTD	L520713662	Mechanical Engineering
Palabora Copper Pty Ltd	L430771826	Mining Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
UNIVERSAL COAL DEVELOPMENT I	L760770661	Electrical Engineering (heavy current)
COUNCIL FOR GEOSCIENCE	L400713105	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
MATLA COAL NO 2 PAYROLL T2S7	L620714073	Geology
AI TECHNICAL SERVICES	L180788004	Metallurgy (mineral processing)
EXXARO RESOURCES LIMITED	L600739082	Mechanical Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
Chronimet Chrome Mining Sa Pty Ltd	L120771763	Environmental Management
SOUTH DEEP GOLD MINE	L770732933	Geology
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
Sephaku Cement	L610768303	Safety Management
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mine Survey
Shadow Jewelers	L560761159	Jewellery Design and Manufacturing
THARISA MINERALS	L890769179	Chemical Engineering (mineral processing)

IMPALA PLATINUM SERVICES LTD	L520713662	Mining Engineering
MASEVE INVESTMENTS 11	L350773471	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
LEBOWA PLATINUM MINES	L870767110	Environmental Management
SOFFIA FINE JEWELLERY CC	L070781135	Jewellery Design and Manufacturing
MINERALS OPERATIONS EXECUTIVE PTY LTD	L180724868	Electrical Engineering (heavy current)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
UNIVERSAL COAL DEVELOPMENT I	L760770861	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
MINTEK	L180720718	Chemical Engineering (mineral processing)
Cons Murch Mine	L710777022	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
AI TECHNICAL SERVICES	L180788004	Metallurgy (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mechanical Engineering
KAI BATLA MINERALS INDUSTRY	L770769893	Geology
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
FRASER ALEXANDER PTY LTD	L580759050	Industrial Engineering
HARMONY GOLD MINING CO	L650710538	Environmental Management
Zerbatone Mining Pty Ltd	L540781806	Mining Engineering
MIZANE MANUFACTURING JEWELLERS CC	L890720396	Jewellery Design and Manufacturing
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
CAFARGE SOUTH AFRICA	L740735537	Mechanical Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mechanical Engineering
CAFARGE SOUTH AFRICA	L740735537	Mechanical Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Electrical Engineering (heavy current)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Analytical Chemistry
Richards Bay Mining Pty Ltd	L080780564	Electrical Engineering (heavy current)
FRASER ALEXANDER PTY LTD	L580759050	Industrial Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)

Palabora Copper Pty Ltd
 HOLCIM (SOUTH AFRICA) PTY LTD
 COUNCIL FOR GEOSCIENCE
 LAFARGE SOUTH AFRICA
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 Palabora Copper Pty Ltd
 IDWALA INDUSTRIAL MINERALS
 REDPATH MINING (SA) PTY LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 COUNCIL FOR GEOSCIENCE
 WESTERN PLATINUM LTD
 LEBOWA PLATINUM MINES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 ANGLOGOLD ASHANTI LTD (V/R)
 COUNCIL FOR GEOSCIENCE
 IKOTI COAL
 Palabora Copper Pty Ltd
 LEBOWA PLATINUM MINES
 ANGLOGOLD ASHANTI LTD (V/R)
 COUNCIL FOR GEOSCIENCE
 IMPALA PLATINUM SERVICES LTD
 KAI BATLA MINERALS INDUSTRY
 AFRIMAT AGGREGATES (EASTERN CAPE) (PTY) LTD
 KAI TECHNICAL SERVICES
 Glen Douglas Dolomite Pty Ltd
 EZULWINI MINING COMPANY
 Sephaku Cement
 RE TSHEPENG GENERAL CONSTRUCTION 59
 LEBOWA PLATINUM MINES
 ANGLOGOLD ASHANTI LTD (V/R)
 UNIVERSAL COAL DEVELOPMENT I
 ANGLOGOLD ASHANTI LTD (V/R)
 LAFARGE SOUTH AFRICA

L430771826 Metallurgy (mineral processing)
 L480717596 Analytical Chemistry
 L400713105 Geology
 L740735537 Mechanical Engineering
 L660788227 Mechanical Engineering
 L430771826 Metallurgy (mineral processing)
 L750715668 Geology
 L680717230 Mechanical Engineering
 L460735717 Mining Engineering
 L400713105 Geology
 L610713770 Geology
 L870767110 Geology
 L280772676 Metallurgy (mineral processing)
 L460735717 Electrical Engineering (heavy current)
 L400713105 Geology
 L450788684 Geology
 L430771826 Electrical Engineering (heavy current)
 L870767110 Chemical Engineering (mineral processing)
 L460735717 Environmental Management
 L400713105 Geology
 L520713662 Mining Engineering
 L770769893 Environmental Management
 L660725435 Environmental Management
 L180788004 Metallurgy (mineral processing)
 L870747542 Geology
 L860758509 Mine Survey
 L610768303 Metallurgy (mineral processing)
 L760789000 Chemical Engineering (mineral processing)
 L870767110 Mining Engineering
 L460735717 Mechanical Engineering
 L760770661 Geology
 L460735717 Electrical Engineering (heavy current)
 L740735537 Mining Engineering

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TECHNICAL DEMONSTRATION CENTRE (SECTION 21) COMPANY
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 PNEUMA JEWELLERS CC
 ANGLOGOLD ASHANTI LTD (VIR)
 HARMONY GOLD MINING CO
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 EXXARO COAL (PTY) LTD
 Keaton Mining Pty Ltd
 COUNCIL FOR GEOSCIENCE
 LEBOWA PLATINUM MINES
 NICOLOR (PTY) LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 LAFARGE SOUTH AFRICA
 COUNCIL FOR GEOSCIENCE
 LEBOWA PLATINUM MINES
 Palabora Copper Pty Ltd
 XSTRATA COAL - TWEEDFONTEIN
 PNEUMA JEWELLERS CC
 Klipfontein Sands Pty Ltd
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 MARULA PLATINUM (PTY) LTD
 COUNCIL FOR GEOSCIENCE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 MINTEK
 Cronimet Chrome Mining Sa Pty Ltd
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 COUNCIL FOR GEOSCIENCE
 GOLD FIELDS TRUST PTY LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 METSKILL (PTY) LTD
 COUNCIL FOR GEOSCIENCE
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED

L910742990 Geology
 L180724868 Analytical Chemistry
 L540755511 Jewellery Design and Manufacturing
 L460735717 Environmental Management
 L650710538 Geology
 L660788227 Mechanical Engineering
 L740738762 Chemical Engineering (mineral processing)
 L010770677 Mechanical Engineering
 L400713105 Chemical Engineering (mineral processing)
 L870767110 Safety Management
 L730782291 Analytical Chemistry
 L280772676 Electrical Engineering (heavy current)
 L280772676 Chemical Engineering (mineral processing)
 L740735537 Chemical Engineering (mineral processing)
 L400713105 Geology
 L870767110 Chemical Engineering (mineral processing)
 L430771826 Electrical Engineering (heavy current)
 L460714654 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L890759907 Electrical Engineering (heavy current)
 L280772676 Metallurgy (mineral processing)
 L070732831 Mining Engineering
 L400713105 Geology
 L280772676 Chemical Engineering (mineral processing)
 L180720718 Mechanical Engineering
 L120771763 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L400713105 Chemical Engineering (mineral processing)
 L590723237 Metallurgy (mineral processing)
 L280772676 Mechanical Engineering
 L460755236 Metallurgy (mineral processing)
 L400713105 Geology
 L260763356 Mining Engineering

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L540755511 Jewellery Design and Manufacturing
 L180720718 Chemical Engineering (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L890769179 Mining Engineering
 L580759050 Chemical Engineering (mineral processing)
 L180724868 Metallurgy (mineral processing)
 L180788004 Metallurgy (mineral processing)
 L400713105 Geology
 L280772676 Chemical Engineering (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L590739233 Jewellery Design and Manufacturing
 L460735717 Analytical Chemistry
 L770732933 Industrial Engineering
 L280772676 Metallurgy (mineral processing)
 L770769893 Geology
 L350761161 Jewellery Design and Manufacturing
 L770788851 Safety Management
 L430771826 Electrical Engineering (heavy current)
 L180720718 Geology
 L760789000 Mining Engineering
 L660788227 Metallurgy (mineral processing)
 L610768303 Chemical Engineering (mineral processing)
 L210715738 Electrical Engineering (heavy current)
 L530782301 Mining Engineering
 L610713770 Geology
 L350761161 Jewellery Design and Manufacturing
 L620714073 Mining Engineering
 L770732933 Chemical Engineering (mineral processing)
 L400713105 Geology
 L260763356 Mining Engineering
 L460735717 Environmental Management
 L260763356 Mining Engineering

PNEUMA JEWELLERS CC
 MINTEK
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THARISA MINERALS
 FRASER ALEXANDER PTY LTD
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 AI TECHNICAL SERVICES
 COUNCIL FOR GEOSCIENCE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 VIRGINIA JEWELLERY SCHOOL
 ANGLOGOLD ASHANTI LTD (V/R)
 SOUTH DEEP GOLD MINE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 KAI BATLA MINERALS INDUSTRY
 WORLD OF PLATINUM MARKETING PTY LTD
 TALA PROCESSING (PTY) LTD
 Palabora Copper Pty Ltd
 MINTEK
 RE TSHEPENG GENERAL CONSTRUCTION 59
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 Sephaku Cement
 GOLDPLAT RECOVERY PTY LTD
 TAU LEKOA GOLD MINING COMPANY LIMITED
 WESTERN PLATINUM LTD
 WORLD OF PLATINUM MARKETING PTY LTD
 MATLA COAL NO 2 PAYROLL T2S7
 SOUTH DEEP GOLD MINE
 COUNCIL FOR GEOSCIENCE
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED

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AI TECHNICAL SERVICES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THARISA MINERALS
 PNEUMA JEWELLERS CC
 MINTEK
 HARMONY GOLD MINING CO
 LAFARGE SOUTH AFRICA
 ANGLOGOLD ASHANTI LTD (V/R)
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 DE BEERS CONSOLIDATED MINES PROPRIETARY LIMITED
 BLYVOORUITZICHT GM CO LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 HARMONY GOLD MINING CO
 TSHENTU SERVICES (PTY) LTD
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY) LTD
 RE TSHEPENG GENERAL CONSTRUCTION 59
 Shadow Jewelers
 EXXARO RESOURCES LIMITED
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 IVANPLATS (PTY) LTD
 GOLD FIELDS TRUST PTY LTD
 LAFARGE SOUTH AFRICA
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 WORLD OF PLATINUM MARKETING PTY LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 MURRAY AND ROBERTS CEMENTATION PTY LTD
 PNEUMA JEWELLERS CC
 KAI BATLA MINERALS INDUSTRY
 NICOLOR (PTY) LTD
 ASHOK JEWELLERS
 Shadow Jewelers
 TSHEPO RECRUITMENT MINNING (PTY) LTD

L180788004 Chemical Engineering (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L890769179 Metallurgy (mineral processing)
 L540755511 Jewellery Design and Manufacturing
 L180720718 Electrical Engineering (heavy current)
 L650710538 Geology
 L740735537 Chemical Engineering (mineral processing)
 L460735717 Electrical Engineering (heavy current)
 L280772676 Mechanical Engineering
 L260763356 Metallurgy (mineral processing)
 L910750852 Geology
 L300723196 Geology
 L260763356 Mining Engineering
 L650710538 Analytical Chemistry
 L140787989 Metallurgy (mineral processing)
 L580786855 Mining Engineering
 L760789000 Chemical Engineering (mineral processing)
 L560761159 Jewellery Design and Manufacturing
 L600739082 Industrial Engineering
 L280772676 Chemical Engineering (mineral processing)
 L230738892 Environmental Management
 L590723237 Mining Engineering
 L740735537 Chemical Engineering (mineral processing)
 L260763356 Metallurgy (mineral processing)
 L350761161 Jewellery Design and Manufacturing
 L460735717 Environmental Management
 L540719392 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L770769893 Geology
 L730782291 Metallurgy (mineral processing)
 L960706747 Jewellery Design and Manufacturing
 L560761159 Jewellery Design and Manufacturing
 L660788227 Mining Engineering

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ANGLOVAAL MINING LIMITED	L310720638	Mining Engineering
AFRIMAT CONTRACTING INTERNATIONAL	L290779588	Mechanical Engineering
MINTEK	L180720718	Metallurgy (mineral processing)
NKOMATI MINE	L850763220	Metallurgy (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Industrial Engineering
SOUTH DEEP GOLD MINE	L770732933	Environmental Management
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Analytical Chemistry
IDWALA INDUSTRIAL HOLDINGS PTY LTD	L840730834	Chemical Engineering (mineral processing)
Palabora Copper Pty Ltd	L430771826	Mining Engineering
NICOLOR (PTY) LTD	L730782291	Safety Management
MASEVE INVESTMENTS 11	L350773471	Geology
SOUTH DEEP GOLD MINE	L770732933	Geology
TROLLOPE MINING SERVICES (2000) PTY LTD	L840713756	Mine Survey
IVANPLATS (PTY) LTD	L230738892	Metallurgy (mineral processing)
EZULWINI MINING COMPANY	L860758509	Geology
LAFARGE SOUTH AFRICA	L740735537	Environmental Management
SOUTH AFRICAN FERROCHROME AND MINING PTY LTD	L910731530	Safety Management
TSHENTU SERVICES (PTY) LTD	L140787989	Metallurgy (mineral processing)
TSHENTU SERVICES (PTY) LTD	L140787989	Metallurgy (mineral processing)
Shadow Jewelers	L560761159	Jewellery Design and Manufacturing
TSHENTU SERVICES (PTY) LTD	L140787989	Industrial Engineering
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mechanical Engineering
ASSMANG LTD	L090758485	Geology
HERNIC FERROCHROME PTY LTD	L570719619	Chemical Engineering (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
RUSTENBURG PLATINUM MINES LTD	L690713724	Metallurgy (mineral processing)
MATLA COAL NO 2 PAYROLL T2S7	L620714073	Electrical Engineering (heavy current)
HARMONY GOLD MINING CO	L650710538	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
Sephaku Cement	L610768303	Chemical Engineering (mineral processing)

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KAI BATLA MINERALS INDUSTRY
 RARE EARTH CREATIONS (PTY) LTD
 SOUTH DEEP GOLD MINE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 RE TSHEPENG GENERAL CONSTRUCTION 59
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 HARMONY GOLD MINING CO
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 RE TSHEPENG GENERAL CONSTRUCTION 59
 SOUTH DEEP GOLD MINE
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 ANGLOGOLD ASHANTI LTD (VIR)
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 ASHOK JEWELLERS
 TSHENTU SERVICES (PTY) LTD
 Sephaku Cement
 ANGLOGOLD ASHANTI LTD (VIR)
 EXXARO RESOURCES LIMITED
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 AI TECHNICAL SERVICES
 KEITH WHITE DESIGN LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 WESTERN PLATINUM LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 LEBOWA PLATINUM MINES
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 BLYVOORUITZICHT GM CO LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 BAFOKENG RASIMONE MANAGEMENT SERVICES PTY LTD

L770769893 Geology
 L170747788 Jewellery Design and Manufacturing
 L770732933 Geology
 L280772676 Metallurgy (mineral processing)
 L760789000 Analytical Chemistry
 L280772676 Chemical Engineering (mineral processing)
 L650710538 Mining Engineering
 L280772676 Chemical Engineering (mineral processing)
 L760789000 Mining Engineering
 L770732933 Mining Engineering
 L580786855 Electrical Engineering (heavy current)
 L460735717 Mining Engineering
 L280772676 Analytical Chemistry
 L960706747 Jewellery Design and Manufacturing
 L140787989 Electrical Engineering (heavy current)
 L610768303 Electrical Engineering (heavy current)
 L460735717 Mining Engineering
 L600739082 Electrical Engineering (heavy current)
 L280772676 Metallurgy (mineral processing)
 L660788227 Mining Engineering
 L260763356 Electrical Engineering (heavy current)
 L180788004 Environmental Management
 L440731711 Jewellery Design and Manufacturing
 L260763356 Metallurgy (mineral processing)
 L280772676 Analytical Chemistry
 L610713770 Mining Engineering
 L280772676 Analytical Chemistry
 L870767110 Electrical Engineering (heavy current)
 L180724868 Geology
 L280772676 Metallurgy (mineral processing)
 L300723196 Chemical Engineering (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L820734343 Mining Engineering

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PNEUMA JEWELLERS CC
 LAFARGE SOUTH AFRICA
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 AI TECHNICAL SERVICES
 Palabora Copper Pty Ltd
 VIRGINIA JEWELLERY SCHOOL
 ANGLOGOLD ASHANTI LTD (V/R)
 IMPALA PLATINUM SERVICES LTD
 KEITH WHITE DESIGN LTD
 LAFARGE SOUTH AFRICA
 AI TECHNICAL SERVICES
 LEBOWA PLATINUM MINES
 Bomanxele Trading and Projects
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 IMPALA PLATINUM SERVICES LTD
 MINTEK
 RARE EARTH CREATIONS (PTY) LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 FRASER ALEXANDER PTY LTD
 KEITH WHITE DESIGN LTD
 KAI BATLA MINERALS INDUSTRY
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 SAB DER BANK JEWELLERS CC
 GOLD FIELDS TRUST PTY LTD
 IMPALA PLATINUM SERVICES LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 PNEUMA JEWELLERS CC
 LEBOWA PLATINUM MINES

L540755511 Jewellery Design and Manufacturing
 L740735537 Analytical Chemistry
 L660788227 Environmental Management
 L260763356 Chemical Engineering (mineral processing)
 L460735717 Mining Engineering
 L180788004 Metallurgy (mineral processing)
 L430771826 Electrical Engineering (heavy current)
 L590739233 Jewellery Design and Manufacturing
 L460735717 Chemical Engineering (mineral processing)
 L520713662 Electrical Engineering (heavy current)
 L440731711 Jewellery Design and Manufacturing
 L740735537 Electrical Engineering (heavy current)
 L180788004 Metallurgy (mineral processing)
 L870767110 Mechanical Engineering
 L060788603 Geology
 L260763356 Mechanical Engineering
 L520713662 Mining Engineering
 L180720718 Chemical Engineering (mineral processing)
 L170747788 Jewellery Design and Manufacturing
 L260763356 Mining Engineering
 L580759050 Chemical Engineering (mineral processing)
 L440731711 Jewellery Design and Manufacturing
 L770769893 Geology
 L280772676 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L350749265 Jewellery Design and Manufacturing
 L590723237 Mechanical Engineering
 L520713662 Mining Engineering
 L460735717 Environmental Management
 L260763356 Mining Engineering
 L260763356 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L870767110 Geology

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ANGLOGOLD ASHANTI LTD (V/R)
 COUNCIL FOR GEOSCIENCE
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 Palabora Copper Pty Ltd
 TALA PROCESSING (PTY) LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 ASSMANG LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 TSHENTU SERVICES (PTY) LTD
 SOUTH DEEP GOLD MINE
 ANGLOGOLD ASHANTI LTD (V/R)
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 KEITH WHITE DESIGN LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 TSHENTU SERVICES (PTY) LTD
 MARULA PLATINUM (PTY) LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 AI TECHNICAL SERVICES
 MINTEK
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 LEBOWA PLATINUM MINES
 Zerkatone Mining Pty Ltd
 ANGLOGOLD ASHANTI LTD (V/R)
 DE BEERS CONSOLIDATED MINES PROPRIETARY LIMITED
 Palabora Copper Pty Ltd
 AI TECHNICAL SERVICES
 AI TECHNICAL SERVICES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 GOLD FIELDS TRUST PTY LTD
 AFRIMAT CONTRACTING INTERNATIONAL

L460735717 Geology
 L400713105 Geology
 L260763356 Mining Engineering
 L430771826 Chemical Engineering (mineral processing)
 L770788851 Mining Engineering
 L460735717 Geology
 L090758485 Environmental Management
 L460735717 Environmental Management
 L140787989 Chemical Engineering (mineral processing)
 L770732933 Electrical Engineering (heavy current)
 L460735717 Mining Engineering
 L580786855 Industrial Engineering
 L440731711 Jewellery Design and Manufacturing
 L460735717 Geology
 L260763356 Metallurgy (mineral processing)
 L460735717 Geology
 L140787989 Chemical Engineering (mineral processing)
 L070732831 Mining Engineering
 L460735717 Safety Management
 L180788004 Metallurgy (mineral processing)
 L180720718 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L650706247 Mining Engineering
 L870767110 Environmental Management
 L540781806 Mining Engineering
 L460735717 Chemical Engineering (mineral processing)
 L910750852 Geology
 L430771826 Mining Engineering
 L180788004 Metallurgy (mineral processing)
 L180788004 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L590723237 Mechanical Engineering
 L290779588 Mechanical Engineering

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WONDERKOP SMELTER	L010739367	Electrical Engineering (heavy current)
Keaton Mining Pty Ltd	L010770677	Electrical Engineering (heavy current)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Metallurgy (mineral processing)
TSHENTU SERVICES (PTY) LTD	L140787989	Metallurgy (mineral processing)
Glen Douglas Dolomite Pty Ltd	L870747542	Mining Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
IMPALA PLATINUM SERVICES LTD	L520713662	Chemical Engineering (mineral processing)
SOUTH DEEP GOLD MINE	L770732933	Geology
HERNIC FERROCHROME PTY LTD	L570719619	Mining Engineering
THALIWE'S TRADING ENTERPRISE CC	L700788245	Mechanical Engineering
COUNCIL FOR GEOSCIENCE	L400713105	Geology
LAFARGE SOUTH AFRICA	L740735537	Environmental Management
BAFOKENG RASIMONE MANAGEMENT SERVICES PTY LTD	L820734343	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
MODIKWA MINING PERSONNEL SERVICES (PTY) LTD	L770741231	Geology
LAFARGE SOUTH AFRICA	L740735537	Mining Engineering
ANGLOVAAL MINING LIMITED	L310720638	Mining Engineering
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
AI TECHNICAL SERVICES	L180788004	Environmental Management
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
COUNCIL FOR GEOSCIENCE	L400713105	Geology
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Geology
ANGLOVAAL MINING LIMITED	L310720638	Metallurgy (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
SOUTH DEEP GOLD MINE	L770732933	Geology
THALIWE'S TRADING ENTERPRISE CC	L700788245	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Mechanical Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mining Engineering
WESTERN PLATINUM LTD	L610713770	Mining Engineering

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THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 SOUTH DEEP GOLD MINE
 KEITH WHITE DESIGN LTD
 MARULA PLATINUM (PTY) LTD
 Palabora Copper Pty Ltd
 ANGLOGOLD ASHANTI LTD (V/R)
 FRASER ALEXANDER PTY LTD
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 L580786855 Geology
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 L440731711 Jewellery Design and Manufacturing
 L070732831 Chemical Engineering (mineral processing)
 L430771826 Mining Engineering
 L460735717 Mining Engineering
 L580759050 Industrial Engineering
 L580786855 Geology
 L890769179 Analytical Chemistry
 L280772676 Chemical Engineering (mineral processing)
 L870767110 Environmental Management
 L260763356 Mining Engineering
 L700788245 Metallurgy (mineral processing)
 L400713105 Geology
 L280772676 Metallurgy (mineral processing)
 L180724868 Analytical Chemistry
 L260763356 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L660788227 Mechanical Engineering
 L400713105 Geology
 L650710538 Mechanical Engineering
 L590723237 Metallurgy (mineral processing)
 L870767110 Mine Survey
 L460735717 Environmental Management
 L650710538 Metallurgy (mineral processing)
 L680717230 Safety Management
 L430771826 Geology
 L260763356 Electrical Engineering (heavy current)
 L260763356 Mining Engineering
 L440731711 Jewellery Design and Manufacturing
 L660788227 Mechanical Engineering
 L180788004 Chemical Engineering (mineral processing)

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L870767110 Electrical Engineering (heavy current)
L540719392 Mining Engineering
L430771826 Electrical Engineering (heavy current)
L430771826 Metallurgy (mineral processing)
L760789000 Mining Engineering
L870729615 Electrical Engineering (heavy current)
L890720396 Jewellery Design and Manufacturing
L180720718 Chemical Engineering (mineral processing)
L890720396 Jewellery Design and Manufacturing
L070781135 Jewellery Design and Manufacturing
L520713662 Mining Engineering
L440731711 Jewellery Design and Manufacturing
L460735717 Mining Engineering
L400713105 Geology
L910742990 Geology
L180788004 Environmental Management
L180788004 Geology
L460735717 Geology
L460735717 Analytical Chemistry
L600739082 Electrical Engineering (heavy current)
L180724868 Metallurgy (mineral processing)
L260763356 Mining Engineering
L650710538 Geology
L910750852 Geology
L740735537 Geology
L280772676 Metallurgy (mineral processing)
L060788603 Geology
L580786855 Geology
L450788684 Mining Engineering
L690713724 Environmental Management

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 ANGLOGOLD ASHANTI LTD (V/R)
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L020710689 Chemical Engineering (mineral processing)
 L280772676 Chemical Engineering (mineral processing)
 L100724873 Geology
 L620714073 Environmental Management
 L590723237 Mining Engineering
 L430771826 Geology
 L660788227 Mining Engineering
 L870767110 Geology
 L460735717 Mining Engineering
 L870767110 Geology
 L280772676 Metallurgy (mineral processing)
 L920711290 Mining Engineering
 L460735717 Mining Engineering
 L400713105 Geology
 L870767110 Environmental Management
 L260763356 Mining Engineering
 L680717230 Electrical Engineering (heavy current)
 L400713105 Geology
 L180720718 Analytical Chemistry
 L620768327 Mine Survey
 L180788004 Environmental Management
 L260763356 Electrical Engineering (heavy current)
 L460735717 Safety Management
 L020710689 Geology
 L180788004 Environmental Management
 L180724868 Metallurgy (mineral processing)
 L910742990 Geology
 L400713105 Industrial Engineering
 L770732933 Chemical Engineering (mineral processing)
 L260763356 Geology
 L920711290 Electrical Engineering (heavy current)
 L580786855 Geology
 L760770661 Metallurgy (mineral processing)

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L770769893 Geology
 L580759050 Chemical Engineering (mineral processing)
 L650710538 Geology
 L280772676 Metallurgy (mineral processing)
 L690713724 Chemical Engineering (mineral processing)
 L180720718 Metallurgy (mineral processing)
 L400713105 Geology
 L650710538 Geology
 L280772676 Metallurgy (mineral processing)
 L760770661 Metallurgy (mineral processing)
 L870767110 Geology
 L180788004 Metallurgy (mineral processing)
 L910750852 Geology
 L650710538 Geology
 L460735717 Geology
 L260763356 Mining Engineering
 L580786855 Geology
 L650710538 Environmental Management
 L260763356 Mining Engineering
 L260763356 Mining Engineering
 L460735717 Mine Survey
 L620774341 Mining Engineering
 L310720638 Mining Engineering
 L440731711 Jewellery Design and Manufacturing
 L960706747 Jewellery Design and Manufacturing
 L760789000 Environmental Management
 L400713105 Geology
 L890720396 Jewellery Design and Manufacturing
 L540755511 Jewellery Design and Manufacturing
 L580759050 Chemical Engineering (mineral processing)
 L180720718 Analytical Chemistry
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 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 KEITH WHITE DESIGN LTD
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 L650706247 Geology
 L440731711 Jewellery Design and Manufacturing
 L600739082 Chemical Engineering (mineral processing)
 L770769893 Environmental Management
 L280772676 Geology
 L600738118 Jewellery Design and Manufacturing
 L540755511 Jewellery Design and Manufacturing
 L260763356 Mechanical Engineering
 L460735717 Mining Engineering
 L260763356 Chemical Engineering (mineral processing)
 L580786855 Geology
 L850763220 Geology
 L660788227 Electrical Engineering (heavy current)
 L740735537 Analytical Chemistry
 L180788004 Chemical Engineering (mineral processing)
 L460735717 Mining Engineering
 L870767110 Geology
 L400713105 Geology
 L180788004 Metallurgy (mineral processing)
 L720763848 Jewellery Design and Manufacturing
 L460735717 Environmental Management
 L590723237 Electrical Engineering (heavy current)
 L540755511 Jewellery Design and Manufacturing
 L460735717 Environmental Management
 L770732933 Industrial Engineering
 L750715668 Mining Engineering
 L310734977 Geology
 L960706747 Jewellery Design and Manufacturing
 L600738118 Jewellery Design and Manufacturing
 L260763356 Geology
 L440731711 Jewellery Design and Manufacturing
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 L400713105 Mining Engineering
 L860758509 Geology
 L180720718 Metallurgy (mineral processing)
 L400713105 Metallurgy (mineral processing)
 L540755511 Jewellery Design and Manufacturing
 L660788227 Electrical Engineering (heavy current)
 L140787989 Chemical Engineering (mineral processing)
 L860773573 Geology
 L740735537 Analytical Chemistry
 L620774341 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L890720396 Jewellery Design and Manufacturing
 L120776457 Mining Engineering
 L400713105 Geology
 L140787989 Industrial Engineering
 L400713105 Geology
 L180788004 Chemical Engineering (mineral processing)
 L400713105 Geology
 L180720718 Chemical Engineering (mineral processing)
 L430771826 Metallurgy (mineral processing)
 L280772676 Chemical Engineering (mineral processing)
 L460735717 Metallurgy (mineral processing)
 L180788004 Analytical Chemistry
 L870767110 Geology
 L280772676 Chemical Engineering (mineral processing)
 L180788004 Geology
 L740735537 Chemical Engineering (mineral processing)
 L700788245 Chemical Engineering (mineral processing)
 L180720718 Chemical Engineering (mineral processing)
 L260763356 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L870767110 Geology

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L280772676 Metallurgy (mineral processing)
 L770732933 Geology
 L260763356 Metallurgy (mineral processing)
 L310720638 Environmental Management
 L450788684 Mining Engineering
 L180788004 Environmental Management
 L400713105 Geology
 L740735537 Analytical Chemistry
 L260763356 Geology
 L920711290 Metallurgy (mineral processing)
 L260763356 Mechanical Engineering
 L420747976 Analytical Chemistry
 L740735537 Geology
 L430771826 Industrial Engineering
 L280772676 Chemical Engineering (mineral processing)
 L660788227 Mining Engineering
 L180788004 Analytical Chemistry
 L770788851 Environmental Management
 L280772676 Metallurgy (mineral processing)
 L460735717 Metallurgy (mineral processing)
 L400713105 Geology
 L400713105 Geology
 L590723237 Chemical Engineering (mineral processing)
 L910750852 Environmental Management
 L660788227 Electrical Engineering (heavy current)
 L140787989 Mechanical Engineering
 L450788684 Geology
 L070732831 Electrical Engineering (heavy current)
 L650710538 Environmental Management
 L450788684 Geology
 L430771826 Environmental Management
 L660788227 Mining Engineering
 L260763356 Mining Engineering

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L600739082 Metallurgy (mineral processing)
L760789000 Chemical Engineering (mineral processing)
L200723254 Geology
L400713105 Geology
L690713724 Mining Engineering
L770741231 Metallurgy (mineral processing)
L280772676 Chemical Engineering (mineral processing)
L660788227 Electrical Engineering (heavy current)
L730773472 Environmental Management
L730773472 Mining Engineering
L460735717 Mining Engineering
L460735717 Mining Engineering
L770769893 Environmental Management
L180724868 Metallurgy (mineral processing)
L430771826 Mining Engineering
L430771826 Metallurgy (mineral processing)
L280772676 Metallurgy (mineral processing)
L430771826 Metallurgy (mineral processing)
L460735717 Mine Survey
L730782291 Analytical Chemistry
L800769616 Mining Engineering
L440731711 Jewellery Design and Manufacturing
L010739367 Chemical Engineering (mineral processing)
L460735717 Environmental Management
L180720718 Chemical Engineering (mineral processing)
L060767706 Jewellery Design and Manufacturing
L120771763 Mining Engineering
L260763356 Mining Engineering
L460735717 Geology
L460735717 Chemical Engineering (mineral processing)
L260763356 Electrical Engineering (heavy current)
L430771826 Mining Engineering
L120771763 Chemical Engineering (mineral processing)

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 L440731711 Jewellery Design and Manufacturing
 L870767110 Geology
 L760789000 Mining Engineering
 L280772676 Chemical Engineering (mineral processing)
 L650710538 Mining Engineering
 L660788227 Mining Engineering
 L010770677 Electrical Engineering (heavy current)
 L180720718 Metallurgy (mineral processing)
 L660788227 Mechanical Engineering
 L660788227 Electrical Engineering (heavy current)
 L700788245 Electrical Engineering (heavy current)
 L960706747 Jewellery Design and Manufacturing
 L010770677 Electrical Engineering (heavy current)
 L540719392 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L180720718 Analytical Chemistry
 L890720396 Jewellery Design and Manufacturing
 L520713662 Mining Engineering
 L620714073 Environmental Management
 L350761161 Jewellery Design and Manufacturing
 L280772676 Metallurgy (mineral processing)
 L650710538 Analytical Chemistry
 L140787989 Electrical Engineering (heavy current)
 L410786166 Environmental Management
 L460735717 Electrical Engineering (heavy current)
 L460735717 Geology
 L760770661 Metallurgy (mineral processing)
 L120776457 Geology
 L540719392 Mining Engineering
 L920711290 Mechanical Engineering
 L280772676 Metallurgy (mineral processing)
 L770732933 Metallurgy (mineral processing)

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THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

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MINERALS OPERATIONS EXECUTIVE PTY LTD

FRASER ALEXANDER PTY LTD

ZULULAND ANTHRACITE COLLIERY PTY LTD

L410786166 Environmental Management
L180720718 Metallurgy (mineral processing)
L540755511 Jewellery Design and Manufacturing
L710777022 Metallurgy (mineral processing)
L010770677 Geology
L870767110 Mine Survey
L070781135 Jewellery Design and Manufacturing
L770732933 Safety Management
L400713105 Geology
L370706808 Jewellery Design and Manufacturing
L660788227 Mechanical Engineering
L740735537 Environmental Management
L430771826 Metallurgy (mineral processing)
L180788004 Chemical Engineering (mineral processing)
L430771826 Geology
L460735717 Environmental Management
L700788245 Mechanical Engineering
L430771826 Environmental Management
L180720718 Metallurgy (mineral processing)
L400713105 Geology
L300723196 Geology
L870767110 Geology
L280772676 Metallurgy (mineral processing)
L400713105 Geology
L350761161 Jewellery Design and Manufacturing
L260763356 Metallurgy (mineral processing)
L540755511 Jewellery Design and Manufacturing
L180788004 Geology
L760789000 Metallurgy (mineral processing)
L180724868 Analytical Chemistry
L180724868 Mechanical Engineering
L580759050 Chemical Engineering (mineral processing)
L810755514 Mechanical Engineering

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HARMONY GOLD MINING CO
DE BEERS CONSOLIDATED MINES PROPRIETARY LIMITED
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
GOLDPLAT RECOVERY PTY LTD
KEITH WHITE DESIGN LTD
ANGLOGOLD ASHANTI LTD (V/R)
MINTEK
ANGLOGOLD ASHANTI LTD (V/R)
HARMONY GOLD MINING CO
EASTERN CHROME MINES
IMFUNDISO SKILLS DEVELOPMENT (PTY) LTD
LAFARGE SOUTH AFRICA
ANGLOGOLD ASHANTI LTD (V/R)
LEBOWA PLATINUM MINES
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
TSHENTU SERVICES (PTY) LTD
PNEUMA JEWELLERS CC
AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
BLYVOORUITZICHT GM CO LTD
BLYVOORUITZICHT GM CO LTD
LAFARGE SOUTH AFRICA
RE TSHEPENG GENERAL CONSTRUCTION 59
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
Palabora Copper Pty Ltd
COUNCIL FOR GEOSCIENCE
B HABERL JEWELLERY DESIGNERS
ANGLOVAAL MINING LIMITED
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
ANGLOGOLD ASHANTI LTD (V/R)
COUNCIL FOR GEOSCIENCE
LAFARGE SOUTH AFRICA
IDWALA INDUSTRIAL HOLDINGS PTY LTD

L350761161 Jewellery Design and Manufacturing
L650710538 Geology
L910750852 Environmental Management
L280772676 Chemical Engineering (mineral processing)
L210715738 Metallurgy (mineral processing)
L440731711 Jewellery Design and Manufacturing
L460735717 Analytical Chemistry
L180720718 Electrical Engineering (heavy current)
L460735717 Environmental Management
L650710538 Geology
L240739369 Geology
L910749409 Jewellery Design and Manufacturing
L740735537 Mechanical Engineering
L460735717 Mine Survey
L870767110 Electrical Engineering (heavy current)
L260763356 Metallurgy (mineral processing)
L140787989 Metallurgy (mineral processing)
L540755511 Jewellery Design and Manufacturing
L650706247 Geology
L300723196 Geology
L300723196 Geology
L740735537 Chemical Engineering (mineral processing)
L760789000 Electrical Engineering (heavy current)
L280772676 Chemical Engineering (mineral processing)
L430771826 Metallurgy (mineral processing)
L400713105 Geology
L600738118 Jewellery Design and Manufacturing
L310720638 Geology
L260763356 Chemical Engineering (mineral processing)
L460735717 Mechanical Engineering
L400713105 Geology
L740735537 Mechanical Engineering
L840730834 Analytical Chemistry

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Keaton Mining Pty Ltd
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
HERNIC FERROCHROME PTY LTD
AI TECHNICAL SERVICES
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
TAU LEKOA GOLD MINING COMPANY LIMITED
DELMAS COAL PTY LTD
GOLD FIELDS TRUST PTY LTD
TECHNICAL DEMONSTRATION CENTRE (SECTION 21) COMPANY
Keaton Mining Pty Ltd
COUNCIL FOR GEOSCIENCE
ANGLOGOLD ASHANTI LTD (V/R)
ANGLOGOLD ASHANTI LTD (V/R)
SOFFIA FINE JEWELLERY CC
ANGLOGOLD ASHANTI LTD (V/R)
ANGLOVAAL MINING LIMITED
GOLDPLAT RECOVERY PTY LTD
AI TECHNICAL SERVICES
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
AFRIMAT AGGREGATES (KZN) (PTY) LTD
ANGLOGOLD ASHANTI LTD (V/R)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
KHUMANI IRON ORE MINE
LAFARGE SOUTH AFRICA
MINTEK
VUNENE MINING (PTY) LTD
RARE EARTH CREATIONS (PTY) LTD
TAU LEKOA GOLD MINING COMPANY LIMITED
CONVENTION BUSINESS ASSOCIATES
PNEUMA JEWELLERS CC
ANGLOGOLD ASHANTI LTD (V/R)
PNEUMA JEWELLERS CC

L010770677 Geology
L260763356 Mining Engineering
L570719619 Metallurgy (mineral processing)
L180788004 Safety Management
L280772676 Metallurgy (mineral processing)
L530782301 Electrical Engineering (heavy current)
L160745826 Mining Engineering
L590723237 Metallurgy (mineral processing)
L910742990 Geology
L010770677 Mining Engineering
L400713105 Geology
L460735717 Mine Survey
L460735717 Geology
L070781135 Jewellery Design and Manufacturing
L460735717 Electrical Engineering (heavy current)
L310720638 Mining Engineering
L210715738 Metallurgy (mineral processing)
L180788004 Geology
L260763356 Mining Engineering
L870729615 Mining Engineering
L460735717 Industrial Engineering
L280772676 Metallurgy (mineral processing)
L280772676 Chemical Engineering (mineral processing)
L620768327 Mining Engineering
L740735537 Safety Management
L180720718 Chemical Engineering (mineral processing)
L080771183 Safety Management
L170747788 Jewellery Design and Manufacturing
L530782301 Mining Engineering
L410786166 Environmental Management
L540755511 Jewellery Design and Manufacturing
L460735717 Electrical Engineering (heavy current)
L540755511 Jewellery Design and Manufacturing

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AI TECHNICAL SERVICES	L180788004	Environmental Management
HERNIC FERROCHROME PTY LTD	L570719619	Chemical Engineering (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD	L650706247	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mine Survey
MINTEK	L180720718	Chemical Engineering (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mine Survey
KAI BATLA MINERALS INDUSTRY	L770769893	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
MINTEK	L180720718	Metallurgy (mineral processing)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Metallurgy (mineral processing)
LEBOWA PLATINUM MINES	L870767110	Mechanical Engineering
LEBOWA PLATINUM MINES	L870767110	Environmental Management
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Analytical Chemistry
Cronimet Chrome Mining Sa Pty Ltd	L120771763	Environmental Management
Keaton Mining Pty Ltd	L010770677	Geology
AFRIMAT AGGREGATES (KZN) (PTY) LTD	L870729615	Mechanical Engineering
AFRIMAT AGGREGATES (EASTERN CAPE) (PTY) LTD	L660725435	Environmental Management
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mine Survey
GOLD FIELDS TRUST PTY LTD	L590723237	Chemical Engineering (mineral processing)
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Metallurgy (mineral processing)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Metallurgy (mineral processing)
VAB DER BANK JEWELLERS CC	L350749265	Jewellery Design and Manufacturing
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
AI TECHNICAL SERVICES	L180788004	Metallurgy (mineral processing)
DWARSRIJVER CHROME MINE (PTY) LTD	L790791778	Safety Management
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
Bomanxele Trading and Projects	L060788603	Geology
REDPATH MINING (SA) PTY LTD	L680717230	Mining Engineering

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EASTERN CHROME MINES
 AI TECHNICAL SERVICES
 HARMONY GOLD MINING CO
 Zerkatone Mining Pty Ltd
 XSTRATA SOUTH AFRICA (PTY)LTD MINING DIVISION
 ANGLOVAAL MINING LIMITED
 MASEVE INVESTMENTS 11
 IMPALA PLATINUM SERVICES LTD
 LAFARGE SOUTH AFRICA
 Keaton Mining Pty Ltd
 RUSTENBURG PLATINUM MINES LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 KAI BATLA MINERALS INDUSTRY
 ANGLOGOLD ASHANTI LTD (V/R)
 ANGLOGOLD ASHANTI LTD (V/R)
 UNIVERSAL COAL DEVELOPMENT I
 HARMONY GOLD MINING CO
 RE TSHEPENG GENERAL CONSTRUCTION 59
 PNEUMA JEWELLERS CC
 Art In Jewellery Manufacture And Training
 SOUTH DEEP GOLD MINE
 KEITH WHITE DESIGN LTD
 WORLD OF PLATINUM MARKETING PTY LTD
 RUSTENBURG PLATINUM MINES LTD
 BLYVOORUITZICHT GM CO LTD
 Bomanxele Trading and Projects
 IMPALA PLATINUM SERVICES LTD
 RUSTENBURG PLATINUM MINES LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 MINTEK
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 Atteridgeville Jewellery Project

L240739369 Mechanical Engineering
 L180788004 Environmental Management
 L650710538 Geology
 L540781806 Mining Engineering
 L150713636 Environmental Management
 L310720638 Environmental Management
 L350773471 Geology
 L520713662 Electrical Engineering (heavy current)
 L740735537 Chemical Engineering (mineral processing)
 L010770677 Mechanical Engineering
 L690713724 Mechanical Engineering
 L280772676 Chemical Engineering (mineral processing)
 L770769893 Environmental Management
 L460735717 Chemical Engineering (mineral processing)
 L460735717 Metallurgy (mineral processing)
 L760770661 Mining Engineering
 L650710538 Mining Engineering
 L760789000 Analytical Chemistry
 L540755511 Jewellery Design and Manufacturing
 L490776426 Jewellery Design and Manufacturing
 L770732933 Industrial Engineering
 L440731711 Jewellery Design and Manufacturing
 L350761161 Jewellery Design and Manufacturing
 L690713724 Geology
 L300723196 Electrical Engineering (heavy current)
 L060788603 Chemical Engineering (mineral processing)
 L520713662 Mining Engineering
 L690713724 Metallurgy (mineral processing)
 L460735717 Mining Engineering
 L260763356 Mining Engineering
 L180720718 Environmental Management
 L260763356 Geology
 L060767706 Jewellery Design and Manufacturing

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DELMAS COAL PTY LTD
 MIZANE MANUFACTURING JEWELLERS CC
 RE TSHEPENG GENERAL CONSTRUCTION 59
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 EXXARO COAL CENTRAL (PTY) LTD
 Cronimet Chrome Mining Sa Pty Ltd
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 Bme
 COUNCIL FOR GEOSCIENCE
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 COUNCIL FOR GEOSCIENCE
 TAU LEKOA GOLD MINING COMPANY LIMITED
 TSHENTU SERVICES (PTY) LTD
 IMFUNDISO SKILLS DEVELOPMENT (PTY) LTD
 UNIVERSAL COAL DEVELOPMENT I
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY) LTD
 LAFARGE SOUTH AFRICA
 RUSTENBURG PLATINUM MINES LTD
 THARISA MINERALS
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 HARMONY GOLD MINING CO
 LAFARGE SOUTH AFRICA
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 Akapo Jewels
 HARMONY GOLD MINING CO
 WESTERN PLATINUM LTD
 AI TECHNICAL SERVICES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 RE TSHEPENG GENERAL CONSTRUCTION 59
 KAI BATLA MINERALS INDUSTRY
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED

L160745826 Metallurgy (mineral processing)
 L890720396 Jewellery Design and Manufacturing
 L760789000 Mining Engineering
 L280772676 Analytical Chemistry
 L100724873 Geology
 L120771763 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L120776457 Electrical Engineering (heavy current)
 L400713105 Geology
 L650706247 Mining Engineering
 L400713105 Geology
 L530782301 Geology
 L140787989 Metallurgy (mineral processing)
 L910749409 Jewellery Design and Manufacturing
 L760770661 Metallurgy (mineral processing)
 L280772676 Analytical Chemistry
 L580786855 Geology
 L740735537 Chemical Engineering (mineral processing)
 L690713724 Analytical Chemistry
 L890769179 Mechanical Engineering
 L180724868 Electrical Engineering (heavy current)
 L650710538 Environmental Management
 L740735537 Chemical Engineering (mineral processing)
 L280772676 Analytical Chemistry
 L720763848 Jewellery Design and Manufacturing
 L650710538 Metallurgy (mineral processing)
 L610713770 Geology
 L180788004 Environmental Management
 L260763356 Mining Engineering
 L260763356 Metallurgy (mineral processing)
 L760789000 Mining Engineering
 L770769893 Geology
 L260763356 Mining Engineering

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XSTRATA SOUTH AFRICA (PTY)LTD MINING DIVISION
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 COUNCIL FOR GEOSCIENCE
 MARULA PLATINUM (PTY) LTD
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 AI TECHNICAL SERVICES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 COUNCIL FOR GEOSCIENCE
 BUFFELSFONTEIN GOLD MINE
 LAFARGE SOUTH AFRICA
 COUNCIL FOR GEOSCIENCE
 COUNCIL FOR GEOSCIENCE
 WORLD OF PLATINUM MARKETING PTY LTD
 AI TECHNICAL SERVICES
 VAB DER BANK JEWELLERS CC
 ASHOK JEWELLERS
 TALA PROCESSING (PTY) LTD
 SOUTH DEEP GOLD MINE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 SOUTH DEEP GOLD MINE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 RUSTENBURG PLATINUM MINES LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 IKOTI COAL
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 RE TSHEPENG GENERAL CONSTRUCTION 59
 THARISA MINERALS
 KAI BATLA MINERALS INDUSTRY
 KAI BATLA MINERALS INDUSTRY

L150713636 Environmental Management
 L260763356 Mining Engineering
 L400713105 Geology
 L070732831 Metallurgy (mineral processing)
 L580786855 Geology
 L180788004 Environmental Management
 L280772676 Metallurgy (mineral processing)
 L400713105 Geology
 L020710689 Metallurgy (mineral processing)
 L740735537 Mining Engineering
 L400713105 Chemical Engineering (mineral processing)
 L400713105 Geology
 L350761161 Jewellery Design and Manufacturing
 L180788004 Metallurgy (mineral processing)
 L350749265 Jewellery Design and Manufacturing
 L960706747 Jewellery Design and Manufacturing
 L770788851 Geology
 L770732933 Geology
 L280772676 Metallurgy (mineral processing)
 L660788227 Mine Survey
 L770732933 Industrial Engineering
 L280772676 Metallurgy (mineral processing)
 L650706247 Geology
 L690713724 Chemical Engineering (mineral processing)
 L460735717 Mine Survey
 L280772676 Chemical Engineering (mineral processing)
 L450788684 Mining Engineering
 L660788227 Geology
 L460735717 Chemical Engineering (mineral processing)
 L760789000 Metallurgy (mineral processing)
 L890769179 Chemical Engineering (mineral processing)
 L770769893 Geology
 L770769893 Geology

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COUNCIL FOR GEOSCIENCE	L400713105	Geology
AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD	L650706247	Mining Engineering
HARMONY GOLD MINING CO	L650710538	Mine Survey
HARMONY GOLD MINING CO	L650710538	Geology
Palabora Copper Pty Ltd	L430771826	Metallurgy (mineral processing)
LEBOWA PLATINUM MINES	L870767110	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
AI TECHNICAL SERVICES	L180788004	Metallurgy (mineral processing)
AFRIMAT CONTRACTING INTERNATIONAL	L290779588	Mechanical Engineering
THARISA MINERALS	L890769179	Analytical Chemistry
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
Cronimet Chrome Mining Sa Pty Ltd	L120771763	Metallurgy (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
MINTEK	L180720718	Metallurgy (mineral processing)
RUSTENBURG PLATINUM MINES LTD	L690713724	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Metallurgy (mineral processing)
TWO RIVERS PLATINUM (PTY) LTD	L580760645	Mining Engineering
HARMONY GOLD MINING CO	L650710538	Environmental Management
IMPALA PLATINUM SERVICES LTD	L520713662	Mining Engineering
SOUTH DEEP GOLD MINE	L770732933	Geology
GERHARD MOOLMAN FINE JEWELLERY	L250744739	Jewellery Design and Manufacturing
TWO RIVERS PLATINUM (PTY) LTD	L580760645	Mining Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Electrical Engineering (heavy current)
COUNCIL FOR GEOSCIENCE	L400713105	Geology
COUNCIL FOR GEOSCIENCE	L400713105	Geology
HARMONY GOLD MINING CO	L650710538	Metallurgy (mineral processing)
Palabora Copper Pty Ltd	L430771826	Mechanical Engineering
AI TECHNICAL SERVICES	L180788004	Chemical Engineering (mineral processing)

SOUTH DEEP GOLD MINE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 SOUTH DEEP GOLD MINE
 GERHARD MOOLMAN FINE JEWELLERY
 PNEUMA JEWELLERS CC
 KEITH WHITE DESIGN LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 LAFARGE SOUTH AFRICA
 HERNIC FERROCHROME PTY LTD
 RE TSHEPENG GENERAL CONSTRUCTION 59
 RUSTENBURG PLATINUM MINES LTD
 PNEUMA JEWELLERS CC
 RE TSHEPENG GENERAL CONSTRUCTION 59
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 HARMONY GOLD MINING CO
 Palabora Copper Pty Ltd
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 COUNCIL FOR GEOSCIENCE
 ANGLOGOLD ASHANTI LTD (V/R)
 Bomanxele Trading and Projects
 LEBOWA PLATINUM MINES
 Richards Bay Mining Pty Ltd
 Palabora Copper Pty Ltd
 GERHARD MOOLMAN FINE JEWELLERY
 MINTEK
 Palabora Copper Pty Ltd
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 GREAT BASIN GOLD RSA
 ANGLOGOLD ASHANTI LTD (V/R)
 Firefly Investments 251
 COUNCIL FOR GEOSCIENCE

L770732933 Environmental Management
 L280772676 Metallurgy (mineral processing)
 L260763356 Geology
 L460735717 Environmental Management
 L770732933 Environmental Management
 L250744739 Jewellery Design and Manufacturing
 L540755511 Jewellery Design and Manufacturing
 L440731711 Jewellery Design and Manufacturing
 L460735717 Electrical Engineering (heavy current)
 L740735537 Metallurgy (mineral processing)
 L570719619 Geology
 L760789000 Metallurgy (mineral processing)
 L690713724 Geology
 L540755511 Jewellery Design and Manufacturing
 L760789000 Mining Engineering
 L260763356 Geology
 L650710538 Geology
 L430771826 Chemical Engineering (mineral processing)
 L260763356 Mine Survey
 L400713105 Environmental Management
 L460735717 Mining Engineering
 L060788603 Environmental Management
 L870767110 Mine Survey
 L080780564 Mining Engineering
 L430771826 Mining Engineering
 L250744739 Jewellery Design and Manufacturing
 L180720718 Chemical Engineering (mineral processing)
 L430771826 Metallurgy (mineral processing)
 L260763356 Mining Engineering
 L740765831 Mining Engineering
 L460735717 Chemical Engineering (mineral processing)
 L090782154 Chemical Engineering (mineral processing)
 L400713105 Geology

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PNEUMA JEWELLERS CC
 COUNCIL FOR GEOSCIENCE
 MATLA COAL NO 2 PAYROLL_T2S7
 MINTEK
 MURRAY AND ROBERTS CEMENTATION PTY LTD
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 COUNCIL FOR GEOSCIENCE
 KEITH WHITE DESIGN LTD
 HARMONY GOLD MINING CO
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 RUSTENBURG SMELTER
 PNEUMA JEWELLERS CC
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 EZULWINI MINING COMPANY
 THARISA MINERALS
 FRASER ALEXANDER PTY LTD - TAILINGS WAGES
 RE TSHEPENG GENERAL CONSTRUCTION 59
 GOLDPLAT RECOVERY PTY LTD
 HARMONY GOLD MINING CO
 Sephaku Cement
 Sephaku Cement
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 PNEUMA JEWELLERS CC
 HARMONY GOLD MINING CO
 AI TECHNICAL SERVICES
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 MINTEK
 ASSMANG BEESHOEK MINE
 HARMONY GOLD MINING CO
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

L540755511 Jewellery Design and Manufacturing
 L400713105 Geology
 L620714073 Environmental Management
 L180720718 Chemical Engineering (mineral processing)
 L540719392 Mining Engineering
 L650706247 Mining Engineering
 L400713105 Geology
 L440731711 Jewellery Design and Manufacturing
 L650710538 Geology
 L280772676 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L110739366 Electrical Engineering (heavy current)
 L540755511 Jewellery Design and Manufacturing
 L280772676 Electrical Engineering (heavy current)
 L580786855 Mechanical Engineering
 L860758509 Mining Engineering
 L890769179 Mechanical Engineering
 L790759056 Mechanical Engineering
 L760789000 Mining Engineering
 L210715738 Metallurgy (mineral processing)
 L650710538 Geology
 L610768303 Metallurgy (mineral processing)
 L610768303 Geology
 L650706247 Environmental Management
 L260763356 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L650710538 Mine Survey
 L180788004 Metallurgy (mineral processing)
 L660788227 Mining Engineering
 L180720718 Chemical Engineering (mineral processing)
 L080704960 Environmental Management
 L650710538 Environmental Management
 L280772676 Metallurgy (mineral processing)

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SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 HARMONY GOLD MINING CO
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 RE TSHEPENG GENERAL CONSTRUCTION 59
 ANGLOGOLD ASHANTI LTD (V/R)
 GOLD FIELDS TRUST PTY LTD
 IVANPLATS (PTY) LTD
 CONVENTION BUSINESS ASSOCIATES
 PNEUMA JEWELLERS CC
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 LEBOWA PLATINUM MINES
 AI TECHNICAL SERVICES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 SOUTH DEEP GOLD MINE
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 CONVENTION BUSINESS ASSOCIATES
 MINTEK
 NICOLOR (PTY) LTD
 Firefly Investments 251
 ANGLOGOLD ASHANTI LTD (V/R)
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 HARMONY GOLD MINING CO
 EVANDER GOLD MINES LTD - KINROSS DIVISION
 HERNIC FERROCHROME PTY LTD
 RARE EARTH CREATIONS (PTY) LTD
 AI TECHNICAL SERVICES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 Bomanxele Trading and Projects
 XSTRATA SOUTH AFRICA (PTY)LTD MINING DIVISION
 VIRGINIA JEWELLERY SCHOOL

L260763356 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L650710538 Geology
 L580786855 Industrial Engineering
 L760789000 Chemical Engineering (mineral processing)
 L460735717 Geology
 L590723237 Metallurgy (mineral processing)
 L230738892 Geology
 L410786166 Environmental Management
 L540755511 Jewellery Design and Manufacturing
 L260763356 Mining Engineering
 L870767110 Mechanical Engineering
 L180788004 Chemical Engineering (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L770732933 Environmental Management
 L280772676 Chemical Engineering (mineral processing)
 L410786166 Environmental Management
 L180720718 Electrical Engineering (heavy current)
 L730782291 Metallurgy (mineral processing)
 L090782154 Electrical Engineering (heavy current)
 L460735717 Geology
 L660788227 Mining Engineering
 L660788227 Mining Engineering
 L650710538 Chemical Engineering (mineral processing)
 L280714058 Metallurgy (mineral processing)
 L570719619 Chemical Engineering (mineral processing)
 L170747788 Jewellery Design and Manufacturing
 L180788004 Metallurgy (mineral processing)
 L260763356 Electrical Engineering (heavy current)
 L060788603 Geology
 L150713636 Environmental Management
 L590739233 Jewellery Design and Manufacturing

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Stefanutti Stocks Mining Services Salaries

PNEUMA JEWELLERS CC

PNEUMA JEWELLERS CC

COUNCIL FOR GEOSCIENCE

MINTEK

RUSTENBURG PLATINUM MINES LTD

MINTEK

AI TECHNICAL SERVICES

ANGLOVAAL MINING LIMITED

KAI BATLA MINERALS INDUSTRY

KLOOF G M CO LTD

TSHEPO RECRUITMENT MINNING(PTY)LTD

MINTEK

LAFARGE SOUTH AFRICA

MINTEK

UNIVERSAL COAL DEVELOPMENT I

Cons Murch Mine

MINTEK

Palabora Copper Pty Ltd

TSHENTU SERVICES (PTY) LTD

COUNCIL FOR GEOSCIENCE

AI TECHNICAL SERVICES

Firefly Investments 251

DE BEERS CONSOLIDATED MINES PROPRIETARY LIMITED

LEBOWA PLATINUM MINES

LAFARGE SOUTH AFRICA

IMPALA PLATINUM SERVICES LTD

KEITH WHITE DESIGN LTD

TALA PROCESSING (PTY) LTD

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING

Keaton Mining Pty Ltd

Firefly Investments 251

KEITH WHITE DESIGN LTD

L620774341 Mining Engineering
L540755511 Jewellery Design and Manufacturing
L540755511 Jewellery Design and Manufacturing
L400713105 Geology
L180720718 Chemical Engineering (mineral processing)
L690713724 Environmental Management
L180720718 Analytical Chemistry
L180788004 Chemical Engineering (mineral processing)
L310720638 Chemical Engineering (mineral processing)
L770769893 Geology
L200723254 Geology
L660788227 Metallurgy (mineral processing)
L180720718 Chemical Engineering (mineral processing)
L740735537 Mining Engineering
L180720718 Metallurgy (mineral processing)
L760770661 Environmental Management
L710777022 Metallurgy (mineral processing)
L180720718 Metallurgy (mineral processing)
L430771826 Analytical Chemistry
L140787989 Metallurgy (mineral processing)
L400713105 Geology
L180788004 Chemical Engineering (mineral processing)
L090782154 Chemical Engineering (mineral processing)
L910750852 Environmental Management
L870767110 Environmental Management
L740735537 Chemical Engineering (mineral processing)
L520713662 Geology
L440731711 Jewellery Design and Manufacturing
L77078851 Safety Management
L280772676 Metallurgy (mineral processing)
L010770677 Metallurgy (mineral processing)
L090782154 Mechanical Engineering
L440731711 Jewellery Design and Manufacturing

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Zerbatone Mining Pty Ltd	L540781806	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
DELMAS COAL PTY LTD	L180745826	Electrical Engineering (heavy current)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
SOFFIA FINE JEWELLERY CC	L070781135	Jewellery Design and Manufacturing
VUNENE MINING (PTY) LTD	L080771183	Environmental Management
COUNCIL FOR GEOSCIENCE	L400713105	Geology
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mechanical Engineering
HARMONY GOLD MINING CO	L650710538	Mechanical Engineering
EASTERN CHROME MINES	L240739369	Geology
HARMONY GOLD MINING CO	L650710538	Environmental Management
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Mining Engineering
AI TECHNICAL SERVICES	L180788004	Environmental Management
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Electrical Engineering (heavy current)
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mining Engineering
LEBOWA PLATINUM MINES	L870767110	Geology
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Chemical Engineering (mineral processing)
BUFFELSFONTEIN GOLD MINE	L020710689	Metallurgy (mineral processing)
EZULWINI MINING COMPANY	L860758509	Electrical Engineering (heavy current)
IMPALA PLATINUM SERVICES LTD	L520713662	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
WORLD OF PLATINUM MARKETING PTY LTD	L350761161	Jewellery Design and Manufacturing
AI TECHNICAL SERVICES	L180788004	Environmental Management
SOUTH DEEP GOLD MINE	L770732933	Environmental Management
MINTEK	L180720718	Metallurgy (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management
Keaton Mining Pty Ltd	L010770677	Geology
BLYVOORUITZICHT GM CO LTD	L300723196	Electrical Engineering (heavy current)
COUNCIL FOR GEOSCIENCE	L400713105	Geology
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Analytical Chemistry
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Environmental Management

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HARMONY GOLD MINING CO	L650710538	Environmental Management
BUFFELSFONTEIN GOLD MINE	L020710689	Mining Engineering
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Mechanical Engineering
WESTERN PLATINUM LTD	L610713770	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Analytical Chemistry
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Electrical Engineering (heavy current)
BUFFELSFONTEIN GOLD MINE	L020710689	Electrical Engineering (heavy current)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Chemical Engineering (mineral processing)
UNIVERSAL COAL DEVELOPMENT I	L760770661	Geology
WORLD OF PLATINUM MARKETING PTY LTD	L350761161	Jewellery Design and Manufacturing
THARISA MINERALS	L890769179	Mine Survey
COUNCIL FOR GEOSCIENCE	L400713105	Geology
DANOHER CONTRACTING (PTY) LTD	L470777170	Mechanical Engineering
DAVID BOLDING	L510702592	Jewellery Design and Manufacturing
LANXESS MINING	L260751153	Metallurgy (mineral processing)
LAFARGE SOUTH AFRICA	L740735537	Mechanical Engineering
MINTEK	L180720718	Geology
IMPALA PLATINUM SERVICES LTD	L520713662	Mining Engineering
EDWALA INDUSTRIAL HOLDINGS PTY LTD	L840730834	Mechanical Engineering
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Chemical Engineering (mineral processing)
COUNCIL FOR GEOSCIENCE	L400713105	Geology
SOUTH AFRICAN FERROCHROME AND MINING PTY LTD	L910731530	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
LAFARGE SOUTH AFRICA	L740735537	Chemical Engineering (mineral processing)
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Mining Engineering
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Geology
SIBANYE GOLD ACADEMY PROPRIETARY LIMITED	L260763356	Geology
THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING	L280772676	Metallurgy (mineral processing)
INTSIKA SKILLS BENEFICIATION PROJECTS	L210757557	Jewellery Design and Manufacturing
ANGLOVAAL MINING LIMITED	L310720638	Mining Engineering

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Firefly Investments 251
 HARMONY GOLD MINING CO
 PNEUMA JEWELLERS CC
 SOFFIA FINE JEWELLERY CC
 LEBOWA PLATINUM MINES
 LEBOWA PLATINUM MINES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 TALA PROCESSING (PTY) LTD
 THALIWE'S TRADING ENTERPRISE CC
 SOUTH DEEP GOLD MINE
 TALA PROCESSING (PTY) LTD
 HARMONY GOLD MINING CO
 LEBOWA PLATINUM MINES
 THARISA MINERALS
 SOUTH DEEP GOLD MINE
 DE BEERS CONSOLIDATED MINES PROPRIETARY LIMITED
 Palabora Copper Pty Ltd
 SOUTH DEEP GOLD MINE
 MODIKWA MINING PERSONNEL SERVICES (PTY) LTD
 AI TECHNICAL SERVICES
 WORLD OF PLATINUM MARKETING PTY LTD
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 EASTERN CHROME MINES
 IKOTI COAL
 SOUTH DEEP GOLD MINE
 BUFFELSFONTEIN GOLD MINE
 DANOKHER CONTRACTING (PTY) LTD
 SOUTH DEEP GOLD MINE
 GOLD FIELDS TRUST PTY LTD
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 ANGLOGOLD ASHANTI LTD (V/R)

L090782154 Environmental Management
 L650710538 Environmental Management
 L540755511 Jewellery Design and Manufacturing
 L070781135 Jewellery Design and Manufacturing
 L870767110 Geology
 L870767110 Safety Management
 L260763356 Mining Engineering
 L260763356 Mining Engineering
 L460735717 Mining Engineering
 L770788851 Mechanical Engineering
 L700788245 Chemical Engineering (mineral processing)
 L770732933 Mining Engineering
 L770788851 Mining Engineering
 L650710538 Environmental Management
 L870767110 Geology
 L890769179 Geology
 L770732933 Environmental Management
 L910750852 Environmental Management
 L430771826 Geology
 L770732933 Environmental Management
 L770741231 Environmental Management
 L180788004 Chemical Engineering (mineral processing)
 L350761161 Jewellery Design and Manufacturing
 L260763356 Mining Engineering
 L240739369 Mechanical Engineering
 L450788684 Mining Engineering
 L770732933 Environmental Management
 L020710689 Mining Engineering
 L470777170 Metallurgy (mineral processing)
 L770732933 Mining Engineering
 L590723237 Metallurgy (mineral processing)
 L660788227 Mechanical Engineering
 L460735717 Mining Engineering

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VUNENE MINING (PTY) LTD
 AFRIMAT AGGREGATES TRADING
 COUNCIL FOR GEOSCIENCE
 PNEUMA JEWELLERS CC
 COUNCIL FOR GEOSCIENCE
 THALIWE'S TRADING ENTERPRISE CC
 LEBOWA PLATINUM MINES
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 VIRGINIA JEWELLERY SCHOOL
 Sephaku Cement
 TULI RECRUITMENT AGENCY AND PROJECTS (PTY)LTD
 MURRAY AND ROBERTS CEMENTATION PTY LTD
 THARISA MINERALS
 Shadow Jewelers
 RUSTENBURG PLATINUM MINES LTD
 TSHEPO RECRUITMENT MINNING(PTY)LTD
 RUSTENBURG PLATINUM MINES LTD
 EXXARO RESOURCES LIMITED
 MIZANE MANUFACTURING JEWELLERS CC
 HARMONY GOLD MINING CO
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 LEBOWA PLATINUM MINES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 MINTEK
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 EXXARO RESOURCES LIMITED
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 AI TECHNICAL SERVICES
 HERNIC FERROCHROME PTY LTD
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 EXXARO RESOURCES LIMITED

L080771183 Mechanical Engineering
 L950701203 Geology
 L400713105 Analytical Chemistry
 L540755511 Jewellery Design and Manufacturing
 L400713105 Geology
 L700788245 Chemical Engineering (mineral processing)
 L870767110 Mining Engineering
 L580786855 Electrical Engineering (heavy current)
 L280772676 Metallurgy (mineral processing)
 L590739233 Jewellery Design and Manufacturing
 L610768303 Electrical Engineering (heavy current)
 L580786855 Electrical Engineering (heavy current)
 L540719392 Mining Engineering
 L890769179 Safety Management
 L560761159 Jewellery Design and Manufacturing
 L690713724 Environmental Management
 L660788227 Mining Engineering
 L690713724 Environmental Management
 L600739082 Mining Engineering
 L890720396 Jewellery Design and Manufacturing
 L650710538 Environmental Management
 L280772676 Geology
 L870767110 Electrical Engineering (heavy current)
 L280772676 Chemical Engineering (mineral processing)
 L180720718 Metallurgy (mineral processing)
 L280772676 Chemical Engineering (mineral processing)
 L600739082 Mining Engineering
 L280772676 Metallurgy (mineral processing)
 L280772676 Chemical Engineering (mineral processing)
 L180788004 Environmental Management
 L570719619 Geology
 L180724868 Mechanical Engineering
 L600739082 Metallurgy (mineral processing)

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KAI BATLA MINERALS INDUSTRY
 ANGLOGOLD ASHANTI LTD (V/R)
 RUSTENBURG PLATINUM MINES LTD
 AI TECHNICAL SERVICES
 MINERALS OPERATIONS EXECUTIVE PTY LTD
 HARMONY GOLD MINING CO
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 XSTRATA SOUTH AFRICA (PTY)LTD MINING DIVISION
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 KAI BATLA MINERALS INDUSTRY
 TECHNICAL DEMONSTRATION CENTRE (SEC TION 21) COMPANY
 AFRIMAT AGGREGATES (OPERATIONS) (PTY) LTD
 MINTEK
 AI TECHNICAL SERVICES
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 HARMONY GOLD MINING CO
 ANGLOGOLD ASHANTI LTD (V/R)
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 ANGLOGOLD ASHANTI LTD (V/R)
 LAFARGE SOUTH AFRICA
 AI TECHNICAL SERVICES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 AI TECHNICAL SERVICES
 SIBANYE GOLD ACADEMY PROPRIETARY LIMITED
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 KEITH WHITE DESIGN LTD
 EASTERN CHROME MINES
 ANGLOGOLD ASHANTI LTD (V/R)
 PNEUMA JEWELLERS CC
 PNEUMA JEWELLERS CC
 THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 VIRGINIA JEWELLERY SCHOOL

L770769893 Geology
 L460735717 Metallurgy (mineral processing)
 L690713724 Environmental Management
 L180788004 Electrical Engineering (heavy current)
 L180724868 Metallurgy (mineral processing)
 L650710538 Mine Survey
 L280772676 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L150713636 Environmental Management
 L260763356 Geology
 L770769893 Geology
 L910742990 Environmental Management
 L650706247 Mining Engineering
 L180720718 Metallurgy (mineral processing)
 L180788004 Environmental Management
 L280772676 Metallurgy (mineral processing)
 L650710538 Environmental Management
 L460735717 Geology
 L260763356 Mining Engineering
 L460735717 Mine Survey
 L740735537 Analytical Chemistry
 L180788004 Metallurgy (mineral processing)
 L260763356 Metallurgy (mineral processing)
 L180788004 Metallurgy (mineral processing)
 L260763356 Metallurgy (mineral processing)
 L280772676 Metallurgy (mineral processing)
 L440731711 Jewellery Design and Manufacturing
 L240739369 Mechanical Engineering
 L460735717 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L540755511 Jewellery Design and Manufacturing
 L280772676 Chemical Engineering (mineral processing)
 L590739233 Jewellery Design and Manufacturing

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TSHEPO RECRUITMENT MINNING(PTY)LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 Palabora Copper Pty Ltd
 IKOTI COAL

TSHEPO RECRUITMENT MINNING(PTY)LTD
 BLACK MOUNTAIN MINING (PTY) LTD
 CONCOR PROJECTS (PTY) LTD

AI TECHNICAL SERVICES
 ANGLOGOLD ASHANTI LTD (V/R)
 AI TECHNICAL SERVICES

COUNCIL FOR GEOSCIENCE
 PNEUMA JEWELLERS CC
 KHUMANI IRON ORE MINE

TAU LEKOA GOLD MINING COMPANY LIMITED
 KEITH WHITE DESIGN LTD
 ANGLOGOLD ASHANTI LTD (V/R)
 LAFARGE SOUTH AFRICA

THUSANG METALLURGICAL ENGINEERING TRAINING AND CONSULTING
 ANGLOGOLD ASHANTI LTD (V/R)

KEITH WHITE DESIGN LTD
 LAFARGE SOUTH AFRICA
 KAI BATLA MINERALS INDUSTRY

ASSMANG BEESHOEK MINE
 SOFFIA FINE JEWELLERY CC

PETROLEUM AGENCY SA
 LAFARGE SOUTH AFRICA
 ANGLOGOLD ASHANTI LTD (V/R)

PNEUMA JEWELLERS CC
 ANGLOGOLD ASHANTI LTD (V/R)
 ASHOK JEWELLERS

DE BEERS CONSOLIDATED MINES PROPRIETARY LIMITED
 COUNCIL FOR GEOSCIENCE
 WORLD OF PLATINUM MARKETING PTY LTD

L660788227 Mining Engineering
 L460735717 Mining Engineering
 L430771826 Mechanical Engineering
 L450788684 Mining Engineering
 L660788227 Electrical Engineering (heavy current)
 L800769616 Geology
 L420737282 Mining Engineering
 L180788004 Metallurgy (mineral processing)
 L460735717 Mining Engineering
 L180788004 Chemical Engineering (mineral processing)
 L400713105 Environmental Management
 L540755511 Jewellery Design and Manufacturing
 L620768327 Mechanical Engineering
 L530782301 Electrical Engineering (heavy current)
 L440731711 Jewellery Design and Manufacturing
 L460735717 Mining Engineering
 L740735537 Geology
 L280772676 Metallurgy (mineral processing)
 L460735717 Mining Engineering
 L440731711 Jewellery Design and Manufacturing
 L740735537 Geology
 L770769893 Geology
 L080704960 Environmental Management
 L070781135 Jewellery Design and Manufacturing
 L310734977 Geology
 L740735537 Chemical Engineering (mineral processing)
 L460735717 Mining Engineering
 L540755511 Jewellery Design and Manufacturing
 L460735717 Environmental Management
 L960706747 Jewellery Design and Manufacturing
 L910750852 Geology
 L400713105 Geology
 L350761161 Jewellery Design and Manufacturing

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LAFARGE SOUTH AFRICA	L740735537	Mechanical Engineering
HARMONY GOLD MINING CO	L650710538	Geology
Akapo Jewels	L720763848	Jewellery Design and Manufacturing
ASHOK JEWELLERS	L960706747	Jewellery Design and Manufacturing
MINTEK	L180720718	Metallurgy (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing
IMPALA PLATINUM SERVICES LTD	L520713662	Geology
EZULWINI MINING COMPANY	L860758509	Mining Engineering
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
COUNCIL FOR GEOSCIENCE	L400713105	Chemical Engineering (mineral processing)
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
ANGLOGOLD ASHANTI LTD (V/R)	L460735717	Metallurgy (mineral processing)
THUSANG METALLURGICAL ENGINEERING	L280772676	Metallurgy (mineral processing)
MIZANE MANUFACTURING JEWELLERS CC	L890720396	Jewellery Design and Manufacturing
LEBOWA PLATINUM MINES	L870767110	Mining Engineering
PNEUMA JEWELLERS CC	L540755511	Jewellery Design and Manufacturing
EXXARO COAL CENTRAL (PTY) LTD	L100724873	Mining Engineering
MASEVE INVESTMENTS 11	L350773471	Mining Engineering
SOUTH DEEP GOLD MINE	L770732933	Jewellery Design and Manufacturing
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Electrical Engineering (heavy current)
HARMONY GOLD MINING CO	L650710538	Electrical Engineering (heavy current)
HARMONY GOLD MINING CO	L650710538	Geology
Jindal Mining Sa Pty Ltd	L730773472	Mechanical Engineering
TALA PROCESSING (PTY) LTD	L770788851	Geology
TSHEPO RECRUITMENT MINNING(PTY)LTD	L660788227	Electrical Engineering (heavy current)
WORLD OF PLATINUM MARKETING PTY LTD	L350761161	Jewellery Design and Manufacturing
ASHOK JEWELLERS	L960706747	Jewellery Design and Manufacturing
MATLA COAL NO 2 PAYROLL_T2S7	L620714073	Mechanical Engineering
COUNCIL FOR GEOSCIENCE	L400713105	Geology
COUNCIL FOR GEOSCIENCE	L400713105	Geology
Keaton Mining Pty Ltd	L010770677	Environmental Management
KEITH WHITE DESIGN LTD	L440731711	Jewellery Design and Manufacturing

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TSHEPO RECRUITMENT MINNING(PTY)LTD
J Friedman Jewellers Cc
ANGLOGOLD ASHANTI LTD (V/R)
HARMONY GOLD MINING CO
KEITH WHITE DESIGN LTD
LEBOWA PLATINUM MINES
PNEUMA JEWELLERS CC

L660788227 Mechanical Engineering
L180719207 Jewellery Design and Manufacturing
L460735717 Mining Engineering
L650710538 Mining Engineering
L440731711 Jewellery Design and Manufacturing
L870767110 Geology
L540755511 Jewellery Design and Manufacturing

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GOITSEONA PILANE ATTORNEYS INC.
+ 27 83 445 3437

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Our ref: Mr G Pilane / MMR0001

Your ref: CM1260/Mr A Vos/Ms K Kalan/ Ms.
J Pinto

Date: 31 July 2017

NORTON ROSE FULBRIGHT SOUTH AFRICA Inc.

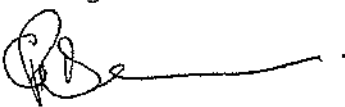
By email: andre.vos@nortonrosefulbright.com

Dear Andre

Re: **URGENT INTERDICT APPLICATION: CHAMBER OF MINES OF SOUTH AFRICA // THE
MINISTER OF MINERAL RESOURCES – CASE NO. 43621/17**

1. Matter above has reference.
2. In terms of Rule 12(a) of the Rules Regulating the Conduct of the Proceedings of the several Proceedings of the Provincial and Local Divisions of the High Court of South Africa ("the Rules") the parties requested the Deputy Judge President to dispense with the forms and service provided for in these Rules and agreed that the papers may be served between the parties as set out in the attached schedule marked Annexure "A". In this regard, the Respondent's Answering Affidavit is due not later than close of business today 31 July 2017.
3. Our client is unfortunately outside the country in the Central African Republic on official engagement and we have been advised that our client will only return to South Africa on Friday 4 August 2017. Given the nature of the application, the legal issues challenged and its impact on the mining industry in settling we are of the view that we will require a meeting with our client to consider each aspect of our client's answering affidavit in detail. This we can only do when our client is back and we will practically require at least 48 hours for this purpose.
4. In regard, our client will realistically only file its answering affidavit on 7 August 2017 and we will request the DJP to condone the filing of the papers as set out on the revised dates in terms of Annexure "A".
5. Our client's rights remain strictly reserved.

Kind regards



G D Pilane

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**The Chamber of Mines of South Africa v The Minister of Mineral Resources
Case No. 43621/17
The High Court of South Africa, Gauteng Division, Pretoria
Urgent Interdict Application to be heard 14 and 15 September 2017**

Service / Filing / Activity	Agreed Date	
Respondent's Answering Affidavit	31 July 2017	7 August 2017
Applicant's Replying Affidavit	14 August 2017	18 August 2017
Applicant's Heads of Argument	25 August 2017	1 September 2017 (simultaneously with the Respondent)
Respondent's Heads of Argument	1 September 2017	1 September 2017 (simultaneously with the Applicant)
Hearing of the Application	14 & 15 September 2017	14 & 15 September 2017

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Goitse Pilane

From: Goitse Pilane
Sent: 31 July 2017 09:22 AM
To: 'Vos, André'
Subject: URGENT INTERDICT APPLICATION : CHAMBER OF MINES OF SA v THE MINISTER OF MINERAL RESOURCES - CASE NO. 43621/17
Attachments: Letter to NRF 31072017.pdf; Revised Timelines 31072017.pdf

Dear Andre

Hope the email finds you well.

I attach letter dated 31 July 2017 for your urgent consideration and reply.

Kind regards

Goitse Pilane | Director
Goitseona Pilane Attorneys Inc.
No. 72, 6th Avenue, Florida, Johannesburg, South Africa
Mob +27 83 445 3437
goitse@pilaneinc.co.za

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