

Appendix L

Financial and Technical Competence



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

NAME OF APPLICANT: The Witvlei Boerdery Trust

FINANCIAL AND TECHNICAL COMPETENCE REPORT

SUBMITTED FOR A MINING PERMIT APPLICATION

AS REQUIRED IN TERMS OF ITEM B OF FORM F, ANNEXURE I OF THE REGULATIONS FOR THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT 28 of 2002), AND IN ACCORDANCE WITH THE STANDARD DIRECTIVE FOR THE COMPILATION THEREOF AS PUBLISHED ON THE OFFICIAL WEBSITE OF THE DEPARTMENT OF MINERAL RESOURCES.

STANDARD DIRECTIVE

All applicants for mining permits are herewith, in terms of the provisions of Section 29 (a) of the Mineral and Petroleum Resources Development Act, directed to submit a report strictly in accordance with the following format, and as informed by the guideline posted on the Departments Official Website, together with an application for a mining permit.

1. TECHNICAL COMPETENCE

1.1 Complete the table below regarding the technical competence forecast.

TABLE 1

TECHNICAL COMPETENCE COST FORECAST											
SKILLS CATEGORY			STATE THE ESTIMATED QUARTERLY EXPENDITURE ON EACH EMPLOYMENT CATEGORY, SUBCONTRACTOR, OR SERVICE PROVIDER AS SHOWN BELOW								
List all the job categories that will be employed on the mine, from the mine manager to the unskilled labourers, including those of subcontractors and service providers.	State the qualifications required for each job category	State Part time or Full time	Qtr1 (R'000)	Qtr2 (R'000)	Qtr3 (R'000)	Qtr4 (R'000)	Qtr5 (R'000)	Qtr6 (R'000)	Qtr7 (R'000)	Qtr8 (R'000)	TOTAL FOR TWO YEARS
Excavator 30 ton operator	Certificate	Full time	15.30	15.30	15.30	15.30	16.05	16.05	16.05	16.05	125.40
Front end Loader operator	Certificate	Full time	15.30	15.30	15.30	15.30	16.05	16.05	16.05	16.05	125.40
Dumper Truck driver	Licence	Full time	22.00	22.00	22.00	22.00	23.10	23.10	23.10	23.10	180.40
Water Bowser driver	Licence	Full time	4.32	4.32	4.32	4.32	4.53	4.53	4.53	4.53	35.40
Jaw Crusher operator	Certificate	Full time	20.92	20.92	20.92	20.92	21.96	21.96	21.96	21.96	171.52
Cone Crusher operator	Certificate	Full time	25.20	25.20	25.20	25.20	26.46	26.46	26.46	26.46	206.64
Screen operator	Certificate	Full time	13.52	13.52	13.52	13.52	14.19	14.19	14.19	14.19	110.84
TOTAL ESTIMATED EXPENDITURE			116.56	116.56	116.56	116.56	122.34	122.34	122.34	122.34	955.60

NOTE ! If any person (including the applicant) provides services in any job or skills category at a reduced rate or free of charge, then such person's Curriculum Vitae (CV) must be attached as documentary proof of the technical ability available to the applicant.

2. ABILITY TO MANAGE AND REHABILITATE RELEVANT ENVIRONMENTAL IMPACTS

TABLE 2 Environmental cost estimate.

ACTIVITY Mark with X which activities are applicable		POTENTIAL IMPACT	MITIGATION MEASURE	STATE QUARTERLY COST OF MITIGATION MEASURES IN THE AVAILABLE SPACE BELOW, IN RANDS	STATE THE ESTIMATED REHABILITATION COST RELATED TO THE ACTIVITY IN THE AVAILABLE SPACE BELOW, IN RANDS
Excavating	X	Surface disturbance	Rehabilitation		75000
		Dust	Dust control measures	2750	
		Noise	Noise control measures	2750	
		Contaminated Drainage	Storm water system		
Blasting		Fly Rock	Access control measures		
Stockpiles	X	Surface disturbance	Rehabilitation		75000
		Dust	Dust Control Measures	2750	
		Contaminated Drainage	Storm water system		
Discard dumps or dams		Surface Disturbance	Rehabilitation		
		Dust	Dust control Measures		
		Contaminated Drainage	Storm water system		
Loading, hauling and transport	X	Noise	Noise control measures	2750	
		Dust	Dust control Measures	2750	
Water supply dams and boreholes.	X	Surface disturbance	Rehabilitation		40000
Accommodation, offices, ablution, stores, workshops etc.	X	Surface disturbance	Rehabilitation		50000
Processing Plant	X	Noise	Noise control measures	2750	
		Dust	Dust control Measures	2750	
		Contaminated Drainage	Storm water system		
		Surface disturbance	Rehabilitation		75000
TOTAL				19250	315000

3. FINANCIAL COMPETENCE

TABLE 3.1 : Financial implications of the project

CASH FLOW FORECAST									
(Complete the quarterly information and totals as specified by the "ITEM" column below)									
ITEM	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	TOTAL
PRODUCTION The mass or volume of the product to be produced in each quarter, either in tons, m ³ , grams, carats, etc., whichever is applicable.	7000	7000	7000	7000	7200	7200	7200	7200	56800
ITEM	Quarter 1 R'000	Quarter 2 R'000	Quarter 3 R'000	Quarter 4 R'000	Quarter 5 R'000	Quarter 6 R'000	Quarter 7 R'000	Quarter 8 R'000	TOTAL R'000
PRICE The expected price that will be received for the abovementioned product	0.20	0.20	0.20	0.20	0.21	0.21	0.21	0.21	1.64
REVENUE The mass or volume of production multiplied by the price	1400.00	1400.00	1400.00	1400.00	1512.00	1512.00	1512.00	1512.00	11648.00
OPERATING COST Estimated quarterly operating cost (as shown in table 4.2 herein) of stores, materials, electricity, water, fuel and other (Excluding labour and environmental cost)	990.00	990.00	990.00	990.00	1100.00	1100.00	1100.00	1100.00	8360.00
TECHNICAL COMPETENCE COST TO BE PROVIDED FOR Estimated quarterly cost shown in table 1 above, i.e. salaries, wages, labour, service providers, subcontractors, etc.	116.56	116.56	116.56	116.56	122.34	122.34	122.34	122.34	955.60
ENVIRONMENTAL COST Estimated quarterly cost shown in table 2 above and divide the total rehabilitation cost among the quarters. The total of the environmental cost must equal all the quarterly environmental costs and the total rehabilitation cost combined.	39.30	39.30	39.30	39.30	39.45	39.45	39.45	39.45	315.00
CAPITAL AND OTHER The cost (as shown in table 4.1 herein) of land, machinery, the plant, buildings and infrastructure and any other costs.	180.00	180.00	180.00	180.00	185.00	185.00	185.00	185.00	1460.00
WORKING PROFIT / LOSS The revenue minus all the costs listed above	74.14	74.14	74.14	74.14	65.21	65.21	65.21	65.21	557.40

NOTE! If the total is a working loss, then it means that the applicant cannot provide for the technical ability or mine the mineral optimally in a period of two years.

TABLE 3.2- FINANCING THE PROJECT

CATEGORY	AMOUNT	SUPPORTING INFORMATION
State the amount required to fund the project	-	
State the amount the applicant has available to fund the project	-	Attach documentary proof that the amount is available in the form of a bank statement.
State the outstanding amount required to fund the project	-	

CATEGORY	DESCRIPTION	SUPPORTING INFORMATION
State how the outstanding amount will be financed, e.g. Loan, investor, etc.	-	Attach documentary proof of any financing agreement, or other relevant evidence

NOTE ! If the applicant does not have sufficient financial resources readily available (or cannot provide) for the working losses, and for the operating, technical competence and working cost of the first quarter stated in the cash flow forecast above, it cannot be concluded that the applicant has or can provide for the necessary financial resources to carry out the mining activities and to mitigate and rehabilitate relevant environmental impacts.

4. SUPPORTING INFORMATION

TABLE 4.1- CAPITAL COST ESTIMATE: Complete the information required in the table below

COST CATEGORY	QUARTERLY RENTAL WHERE APPLICABLE R'000	OUTRIGHT PURCHASE AMOUNT
Land	-	-
Buildings and infrastructure	-	-
Processing plant	-	-
Machinery	180	-
Other (specify)	-	-
TOTAL (to be reflected in the cash flow forecast in table 3.1 above)	180	-

TABLE 4.2- OPERATING COSTS: Complete the information below:-

COST CATEGORY	Quarterly cost
	R'000
Fuel	620
Electricity	-
Water	70
Stores and materials	50
Other (specify) Repairs & Maintenance, Blasting	250
TOTAL QUARTERLY COST (must be reflected in the cash flow forecast in table 3.1 above)	990

TABLE 4.3- BACKGROUND TO OPERATING COSTS: Complete the information below:-

CATEGORY	REQUIREMENT	COMPLETE THIS COLUMN
MINERAL	State the mineral to be mined	Graniet
FUEL	State volume or tonnage of earth to be excavated per quarter	7000
	State number of excavators to be used	1
	State number of loaders to be used	1
	State number of trucks to be used	1
ELECTRICITY	State volume or tonnage of material to be processed in the plant	-
	List plant or equipment that requires electricity	-
WATER	State volume of water to be used	3900600 liters
	Where will the water be obtained?	Own
OTHER	Describe other operating costs to be incurred, if applicable	Repairs and maintenance, Blasting

5. IDENTIFICATION OF THE REPORT

Herewith I, the person whose name and identity number is stated below, confirm that I am the person authorised to act as representative of the applicant in terms of the resolution submitted with the application, and confirm that the above report and appendices comprise the details and documentary proof of the Financial and Technical ability required to be submitted with this application in terms of form F, annexure I of the MPRDA Regulations.

Full Names and Surname	Charel Andries Bruwer
Identity Number	5612205047084

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