SOMKHELE MINE'S

NEW SOCIAL AND

LABOUR PLAN

2016-2020

FOR NEW MINING RIGHT APPLICATION

REF: 10041 MR

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- **Annexure 6:** Agricultural Hub market
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EXECUTIVE SUMMARY

Tendele Coal Mining (Pty) Ltd ("Somkhele mine) – is the applicant of a new mining right Ref: 10041MR, on Reserve 3, Farm No. 15822. Somkhele mine was developed and commissioned in June 2007, and has the following mining rights: Area 1 (ref: 135 MR); Area 2 and 3 (ref: 216 MR); and Luhlanga and Kwa Qubuka (Section 102 extension of 216MR).

Somkhele's mining areas comprise of a series of mini-pits that are all part of one coal seam –one mining operation and they all feed material into Area 2 - with 3 washing plants. The mine employs about 900 people – who work in all the mining areas under licence. 80% of this workforce comes from the surrounding Mpukunyoni Community.

SOMKHELE MINE IS ONE MINING OPERATION …WITH SAME WORKFORCE…SAME COMMUNITY, SAME MANAGEMENT, SAME OWNER (TENDELE COAL), AND ONE INTEGRATED SOCIAL AND LABOUR PLAN FOR ALL OF SOMKHELE'S EXISTING MINING RIGHTS.

Somkhele mine submitted a new mining right application in June 2013 for the prospecting Areas 4 and 5, which was supported by an Integrated SLP covering the existing and new mining right areas. The DMR requested that the mine split the Integrated SLP into 2 separate SLPS – a revised SLP for existing mining rights outlining commitments and projects from 2012 to 2017, and a new SLP for the new mining right covering a 5 year period from the date the mining right is granted.

NEW MINING RIGHT IS REQUIRED TO SECURE REPLACEMENT TONNES NEEDED TO SUSTAIN CURRENT PRODUCTION (WITH AREA 2 MINED OUT; LUHLANGA WILL BE MINED OUT IN 2017)

The mining industry in South Africa is currently facing a tough economic environment. The weak commodity prices, a slowdown in world economics, recession looming in development countries, the plummeting of equity stock and sharp drop in commodity prices and demand for commodities, has put a lot of pressure on mining companies. The blue chip mining companies are currently retrenching a significant number of their workforce with more job cuts expected in the next 2 years. Somkhele is also experiencing severe drought conditions in KZN, which have led to shortages of process water required for mining and processing of material.

The outstanding mining right application supported by this SLP is important in sustaining the current production of the mine.

Below is a summary of the key projects and programmes and related budgets for a period of 5 years (2016 – 2020). The implementation of these projects can only commence once the mining right has been approved by the DMR, and assumes commencement date as January 2016. The plan follows a calendar year from January to December to align with Mining Charter reporting required by the DMR.

THE NEW SOCIAL AND LABOUR PLAN FOR SOMKHELE IS SUBMITTED IN SUPPORT OF THE NEW MINING RIGHT APPLICATION AS REQUESTED BY DMR AFTER EXTENSIVE CONSULTATION PROCESS

TABLE 1: SUMMARY OF NEW MINING RIGHT - SLP COMMITMENTS FOR THE NEXT 5 YEARS

Description	2016	2017	2018	2019	2020	TOTAL
Skills Development						
ABET Employees	200 000	250 000	300 000	300 000	300 000	1 350 000
ABET Communities	400 000	424 000	449 440	476 406	504 990	2 254 836
Learnerships/ Apprenticeship - Internal	158 000	158 000	158 000	158 000	158 000	790 000
Learnerships/ Apprenticeship - External	108 000	108 000	108 000	108 000	108 000	540 000
Internship	14 400	15 264	16 179	17 150	18 179	81 172
Bursaries-Employees	28 000	28 000	49 000	63 000	63 000	231 000
Bursaries-Communities	21 000	21 000	21 000	49 000	49 000	161 000
Portable skills-Communities	287 500	287 500	325 000	375 000	375 000	1 650 000
Management Development	-	5 000	125 000	125 000	75000	330 000
Sub Total	1 342 900	1 422 764	1 731 619	1 959 556	1 939 169	8 396 008
Community Development						
Development of New School / Centre of Excellence		200 000	2 500 000	2 500 000	800 000	6 000 000
School maintenance (Siphele & new school)	40 000	80 000	80 000	80 000	80 000	360 000
Improving Maths & Science at schools (Teach-SA)	-	385 000	385 000	385 000	-	1 155 000
Water supply to community (through boreholes and hand-pump)	175 000	175 000	175 000	175 000	175 000	875 000
Agricultural Hub – phase 2	480 000	480 000	480 000	480 000	480 000	2 400 000
Broiler production (incl detailed feasibility study, business plan and training)	-	-	339 000	200 000	200 000	739 000
Community Access Roads in Area 5	-	200 000	500 000	-	-	700 000
Dip-tanks (Area 5)	-	100 000	100 000	-	-	200 000
Sub Total	695 000	1 620 000	4 559 000	3 820 000	1 735 000	12 429 000
Management of downscaling						
Management of downscaling (Portable skills training)	105 000	105 000	105 000	105 000	180 000	600 000
TOTAL	2 142 900	3 147 764	6 395 619	5 884 556	3 854 169	21 425 008

SECTION 1: PREAMBLE

1. Background Information

1.1. Name of Company	-	Tendele Coal Mining (Pty) Ltd
1.2. Name of Mine	-	Somkhele Mine
1.3. Physical Address	-	Nkolokoto, R 618, 23 km off the N2, Mtubatuba, KwaZulu-Natal
1.4. Postal Address	-	Postnet Suite 208 P/Bag X013 Mtubatuba 3935
1.5. Telephone Number	-	082 895 1406
1.6. Fax Number	-	086 658 1559

1.7. Location

Somkhele Mine is located within the Mpukunyoni Traditional Authority in the Somkhele area. Mpukunyoni area falls under the jurisdiction of Mtubatuba Municipality, Umkhanyakude District Municipality, KwaZulu Natal Province. Map 1 shows all mining areas within the Mpukunyoni jurisdiction that forms part of this SLP.

1.8 Commodity

The company mines **anthracite**.

1.9 Life of Mine

The expected life of mine at the rate of current production and reserves exceeds 30 years.

1.10 Financial year

1 July to 30 June

1.11 Reporting Year to DMR

31 December

For details on this document please contact
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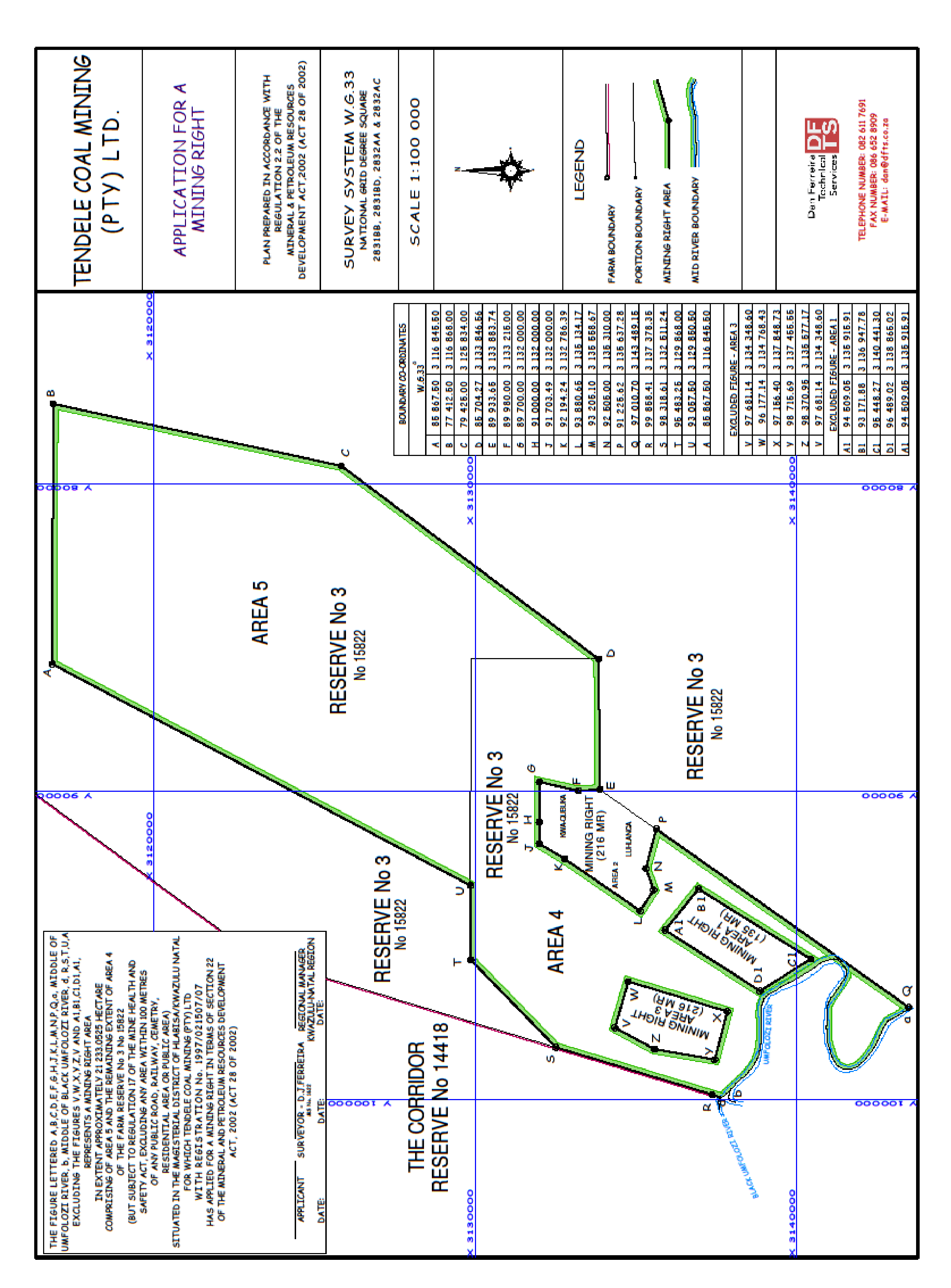
Map 1: Illustration of the mining area:



1.12 Introduction

Somkhele mine submitted a new mining right application in June 2013 for the prospecting Areas 4 and 5. The application was supported by an Integrated SLP covering the existing mining right area and included the new area which was part of the new mining right application. The DMR requested that the mine split the Integrated SLP into 2 separate SLPs – a revised SLP for existing mining rights outlining commitments and projects from 2012 to 2017, and a new SLP (i.e. this document) for the new mining right covering the mine's commitments over a 5 year period from the date the mining right is granted.

1.13 Workforce profile

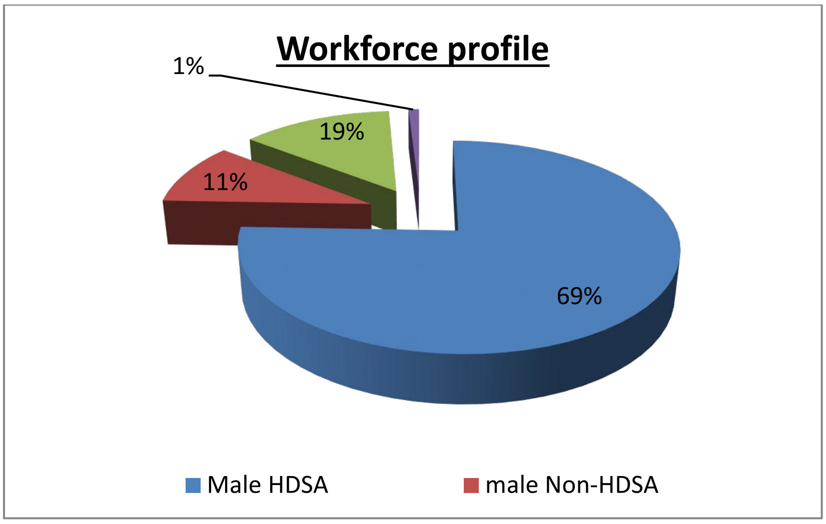
At the end of June 2015, Somkhele mine had a workforce of 904 employees illustrated as follows:

Table 2: Workforce profile as at 30 June 2015

Gender	Female				Female	Male				Male	Grand Total
Race	African	White	Coloured	Indian	Total	African	Coloured	Indian	White	Total	
Total	166	14	0	3	183	623	0	3	95	721	904

HDSA DISTRIBUTION			
Male HDSA	626	Male HDSA %	69%
Male Non-HDSA	95	Male Non-HDSA %	11%
Female - HDSA	169	Female - HDSA %	19%
Female - white	14	Female - white %	1%

Graph 1: Workforce profile



1.14 Breakdown of employees per labour sending area

The Company sources the majority of its employment requirements from the surrounding communities. The mine's current representation of local recruitment is 80% (refer to blue highlights) from Mpukunyoni area.

Table 3: Number of employees from each Labour Sending Area as at June 2015

Area	TENDELE		CONTRACTORS		TOTAL MINE	
	No. of employees	% Strength	No of employees	% Strength	Total	% Strength
Mpukunyoni Area under Mtubatuba Municipality						
Dubelenkunzi/Nkolokotho	56	19%	68	11%	124	14%
Esiyembeni	12	4%	14	2%	26	3%
KwaMyeki	59	20%	182	30%	241	27%
Machibini	65	23%	80	13%	145	16%
Mahujini	0	0%	0	0%	0	0%
Ophondweni (Gunjaneni, Tholokuhle, Nsolweni, Mvutshini, Ekuthuleni)	9	3%	15	2%	24	3%
Nomathiya (Ebaswazini, Nkodibe, Hoho, Iziphaphazi, Nkombose, Mshaya, Qakwini, Mfekayi)	8	3%	40	6%	48	5%
KwaMsane	12	4%	29	5%	41	5%
Mtubatuba	18	6%	22	4%	40	4%
Madwaleni (Ngqopheni, Mapheleni, Ogengele, Shikishela, Makhambane)	5	2%	11	2%	16	2%
Khula (Dukuduku, Nkundusi, Zwenelisha)	2	1%	8	1%	10	1%
St Lucia, Monzi	7	2%	5	1%	12	1%
Sub-total (1)	**253**	**88%**	**474**	**77%**	**727**	**80%**
Other areas within KZN						
Richards bay	21	7%	31	5%	52	6%
Esikhaleni, KwaMbonambi	2	1%	29	5%	31	3%
Empangeni, Enseleni	1	0%	8	1%	9	1%
Escort, Melmorth, Pietermaritzburg, Newcastle, Vryheid	2	1%	7	1%	9	1%
Hlabisa, Nongoma	0	0%	5	1%	5	1%
Hluhluwe	0	0%	25	4%	25	3%
Pongola, Jozini	1	0%	12	2%	13	1%
Mtunzini	1	0%	2	0%	3	0%
Mbazwana (Wild Coast)	0	0%	1	0%	1	0%
Bhulwa	0	0%	1	0%	1	0%
Sub-total (2)	**28**	**10%**	**121**	**20%**	**149**	**16%**
Other areas outside KZN						
Witbank	2	1%	0	0%	2	0%
Johannesburg, Rivonia, Boksburg	5	2%	21	3%	26	3%
Delmas, Lydenburg, Mooiriver	0	0%	0	0%	0	0%
Sub-total (3)	**7**	**2%**	**21**	**3%**	**28**	**3%**
Mpukunyoni Area under Mtubatuba Municipality	253	88%	474	77%	727	80%
Sub-total (2): Other within KZN	28	10%	121	20%	149	16%
Sub-total (3): Other outside KZN	7	2%	21	3%	28	3%
TOTAL (ALL EMPLOYEES)	**288**	**100%**	**616**	**100%**	**904**	**100%**

Note*: *that the figures include Somkhele Mine employees, JV with Mpukunyoni community and SPH, and all its contractors.

SECTION 2: HUMAN RESOURCES DEVELOPMENT PROGRAMMES

The mine is committed to develop its employees and communities in compliance with the primary objective of human resource development which is to ensure the development of requisite skills in respect of learnerships, bursaries, artisans, ABET training and other training initiatives reflective of the demographics as defined in the amended Mining Charter.

2.1. Skills Development Plan

Somkhele Mine's skills analysis is illustrated by the workforce education level depicted in the table below.

The company will continue to offer employees various skills programmes as explained below including Adult Basic Education and Training.

Education levels of the workforce:

The current educational levels of employees (including contractors) are as follows:

Table 4: Workforce education level as at 30 June 2015

LEVELS OF EDUCATION									
EDUCATIONAL LEVELS	**AfricaTruck**	**Alpha**	**Applied Geology**	**Duma Manje**	**Mpukunyoni JV**	**Tendele**	**Other**	**TOTAL**	**%**
ABET 0 Gr 1-2	2	16	6	3	133	36	55	251	27.8%
ABET 01 Gr 3-4	0	0	0	1	3	18	0	22	2.4%
ABET 02 Gr 5-6	0	1	0	0	11	25	1	38	4.2%
ABET 03 Gr 7-8	0	4	0	2	4	14	1	25	2.8%
ABET 04 Gr 9 NQF 01	1	1	0	3	11	5	0	21	2.3%
General Education	3	22	6	9	162	98	57	357	39.5%
N 1 (gr 10) NQF 02	2	17	0	3	18	6	0	46	5.1%
N 2 (gr 11) NQF 03	2	3	0	2	34	20	0	61	6.7%
N 3 (gr 12) NQF 04	29	9	0	66	153	114	6	377	41.7%
Further education	33	29	0	71	205	140	6	484	53.5%
Diploma/Certificate NQF 05-07	0	0	2	2	7	34	0	45	5.0%
Degree/ High.Diploma NQF 08	0	0	2	0	0	8	0	10	1.1%
Honors/Masters Deg NQF 09	0	0	0	0	0	8	0	8	0.9%
Doctorates/Post Grad NQF 10	0	0	0	0	0	0	0	0	0.0%
Higher education	0	0	4	2	7	50	0	63	7.0%
	36	**51**	**10**	**82**	**374**	**288**	**63**	**904**	**100.0%**

As at 30 June 2015, about 39% of the mine's workforce has education qualification at and below ABET level 4. The mine will focus on developing the literacy levels of these employees in the next 5 years by taking them through various ABET training programmes.

The Company has established an ABET centre on the mine for both mine employees and communities. Due to safety and transport challenges, ABET training can only take place during working hours. Two ABET facilitators are permanently appointed to run the ABET programme.

The Company will establish another ABET Centre at a central location for access by communities and employees who will attend when they are not at work. A third facilitator will be appointed to run the community ABET centre.

The Company plans to achieve the ABET targets as described in paragraph 2.1.1 over the next 5 years as part of its skills development plan.

2.1.1 ABET

The company commits to training employees who require ABET as indicated above. To motivate employees and encourage them to continue participating on the ABET programme, employees will be given a financial reward of R500 upon completion of each ABET level. The budget includes the reward amounts.

Table 5: ABET – Employees

ABET TRAINING – EMPLOYEES						
PROGRAMME	2016	2017	2018	2019	2020	TOTAL
	Plan	Plan	Plan	Plan	Plan	
ABET L1	10	10	10	10	10	**50**
ABET L2	5	10	10	10	10	**45**
ABET L3	5	5	5	5	5	**25**
ABET L4	0	0	5	5	5	**15**
TOTAL	20	25	30	30	30	**135**
Budget	**200 000**	**250 000**	**300 000**	**300 000**	**300 000**	**1 350 000**

At the end of year 5 of mining in the new area, the mine will have trained 135 employees through various ABET training. This training is in addition to the training that would be provided under the Revised SLP for Existing mining rights.

Table 6: ABET – Communities

ABET TRAINING – COMMUNITIES						
PROGRAMME	2016	2017	2018	2019	2020	TOTAL
	Plan	Plan	Plan	Plan	Plan	
ABET L1	25	25	15	15	15	95
ABET L2	10	10	15	10	10	55
ABET L3	5	5	10	10	10	40
ABET L4	0	0	0	5	5	10
TOTAL	**40**	**40**	**40**	**40**	**40**	**200**
Budget	**400 000**	**424 000**	**449 440**	**476 406**	**504 990**	**2 254 837**

Community members will also be afforded an opportunity to attend ABET. At the end of year 5, the mine would have trained 200 communities at various ABET levels – and this is over and above the training that would been provided under the revised SLP for existing mining rights. Communities will receive R20 daily for attending ABET and upon completion also qualify for the R500 reward.

2.1.2 Hard-to-fill vacancies

The mine is situated in a community previously isolated from mining developments. Only one other significant employer exists in the Mpukunyoni area, namely the Umfolozi Sugar Mill. Hard-to-fill positions subsequently include artisans, qualified earth-moving machinery operators and most junior and middle management positions in the mining related disciplines.

The training and development of candidates for the positions mentioned will be addressed through bursaries, apprenticeships, internships, Professionals in Training and career progression plans, as illustrated in the next section:

Table 7: Hard-to-fill vacancies

Occupational Levels	Job Title	Reason for being unable to fill the vacancy
Professionally qualified	Chief Health and Safety	Lack of locally competent candidate, salary offer and remoteness of area
Skilled technical	Boilermakers	Lack of local skills
	Electricians	Lack of local skills
	Fitters	Lack of local skills
	Diesel Mechanics	Lack of local skills
Semi-skilled	Front end loader operators	Lack of local skills
	Excavator operators	Lack of local skills
	Dump truck operators	Lack of local skills
	Grader operator	Lack of local skills

2.1.3 Core skills training

For purposes of this section, core skills will be regarded as any skills which are core and essential on the mine and will include skills in exploration, blasting, mining, transporting of coal, plant processing and laboratory analyses. It will also include skills in the services departments which are core to the process i.e. artisans.

The Company undertakes to maintain a target of HDSA's in Core Skills at 40% of total Core Skills. Learnerships, internships, bursaries and HDSA management training will be offered to address core business and hard-to-fill skills.

a. Learnerships/Apprentices

Learnerships/apprenticeships will provide employees with the necessary technical and supervisory skills required for positions in the coal mining industry. Training will be provided through the Colliery Training Centre (CTC) where candidates are placed on a 2 years on-the-job programme. At any point in time, the indicated number of candidates will be in the various programmes as indicated in the table below. External learnerships will also be provided as indicated in **Table 8 and 9**.

Table 8: Learnerships /Apprentices – Employees (Internal)

Qualification	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	Total no. of people	Total
Supervisors development (mining and processing): Generic management – NQF Level 4 (SAQA 57712) first line management training	4	4	4	4	4	8	**120 000**
Artisans development (Trade Test): Diesel mechanic	1	1	1	1	1	8	**520 000**
Electrical	1	1	1	1	1		
Fitting	1	1	1	1	1		
Boiler making	1	1	1	1	1		
Plant operators: National Certificate-Mineral Processing (SAQA-59305)	8	8	8	8	8	16	**150 000**
No. of people	16	16	16	16	16	32	
TOTAL	**158 000**	**158 000**	**158 000**	**158 000**	**158 000**		**790 000**

Table 9: Learnerships /Apprentices – Communities (external)

Qualification	Target	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	Total no. of people	Total
Fitting Trade Test	Umfolozi TVET N3's	10	10	10	10	10	20	**140 000**
National Certificate Rockbreaking: Surface excavation (SAQA 257031, 26731 - NQF Level 3)	ABET with Code 14 communities (entry level)	10	10	10	10	10	50	**400 000**
Total no. of people		**30**	**30**	**40**	**40**	**40**	**70**	
TOTAL		**108 000**	**108 000**	**108 000**	**108 000**	**108 000**		**540 000**

b. Internship

The company undertakes to provide an opportunity to 4 (four) interns per annum to complete the practical portion of their studies on the mine. Candidates studying the scarce and core skills disciplines will receive preference for the opportunities mentioned. Candidates from within the community will be given preference. The budget allocated below is an allowance of R1200 that will be paid to each candidate on the internship programme.

Table 10: Internship

Programme	2016	2017	2018	2019	2020	Total No. of People	Budget
	Plan	Plan	Plan	Plan	Plan		
Internship	2	2	2	2	2	**10**	
Total	2	2	2	2	2	**10**	
Budget	**14 400**	**15 264**	**16 179**	**17 150**	**18 179**	**-**	**81 172**

c. HDSA Management Development Programme

A talent pool has been identified at Somkhele Mine through actual work performance, as well as psychometric assessments. The individuals identified will be trained and developed under close guidance of a mentor in the following disciplines. The identified candidates will be put through a Management Development Programme offered by Maccauvlei which covers four study schools covering aspects of people management, productivity, labour relations and performance management.

Table 11: Management Development Programme

Development Field	2016	2017	2018	2019	2020	Budget
	Plan	Plan	Plan	Plan	Plan	
Chief Safety Officer	-	0	1	1	1	15 000
Metallurgy	-	-	1	1	1	45 000
Stores	-	1	1	1	1	20 000
Engineering and Mining - MBA	-	0	2	2	1	250 000
Total	0	1	5	5	4	
Annual budget	**-**	**5 000**	**125 000**	**125 000**	**75 000**	**330 000**

d. Women- in- Mining (WIM)

For purposes of this section, mining positions are regarded as any position directly involved in the mining and beneficiation of coal/anthracite. It will include positions in exploration, blasting, mining, transporting the coal, plant processing and laboratory analyses. It will exclude positions in support functions, i.e. administration, engineering, plant cleaners. **Tendele undertakes to maintain a level of 15% of employees in mining being women.**

Table 12: Women in mining target

WIM	2016	2017	2018	2019	2020
	Plan	Plan	Plan	Plan	Plan
WIM Target	**13%**	**15%**	**15%**	**15%**	**15%**

2.2 Career Path Plan

The career paths in the three main disciplines on the mine are depicted below. The diagrams show how employees at entry level will be developed and acquire experience in the different occupational levels.

PRODUCTION:

PLANT PRODUCTION

Occupation level	Position	Requirements	Duration
Senior Management	Process Manager	BSc/BEng/BIng, Btech/T4/NHD, GDE, 10 years plant experience or more. MDP	10 years
	↑		
Middle Management	Plant Foreman	Grade 12; NQF 5 qualification, Computer literate, Senior Supt qualifications, Advanced Coal Prep	5 or more years
	↑		
Middle Management	Shift Supervisor	Grade 12; Maths & Science, Supervisory level, Computer literate, 3 years or more plant experience, Coal Prep training	3 years
	↑		
Supervisory & Skilled	Junior Shift Supervisor	Grade 12; Maths & Science, Computer literate, 3 years or more plant experience, Coal Prep training, driver's license	3 or more years
	↑		
Supervisory & Skilled	Control Room Operator	Grade 12; Computer literate, 3 years or more plant experience	3 years
	↑		
Supervisory & Skilled	Senior Plant Operator DMS	Grade 12; Computer literate, 2 years plant experience, total process competent	2 years
	↑		
Semi-Skilled	Plant Operator	Grade 12; English and Numeracy; 1 year relavant work experience,	1 years
	↑		
Unskilled	General Worker	Grade 12; English and Numeracy;	1 years

MINING:

	Occupation level	Position	Requirements	Duration
MINING	Senior Management	Mining Operations Manager	BSc/BEng/BIng, Btech/T4/NHD (NQF7/8): GDE, 10 years experience or more; MDP/MBA	10 years
		↑		
	Middle Management	Operations Superintendent	Ndip-T3/S4; N- Diploma N6 (NQF 6), Supervisory level, GCC; 5 years work experience	5 or more years
		↑		
	Middle Management	Pit Superintendent	N4/N5/N6/S4; NQF 5/Diploma, Blasting Certificate; Supervisory level, Computer literate, 3 years or more mining experience	3 years
		↑		
	Supervisory & Skilled	Foreman	Grade 12/NQF 4;Maths & Science; Blasting Assistant, Computer literate, 3 years or more mining experience	3 or more years
		↑		
	Supervisory & Skilled	Supervisor	Grade 12/NQF 3/4; Competent A; Basic computer literacy; 3 years or more mining experience	3 years
		↑		
	Supervisory & Skilled	Operator (Dozer, Excavator, Grader)	Grade 12; Computer literate; 2 years work experience; competence in 2 machines	2 years
		↑		
	Semi-Skilled	Machine operator (ADT, Service Truck, WC)	Grade 12; English and Numeracy; Driver's license; 2 years relevant work experience,	2 years
		↑		
	Unskilled	General worker	Grade 10/ABET 3/4; English and Numeracy;	2 years

ENGINEERING:

Occupation level	Position	Requirements	Duration
Senior Management	Engineer	BSc/BEng/BIng, Btech/T4/NHD (NQF7/8): GCC; MDP/MBA; 10 years experience or more	10 years
	↑		
Middle Management	Engineering Superintendent	Ndip-T3/S4; N- N Diploma N6 (NQF 6), Trade test; 5 years or more work experience	5 or more years
	↑		
Middle Management	Master Artisan (Technician, Instrument mech; specialist position/Planner)	Trade Test; Grade 12/NQF 4; N2/N3; 3 years experience	3 years
	↑		
Supervisory & Skilled	Artisan	Trade Test; Grade 12/NQF 4; N2/N3; 3 years or more mining experience	3 or more years
	↑		
Supervisory & Skilled	Junior Artisan	Grade 12/NQF 3/4; N2/N3; Trade Test as artisan; 2 years or more work experience	2 years
	↑		
Semi-Skilled	Handyman	Grade 12; 2 years work experience;	2 years
	↑		
Semi-Skilled	Engineering Assistant	Grade 12; ABET 4; English and Numeracy; Plant standard; 1 year work experience.	1 years
	↑		
Unskilled	General Worker	Grade 12/ABET 4; English and Numeracy; Plant standard	2 years

ENGINEERING

2.3 Mentorship Programme

All identified core skills training which includes learnerships, internships, Management training, Professionals in Training, candidates will be subjected to being mentored by their reporting line as indicated below. The Mentorship programme will be formalised through agreements entered into between the mentor and protégée.

Table 13 (a): Mentorship programme

Occupational Levels	Link to Hard To Fill Vacancies
Senior Management	HR Manager shadow HR Superintendent
	Stakeholder Manager shadow Community Development Officer
Professionally qualified	Section Engineer shadows Mine Engineer
Mid-management	Supervisors shadow HDSA Professionals in Training and Management Training

Skilled technical and academically	Supervisors shadow candidates on Learnerships and Internships
Qualified workers, junior management, supervisors, foremen	Section Engineers shadow Artisans, Supervisory and Foremen on developmental programmes
Superintendents	Chief Safety Officer shadowed by Superintendent
Semi-skilled and discretionary decision making	Earthmoving Machine Operators shadowed by supervisors
Unskilled and defined decision making	Learnerships, Internships (N1-N4) shadowed by supervisors

Table 13 (b): Mentorship plan over 5 years

Mentees mentored over 5 years	2016		2017		2018		2019		2020		TOTAL mentored
	Mentee	Mentor	Mentee	Mentor	Mentee	Mentor	Mentee	Mentor	Mentee	Mentor	
HR Manager shadow HR Superintendent	1	1	1	1	1	1	1	1	1	1	1
Stakeholder Manager shadow Community Dev. Officer	1	1	1	1	1	1	1	1	1	1	1
Section Eng. shadows Mine Engineer	1	1	1	1	1	1	1	1	1	1	1
Supervisors shadow HDSA Professional in Training (9) & Mgt Training (9)	3	3	3	3	3	3	3	3	3	3	18
Supervisors shadow Interns(20)	4	4	4	4	4	4	4	4	4	4	20
Section Eng. shadow Artisans (16), Supervisory (8) & Foremen (5) on develop. prog.	5	5	5	5	5	5	5	5	5	5	30
Chief Safety Officer shadowed by Superintendent	1	1	1	1	1	1	1	1	1	1	1
Earthmoving Machine Operators shadowed by supervisors	10	5	10	5	10	5	10	5	10	5	50
N1-N4 shadowed by supervisors	10	5	10	5	10	5	10	5	10	5	50
TOTAL		26		26		26		26		26	172

NB. It should be noted that this budget is incorporated in the Supervisory training, management and professionals training.

2.4 Bursary Plan

The bursary plan represents the continuous number of beneficiaries that will benefit from bursaries annually. Where a beneficiary qualifies/completes the studies in a specific year, that beneficiary will be replaced with a new beneficiary in order to maintain the targets indicated.

Table 14: Bursaries Internal - Employees

Field	2016	2017	2018	2019	2020	TOTAL
	Plan	Plan	Plan	Plan	Plan	
Employees: BCom Acc x 1 (5 years part-time) Logistics diploma x 1 (3 years part-time) National Diploma – Safety Management x 1 (4 years) HR degree x 1 (5 years), TVET – Engineering Certificates (1 year) x 2	2	2	2	4	4	**6**
Employees' children: BEd x 1, MBCHB x 1, Mechanical Engineering x 1 LLB x1	2	2	2	2	2	**4**
Total	4	4	4	6	6	**10**
Annual Budget	**100 000**	**100 000**	**100 000**	**300 000**	**300 000**	**900 000**

To note: Some of the bursaries are for distance based learning and some for full time.

Table 15: Bursaries External - Communities

Field	2016	2017	2018	2019	2020	TOTAL
	Plan	Plan	Plan	Plan	Plan	
Any mine -related field: Mine Engineering x 2 Mechanical Eng. x 1 BSc Hydrology x 1, BA Environment x1, Geology x 1 BCom Acc. x 1,	2	2	2	5	5	**7**
Community -related field: BCur-Nursing x 1, LLB x 1, BEd x 1	1	1	1	2	2	**3**
Total	3	3	3	7	7	**10**
Annual Budget	**75 000**	**75 000**	**75 000**	**175 000**	**175 000**	**575 000**

To note: Some of the bursaries are for distance based learning and some for full time.

The company's bursary policy is attached herewith outlining the selection criteria.

2.5 Employment Equity Plan

The company's employment equity is shown below with 50% at top management, 60% HDSA at senior management position and 44% at middle-management. The mine is compliant to the Employment Equity targets and will continue to develop its employees as indicated in the Skills Development Programmes already discussed.

Table 16: HDSA Representation per occupational level as at 30 June 2015

	African		Coloured		Indian		White	Subtotals (A)	White	Grand totals (B)	A as % of B	Target	Variance
	M	F	M	F	M	F	F		M			2014	
Top management	0	1	0	0	0	0	0	1	1	2	**50%**	40%	10%
Senior management	4	1	0	0	0	0	1	6	4	10	**60%**	40%	20%
Middle Management	1	1	0	0	0	1	1	4	5	**9**	**44%**	**40%**	4%
Junior Management	24	10	0	0	2	1	4	41	23	64	**64%**	40%	24%
Core & Critical Skills (1)	101	64	0	0	0	0	0	165	29	194	**85%**	40%	45%

The company's plan in terms of equity candidates (HDSA) is illustrated in the table below. Despite the mine not foreseeing expansion in its labour, opportunities for equity candidates at management levels will become available due to natural attrition, resignation and promotions. It should be note that HDSA's at management level are on training and development. The mine is committed to maintain its compliance level through the years.

Table 17: EE Candidates over 5 years

Level	2016	2017	2018	2019	2020	TOTAL
	Plan	Plan	Plan	Plan	Plan	
Top management	2	2	2	2	2	2
Senior management	3	3	3	3	3	3
Middle management	7	8	8	8	8	8
Junior management	58	57	57	57	57	57
Core and critical skills	504	504	504	504	504	504

SECTION 3: LOCAL ECONOMIC DEVELOPMENT PROGRAMME

3.1 Social and economic background information

With Somkhele Mine expanding throughout the Mpukunyoni area and extending its life of mine to more than 30 years, a decision was taken in collaboration with the Mpukunyoni Traditional Authority to present the mine's SLP to not only cover areas within the mine's jurisdiction but to include the entire Mpukunyoni areas, which are demarcated into 30 Izigodi. Projects were identified in such a manner that they would be centralised and integrated with other programmes to benefit people within the 30 Izigodi.

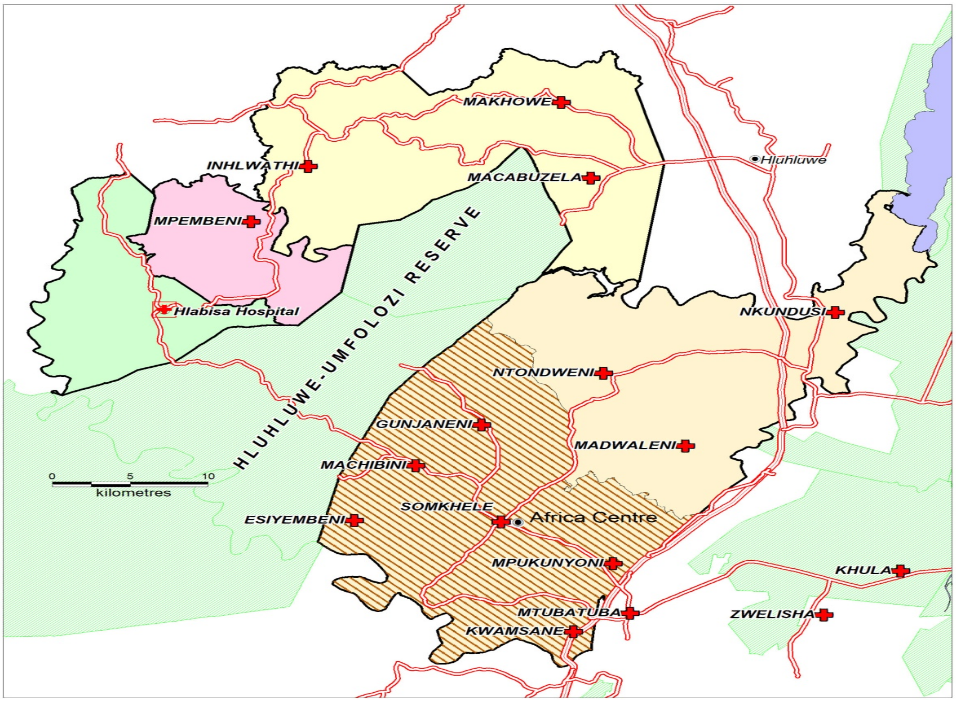
A detailed discussion of the SLP 2016-2020 that is considerate of the wider Mpukunyoni area, is presented below. The new projects and business plans are attached as annexures to this document. A summary of projects the mine will focus on from 2016 to 2020 are shown in the table below:

Table 18: Summary of Community Projects

Community Development						
Development of New School / Centre of Excellence		**200 000**	**2 500 000**	**2 500 000**	**800 000**	**6 000 000**
School maintenance (Siphele & new school)	**40 000**	**80 000**	**80 000**	**80 000**	**80 000**	**360 000**
Improving Maths & Science at schools (Teach-SA)	**-**	**385 000**	**385 000**	**385 000**	**-**	**1 155 000**
Water supply to community (through boreholes and hand-pump)	**175 000**	**175 000**	**175 000**	**175 000**	**175 000**	**875 000**
Agricultural Hub – phase 2	**480 000**	**480 000**	**480 000**	**480 000**	**480 000**	**2 400 000**
Broiler production (incl. detailed feasibility study, business plan and training)	**-**	**-**	**339 000**	**200 000**	**200 000**	**739 000**
Community Access Roads in Area 5	**-**	**200 000**	**500 000**	**-**	**-**	**700 000**
Dip-tanks (Area 5)	**-**	**100 000**	**100 000**	**-**	**-**	**200 000**
Sub Total	**695 000**	**1 620 000**	**4 559 000**	**3 820 000**	**1 735 000**	**12 429 000**

A profile of the Mpukunyoni area which falls under the Mtubatuba Municipality jurisdiction is outlined hereunder:

Map 2: Mtubatuba Municipality Area also Mpukunyoni Traditional Authority area



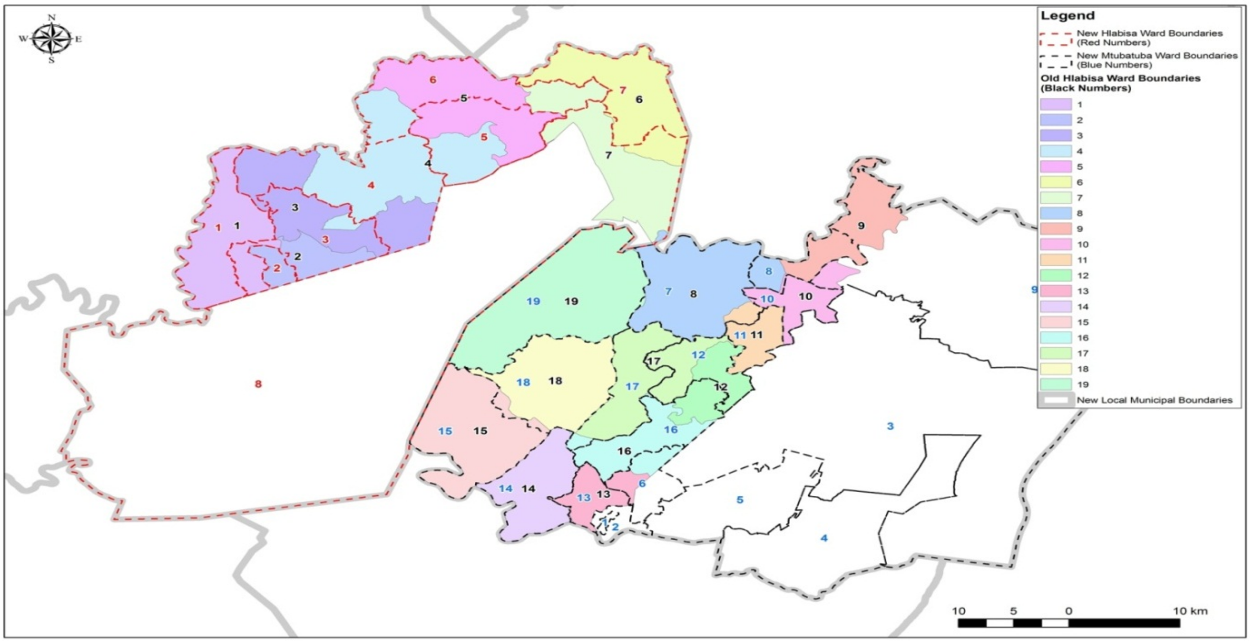
The Mtubatuba Municipality is one of the five local municipalities within Umkhanyakude District. Currently, it is estimated to have a total population of 143 908 and 24 440 households. The municipality is the most urbanised municipality within the Umkhanyakude District, comprising of Mtubatuba Town and St Lucia as its main towns.

After the May 2011 local government elections, the municipality comprised of 19 wards outlined below covering approximately 1 970 square km's. Compared to when the municipality had only 5 wards, this significant change in municipal size has serious implications in respect of profiling the municipality as no statistical data exists that covers the new municipal area. The 19 wards are further sub-divided into 30 Izigodi under the leadership of Izinduna and as per the Traditional Authority structures.

Mtubatuba is the urban centre of the municipal area and serves as the administrative head offices of the Mtubatuba Municipality.

The municipality land area is characterised by commercial farming, dispersed vast rural area, developed and developing areas. It also has vast agricultural land with the valuable commercial forestry and sugar cane growing areas.

Map 3: Mtubatuba Municipality wards



3.2 Key economic activities and needs of the area in which mining operations take place

Somkhele Mine conducted a baseline needs analysis survey to determine community needs within the Mpukunyoni area. The identified needs were also informed by the challenges faced by the local municipality and guided the socio-economic development projects that the mine would embark on. These projects were aligned to the Mtubatuba Municipality's IDP.

The baseline needs analysis survey findings will be used as a planning tool for implementing LED projects in the communities, as well as outline engagement with the communities in a meaningful and contextually appropriate manner. Projects with the greatest chance of achieving sustainable community development, community self-reliance and social benefit were identified through the baseline needs analysis survey. The Baseline Needs Analysis Survey Report is attached to this SLP as an Annexure.

The following are key findings of the survey which resulted in the local economic development (LED), infrastructure and poverty eradication projects outlined below:

- **Water crisis and drought** challenges
- **Unemployed** youth with women in the majority
- Low **education** level
- Lack of **skills** especially mine related
- Few **SMME's and low economic activity**

The survey also showed that crops and livestock farming are predominant in the area for subsistence purposes.

KEY FOCUS AREAS WITH HIGH IMPACT POTENTIAL

These findings are in line with the challenges reflected in the municipality's IDP. In light of the challenges in the Mtubatuba Municipality area and the findings of the survey that was conducted by the mine, the key focus areas that will have a positive impact on the community are as follows:

- **WATER INFRASTRUCTURE FOR THE COMMUNITY** – through drilling and provision of boreholes and equipping them with hand-pumps

- **EMPLOYMENT AND JOB CREATION** - illustrated by the 900 jobs created by the mine;

- **INVESTING IN EDUCATION** – through the establishment of a well-resourced school and programmes aimed at improving the quality of the education in the area such as **Teach SA**.

- **DEVELOPMENT OF ECONOMIC ACTIVITY IN THE COMMUNITY** – aimed at poverty eradication and community development – through the establishment of an LED Agricultural Hub Project which includes an Agricultural Hub, training and support of entrepreneurs and households with infrastructure, market access

- **SMME DEVELOPMENT** - through the Hub established under the Agri –processing in producing various goods and products such as leather goods out of cow-hide; chicken broiler project to supply the hospitals and schools with protein.

3.3 Impact of the Somkhele Mine operation on the area

Somkhele Mine is located at Somkhele in the Mpukunyoni area under the Mtubatuba Municipality which is situated on the coastline of north–eastern KwaZulu–Natal (shown on the map 2).

Somkhele Mine is a major source of employment for local communities, followed by Africa Centre and the Sugar Cane Mill. Other small scale employment opportunities are offered by the municipality and other government departments found in Mtubatuba town. Somkhele Mine offers over 954 job opportunities to the local communities. The areas within Mpukunyoni area are outlined in the Geographic Origin of Employees in table 2**.** These are the areas in which the mine's development initiatives will focus on. Due to the 30 Izigodi, it was agreed with local traditional structures that the mine centralise its initiatives to maximise benefits to communities within Mpukunyoni area.

The mine has managed to create over 900 jobs as illustrated in table 1.

Challenges faced by the municipality that may impact on Somkhele Mine

The developmental constraints experienced by Mtubatuba Municipality are short-term in nature, but have had a long term impact on the growth, stabilisation and development of the Municipality including the possibility of health risks amongst the communities.

The most dominating issue is the **water crisis**, **sewerage disposal infrastructure in** terms of **maintenance of existing infrastructure and planning for expansion.**

The critical water shortage is stifling the economic growth and development throughout the municipal area, where, for example, at the peak of the tourism season, the water runs dry, resulting in everyone departing and leaving behind a municipality and its communities less well off because of water challenges.

The Municipality continues to seek the intervention of National and Provincial spheres of governance into this crisis to come up with a permanent solution.

Similar problems exist with **sanitation** and **electricity** but these are not as insurmountable as the lack of portable water.

3.4 Measures to address housing and living conditions

Homeownership

The majority of the mine's employees reside locally. Employees are provided with transport outsourced to local communities to access work. With the mine having no hostels, the mine encourages homeownership amongst employees by paying all employed on the mine, including contractors an amount of R 1 100-00 per month housing allowance.

Further to the afore-mentioned the mine has as early as 2014 entered into discussions with the Mine Workers Provident Fund (MWPF) and ABSA to utilise provident fund retirement benefits as collateral for home loans. ABSA bank are ready to proceed with the arrangement as indicated in the attached minutes extract. The discussions with unions commenced since March 2015. These discussions are in progress as ways and means of addressing unions concerns that this facility would result in employees depleting their retirement benefits. The unions requested that the Forum continue to consider other alternatives as well and not only remain with the Provident Fund option. It was further agreed that specific attention should be given to implementing the following measures:

- Not permit employees to take out loans which should require collateral of more than 60% of their retirement benefit
- No loans should be given within the last five years before retirement
- Sufficient death and disability cover should be made to protect retirement benefits

Minutes of the Somkhele Bargaining Forum dated 19 March 2015 and MWPF's Regional Advisory Committee (RAC) are attached. The unions agreement to the housing, portable skills and nutrition are outlined in the Future Forum minutes attached.

Nutrition

The programme continues to be linked to the mine's wellness programme where employees are informed of hygiene and nutrition. The mine's agriculture programme also promotes nutritious crops production.

In accordance with the 2015-2017 Substantive Agreement, the previous arrangement of providing employees with nutritious substances was replaced with a monetary value being included in employees' basic salaries with effect from July 2015. The mine will continue to subsidise employees' one meal by providing employees with R100 per month.

The company has planned to assist three existing local mobile catering companies with secure facilities and provide training to supply a variety of products to the employees.

The following provision is made to assist the local catering companies as part of the mine's small business development initiative. These existing businesses will be linked with the National Youth development Agency who are already providing business management training:

Table 19: Catering SMME training and development

2016	2017	2018	2019	2020	TOTAL
Plan	Plan	Plan	Plan	Plan	
3	3	3	3	3	**3**
30 000	30 000	30 000	30 000	30 000	**150 000**

Proof of the engagement with union is attached (homeownership, nutrition and portable skills)

3.5 Infrastructure and poverty eradication projects

3.5.1 Local Economic Development Project –The Agri. Hub – Phase 2 and Broiler

Phase 1 of the Agricultural Hub is an integrated LED initiative which has been implemented by the mine as part of its Revised SLP for existing mining rights. A needs analysis of the community was undertaken by Umsizi and there was extensive community engagement at various levels. Together with the community, they identified the Agri-hub as one of the key projects to satisfy the needs of the community.

The hub aims to contribute to:

- Economic empowerment of the surrounding communities
- Participation in agri-trade, and other related industries
- Creating employment and development of SMMEs
- Training and skills development of communities and local businesses
- Empowering surrounding labour-sending communities with skills to sustainably harvest their own vegetables and crops
- Providing training and mentoring in the utilization of rainwater for year-round cultivation
- Alleviation of poverty by addressing food and water security
- Providing agricultural infrastructure to deserving households
- Empowering communities in developing community-driven agricultural business ventures, selling excess produce locally and to niche markets.
- Creating a successful and independent community-operated Agricultural Hub
- Serve as a training and commercial center and initiate downstream processing facilities and community-based enterprises

The project seeks to address water challenges in the area by focusing on household harvesting rain water and enhancing crops production that will be sold through the hub. The project is also related to the HIV Aids programme where it serves to ensure healthy, balanced and available nutritious food.

The hub will have a community outreach component will consist of agricultural infrastructure to identified and committed households, as well as equipment to ascertain the link between the households within the village and the established market. Agricultural infrastructure will include (where viable):

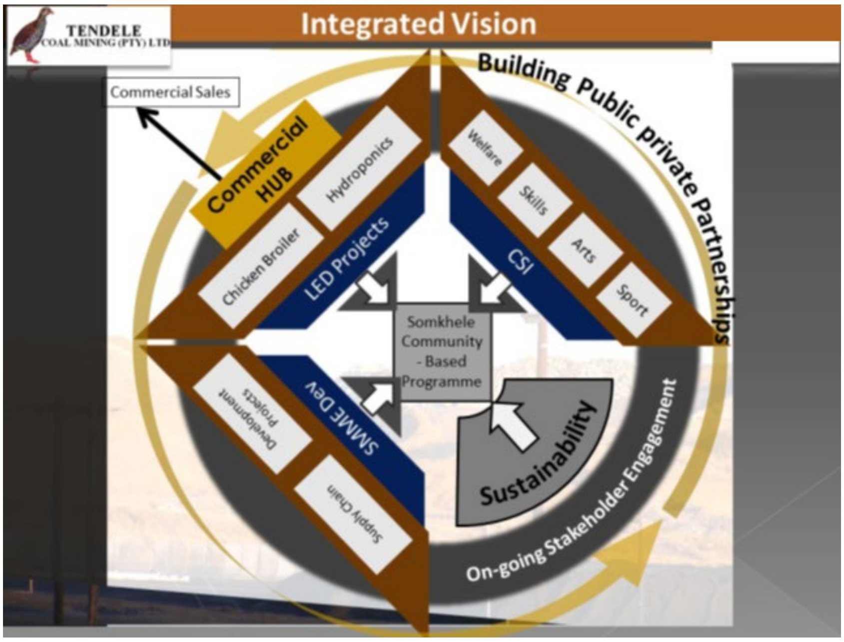
- Agricultural tunnels
- Roof rainwater harvesting tanks
- Underground surface rainwater harvesting tanks

The households will have an opportunity to sell their produce to a commercial market on an ongoing basis.

The project will develop the means and foundation for the community members to conduct agricultural activities at commercial level. A sustainable market will be developed to ensure this. Broiler production will be introduced when feasibility studies have been conducted and will be linked to the Agricultural Hub.

The Agricultural Hub Project will address the challenges of water at household level and encourage year-round cultivation of crops for consumption by households. Households will also generate income by selling excess produce to the Agricultural Hub.

An integrated approach of the Hub:



Phase 1 of the hub has already yielded results with about 800 households in various training programmes, and the building of a packing house for trading of goods by the community.

Phase 2 – will include a detailed feasibility study and establishment (if viable) of the chicken broiler production facility. Developing and securing markets for locally produced goods will be a focus of the Hub to ensure sustainability. In addition, extensive training and development of the community is also required to ensure successful transition from subsistence farming to commercialization of their businesses.   Refer to table below for budget planned from 2016 -2020.

Job creation at the hub and at household levels:

The hub will be able to create the jobs at the hub itself but also facilitate income generation at household level. There will be three (3) permanent employees with seven (7) temporary employees working on a seasonal basis. The seven will be from the households that have been linked with the hub and will be able to generate income at household level. At household level, over 250 households will be linked to the hub over a period of five years. These households will benefit from crops production training, supplying produce to the market using the packaging facility at the hub.

***Proof of market*s**

The market report is attached and outlines the benefits at household level though to the hub. It should be mentioned that the local Pick and Pay buys from local suppliers and have registered their interest in buying from the hub.

Exit strategy

The mine will co-manage the hub with the three local community members employed at the hub and capacitate them to sustain the hub over a period of five to seven years. The mine will hand over the project when it is a sustainable business. The hub will be handed over to the Mpukunyoni Youth Development Trust.

Table: 20 – Agricultural hub (Agri-hub) – phase 2

#	PROJECT	2016	2017	2018	2019	2020	TOTAL
	Agri-hub – development of phase 2 (including training)	480 000	480 000	480 000	480 000	480 000	**2 400 000**

An **SMME Support Centre** will be set up at The Hub to assist local SMME with training, mentoring, and counselling opportunities to increase business capacity among surrounding communities. A relationship has been established with the Department of Economic Development and Tourism who have agencies such the Small Enterprise Development Agency (SEDA) and the National Youth Development Agency (NYDA) which provide training and links to financing for SMME's. Qualifying SMME's will be linked to the mine's procurement opportunities which will be made available through a tender system.

3.5.2. Chicken broiler production

A chicken broiler project will be established and linked to the hub. The University of Zululand conducted a feasibility study under the guidance of Mr Peter Ocholla accompanied by ten honours students. These are students who study in both agriculture and hydrology sections.

The recommendation made by Unizulu for establishing the broiler production facility emphasized the need for training and partnerships required to make the project a success. It was suggested that the project be linked to the Agri-hub as both project target households and formal retailers. It was further stated that the success of commercial poultry production in the study area will have to rely on strong institutional arrangement that will advance vertical integration of small enterprises with processors and marketers. It was further recommended that representative institution such as e.g. NYDA should take the cue to help in aspiring good governance and fair representation of small-scale poultry farmers or stakeholders mostly as a group (co-operatives) through the created agricultural hub.

The market

A feasibility study conducted by University of Zululand outlines the markets available and is attached herewith. Over 2500 community members including mine employees, one local hospital, one prison and schools will be able to purchase chickens from the project.

Beneficiaries and criteria for selection

The project will be set up with the assistance of University of Zululand who will in partnership with National Youth Development Agency provide training to a cooperative established according with their cooperative selection criteria.

The role of the mine

The role of the mine on implementation is to construct the infrastructure and co-manage the project and assist with marketing. The local women catering employees at the mine will be engaged to support the project by purchasing their stock from the broiler project.

Number of jobs to be created

Initially 3 permanent and 4 temporary will be created. This number makes up a cooperative according to NYDA selection requirement.

Land availability

The Traditional Council has allocated land which requires application with ITB.

Exit strategy

The mine will co-manage the project with the cooperative members employed at the project and capacitate them to sustain the project over a period of five years. The mine will hand over the project when it is a sustainable business. The project will be handed over to the Mpukunyoni Youth Development Trust. It should be noted this project will also be linked with the Agri-hub.

The following financial provision has been made for the project:

Table 21: Chicken broiler production project

#	PROJECT	2016	2017	2018	2019	2020	TOTAL
	Chicken Broiler production	-	-	339 000	200 000	200 000	**739 000**

3.5.3 Supply of water to the community- through boreholes with hand-pumps

Kwa Zulu Natal is experiencing severe drought that has become a water crisis! The mine has had to implement emergency plans to source water for its operations. The community has limited availability of potable water for drinking and for their livestock – the municipality does not have enough capacity and resources to service the wide catchment area. The mine has developed a plan to supply water to the community through the drilling of bore holes that can be equipped with hand pumps to allow easier access to water supply for the community. While the municipality focuses on resolving water challenges in the greater area of Mpukunyoni, the mine has developed a plan to supply water to the community through drilling of boreholes that can be equipped with hand pumps to allow easier access to water supply for the community. The Department of Water Affairs will test the suitability of the identified boreholes' water for human consumption.

While the municipality focuses on resolving water challenges in the greater Mpukunyoni area, the mine will supply water to the community through these boreholes.

Number of boreholes to be erected

A total of 10 boreholes will be established and equipped with hand-pumps

Beneficiaries

The 10 boreholes will cater for 120 homesteads which is 1200 people per borehole

Implementation quarterly plan

The quarterly implementation plan is also attached

The table below outlines the financial provision made for the project:

Table 22: Infrastructure – Water Supply for the community

#	PROJECT DETAILS	2016	2017	2018	2019	2020	TOTAL
2	**Water infrastructure in the community – through boreholes and hand pumps**	175 000	175 000	175 000	175 000	175 000	**875 000**

3.5.4 Establishment of a well-resourced school / centre of excellence

The baseline needs analysis survey indicated low levels of education, unsatisfactory matric results and lack of skills in the Mpukunyoni area. This is supported by the Mpukunyoni Traditional Authority, who have identified a need for a well-resourced school to be built in the Mpukunyoni community.

At Somkhele, we believe investing in people is as important as investing in buildings and roads and education is the key to unlocking everyone's potential. The mine is working with the Traditional council in developing a detailed project plan for the school in consultation with other key stakeholders such as the Department of Education.

Department of Education's (DoE) perspective and involvement

A letter from the Department of Education is attached herewith which outlines that the department will pay teachers and provide furniture together with learning materials.

Budget for construction

The construction of the school has been budgeted at R6 million, the department of education will cater for personnel, school furniture and learning materials also addressed in the attached letter.

Availability of land

The identified school has been operating in containers on land provided by the Traditional Council. This land will continue to be used by for the new school.

Location and targeted beneficiaries

The school is located in Nomathiya area and is accessible to communities.

Implementation quarterly plan

The implementation plan outlining construction phases is attached

Estimated number of learners (enrolment)

There are 400 learners who will attend school.

Exit strategy

The mine will hand over the school to the department of education on completion. However, a TeachSA ambassador will be placed at the school. The TeachSA programme is further explained below.

A letter from the Department of Education outlining the need to construct the school is attached. The letter also outlines the commitment made by the DoE.

Table 23: Establishment of a new school / centre of excellence

#	PROJECT DETAILS	2016	2017	2018	2019	2020	TOTAL
4.1	New School / Centre of Excellence	Engagement and planning with DoE	200 000	2 500 000	2 500 000	800 000	**6 000 000**
4.2	Teach SA programme – improve maths and science results at schools	-	385 000	385 000	385 000	-	**1 155 000**

3.5.5 Teach-SA Programme

The Teach-SA programme is a 2 year programme that places university graduates (as teachers and Ambassadors) at rural schools to improve the quality of maths and science – targeting Grade 10-12 students and primary school. Somkhele will place 3 additional Teach SA staff at schools in the Mpukunyoni community.

3.5.6 Community Access Road (Area 5) and diptank

With the planned mining activities in Area 5 (north of current operations), there will be a need to connect the community living in inaccessible parts of Area 5 with existing roads that the mine constructed and extend it in to the R618 road. This will result in new community access roads being constructed in Area 5.

A diptank will also be constructed for dipping of livestock.

A number of kilometres in which construction will be done

The road will cover 5 km long and constructed according to the Department of Road's specification.

A picture depicting the current status of the road is attached.

Number of jobs that will be created

There will be 25 to 30 people over a period of eight months.

Table 24: Community access road – Area 5 and diptank

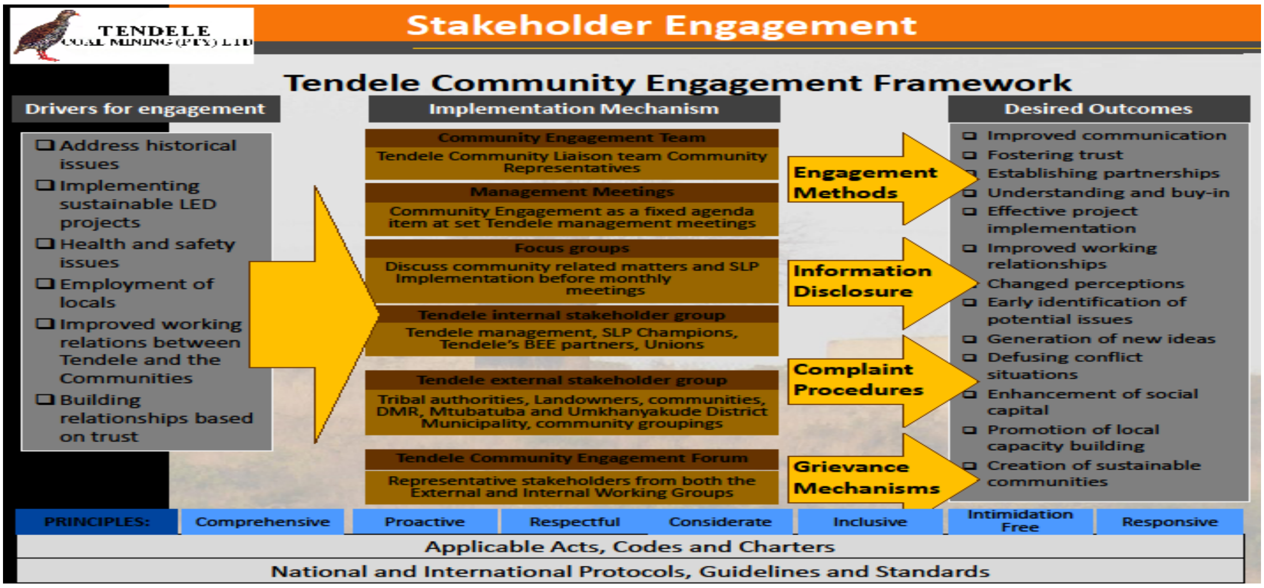
#	PROJECT DETAILS	2016	2017	2018	2019	2020	TOTAL
	Community access road in Area 5	-	200 000	500 000	-	-	**700 000**
	Diptank	-	100 000	100 000	-	-	**200 000**

Stakeholder engagement and consultation

The mine consults with communities through the Mpukunyoni Traditional Authority, Izinduna, Traditional Councils and participates in development structures and forums such as the municipality's IDP and LED

Forums. The mine reports on a monthly basis to the Mpukunyoni Traditional Authority. It holds monthly meetings with Izinduna. High level quarterly meetings are held with the municipality. The mine has co-operated with the municipality's formulation of the Integrated Development Plan (IDP) when identifying projects it intends to support.

Illustration 2: Somkhele Mine's Stakeholder Engagement Framework



Annexure 1 details the project timelines showing how the mine will implement the infrastructure and poverty eradication projects.

3.6 Procurement Progression Plan

3.6.1 Procurement and Enterprise (SMME) Development

The company experienced a challenge on achieving Services targets as shown in table 17. The mine will embark on an SME programme where the identified services will be outsourced to local SME as explained below. Identified local SME will first be placed on a training programme at the Hub established by the mine before procurement opportunities can be given to the local community.

3.6.2 Procurement progression targets

The following 5 year Procurement Progression Plan has been put in place in order for Somkhele Mine to achieve the targets as set by DMR:

Table 25: Procurement progression targets

Procurement Progression Plan						
	2014 DMR Target	2016	2017	2018	2019	2020
Services	70%	50%	70%	70%	70%	70%
Capital goods	40%	20%	40%	40%	40%	40%
Consumables	50%	50%	50%	50%	50%	50%

The above targets will be achieved through the following:

- Continuously review and improve the mine's Procurement Strategy.
- Continue to provide opportunities to the local Mpukunyoni Business Association (MBA) in loading and hauling of the mine's coal to the Richards Bay port. Business Management training, mentoring and coaching will be provided through the Hub's SME Development programme.
- Mpukunyoni Mining Company establishment – Mining contractor and community shareholding venture. Business management training, mentoring, coaching of board members/shareholders will be done with the support of the mine.
- Transportation of employees outsourced to local taxi owners.

Other opportunities outsourced by the mine and linked to the company's supply chain will include PPE provision, fence maintenance, construction, cleaning, garden services and car washing services. The mine will continue to promote HDSA SMME's through the following:

Table 26: HDSA SMME promotional activities

#	Activity
1.	Audit the HDSA supplier base of operations and categorize them according to Capital goods, services and consumables
2.	Verify suppliers status in terms of BEE shareholding and spent as a percentage of total procurement spent
3.	Identify mining products and services that can be supplied/procured by BEE companies
4.	Building a database of BEE suppliers
5.	Establishing ways of growing and optimising BEE supplier base
6.	Where possible, developing partnership with BEE companies in new ventures
7.	Ensure that the procurement systems used by the mine provide easy access to tenders and do not inadvertently discriminate against the HDSA or SMME

6.1.3 SMME Development and mentoring

The mine commits to develop local small businesses as indicated below. These small businesses will be linked to the company's supply chain:

Table 27: SMME development plan

<table>
<tr><th colspan="6">SMME Development</th><th rowspan="2">Total</th><th rowspan="2">Comments</th></tr>
<tr><th>Programme</th><th>2016</th><th>2017</th><th>2018</th><th>2019</th><th>2020</th></tr>
<tr><td>Youth empowerment</td><td>4</td><td>5</td><td>6</td><td>6</td><td>6</td><td>6 SMME's</td><td>Opportunities include mine catering businesses, fence fixing/security, tent rentals, graveyard maintenance, construction, schools maintenance</td></tr>
<tr><td>Women (Agriculture aligned to the Hub)</td><td colspan="5">Agriculture-crops production linked to the Hub- 10 groups which could form a cooperative with assistance of Department of Economic Development and Tourism</td><td>10 SMME's</td><td>Household crops production and chicken broiler</td></tr>
<tr><td>People with Disability</td><td colspan="7">Will be identified and included in above programmes</td></tr>
<tr><td>Total</td><td colspan="6">16 SMME's</td><td></td></tr>
</table>

SECTION 4: PROCESSES PERTAINING TO MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

4.1 Establishment of future forum

The mine has established a Future Forum, a statutory requirement from the act which provide participative governance at the workplace to ensure implementation and progressive monitoring of production, mine closure and implementation of the social and labour plan commitments.

The mine consults with employees through this forum and has established draft terms of reference for engagement (Annexure 2 attached). These terms of reference will be concluded by 1 July 2013.

The forum members will continue to be trained and assistance provided to ensure that members are able to meaningfully contribute to the implementation and monitoring of mine closure and the social labour plan.

4.2 Mechanisms to save jobs and avoid job losses and decline in employment

When prevailing economic conditions cause the profit revenue ratio of the operation to be less than 6% on average for a continuous period of 12 months, the Company will embark on the following process:

- Consultation process in terms of Section 52(1) of the Labour Relations Act with the Future Forum.
- Implementation of Section 189 of the Labour Relations Act.
- Notification to the Minerals and Mining Development Board (the Board)
- Complying with any ministerial directive and appropriate corrective measures.

It will always be first priority to avoid job losses and decline in employment given the downstream negative effect on the social system's survival due to increased poverty and unemployment.

A participative and consultative approach to avoid job losses will be followed. Should operational requirements leave no alternative to retrenchment, the way forward will be established and managed jointly by all stakeholders in line with legislation and codes of good practice.

4.3 Mechanisms to provide alternative solutions and procedures for creating job security where job losses cannot be avoided

Should any section of the mine be scaled down or cease operations, the following process, over and above internal job saving mechanisms, will be followed:

- Consultation process in terms of Section 52(1) of the Act.
- Implementation of Section 189 of the Labour Relations Act.
- Notification to the Board.
- Development and implementation of an effective communication strategy where employees, other affected parties (Traditional Authority, Izinduna, the municipality) will be informed of possible retrenchments.
- Alternative portable skills training forms part of the down scaling or closure plans to minimise the effect on its employees.

The mine will also endeavour to support employees with portable skills acquisition outlined under section 2: Human Resource Development programmes. Those employees who intend to start their own small businesses (SMME) will be linked to the Hub that the mine will be establishing as one of its LED programmes outline in section 3.

4.4. Mechanism to ameliorate the social and economic impact on individuals, regions and economies where retrenchment or closure is certain

Affected employees will, as per standard good practise, be supported to redirect their careers by the provision of counselling sessions. In addition, comprehensive training through portable skills (shown in table below) and assessment services will be facilitated.

The above LED plans will result in sustainable communities that will be able to survive future mine closure or downscaling.

The Company will follow the procedures for downscaling and retrenchment as set out by the Department of Labour and Labour Relations Act as well as the mine's collective agreements. Industry wide networking and good stakeholder relations will be in place to manage downscaling and retrenchment processes and these relationships will be maintained.

The obligation to inform the DMR as per the Minerals and Petroleum Resources Development Act, Section 52(1) will be adhered to and its directives will be honoured.

As a measures to avoid job losses and decline in employment, the mine has committed to provide portable skills training relevant to the area as agreed to with the union and listed above.

On retrenchment, identified employees will be reskilled and placed on the various programmes outlined in the below portable skills table. While undergoing training, the employees will be linked with the agri-hub to assist them to link their household gardens with the hub market in order to generate an income.

Minutes of meetings held with the union who sit on the future forum are attached as proof of engagement with the unions.

4.4.1 Portable Skills - Employees

Portable skills training is meant to provide employees with skills that will enable them to be marketable at mine-closure. Due to the Company's life-span exceeding 30 years, the company will embark on specific market related skills programme when it reaches its 15th year.

In the interim, the Company undertakes to train employees and community members as per the targets indicated below.

Table 28: Portable skills – employees

Qualification	2016	2017	2018	2019	2020	Total no. of people
	Plan	Plan	Plan	Plan	Plan	
Motor mechanic – exhaust system and spoilers	10	10	10	10	10	50
Code 14	5	5	5	5	5	25
Beautician/ Hairdressing	10	10	10	10	10	50
Livestock care and sales	10	10	10	10	10	50
Crops production/agri-processing (linked to the hub)	30	30	30	30	30	150
Total employees	**65**	**65**	**65**	**65**	**65**	**325**
Total cost	**120 000**	**120 000**	**120 000**	**120 000**	**120 000**	**600 000**

Table 29: Portable skills - communities

Field	2016	2017	2018	2019	2020	TOTAL
	Plan	Plan	Plan	Plan	Plan	
Code 14 Drivers Licence	10	10	10	10	10	**50**
Mine catering businesses (SMME)	3	3	3	3	3	**3**
Agri processing / trade skills - (Hub linked)	130	130	150	150	150	**710**
Total	143	143	163	163	163	**763**
Budget	**287 500**	**287 500**	**325 000**	**375 000**	**375 000**	**1 650 000**

SECTION 5: FINANCIAL PROVISION

Somkhele Mine commits a total amount of **R21 425 008.00** over the next five years as indicated below:

Table 30: The mine's 5 year SLP budget provision

Programme	2016	2017	2018	2019	2020	TOTAL
Skills Development	**1 342 900**	**1 422 764**	**1 731 619**	**1 959 556**	**1 939 169**	**8 396 008**
Local Economic Development	**695 000**	**1 620 000**	**4 559 000**	**3 820 000**	**1 735 000**	**12 429 000**
Management of downscaling (Portable Skills Training)	**105 000**	**105 000**	**105 000**	**105 000**	**180 000**	**600 000**
TOTAL	**2 142 900**	**3 147 764**	**6 395 619**	**5 884 556**	**3 854 169**	**21 425 008**

SECTION 6: UNDERTAKING

I, the undersigned, Jarmi Steyn, **Chief Operating Officer of Somkhele Mine** undertake on behalf of **Somkhele Mine** to ensure compliance by the Company with this Social and Labour Plan and to make it known to all employees of the company and the local communities.

Signed at Somkhele on 04 February 2015

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for and on behalf of: **Somkhele Mine**

Original signed

ANNEXURE 1:

Project plans and timelines

ANNEXURE 1 (cont.) – PROJECT PLANS & TIMELINES

EXPECTED START DATE OF THE PROJECT: *2016-2020*	*TRAINING NEEDS ANALYSIS*	*LINKS WITH DEVELOPMENT INITIATIVES* *Is the project linked to development initiative e.g. LED specific economic zone etc.*	*SUSTAINABILITY PLAN* *Provide a viable sustainability plan for the project. Which indicate ongoing future income generating opportunities for the local community*	*ARE THERE SMME OPPORTUNITIES AND CLEAR IDENTIFIABLE MARKET*	*PROVIDE A PROJECT PLAN INDICATING TIME FRAMES OF THE MINE CONTRIBUTIONS OR INVOLVEMENT AND A CLEAR EXIT STRATEGY OF THE MINE*
1.LED Project - Agriculture Hub Project: Phase 2 **Training and establishment of chicken broiler Facility**	Commercialization of agriculture projects to benefit community and quality control Production of goods for tourism market Good quality crops production for year- round harvesting Water harvesting and utilization Basic Business Management and financial Skills Marketing and entrepreneurship Skills Basic Computer use Health and Safety Fire Fighting	**Linked to :** Agriculture initiative by Department of Agriculture and Land reform LED- Poverty Alleviation, Job Creation and income generation, Youth Empowerment	• Crops production and selling by households • Selling of produce to the Agricultural Hub and niche markets • Downstream processing facilities and community based enterprises • Arts and culture products manufacturing • Grow specialized crops for sale and export (Aloe products) • Assisting the hub in securing sustainable markets for their products	**SMME opportunity:** Selling crops, art and craft products at the hub and market stalls, develop community driven agriculture business ventures **SME training:** Serve as a Business Advisory Centre to local SME providing training, mentoring and coaching to local businesses (Business registrations, basic business and financial management training, tax registration) **Market:** Communities, schools, hospital, prison, the tourism industry and local market (target: retailers; Hlabisa hospital, tourism industry – game reserves).	SEE BELOW TABLE

2.<u>Education:</u> **Establishing of a well-resourced school / centre of excellence**	Establish a centre of excellence and learning within the community. Provision of learning materials, equipment to ensure school / centre of excellence is well resourced	**Linked to** Need identified by the Mpukunyoni Traditional Authority and the department of education. Need to establish well-resourced school School will be linked to other centres of excellence to ensure performance of high standard. School / centre will link into Department of Education to ensure long term sustainability	Ensure school is well resourced to cater for the needs of the students in the long term Link into other centres of excellence will ensure school is sustainable. A more holistic approach to education will be adopted in establishing the centre.	Engagement of a service provider with expertise in primary school support programmes Support of pre-schools and in basic Read, Write, Reason, Recite and Calculate programmes	SEE TABLE BELOW
2. <u>Education:</u> Teach SA – improvement of maths and science results in rural schools	Need to improve the quality of education in the Area. Programme aimed at assisting and transferring skills to local teacher Introduces innovative methods of teaching maths and science and how best to achieve best results	Mtubatuba municipality identified low levels of education as a key concern and priority.	Teach SA staff stay within the community during their 2 year programme and leave behind a legacy project	Targeting high schools within the wider Mpukunyoni community.	
3. <u>Infrastructure Development</u>: **Supply of water through boreholes and hand pumps to**	Drill holes to supply water to the community Installation of Hand-pump in the community	Transference of skills (Skills Development) Water Supply as a basic need Municipality water	Linked with income generation opportunities (Agricultural Hub Project) Improve skills	Use of local SMME to install hand-pumps to identified boreholes.	SEE BELOW TABLE

community	Safety & Health	infrastructure delivery delays impacting community's basic survival needs			
4. **Community access roads and dip tanks**	Construction of community access roads in Area 5 and dip tanks for community livestock	Community access to infrastructure identified as key focus area by municipality. Roads will make other services more accessible for the community Dip tanks are key to the survival of livestock in the area	Community access roads will link into existing roads in the area Strategic location of dip tanks to service a wide area within the community is key	Use of local SMME to assist with construction of dip tanks	SEE TABLE BELOW

AGRICULTURE HUB PROJECT – PHASE 2 INCLUDING CHICKEN BROILER PRODUCTION						
Period:		**2016**	**2017**	**2018**	**2019**	**2020**
Stakeholder Engagement	Traditional Authority Mtubatuba Municipal Department of Agriculture Tourism Industry Key retailers and local businesses to be engaged to secure markets for Hub goods and services	-Extensive engagement process to secure market for Hub	-	-	-	-
Preparation	Feasibility Study and Market Analysis Compilation of Business Plan Legal requirements and Applications Skills audit and development of training programmes to close skills gap Project Management	50 000	100 000	339 000 (Broiler feasibility and business plan)	200 000 -Broiler infrastructure and training	-
Training	Site approval and preparation, Planning and design Construction of Hub, Installation of equipment and Maintenance	250 000	200 000		-	-200 000 (Broiler support and training)
Skills Development	Selection and training of Households and entrepreneurs, and SMMES				-	-
Implementation by beneficiaries/households	Material and Equipment provision to Households (tunnels and jojo tanks) Households Mentoring	80 000	80 000	80 000	80 000-	80 000-
Marketing	Securing of contracts by The Hub Products Branding and Marketing	100 000	100 000	100 000-	1000 000-	100 000-
Monitoring	Ongoing follow-up and monitoring by the mine's Community Department/Civil Engineer	-	-	-	-	-
Evaluation	Project audit by the mine's Community Department	-	-	-	50,000.00	-
Exit	Project handover by the mine's Community Department	-	-	-	-	20,000.00
Total		**480 000**	**480000**	**480000 + 339 000 (broiler)**	**480000 200 000 (broiler)**	**480000 200 000 (broiler)**

WATER SUPPLY TO THE COMMUNITY – BOREHOLES AND HAND PUMPS						
Period:		**2016**	**2017**	**2018**	**2019**	**2020**
Stakeholder Engagement	Traditional Authority Mtubatuba Municipal Department of Water Affairs Community (including Area 5)	-	-	-	-	-
Preparation	Legal requirements and Applications Project Management	-	-	-	-	-
Set-up **Skills Development** **Implementation**	Installation of hand-pumps at identified boreholes and Maintenance	175 000	175 000	175 000	125 000	155 000
Monitoring	Ongoing follow-up and monitoring by the mine's Community Department/Civil Engineer	-	-	-	-	-
Evaluation	Internal and external project audit	-	-	-	50,000.00	-
Exit	Project handover by the mine's Community Department					20,000.00
Total		**175 000**	**175 000**	**175 000**	**175 000**	**175 000**

ESTABLISHMENT OF NEW SCHOOL / CENTRE OF EXCELLENCE AND TEACH SA PROGRAMME						
Period:		**2016**	**2017**	**2018**	**2019**	**2020**
Stakeholder Engagement	Department of Education engagement SGB Directly Affected Communities Traditional Council and Indunas	-	-	-	-	-
Preparation	Securing of traditional authority land / municipality for new school	-	50 000	-	-	-
Set-up and implementation	Site approval and preparation, Planning and design Refurbishment of existing building Installation of equipment and Maintenance		150 000	2 500 000	2 500 000	800 000
Skills Development	Transfer of skills to teachers through Teach SA programme and through linkages into other centres of excellence		385 00 (Teach SA)	385 00 (Teach SA)	385 00 (Teach SA)	-
Implementation/ Operationalization						
Marketing	N/A					
Monitoring		-	-	-	-	-
Evaluation		-	-	-	-	-
Exit	Project handover by the mine's and signing of an MOU with the Department of Education	-	-	-	-	-
	Total		**200 000 + 385 000(Teach SA)**	**2 500 000 + 385000(Teach SA)**	**2 500 000 + 385000(Teach SA)**	**800 000**

9. COMMUNITY ACCESS ROADS (AREA 5) AND DIP TANKS						
Period:		**2016**	**2017**	**2018**	**2019**	**2020**
Stakeholder Engagement	Traditional Council Municipality Department of Roads and Transport	-	-	-	-	-
Preparation	Structural plans approval	-	-	-	-	-
Set-up	Site approval and preparation, Planning and design	-	-	-	-	-
Skills Development	Construction of access road through leveling and compacting of road	-	200 000 road 100 000 (dip tanks)	500 000 road 100 000 (Dip tanks)		
Implementation/ Operationalization						
Marketing	N/A					
Monitoring		-	-	-	-	-
Evaluation		-	-	-	-	-
Exit		-	-	-	-	-
	Total	**-**	**200 000 + 100 000(dip tank)**	**500 000+ 100 000(dip tank)**	**-**	**-**

ANNEXURE 2

TERMS OF REFERENCE

SOMKHELE MINE FUTURE FORUM

(Herein referred to as the "Future Forum")

Name

The name of the joint consultative forum shall be the Future Forum, hereinafter referred to as the "Future Forum", which is an association between Mine ("the employer ") and the employees of the company ("the employees") with representation from the (Union) ("the Union") and with relevant support and assistance from the national Social Plan.

The Parties

The Future Forum shall comprise of the company and employees each of which shall be represented by a maximum of five (3) persons.

Representatives

The representatives shall be:

- Mine Manager
- HR Manager
- Manager - Community Development
- Union Rep 1
- Union Rep 2
- Employee Rep 1

The Future Forum is facilitated by the HR Manager who is responsible for ensuring that the deliverables of the Social and Labour Plan are met. In cases of disputes an independent facilitator will be invited from CCMA.

In case the above representatives are not available to attend meetings, their appointed alternatives are required to attend.

The employee's representatives shall be Union representative or an appointed alternative; the Shop Steward or an appointed alternative; and one (1) elected employee of the company (non-union members).

Quorum

A quorum of the Future Forum shall be a minimum of two (2) representatives each from management and employees.

Chairman of the Future Forum in cases of disputes

In cases of a dispute, the chairman shall be an independent and objective adjudicator appointed by the Employer and Employees or their representatives jointly.

Secretary of the Future Forum

The secretary of the Future Forum shall be a nominated Secretary and shall be responsible for fairly arranging all meetings, recording all minutes and communicating all relevant information to all parties.

Other parties

Social Plan assistance and support to the Future Forum shall be provided by representatives from the National Social Plan by the Department of Labour and any other parties agreed to by the Future Forum.

Main objectives of the Future Forum

- To **promote discussion** between the company and Employees or their representatives and other relevant parties in respect of any problems and challenges experienced by either of the parties relating to possible retrenchment or job losses by employees.
- J**ointly debate potential** solutions to job losses and retrenchment taking into account the viability and operational requirement of the company.
- To **jointly engage in strategic planning** to avoid or minimize retrenchment and job losses and to promote business sustainability and growth, thereby preventing and averting future retrenchment and job losses.
- To **initiate turnaround and/or redeployment or other appropriate strategies** to prevent job losses whilst promoting business competitiveness and viability.
- To **jointly structure and implement solutions** to prevent job losses and retrenchments.
- To do all such other things that is incidental to and conducive to the attainment of the afore-going objectives.

General

- The parties have by their signatures hereunder agreed and accepted that a Future Forum has been fairly constituted and which Future Forum Shall exist through joint decision-making.
- Should the company contemplate retrenchment or job losses it shall inform the Future Forum thereof within a period of one (1) month prior to the anticipated retrenchment or redundancies.
- It is accepted and understood by the respective parties that if a mutually acceptable strategy or solution cannot be agreed to prevent possible retrenchment and avoid or minimize job losses or redundancies within a reasonable period of time(determined at date) then, in such an event, the company may implement retrenchments or redundancies in compliance with the Basic Conditions of Employment Act, Labour Relations Act and any Recognition Agreement /Retrenchment Procedure between the Company and Employees. This shall not preclude the Future Forum from continuing to seek solutions or strategies to limit the negative implications which may be suffered by employees as a result of the said implementation of retrenchments or redundancies.
- In the event of retrenchments or redundancies being implemented, the method of selection of the persons affected shall be substantially fair and transparent to all parties. Aggrieved persons shall be

given reasons for their retrenchment or redundancy and reasonable notice of the date of implementation thereof.

Funding of the forum

- The parties shall fund the Future Forum by means that shall be jointly decided by the parties.
- The Forum shall elicit funds from the national Social Plan or from any other funding mechanism offered or provided by government or non-government structures that are aimed at job creation and/or job preservation.

Powers of the Future Forum

- The Future Forum shall receive regular reports in respect of the overall financial status and other early warning signals of the Company.
- The Future Forum shall explore turnaround and /or redeployment strategies to prevent and/ or minimize retrenchment and its impact.
- The Future Forum shall seek services under the national Social Plan to provide and procure technical or advisory services to the respective parties, where required, until an acceptable redeployment strategy and implementation approach has been agreed upon.
- The strategies adopted and/ or recommended by the Future Forum must not negatively impact on the long-term viability or operational requirements of the company, nor on the independent decisions of any of the Future Forum`s.
- The future Forum shall consult with the Employer and the Employee in respect of fair retrenchment procedures, counselling processes and developing strategies to reduce job losses.
- The Future Forum shall seek assistance from the national Social Plan to promote and upgrade the affected employee's skills.

Obligations and rights of participants

- The Employer shall be liable for the share of costs (if any) incurred by the Future Forum in terms of the agreed involvement of the national Social Plan.
- There must be consensus between the parties relating to the adoption of the planned strategies. Strategies adopted shall be agreed to by all parties to the Future Forum. The parties shall be equally liable for the projected cost of the restructuring, redeployment or employment opportunity created.
- Strategies must be in compliance with the Labour Relation Act and Recognition Agreements in terms of fair retrenchment procedures.

- The forum shall deal mainly with the prevention and / or minimization of retrenchment and the alleviation of job loss.

Duration of Future Forum

The Future Forum shall be deemed to have been constituted on the date of signature hereof and shall endure until the date of its termination to be agreed upon by the respective parties to the Future Forum.

Dispute Resolution

- In the event of the parties not reaching agreement on any matter covered by and / or related to this agreement, the details of such disagreement, together with a proposed resolution of the matter, shall be communicated in writing to the remaining members of the Future Forum for further consideration.

- A special meeting of the Future Forum will be convened within five days of receipt of such written communication, in an effort to further consideration.
- If the matter cannot be resolved at such a meeting the parties shall mutually agree upon an independent Mediator, who may be a CCMA Commissioner, to facilitate a resolution of the matter, failing which the matter shall then be referred to an independent and mutually agreed upon arbitrator, who may be a CCMA Commissioner, whose decision shall be deemed to be final and binding on the respective parties.
- In the event of the parties not agreeing upon a Mediator or Arbitrator, as provided for.
- The aggrieved party shall refer the dispute to the CCMA in terms of the Labour Relations Act.

ANNEXURE 3:

Union agreement related with Homeownership, nutrition and portable skills

ANNEXURE 4:

Bursary policy and procedure

ANNEXURE 5:

Department of Education letter on the New School

ANNEXURE 6:

Agricultural hub market report

ANNEXURE 7:

Broiler production feasibility study

FOR OFFICE USE

REVISIONS MADE TO THE SLP DOCUMENT:

#	Changes/editions make	Reason for the changes/edition	Date changed	Changes made by	Signed
Revision 1	• DMR requiring Bursaries to be over 5 years. • Omission of broiler-making budget	DMR requirement Correction made	10.12.2013	J Makhema	
Revision 2	Removal of the clinic (maternity ward) as it was rolled over from the previous SLP (R3.6 mil)	This was a previous SLP project.	31.10.2014	J Makhema	
Revision 3	Split SLP as required by DMR	Separation of reviewed SLP and new application	Nov 2015	J Makhema Lebo Mogotsi	
Revision 4	Split SLP into Existing Mining Right SLP and New Mining Right SLP as required by DMR	Separation of reviewed SLP and new application budget allocations	Dec 2015	J Makhema Lebo Mogotsi	
Revision 1 New SLP	• Internal and external Learnerships to be split and qualification based • Bursary funds to be increased • Portable skills – skills based and proof of union signoff • Homeownership and union sign off • Nutrition and union signoff • Hub – market info and exit strategy • New school- DoE approval • Broiler production market info, feasibility, exit strategy • Mechanism/strategy for job losses	DMR required information in order to approve the new mining license application	Finalised 29 Jan 2016	Joyce	