



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

NAME OF APPLICANT: Inzalo Crushing and Aggregates (Pty) Ltd

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
Top Management 1x Projects / Operations Director	Engineering Diploma / Min of 15 Years Experience.	Part Time on Mine-Full Time in Employ 15% of time on Quarry	20.9	20.9	20.9	20.9	21.8	21.8	21.8	21.8	170.8
Senior Management 1x Projects Manager	Engineering Diploma and at least 10 years experiance.	Part Time on Mine-Full Time in Employ 30% of time on Quarry	31.35	31.35	31.35	31.35	32.76	32.76	32.76	32.76	256.44
Professionally Qualified/Specialist 1x Site / Quarry Manager	Engineering diploma with 5 years experience or 10 years experience in industry. Blasting Certificate.	Full time 100% of time on Quarry	83.6	83.6	83.6	83.6	88.1	88.1	88.1	88.1	686.8
Skilled Technical	Diploma or 5	Full time	71	71	71	71	75.6	75.6	75.6	75.6	586.4

1x General Foreman	Years Experience & Training	100% of time on Quarry										
Semi-skilled 3x Shift Supervisor	Engineering Student or Internally Trained with min of 3 years experience	Full Time	62.7	62.7	62.7	62.7	67.2	67.2	67.2	62.7	519.6	
Skilled Technical 3x Mechanic	Qualified Mechanic with min of 5 years experience	Full Time	125.4	125.4	125.4	125.4	131	131	131	131	1025.6	
Skilled Technical 1x Blaster	Blasting Certificate with min of 5 Years experience	Full Time	52.25	52.25	52.25	52.25	54.6	54.6	54.6	54.6	427.4	
Non-Permanent 2x Trainee / Students	In Training or studying doing practical at Quarry or being internally trained	Full Time	33.35	31.35	31.35	31.35	33.44	33.44	33.44	33.44	259.16	
Skilled Technical 2x Electrician / Fitter	Various Qualifications	Part Time 10% - Sub Contractor	41.8	41.8	41.8	41.8	44.9	44.9	44.9	44.9	345.9	
Semi-skilled 1x Site Administrator	Internally Trained with at least 2 years tertiary training in admin and accounting	Full Time	26.1	26.1	26.1	26.1	28.2	28.2	28.2	28.2	216.3	

Semi-skilled 8x Crushing Plant Personnel	Internally Trained and Certified	Full Time	376.2	376.2	376.2	376.2	402.3	402.3	402.3	402.3	3115.1
Professionally Qualified/Specialist 1x Environmental and Safety Personnel	Diploma in Environmental management 3 years experience and Safety Officer at least 5 years experience with diploma	Part Time 15%	15.7	15.7	15.7	15.7	16.7	16.7	16.7	16.7	129.6
Semi-skilled 6x Mobile Plant Operators	Training Certificates and 2 Years Experience	Full Time	285.3	285.3	285.3	285.3	305.1	305.1	305.1	305.1	2361.7
Semi-skilled 1x Soil Technician	Internally trained - 6 months training and 6 months experience	Full Time	20.9	20.9	20.9	20.9	21.95	21.95	21.95	21.95	173.47
Semi-skilled 1x Clerk	Internally Trained for 6 months and 6 months experience	Full Time	16.72	16.72	16.72	16.72	17.76	17.76	17.76	17.76	137.9
Skilled Technical 5x Drill Rig Personnel	Training Certificates and Internally Trained - 1 Year Experience	Full Time	73.15	73.15	73.15	73.15	78.4	78.4	78.4	78.4	606.1
TOTAL ESTIMATED EXPENDITURE			1334.5	1334.5	1334.5	1334.5	1427.5	1427.5	1427.5	1427.5	11047

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		600000
		Dust	Dust control measures	45000	
		Noise	Noise control measures	6000	
		Contaminated Drainage	Storm water system	12000	
Blasting	X	Fly Rock	Access control measures	32000	
Stockpiles	X	Surface disturbance	Rehabilitation		180000
		Dust	Dust Control Measures	9000	
		Contaminated Drainage	Storm water system	8000	
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		
		Dust	Dust control Measures	14000	
Water supply dams and boreholes.	X	Surface disturbance	Rehabilitation		5000
Accommodation, offices, ablution, stores, workshops etc.	X	Surface disturbance	Rehabilitation		25000
Processing Plant	X	Noise	Noise control measures	4000	
		Dust	Dust control Measures	8000	
		Contaminated Drainage	Storm water system		
		Surface disturbance	Rehabilitation		40000
TOTAL				138000	850000

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.	120000	120000	120000	120000	120000	120000	120000	120000	960000
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	99.3	99.3	99.3	99.3	106.6	106.6	106.6	106.6	823.6
REVENUE The mass or volume of production multiplied by the price	11913	11913	11913	11913	12791	12791	12791	12791	98815
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)	2837	2837	2837	2837	3035	3035	3035	3035	23492
TECHNICAL COMPETENCE COST TO BE PROVIDED FOR Estimated quarterly cost shown in table 1 above, i.e. salaries, wages, labour, service providers, subcontractors, etc.	1334	1334	1334	1334	1428	1428	1428	1428	11048
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.	255	255	255	255	265	265	265	265	2082
CAPITAL AND OTHER The cost (as shown in table 4.1 herein) of land, machinery, the plant, buildings and infrastructure and any other costs.	1771	1771	1771	1771	1896	1896	1896	1896	14667
WORKING PROFIT / LOSS The revenue minus all the costs listed above	5715	5715	5715	5715	6167	6167	6167	6167	47526

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	10000	
State the amount the applicant has available to fund the project	10000	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.	Revenue received from the project as working capital.	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	250	
Buildings and infrastructure	125	
Processing plant	400	
Machinery	920	
Other (specify)		
TOTAL (to be reflected in the cash flow forecast in table 3.1 above)	1695	

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

COST CATEGORY	Quarterly cost
	R'000
Fuel	1254
Electricity	0
Water	26
Stores and materials	627
Other (specify)	930
TOTAL QUARTERLY COST (must be reflected in the cash flow forecast in table 3.1 above)	2837

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

CATEGORY	REQUIREMENT	COMPLETE THIS COLUMN
MINERAL	State the mineral to be mined	Feltsitic rock for aggregate production
FUEL	State volume or tonnage of earth to be excavated per quarter	120000
	State number of excavators to be used	2
	State number of loaders to be used	3
	State number of trucks to be used	6
ELECTRICITY	State volume or tonnage of material to be processed in the plant	960000
	List plant or equipment that requires electricity	Due to the current constraints on the Eskom grid it is uncertain whether the mine will be awarded an electricity connection to the existing grid. It is therefore planned that equipment requiring electricity will be powered by a Genset. Should an Eskom connection be obtained the office, crusher plant, weigh bridge and security lighting will be connected.
WATER	State volume of water to be used	1620 cubic meter / quarter
	Where will the water be obtained?	The process water will be obtained from the existing quarry pit and potable water will be transported to site from Emalehleni
OTHER	Describe other operating costs to be incurred, if applicable	Other costs would include those associated with repairs and maintenance, explosives and the transport of it to site.

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	Chris Weideman
Identity Number	7107205336080

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