



**mineral resources**

Department:  
Mineral Resources  
REPUBLIC OF SOUTH AFRICA

**NAME OF APPLICANT:** Seboway (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.**



<b>TOTAL ESTIMATED EXPENDITURE</b>	36237	36237	36237	36237	33325	33325	33325	33325	278251
	5	5	5	5	4	4	4	4	6

**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		Surface disturbance	Rehabilitation		
		Dust	Dust control measures		
		Noise	Noise control measures		
		Contaminated Drainage	Storm water system		
Blasting		Fly Rock	Access control measures		
Stockpiles	X	Surface disturbance	Rehabilitation		120000
		Dust	Dust Control Measures	20000	
		Contaminated Drainage	Storm water system	10000	
Discard dumps or dams	X	Surface Disturbance	Rehabilitation		70000
		Dust	Dust control Measures	20000	
		Contaminated Drainage	Storm water system	15000	
Loading, hauling and transport	X	Noise	Noise control measures	20000	
		Dust	Dust control Measures	15000	
Water supply dams and boreholes.	X	Surface disturbance	Rehabilitation		10000
Accommodation, offices, ablution, stores, workshops etc.	X	Surface disturbance	Rehabilitation		200000
Processing Plant		Noise	Noise control measures		
		Dust	Dust control Measures		
		Contaminated Drainage	Storm water system		
		Surface disturbance	Rehabilitation		
<b>TOTAL</b>				100000	400000

## 3. FINANCIAL COMPETENCE

TABLE 3.1 : Financial implications of the project

<b>CASH FLOW FORECAST</b>									
<b>(Complete the quarterly information and totals as specified by the "ITEM" column below)</b>									
<b>ITEM</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Quarter 5</b>	<b>Quarter 6</b>	<b>Quarter 7</b>	<b>Quarter 8</b>	<b>TOTAL</b>
<b>PRODUCTION</b> The mass or volume of the product to be produced in each quarter, either in tons, m <sup>3</sup> , grams, carats, etc., whichever is applicable.	1000m 3	3000m 3	5000m 3	8000m 3	10000 m3	12000 m3	15000 m3	18000 m3	72000m3
<b>ITEM</b>	<b>Quarter 1 R'000</b>	<b>Quarter 2 R'000</b>	<b>Quarter 3 R'000</b>	<b>Quarter 4 R'000</b>	<b>Quarter 5 R'000</b>	<b>Quarter 6 R'000</b>	<b>Quarter 7 R'000</b>	<b>Quarter 8 R'000</b>	<b>TOTAL R'000</b>
<b>PRICE</b> The expected price that will be received for the abovementioned product	2250/m 3	2317/m 3	2387/m 3	2458/m 3	2532/m 3	2608/m 3	2686/m 3	2767/m 3	
<b>REVENUE</b> The mass or volume of production multiplied by the price	225000 0	695250 0	119351 25	196690 86	253239 48	313004 00	402992 65	498098 91	1875402 15
<b>OPERATING COST</b> Estimated quarterly operating cost (as shown in table 4.2 herein) of stores, materials, electricity, water, fuel and other (Excluding labour and environmental cost)	135850 00	146075 0	156540 00	167685 0	178890 0	192140 0	206100 0	229550 0	1412830 0
<b>TECHNICAL COMPETENCE COST TO BE PROVIDED FOR</b> Estimated quarterly cost shown in table 1 above, i.e. salaries, wages, labour, service providers, subcontractors, etc.	362375	362375	362375	362375	333254	333254	333254	333254	2782516
<b>ENVIRONMENTAL COST</b> 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.	100000	100000	100000	100000	0	0	0	0	400000
<b>CAPITAL AND OTHER</b> The cost (as shown in table 4.1 herein) of land, machinery, the plant, buildings and infrastructure and any other costs.	458600 0	458600 0	458600 0	458600 0	115490 6	115490 6	115490 6	115490 6	2296362 5
<b>WORKING PROFIT / LOSS</b> The revenue minus all the costs listed above	-4 156 875.00	443 375.00	5 321 350.00	12 943 861.00	22 046 887.98	27 890 839.76	36 750 104.76	46 026 231.30	147 265 774.79

**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	R40 274 441.00	
State the amount the applicant has available to fund the project	R1 654 648 617.38 (725,000,000 RMB)	<b>Attach documentary proof that the amount is available in the form of a bank statement,.</b>
State the outstanding amount required to fund the project	0	

CATEGORY	DESCRIPTION	SUPPORTING INFORMATION
State how the outstanding amount will be financed, e.g. Loan, investor, etc.	None Required	<b>Attach documentary proof of any financing agreement, or other relevant evidence</b>

**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	200 000.00	0
Buildings and infrastructure	0	1 000 000.00
Processing plant	0	0
Machinery	0	17 344 000.00
Other (specify)		
<b>TOTAL (to be reflected in the cash flow forecast in table 3.1 above)</b>	200 000.00	18 344 000.00



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

COST CATEGORY		Quarterly cost R'000
Fuel		R170 000.00
Electricity		R22 500.00
Water		R6 000.00
Stores and materials		R1 000 000.00
Other (specify)	Overheads	R160 000.00
<b>TOTAL QUARTERLY COST (must be reflected in the cash flow forecast in table 3.1 above)</b>		R1 358 500

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

CATEGORY	REQUIREMENT	COMPLETE THIS COLUMN
MINERAL	State the mineral to be mined	Marble/Dolomite (all forms)
FUEL	State volume or tonnage of earth to be excavated per quarter	5 000, escalating to 18000 m3
	State number of excavators to be used	2
	State number of loaders to be used	2
	State number of trucks to be used	3
ELECTRICITY	State volume or tonnage of material to be processed in the plant	0
	List plant or equipment that requires electricity	All on Generator
WATER	State volume of water to be used	340 m3 (per quarter)
	Where will the water be obtained?	Borehole
OTHER	Describe other operating costs to be incurred, if applicable	None

**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.

<b>Full Names and Surname</b>	Guogang Cai
<b>Identity Number</b>	6509245342088

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