



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

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

REFERENCE NUMBER: To be received

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
DIRECTOR		Full Time	174527	180812	180812	210947	184999	184999	184999	184999	1438102
MINE MANAGER		Full time	184433	166213	166213	229780	195499	195499	195499	195499	1519728
MANAGEMENT		Full time	68627	67861	68239	79406	72745	72745	72745	72745	565486
ADMINISTRATION		Full time	66945	67262	67587	82404	70962	70962	70962	70962	551627
BLOCKYARD		Full time	192807	214206	243828	228950	204375	204375	204375	204375	1588730
CRUSHER		Full time	70058	74805	91029	108329	74261	74261	74261	74261	577278
WORKSHOP		Full time	43549	45232	55780	65295	46162	46162	46162	46162	358844
FORKLIFT		Full time	24363	26300	28552	32432	25825	25825	25825	25825	200751
EXCAVATOR		Full time	53220	60786	71567	75918	56413	56413	56413	56413	438533
PAYLOARDER		Full time	31629	33270	37400	44278	33527	33527	33527	33527	260623
SECURITY		Full time	97219	81912	94186	97157	103052	103052	103052	103052	801085
ADMIN ASSISTANT		Full time	14240	15700	18205	19517	15094	15094	15094	15094	117338
HANDSTONE		Full time	45890	44161	144004	90551	108291 4	108291 4	108291 4	108291 4	8418124
TOTAL ESTIMATED EXPENDITURE			106750 7	107851 9	126740 0	136496 3	108291 4	108291 4	108291 4	108291 4	8418124

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		850 000
		Dust	Dust control measures	30 000	
		Noise	Noise control measures		
		Contaminated Drainage	Storm water system		
Blasting	X	Fly Rock	Access control measures		
Stockpiles	X	Surface disturbance	Rehabilitation		150 000
		Dust	Dust Control Measures	40 000	
		Contaminated Drainage	Storm water system		
Discard dumps or dams	-	Surface Disturbance	Rehabilitation		
		Dust	Dust control Measures		
		Contaminated Drainage	Storm water system		
Loading, hauling and transport	X	Noise	Noise control measures		
		Dust	Dust control Measures	40 000	
Water supply dams and boreholes.	-	Surface disturbance	Rehabilitation		
Accommodation, offices, ablution, stores, workshops etc.	X	Surface disturbance	Rehabilitation		30 000
Processing Plant	X	Noise	Noise control measures	10 000	
		Dust	Dust control Measures	30 000	
		Contaminated Drainage	Storm water system		
		Surface disturbance	Rehabilitation		45 000
TOTAL				140 000	1 075 000

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.	90 000	90 000	90 000	90 000	90 000	90 000	90 000	90 000	720 000
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	110	110	110	110	110	110	110	110	880 000
REVENUE The mass or volume of production multiplied by the price	9900	9900	9900	9900	9900	9900	9900	9900	79 200
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)	2680	2680	2680	2680	2680	2680	2680	2680	21440
TECHNICAL COMPETENCE COST TO BE PROVIDED FOR Estimated quarterly cost shown in table 1 above, i.e. salaries, wages, labour, service providers, subcontractors, etc.	1067	1078	1267	1364	1082	1082	1082	1082	8418
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.	151.88	151.88	151.88	151.88	163.75	163.75	163.75	163.75	1310
CAPITAL AND OTHER The cost (as shown in table 4.1 herein) of land, machinery, the plant, buildings and infrastructure and any other costs.	3600	3600	3600	3600	3600	3600	3600	3600	28800
WORKING PROFIT / LOSS The revenue minus all the costs listed above	2840.1	2840.1	2840.1	2840.1	2787.3	2787.3	2787.3	2787.3	22 462

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	8 000 000	
State the amount the applicant has available to fund the project	8 000 000	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		240	
Buildings and infrastructure		60	
Processing plant		1800	
Machinery		1500	
Other (specify)			
TOTAL (to be reflected in the cash flow forecast in table 3.1 above)		3600	

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

COST CATEGORY		Quarterly cost R'000
Fuel		2400
Electricity		10
Water		90
Stores and materials		180
Other (specify)	CEMENT	
TOTAL QUARTERLY COST (must be reflected in the cash flow forecast in table 3.1 above)		2680

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

CATEGORY	REQUIREMENT	COMPLETE THIS COLUMN
MINERAL	State the mineral to be mined	Gravel
FUEL	State volume or tonnage of earth to be excavated per quarter	90 000tons
	State number of excavators to be used	2
	State number of loaders to be used	1
	State number of trucks to be used	2
ELECTRICITY	State volume or tonnage of material to be processed in the plant	0
	List plant or equipment that requires electricity	Office & Weighbridge
WATER	State volume of water to be used	30 000 litres per day
	Where will the water be obtained?	
OTHER	Describe other operating costs to be incurred, if applicable	

5. IDENTIFICATION OF THE REPORT

<p>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.</p>	
Full Names and Surname	Chris Weideman
Identity Number	7107205336080

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