



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

NAME OF APPLICANT: SKEMERVLEI TRUST

REFERENCE NUMBER: To be confirmed

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.

A handwritten signature in black ink, consisting of stylized initials and a long horizontal stroke.

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.

A handwritten signature in black ink, appearing to be the initials 'BA' with a long horizontal stroke extending to the right.

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		60 000
	Dust	Dust control measures	-	
	Noise	Noise control measures	-	
Blasting	Contaminated Drainage	Storm water system	2 500	
	Fly Rock	Access control measures	-	
Stockpiles	Surface disturbance	Rehabilitation		20 000
	Dust	Dust Control Measures	-	
	Contaminated Drainage	Storm water system	2 500	
Discard dumps or dams	Surface Disturbance	Rehabilitation		-
	Dust	Dust control Measures	-	
	Contaminated Drainage	Storm water system	-	
Loading, hauling and transport	Noise	Noise control measures	-	
	Dust	Dust control Measures	-	
Water supply dams and boreholes.	Surface disturbance	Rehabilitation		-
	Surface disturbance	Rehabilitation		-
Accommodation, offices, ablation, stores, workshops etc.	Noise	Noise control measures	-	
	Dust	Dust control Measures	-	
	Contaminated Drainage	Storm water system	-	
Processing Plant	Surface disturbance	Rehabilitation		-
TOTAL			5 000	80 000

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.	3 000	3 000	3 000	3 000	3 000	3 000	3 000	3 000	24 000
PRICE The expected price that will be received for the abovementioned product	140	140	140	140	160	160	160	160	-
REVENUE The mass or volume of production multiplied by the price	420	420	420	420	480	480	480	480	3 600
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)	122	122	122	122	122	122	122	122	976
TECHNICAL COMPETENCE COST TO BE PROVIDED FOR Estimated quarterly cost shown in table 1 above, i.e. salaries, wages, labour, service providers, subcontractors, etc.	95	95	95	95	100.5	100.5	100.5	100.5	782
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.	10	10	10	10	10	10	10	10	80
CAPITAL AND OTHER The cost (as shown in table 4.1 herein) of land, machinery, the plant, buildings and infrastructure and any other costs.	80.5	80.5	80.5	80.5	80.5	80.5	80.5	80.5	644
WORKING PROFIT / LOSS The revenue minus all the costs listed above	112.5	112.5	112.5	112.5	167	167	167	167	1118

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	R 200 000	See a copy of the Applicants bank statement attached as Appendix B hereto.
State the amount the applicant has available to fund the project	R 200 000	
State the outstanding amount required to fund the project	N/A	

CATEGORY	DESCRIPTION	SUPPORTING INFORMATION
State how the outstanding amount will be financed, e.g. Loan, investor, etc.	N/A	

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	R 70	N/A
Buildings and infrastructure	N/A	N/A
Processing plant	N/A	N/A
Machinery	R12.5	N/A
Other (specify)	Indirect Cost	N/A
TOTAL (to be reflected in the cash flow forecast in table 3.1 above)	R82.50	-

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


COST CATEGORY	Quarterly cost R'000
Fuel	R 122
Electricity	-
Water	-
Stores and materials	-
Other (specify)	-
TOTAL QUARTERLY COST (must be reflected in the cash flow forecast in table 3.1 above)	R 122

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

CATEGORY	REQUIREMENT	COMPLETE THIS COLUMN
MINERAL	State the mineral to be mined	Sand
FUEL	State volume or tonnage of earth to be excavated per quarter	3000 m ³ /quarter
	State number of excavators/dozer to be used	1
	State number of loaders to be used	1
	State number of trucks to be used	1
ELECTRICITY	State volume or tonnage of material to be processed in the plant	N/A
	List plant or equipment that requires electricity	N/A
WATER	State volume of water to be used	N/A
	Where will the water be obtained?	Due to the nature of the sand very little to no water is needed at the mine.
OTHER	Describe other operating costs to be incurred, if applicable	N/A

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	TG Smit
Signature	
Identity Number	800910 517 308 5

.....END.....

