


MINUTES OF MEETING						
 <b>BAOBAB MINING &amp; EXPLORATION</b> <small>MAKHADO PROJECT</small> <small>MCMining</small>		Stakeholder Group			Community	
		Stakeholder			Mulaudzi Family	
<b>DATE</b>	<b>13 May 2019</b>	<b>VENUE</b>	<b>139 on Munnik, Makhado</b>	<b>Time</b>	<b>15h00</b>	

**ATTENDANCE:**

- Florence Duval (FD), Zandile Khumalo (ZK), Lovemore Tshivula (LT) , Alpheus Manwedi (AM) , Ralph Mufhadi (RM), Agnes Mufhadi (AM), Edward Mulaudzi (EM), Rudzani Mufhadi (RM), Nicholas Mufhadi (NM), Eric Mathoho(EM)

**PURPOSE OF THE MEETING:**

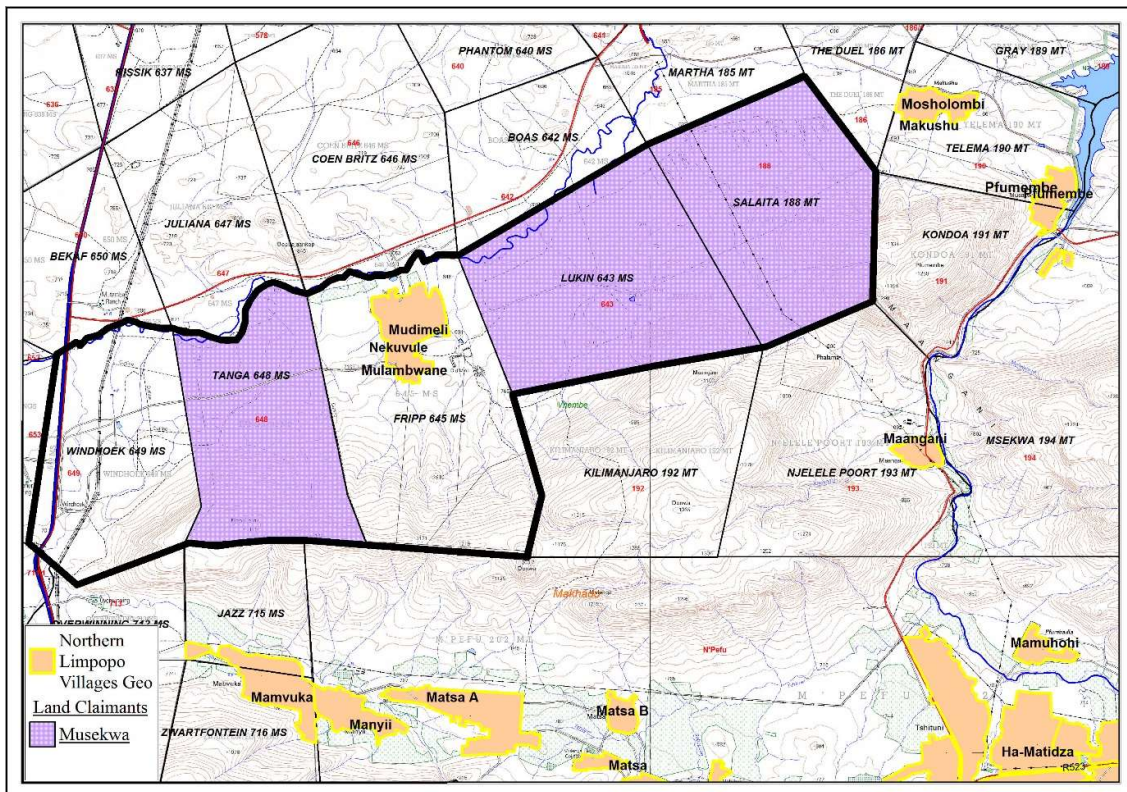
- Mulaudzi Family Member - Grave Relocation Discussion

AGENDA		
<b>1.</b>	<b>Welcome and Apologies</b>	<b>LT</b>
	<ul style="list-style-type: none"> <li>• Welcome and pleasantries shared</li> <li>• An apology was tendered on behalf of Chief Musekwa</li> <li>• Introductions:</li> </ul> <p>The family of the deceased, Mrs Rosina Mulaudzi, in attendance was as follows:</p> <ul style="list-style-type: none"> <li>o Messrs Ralph and Joseph Mufhadi (brothers) - sons to the deceased</li> <li>o Mr Nicholas Mufhadi, son to Mr Ralph Mufhadi</li> <li>o Mr Rudzani Mufhadi, son to Mr Joseph Mafhadi</li> <li>o Mr Edward Mulaudzi - Cousin Brother to Ralph and Joseph (Mothers were sisters)</li> </ul> <p>Other attendees were:</p> <ul style="list-style-type: none"> <li>o Mr Eric Mathoho, a Heritage Practitioner and Archaeologist from Millenium Heritage</li> <li>o Ms Florence Duval, Head of Corporate Affairs from MC Mining</li> <li>o Ms Zandile Khumalo, Stakeholder Manager from MC Mining</li> <li>o Mr Lovemore Tshivhula, Community Engagement Officer from MC Mining</li> </ul> <ul style="list-style-type: none"> <li>• Amendment: Mr Ralph Mufhadi was erroneously not included as present in the previous record of the minutes, dated 05 May 2019.</li> </ul>	
<b>2.</b>	<b>Project Background</b>	
	<ul style="list-style-type: none"> <li>• FD summarised the project background for the benefit of those who were not at the meeting held on 5 May 2019.</li> <li>• The Makhado Project owned and operated by Baobab Mining and Exploration Pty Ltd, a subsidiary of MC</li> </ul>	<b>FD</b>

Mining, formerly Coal of Africa Limited (CoAL) . The project was launched in 2008. The name has since changed to MC Mining, to reflect that the company is no longer a project development company, but is now an operating company, focusing on its high quality Metallurgical Coal assets

- Seven Beneficiary communities surround the project: Mudimeli, Musekwa, Mulambwane, Makushu, Musholombi and Pfumembe.
- A Sustainable Value Model was designed to ensure that the participation of communities in the project is maximised.
- Through this model, communities can benefit 20% ownership of Baobab, training and development, procurement and job creation. The project stretches along the farms as displayed on the below map. Windhoek farm has now been subdivided into Daru and Windhoek. MC Mining owns Windhoek, Tanga, Lukin and Salaita farms.
- The project is strategically situated to be a feeder into the Makhado/Musina Special Economic Zone (SEZ). The proposed SEZ affects the Mulambwane farms, situated across the N1.
- Makhado Project Phase 1 entails mining on the West pit of both hard and thermal coal for a period of 9 years.
- The Makhado Project will then expand to Phase 2 - mining on the East pit, on the Lukin and Salaita farms.

**Makhado Project Area:**



3.	<b>Project Opportunities</b>	<b>FD</b>
<p>MC Mining believes in uplifting and transforming the communities through:</p> <ol style="list-style-type: none"> <li>1. Training and Development <p>The Makhado Centre of Learning where we provide training in the following:</p> <ul style="list-style-type: none"> <li>- Workplace Readiness Courses</li> <li>- Digital Training</li> <li>- Technical Training</li> <li>• 4 community members have been enrolled for Artisan Training at CTC</li> <li>• Enterprise Development Training in partnership with Raizcorp</li> </ul> </li> <li>2. Job Opportunities <ul style="list-style-type: none"> <li>• It is envisaged that during construction, which is expected to take 9 -12 months, there would be 300 - 350 jobs.</li> <li>• Permanent jobs are expected to be around 900</li> </ul> </li> <li>3. Procurement Opportunities <ul style="list-style-type: none"> <li>• Certain opportunities have been ring-fenced for the communities, whilst others will go on tender.</li> </ul> </li> </ol>		
4.	<b>Purpose and clarifications of the meeting</b>	<b>FD</b>
<ul style="list-style-type: none"> <li>• FD shared what that the purpose of this meeting was to follow up on the discussions held on the 5<sup>th</sup> May 2019, whereby the family, through Mr Ralph Mulaudzi , a son to the deceased, in principle consented to the grave relocation.</li> <li>• The family had requested to further consult with other family members who were not present, hence they were invited today.</li> <li>• Mr Eric Mathoho, explained in detail the grave relocation requirements, which included getting permission from the family, SAHRA, Local Government, the Municipality, the SAPS and informing the local Chief.</li> <li>• The Heritage assessment showed that there were 3 graves within the mining area, with one belonging to Mrs Mulaudzi, another believed to belong to a farmer and a third one which is unmarked.</li> <li>• FD explained that MC Mining had an obligation to move the graves as they will be impacted according to the Mine plan. They are in the middle of the mine. The company went through many options to avoid the graves but with no solution, except to remove them.</li> </ul>		
<p><b>4.1 Deliberations / Questions from the family on the above presentation:</b></p>		
<ul style="list-style-type: none"> <li>• The family wanted to know what would happen with the other 2 graves? <p>EM responded by saying that MC Mining was obligated to advertise a notice in the media about the graves and their intentions for a period of 60 days. If there are no claimants of the graves, it then becomes the responsibility of the Chief to identify a reburial area. In a case where there is no Chief, the SAPS will take responsibility.</p> </li> </ul>		

	<ul style="list-style-type: none"> <li>• NM wanted to know what would happen if the family does not agree the relocation as a family? <ul style="list-style-type: none"> <li>• FD responded that MC Mining would not force the family to agree but would rather engage with the family until a consensus can be reached.</li> <li>• In a case where there is no consensus, the matter can be taken to court for a decision. FD stressed that it is not in the company's interest to go that route, hence this meeting to request the cooperation of the family.</li> </ul> </li> <li>• The reburial process will include: <ul style="list-style-type: none"> <li>• A compensation fee to the family which is generally between R10 000 and R15 000.</li> <li>• Exhumation and reburial costs will be carried by MC Mining, which include but not limited to: transport, grave fee, tombstone, catering and any other related costs.</li> <li>• The family confirmed that the reburial will have to be done at Matsa and all cultural rituals have to be followed.</li> </ul> </li> <li>• The family asked what the exact compensation amount was and if they would be allowed to choose a tombstone of their choice? <ul style="list-style-type: none"> <li>• FD responded that the company has requested EM to put together a budget.</li> </ul> </li> <li>• NM requested that they at least be compensated with an amount of R1m since the grave is old and MC Mining is going to make a lot of money from mining. <ul style="list-style-type: none"> <li>• FD responded by saying that the compensation has been scientifically calculated, based on standard procedure and principle of fairness.</li> <li>• The company cannot afford an amount of R1m, but most importantly, the company has to comply with the laws of the country and not set a president.</li> <li>• EM confirmed that no such amount has ever been paid to anyone.</li> </ul> </li> <li>• RM asked what other benefits were there other than the proposed R10 000.00 to R15 000.00</li> <li>• RM further mentioned that some family members were unemployed and wanted to know if they would be given preferential treatment. <ul style="list-style-type: none"> <li>o FD advised the family to register on the company's database for possible employment opportunities.</li> <li>o They were further advised to consider attending training at the Makhado Centre of Learning for workplace readiness.</li> </ul> </li> <li>• RM also made a request for an amount of R1000.00 fee to be paid to the Chief at Matsa. He further requested that MC Mining should provide a confirmation letter for the Chief, stating that all reburial costs will be covered by the company.</li> <li>• NM said that that they did not feel comfortable agreeing to the compensation as there were no guarantees given to them on procurement or job opportunities. He further reiterated that the R15 000.00 offered was not enough.</li> <li>• FD also reiterated that there is a guarantee of general work jobs and the ring fenced opportunities for the beneficiary communities</li> </ul>
<b>5.</b>	<b>Process to be followed after granting of consent by the family</b>

	<ul style="list-style-type: none"> <li>• EM was requested to give a breakdown of the process to be followed after the family have agreed to give consent: <ul style="list-style-type: none"> <li>◦ The first stage involves the signing of the consent form.</li> <li>◦ An affidavit, accompanied by the certified ID of the family representative.</li> <li>◦ The documents will then be used to apply for the reburial with the relevant government departments like, SAHRA, LIHRA, District and Local Municipalities, SAPS and the Department of Health.</li> <li>◦ After the permits have been successfully secured, the company, together with the Heritage Practitioner would have to meet the family to discuss the exhumation date.</li> </ul> </li> <li>• It should be noted that the family requested for time to caucus on all the proceedings especially on the issue of compensation and signing of the consent form.</li> </ul>
<b>6.</b>	<b>Conclusion by family</b>
	<ul style="list-style-type: none"> <li>• Following the caucus, the family gave the following feedback: <ul style="list-style-type: none"> <li>◦ The family agreed to accept maximum value of the compensation amount of R15 000.00</li> <li>◦ The family agreed to sign the consent form</li> <li>◦ The meeting agreed that EM would take the family through the form to ensure their understanding.</li> <li>◦ The family committed to have the form ready for collection by Sunday, the 16<sup>th</sup> June 2019, by LT, on behalf of the company. This was to be concluded before the family's return to Johannesburg.</li> <li>◦ RM was to submit his documents for a possible security job opportunity at the Makhado Centre of Learning.</li> </ul> </li> </ul>
<b>7.</b>	<b>Closure</b>
	<ul style="list-style-type: none"> <li>• The meeting was concluded following the above discussion.</li> </ul>