

## S.A. LIME EC OPENCAST MINE

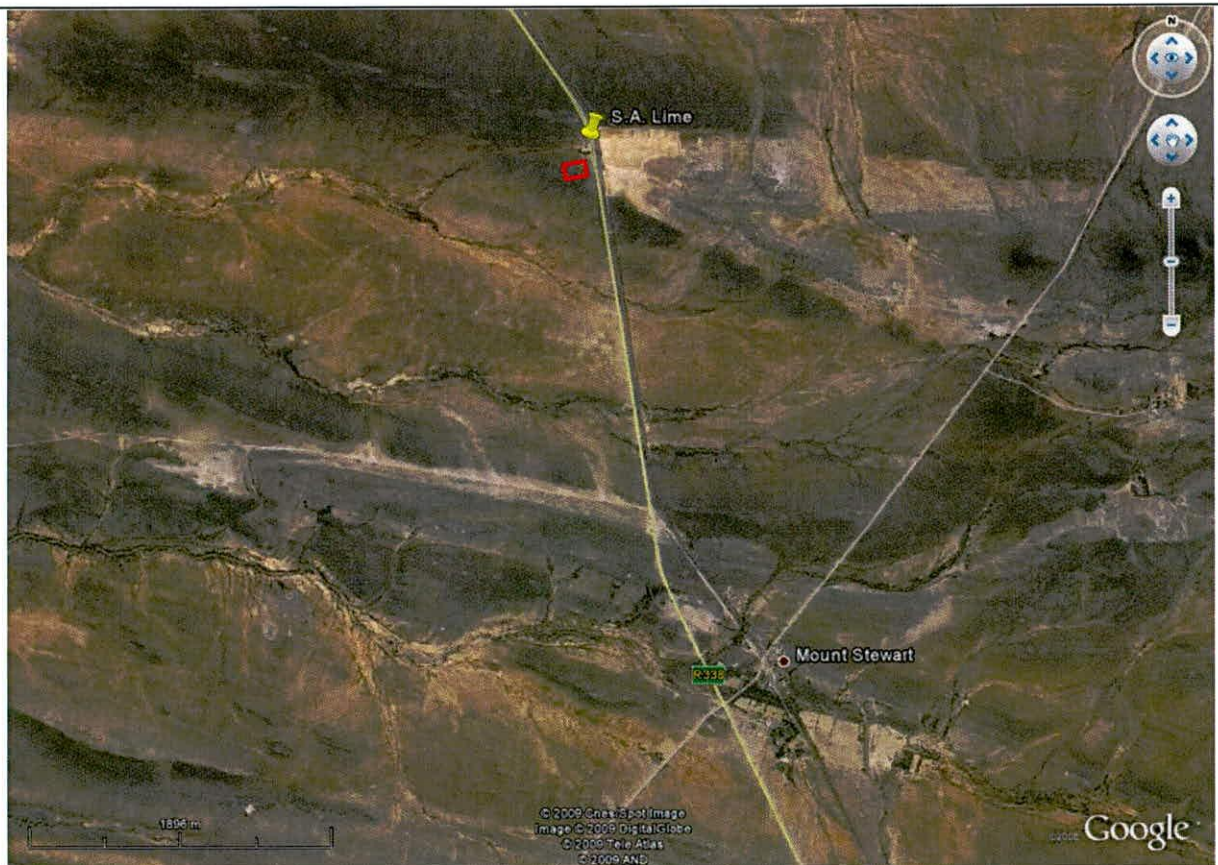


Figure 1: Locality of the proposed mining permit area shown on a Google earth image

### 2.2 Mining Plan

See ANNEXURE 4 : MINING PLAN for the plans detailing the mining sequence ; pit limits and section. These plans have been prepared by a registered Mine Surveyor, who has used Trimble Global Positioning System equipment. All mine planning has been done using these plans.

### 3. REGISTERED DESCRIPTION OF THE LAND

See ANNEXURE 5 : TITLE DEEDS for copies of the title deed and authorised descriptions of the land belonging to the farm owner, Mr Peter Cawood. The parcel of land on which the mine is located is Portion 1 of the farm East of Gous Kraal, 257, Jansenville, which is situated in the Ikwezi Local Municipal area, in the Cacadu District of the Eastern Province of South Africa. The total area is 1033,5686 ha of which only 1,5 ha will be utilised for the mining permit area. The title deed details are shown below :

## S.A. LIME EC OPENCAST MINE

Title deed	Extent	Owner	Administrative district	Local authority
T25861/1977	1033,5686	Peter Logie Cawood	Jansenville	Ikwezi Local Municipality

### 4. LIFE OF MINE

See ANNEXURE 11 : LIFE OF MINE DOCUMENT for the details describing the life of the mine of S.A. Lime EC Opencast Mine. S.A Lime Opencast Mine plans to mine the 60 000 m<sup>3</sup> of limestone over a two year period. Thereafter the mine would be closed under its mine closure plan.

### 5. MARKET

The mineral being mined will be sold directly as per the supply and off-take agreements to the farming communities and the cement manufacturers in the Eastern Cape. The farming communities consume about 500 tonnes per month during their planting seasons and the cement producers a consistent 1800 tonnes per month. As a member of the Cement & Concrete Institute (CNCI), both Natal Portland Cement and PPC Cement have access to marketing throughout the Eastern Cape, KwaZulu Natal and greater South Africa.

### 6. TIMEFRAMES AND SCHEDULING

The proposed quarry site needs to be developed before production could start. The mine development would comprise the following activities :

Nr	Activity	Predecessor	Duration	CAPEX
1	Mining Permit Application	0	210 days	R 100000.00
2	Install perimeter fence	1	7 days	R 7000.00
3	Remove & replant vegetation	1	14 days	R 6000.00
4	Remove & stack topsoil	3	14 days	R 68000.00
5	Conclude Supply & Off-take Agreements	1	7 days	R 4000.00
	<b>TOTAL</b>		<b>238 days</b>	<b>R 185 000.00</b>

Once the mine development is finished, then the establishment of the mine working benches would commence and the production of natural limestone could start. The sequence of mining

## **S.A. LIME EC OPENCAST MINE**

would start in the north western corner of the mine and advance the face in a south eastern direction until it reaches the most south eastern corner. The planned production rate for the limestone will be around 15 000 cubic metres / year ; i.e. an equivalent of about 50 cubic metres per day.

The final voids and open pits will have benches or slopes which are being constructed during the operational phase and maintained until the rehabilitation thereof. Once the limestone reserves had been depleted in the 1,5 ha mining permit area, then the rehabilitation of the slopes and benches would be completed. The final rehabilitation objective is to rehabilitate the grounds until it is suitable again as pastures for small stock farming.

## **7. FINANCING PLAN**

### **7.1 Costs Related to Mining Techniques**

The description of the mining methods; the technology to be used and the forecast of the annual production rates have been addressed in ANNEXURE 11 : LIFE OF MINE DOCUMENT. S.A. Lime EC will hire a contractor to undertake the mining operations. The mineral deposits are mined by truck - shovel and the overall costs ranges between R25-00 and R27-50 per m<sup>3</sup> excluding VAT. This mining is conducted consistently on a daily basis.

See ANNEXURE 7 : FORECAST OF DETAILED COST ANALYSIS where these costs have been detailed and incorporated into the Cash flow Forecast.

### **7.2 Costs related to the Mineral Processing**

No mineral processing is being undertaken by S.A. Lime EC and therefore the costs are zero. The limestone is being mined by the excavator or front end loader ; loaded onto the dump truck; hauled to the customer and dumped on the desired location of the customer's stockpiles. S.A. Lime EC Opencast Mine will sell run-of-mine limestone to the various agricultural farmers and industrial portland cement manufacturers.

**7.3 Costs related to Technical Skills**

Technical Skills to conduct the mining processes will be performed by S.A. Lime EC Opencast Mine competent employees. All other specialist skills required, such as accredited Surveyors, - Occupational Hygienists, - Occupational Medical Practitioners will be contracted as consultants. S.A. Lime EC Opencast Mine will hire on an ad-hoc basis limited duration contractors to accommodate the peaks of market demands. These contractors are mainly semi-skilled truck drivers and machine operators. See ANNEXURE 9 : CASHFLOW FORECAST where all of the aforesaid costs have been detailed and incorporated into the cash flow forecast.

**7.4 Costs related to Regulatory Requirements**

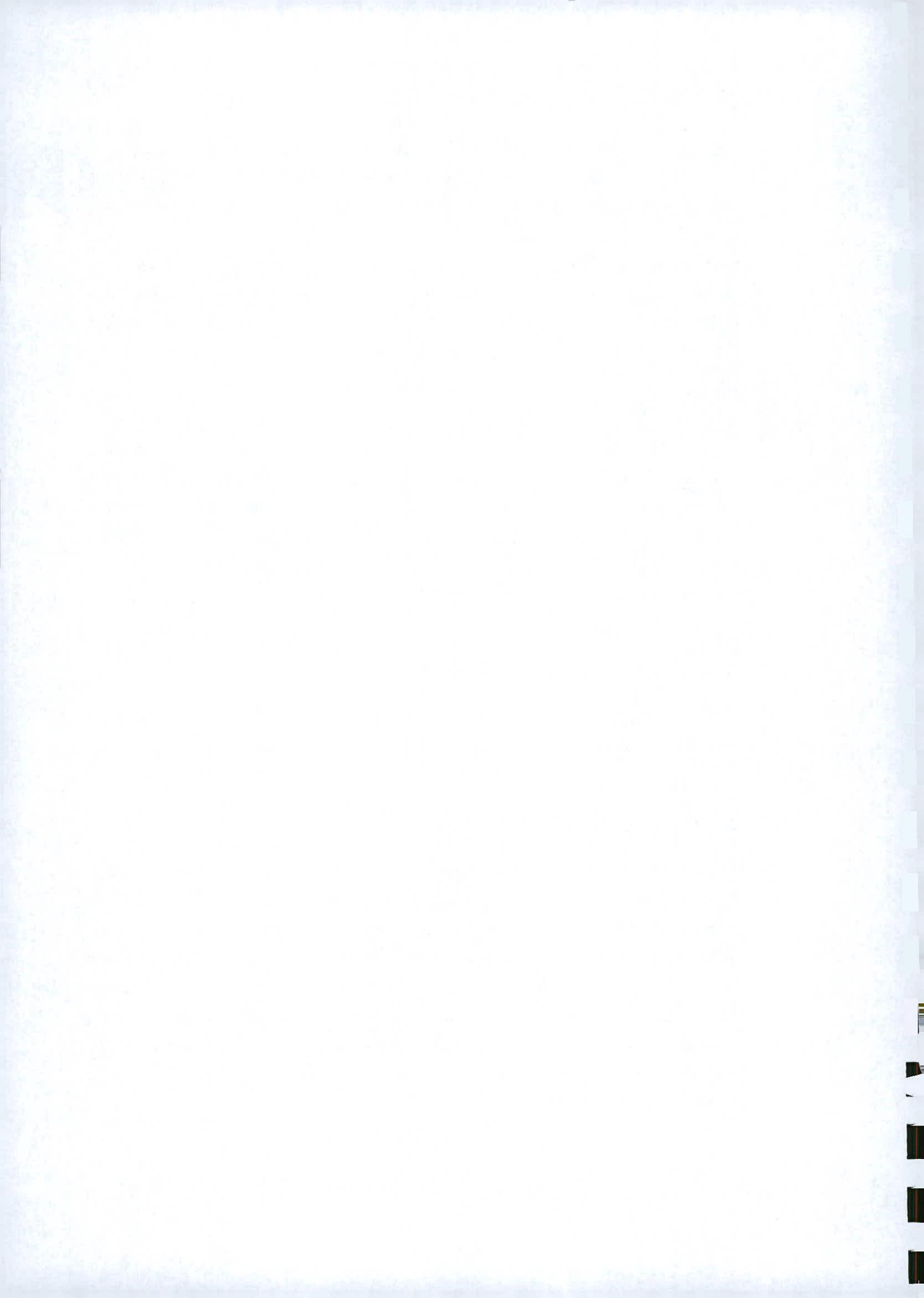
Provision has been made for costs pertaining to regulatory requirements. The costs of the necessary consultants for specialist skills are not viewed as regulatory requirements, but part of the necessary mine management costs for technical skills. See ANNEXURE 7 : FORECAST OF DETAILED COST ANALYSIS where these costs have been detailed and incorporated into the cash flow forecast.

**7.5 Other Costs and Capital Expenditure**

See ANNEXURE 7 : FORECAST OF DETAILED COST ANALYSIS where all other costs have been detailed and incorporated into the cash flow forecast.

**7.6 Capital Expenditure**

S.A. Lime EC Opencast Mine needs very little Capital expenditure to finance the only fixed asset being that of a vermin - proof fence. Other than that, the working capital is required due to the lag time of cashflow between the delivery of product and the realisation of sales. The working capital also makes provision for be the rehabilitation of grounds as stipulated by the MPRDA. All other Capital Expenditure relating to the mining practice will be borne by the mining contractor, who will tender on an annual open tender to mine the minerals, develop the mining works and rehabilitate the grounds. See ANNEXURE 10 : FORECAST OF CAPITAL EXPENDITURE for a detailed Capital Expenditure forecast.



## S.A. LIME EC OPENCAST MINE

### 7.7 Revenue

See ANNEXURE 8 : FORECAST OF DETAILED REVENUE ANALYSIS for the Forecast of detailed Revenue of S.A. Lime EC Opencast Mine. These figures are based on prices as stated in the supply & off-take agreements between S.A. Lime EC Opencast Mine and its prospective buyers.

### 7.8 Cash flow Forecast

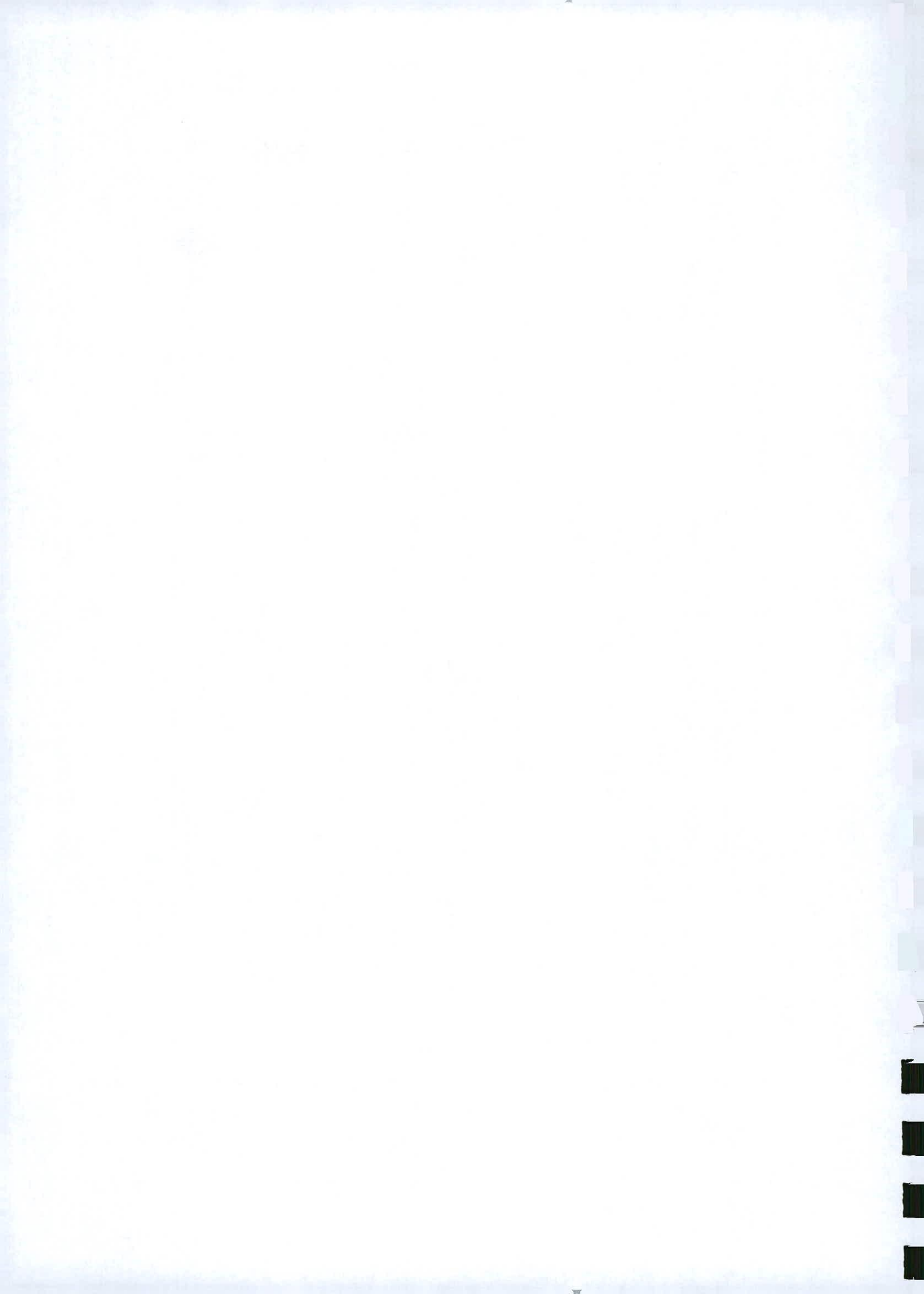
See ANNEXURE 9 : CASHFLOW FORECAST for the cash flow forecast of the project. This report includes the financial indices which are summarised below :

<b>FINANCIAL EVALUATION SUMMARY</b>			
<b>DESCRIPTION</b>	<b>Mining Permit Application</b>		
AVERAGE ANNUAL REVENUE		R 8 420 072	
ANNUAL COSTS OF SALES (SAVINGS)		R 5 578 478	
ANNUAL GROSS MARGIN		R 2 841 594	
CAPITAL EXPENDITURE (PV)		R 200 000	
DISCOUNTED PAY-BACK Period (years)		1.453	
NPV (without continuing value over 2 years)		R 84 307	
IRR (without continuing value over 2 years)		45.09%	
Profitability Index		1.42	
<b>Sensitivity Analysis</b>			
	<b>Payback</b>	<b>NPV</b>	<b>IRR</b>
Average Product Price @ -10% : i.e. , R 316.21	2.18	-R 32 253	2.9%
Average Product Price @ -10% : i.e. , R 386.48	1.06	R 200 868	84.3%
Exchange Rate @ -10% : i.e. , R 9 / \$	2.18	-R 32 253	2.9%
Exchange Rate @ -10% : i.e. , R 11 / \$	1.06	R 200 868	84.3%
Capital Expenditure @ -10% : i.e. , R 180000	1.32	R 104 307	55.8%
Capital Expenditure @ +10% : i.e. , R 220000	1.58	R 64 307	36.1%
W.A.C.O.C. @ -10% : i.e. , 13.5 %	1.43	R 90 129	45.1%
W.A.C.O.C. @ +10% : i.e. , 16.5 %	1.48	R 78 688	45.1%
Inflation Rate @ -10% : i.e. , 9.9 %	1.45	R 84 307	45.1%
Inflation Rate @ +10% : i.e. , 12.1 %	1.45	R 84 307	45.1%
Tax Rate @ -10% : i.e. , 25.2 %	1.40	R 95 364	48.9%
Tax Rate @ +10% : i.e. , 30.8 %	1.51	R 73 251	41.3%

This project projects that with a total of R200 000 capital investment, pay-back could be achieved within two years and an internal rate of return of 45%.

### 7.9 Proposed Financing Mechanism

The funding of the project is privately funded by the shareholders of S.A. Lime Eastern Cape (Pty) Ltd. As minimal capital is required and secure off-take agreements are in place, the turnover of S.A Lime EC Opencast Mine would be regular, consistent and



## S.A. LIME EC OPENCAST MINE

sustainable. S.A. Lime EC Opencast Mine is a registered VAT vendor and its bankers are ABSA Bank.

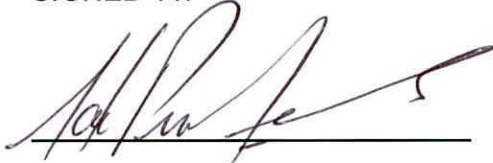
### 7.10 Financial Year of Mine

The financial period for S.A. Lime Eastern Cape (Pty) Ltd is from 01 March to 28 February the following year.

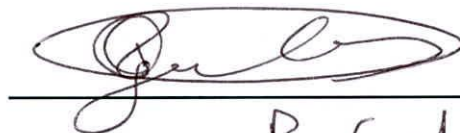
### 8. RESOLUTION / UNDERTAKING

I, Henke Pistorius, the undersigned and duly authorised thereto by S.A. Lime Eastern Cape (Pty) Ltd undertake to adhere to the information, requirements, commitments and conditions as described in the Mining Works Programme.

SIGNED AT Port Elizabeth ON THIS 16<sup>th</sup> DAY OF November 2009.



Henke Pistorius



Witness : R. Gerber

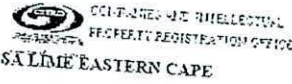




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9. ANNEXURE 1 : CERTIFICATE OF INCORPORATION

Registrasient



ipany

2006/027364/07

Sertifikaat van Inlywing  
van 'n Maatskappy met 'n aandelekapitaal  
Certificate of Incorporation  
of a Company having a share capital

Hierby word gesertifiseer dat/This is to certify that

**SA LIME EASTERN CAPE (PTY) LTD**

vandag ingelyf is kragtens die Maatskappywet, 1973 (Wet 61 van 1973), en dat die  
Maatskappy 'n maatskappy is met 'n aandelekapitaal.

was this day incorporated under the Companies Act, 1973 (Act 61 of 1973), and that  
the Company is a company having a share capital.

Geteken en geseël te Pretoria op hede die/Signed and sealed at Pretoria this  
4 dag van / day of *September* Twee Duisend / Two Thousand  
en/and *Six*

Registrateur van Maatskappye / Registrar of Companies

*Seël van die Registrasiekantoor vir Maatskappye.*

*Seal of Companies Registration Office.*

Hierdie sertifikaat is nie geldig nie, tensy geseël deur die seël van die Registrasiekantoor vir Maatskappye.


This certificate is not valid unless sealed by the seal of the Companies Registration Office.

**10.ANNEXURE 2 : CERTIFICATE TO COMMENCE BUSINESS**

**SERTIFIKAAT OM MET BESIGHEID TE BEGIN**  
**CERTIFICATE TO COMMENCE BUSINESS**

(Artikel 172)

(Section 172)

 COMPANIES AND INTELLECTUAL  
PROPERTY REGISTRATION OFFICE

Re

SA LIME EASTERN CAPE

2006/027364/07

Ek sertifiseer hierby dat

I hereby certify that SA LIME EASTERN CAPE (PTY) LTD

wat ingelyf is op die  
which was incorporated on the

4

dag van  
day of

September

Twee Duisend en  
Two Thousand and

Six

voldoen het aan die vereistes van artikel 172 van die Wet, en met ingang van vandag geregtig is om met besigheid te begin.  
has complied with the requirements of Section 172 of the Act and is with effect from this day entitled to commence business.

Geteken en geseël te PRETORIA op hede die  
Signed and sealed at PRETORIA this

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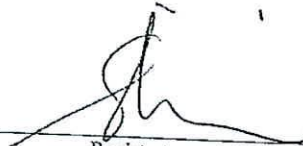
dag van  
day of

September

Twee Duisend en  
Two Thousand and

Six

Seël van Registrasiekantoor vir Maatskappye  
Seal of Companies Registration Office

  
Registrateur van Maatskappye  
Registrar of Companies

Hierdie sertifikaat is nie geldig nie, tensy geseël deur die Seël van die Registrasiekantoor vir Maatskappye  
This certificate is not valid unless sealed by the Seal of the Companies Registration Office

FINANCIAL YEAR END ON  
Feb EACH YEAR

**11.ANNEXURE 3 : RESOLUTION OF REPRESENTATIVE OF THE COMPANY**

# SA LIME EASTERN CAPE (PTY)LTD.

Vat no: 4530246786  
Reg no: 2006/027364/07

110 Bronkhorst Straat  
Groenkloof  
Pretoria  
0181

POSBUS 12444  
HATFIELD PRETORIA 0028  
TEL: 012 346 4594  
FAKS: 012 346 4359  
E-MAIL: [henke@salime.biz](mailto:henke@salime.biz)  
[ursela@icon.co.za](mailto:ursela@icon.co.za)

1 August 2009

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**RESOLUTION PASSED AT A MEETING OF THE DIRECTORS OF  
SA LIME EASTERN CAPE (PTY) LTD (Registration No: 2006/027364/07)  
HELD AT 110 BRONKHORST STREET GROENKLOOF 0181 ON  
1<sup>ST</sup> AUGUST 2009**

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That Heinrich Carl Wilhelm Pistorius will have the right to sign all documents on behalf of SA Lime Eastern Cape (Pty) Ltd as to obtain a "Mining Permit" for above company.

Signed at Pretoria on 1 August 2009

  
\_\_\_\_\_  
T.G PISTORIUS  
DIRECTOR

  
\_\_\_\_\_  
WITNESS

**12.ANNEXURE 4 : MINING PLAN**



**13. ANNEXURE 5 : TITLE DEEDS**

4299  
T 25861 1977

## Deed of Transfer

BY-VIRTUE OF A POWER OF ATTORNEY.

Drawn by me

*m. Trough*  
Conveyancer.

KNOW ALL MEN WHOM IT MAY CONCERN:

THAT ~~ANTHONY CAMERON VOSLOO~~ DENIS MORTIMORE TATHAM appeared before me, Registrar of Deeds, at Cape Town, He, the said Appearer, being duly authorised thereto by a Power of Attorney executed at PORT ELIZABETH on the 23rd day of May, 1977 and granted to him by

JOHANNES DANIEL BENJAMIN LOUW in his capacity as nominee of the Standard Bank of South Africa Limited, as such the Executor in the Estate of the Late WILLIAM ARTHUR CAWOOD (born on 29th January, 1907)

which said Power of Attorney witnessed in accordance with Law was exhibited to me on this day.

- AND -

MEZ STOP PRESS

AND the said Appearer declared that WHEREAS in terms of paragraph 4 of the Last Will and Testament of the said WILLIAM ARTHUR CAWOOD dated the 10th day of July, 1974 the Testator bequeathed the residue of his estate to his son PETER LOGIE CAWOOD subject to the provision of Clause 6 of the said Will, hereinafter more fully set forth.

NOW THEREFORE, he, the said Appearer in his capacity as Attorney aforesaid, did by these Presents, Cede and Transfer in full and free property to and on behalf of

PETER LOGIE CAWOOD  
Born on 23rd June, 1943

- WHITE GROUP -

his Heirs, Executors, Administrators or Assigns;

1. CERTAIN piece of land situate in the Division of Steytlerville, being the remaining extent of the farm Erasmus Laagte No. 13;

MEASURING: One Thousand Four Hundred and Eighty One comma Seven Six One Eight (1481,7618) Hectares;

EXTENDING as the Deed of Grant (under Act 15 of 1887) with Diagram annexed made in favour of L.M.J. van Veuren on 6th April 1891 (Jaansville Quitrents Vol. 3 No. 18) and lastly held by William Arthur Cawood by Deeds of Transfer No. 4575 dated 11th April, 1944 and 26236 dated 18th November, 1946.

A. SUBJECT to the conditions referred to in Deed of Transfer No. 6935 dated 26th October, 1915.

B. SUBJECT to the provisions of Clause 6 of the Last Will and Testament of the late William Arthur Cawood dated the 10th July, 1974 which reads as follows:-

"6. Any beneficiary taking under this my Will shall take for his or her own sole and absolute use and benefit and free from the debts of and excluded from any community of property with any

/spouse ....

4575/11/4  
26236/18/46

spouse he or she has married or may marry and, in the case of a female, free from the control and marital power of any husband she has married or may marry and her receipt alone shall be a sufficient discharge for any payments made to her."

2. CERTAIN piece of abolished quitrent land situate in the Division of Steytlerville, being the remainder of the farm Erasmus Laagte No. 15;

MEASURING: Four Hundred and Fifty Two comma Two Five Six Eight (452,2568) Hectares;

EXTENDING as the Deed of Grant (under Act 5/1870) with diagram annexed made in favour of W. Hume on 30th June, 1877 (Uitenhage Quitrents Vol. 13 No. 2) and lastly held by William Arthur Cawood by Deeds of Transfer No. 4575 dated 11th April, 1944 and 26266 dated 18th November, 1948.

- A. SUBJECT to the conditions referred to in Deed of Transfer No. 4575 dated 11th April, 1944.
- B. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition B of Paragraph 1 above.

3. CERTAIN piece of abolished quitrent land (granted under Act 5 of 1870) situate in the Division of Steytlerville, being Portion 1 of the farm No. 16;

MEASURING: Four Hundred and Thirty Seven comma Nil Nil Three Nil (437,0030) Hectares;

EXTENDING as the Deed of Transfer with Diagram annexed made in favour of A.H. Cawood on 29th August, 1884 No. 379 and lastly held by William Arthur Cawood by Deeds of Transfer No. 4575 dated 11th April, 1944 and 26266 dated 18th November, 1948.

- A. SUBJECT to the conditions referred to in Deed of Transfer No. 6935/1915 dated 26th October, 1915.
- B. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition B of Paragraph 1 above.

4. CERTAIN piece of land (granted under Act 15/1887) situate in the Division of Steytlerville, being the Remainder of Portion 1 of the farm Jackals Laagte No. 14;

MEASURING: Seventeen comma Two Seven Nine One (17,2791) Hectares; -

EXTENDING as the Deed of Transfer with Diagram annexed made in favour of R.P. Bezuidenhout on 4th June, 1907 No. 4378 and lastly held by William Arthur Cawood by Deeds of Transfer No. 4575 dated 11th April, 1944 and 26266 dated 18th November, 1948.

- A. SUBJECT to the conditions referred to in Deed of Transfer No. 6935/1915 dated 26th October, 1915.
- B. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition B of paragraph 1 above.

5. CERTAIN piece of land situate in the Division of Steytlerville, being the Remainder of the farm Jackals Laagte No. 14;

MEASURING: One Thousand Seven Hundred and Eighteen comma Eight Six Nine Nine (1718,8699) Hectares;

EXTENDING as the Deed of Grant (under Act 15/1887) with diagram annexed made in favour of J.H. Cawood on 12th March, 1891 (Jansenville Quitrents Vol. 3 No. 13) and lastly held by William Arthur Cawood by Deeds of Transfer No. 4575 dated 11th April, 1944 and 26266 dated 18th November, 1948.

- A. SUBJECT to the conditions referred to in Deed of Transfer No. 6935 dated 26th October, 1915.
- B. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition B of Paragraph 1 above.

6. CERTAIN <sup>abolished quitrent</sup> piece of land situate in the Division of Steytlerville, being the Remainder of Portion 1 of the farm Picaars Poort No. 34;

MEASURING: Seventy Six comma Nine Nil Six Five (76,9065) Hectares;

EXTENDING as Deed of Transfer with Diagram annexed made in favour of C.D. Cawood and W.G. Cawood trading as Cawood Brothers on 18th October, 1899 No. 8450 and lastly held by William Arthur Cawood by Deeds of Transfer No. 4575 dated 11th April, 1944 and 26266 dated 18th November, 1948.

- A. SUBJECT to the conditions referred to in Deed of Transfer No. 6935/1915 which include the reservation in favour of the State of the rights to mines of gold, silver and precious stones mentioned in Section 4 of the Proclamation of Sir John Cradock dated 6th August, 1813.
- B. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition B of Paragraph 1 above.

7. CERTAIN piece of abolished quitrent land (granted under Act 5/1870) situate in the Division of Steytleville, being the remaining extent of Portion 3 of the farm Erasmus Laaghte No. 15;

MEASURING: Fifty Two comma Six Nine Nine Seven (52,6997) Hectares;

EXTENDING as Certificate of Registered Title with diagram No. 2892/44 annexed, made in favour of W.A. Cawood on 18th November, 1948 No. 26265 and Deed of Transfer No. 26266 made in favour of W.A. Cawood on 18th November, 1948.

- A. SUBJECT so far as applicable, to the conditions referred to in Deed of Transfer No. 6935 dated 26th October, 1915, and Certificate of Registered Title No. 26265 dated 18th November, 1948.
- B. SUBJECT FURTHER to the Outspan Servitude included in the aforementioned conditions which has been limited in its operation to the aforesaid Portion 3 in accordance with the terms of the Endorsement dated 29th September, 1944 on the said Deed of Transfer No. 4575/1944, which endorsement so far as it applied to the said Portion, reads as follows:-

"Under the provisions of Sec. 243 of Ordinance 13 of 1917 the Outspan over the within property has been reduced and defined and shall henceforth be limited to the area of 69.2523 morgen (being Portion 3 of the farm "Erasmus Laaghte Outspan")

.....  
Subject to such conditions as will further appear from the application filed with counterpart."

C. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition B of paragraph 1 above.

8. CERTAIN abolished quitrent land situate in the Division of Steytlerville, being Portion 3 of the farm Wittekleygatfontein No. 3;

MEASURING: One Thousand One Hundred and Twenty comma One Nil Three Seven (1120,1037) Hectares;

EXTENDING as Deed of Transfer with diagram annexed, made in favour of Cecil Dombey Cawood and William Arthur Cawood on 4th September, 1944 No. 12454, now held by William Arthur Cawood as follows:-  
Half share under Deed of Transfer No. 12454 dated 4th September, 1944 and the remaining half share under Deed of Transfer No. 26266 dated 18th November, 1948.

A. SUBJECT so far as applicable to the conditions referred to in the Deed of Transfer No. 3856 dated 28th May, 1913 which include the reservation in favour of the Crown, of the rights to mines of gold, silver and precious stones mentioned in Section 4 of the Proclamation of Sir John Cradock dated 6th August, 1813.

B. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition B of Paragraph 1 above.

9. CERTAIN redeemed quitrent land (granted under Act 15/1887) situate in the Division of Jansenville, being the remainder of Portion 1 (THORNDALE) portion of the farm EAST OF GOUS KRAAL NO. 257;

MEASURING: One Thousand and Thirty Three comma Five Six Eight Six (1033,5686) Hectares;

EXTENDING as Deed of Transfer with diagram annexed made in favour of J.L. Potgieter on 23rd June, 1911 No. 4524 and subsequent Deeds of Transfer the last two of which were made in favour of W.A. Cawood on the 11th April, 1944 No. 4575 and 18th November, 1948 No. 26266 will more fully point out.

A. SUBJECT to the conditions referred to in Deed of Transfer No. 9097 dated 16th October, 1913.

B. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition B of Paragraph 1 above.

10. CERTAIN land situate in the Division of Jansenville, being Portion 5 (portion of Portion 2) of the farm EAST OF GOUS KRAAL No. 257;

MEASURING: Two Thousand Six Hundred and Ten (2610) Square Metres;

EXTENDING as the Crown Grant No. 46/1950 with diagram No. 10226/46 annexed made in favour of W.A. Cawood on 21st April, 1950 will more fully point out.

FOR INFORMATION ONLY

/A. SUBJECT .....

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- A. SUBJECT to such conditions as are referred to in Deed of Transfer No. 4414 dated 30th May, 1914.
- B. SUBJECT FURTHER to the following special condition, - contained in Crown Grant No. 46 dated 21st April, 1950:-  
"Subject to the provisions of the "Reserved Minerals Development Act, 1926" and of the "Precious Stones Act, 1927" as amended from time to time, all rights to minerals, mineral products, mineral oils, coal, base and/or precious metals and precious stones on or under the said land shall be and are hereby reserved to the State."
- in respect of which Certificate of Rights to Minerals No. 39 has been issued in favour of the State on the 21st April, 1950.
- C. SUBJECT to the provisions of the Will of the late William Arthur Cawood as more fully set out under Condition C of Paragraph 1 above.

FOR INFORMATION ONLY

WHEREFORE the said APPEARER, renouncing all the Right and Title which the said Estate of the late WILLIAM ARTHUR CAWOOD heretofore had to the premises as aforesaid, did, in consequence, also acknowledge the said Estate to be entirely dispossessed of, and disentitled to the same; and that by virtue of these Presents the said

T R A N S F E R R E E

his Heirs, Executors, Administrators or Assigns, now is and henceforth shall be entitled thereto, conformably to local custom:- the State, however, reserving its Rights; and finally acknowledging that the said property has been valued for Estate Duty purposes at R242 021,00 (TWO HUNDRED AND FORTY TWO THOUSAND AND TWENTY ONE RAND).

IN WITNESS WHEREOF I, the said Registrar, together with the Appearer, q.q. have subscribed to these Presents, and have caused the Seal of Office to be affixed thereto.

THUS done and executed at the Office of the Registrar of Deeds in CAPE TOWN in the Province of the Cape of Good Hope on the 12<sup>th</sup> day of the month of *October* in the Year of Our Lord One Thousand Nine Hundred and Seventy seven (19 77 ).

*[Signature]*

Conveyancer, q.q.

In my presence,

*[Signature]*  
Registrar of Deeds.

Registered in the farm ✓

Registers of Steytleville ✓ and Jansenville ✓

Book

Folio

- ① 13/1 ✓
- ② 15/2 ✓
- ③ 16/1 ✓
- ④ 14/1 ✓
- ⑤ 14/1 ✓
- ⑥ 34/1 ✓
- ⑦ 15/3 ✓
- ⑧ 8/3 ✓

- ⑨ 257/1/1 ✓
- ⑩ 257/5/1 ✓

Steytleville

Jansenville

*[Signature]*  
Clerk-in-Charge

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*Md.T.*



By VIRTUE OF SECT 27 OF ACT 51/87  
THE PROVISIONS OF SECT 35(1) TO  
CONTAINED IN ENDORSMENT DATED  
12/10/1977 ON PAGE 10 HEREBIN  
HAS BEEN CANCELLED.

Para  
Para  
Para  
Para

DEEDS OFFICE   
CAPE TOWN 2<sup>nd</sup> REGISTRAR OF DEEDS.

FORM - 21

FOR INFORMATION ONLY

B  
G  
HE



13.

Para 1-9

*Die voorwaardes is gewysig*

GEWYSIG KRAGTENS ART. 4 (1) (b) VAN WET 47 VAN 1937 OM TE LEES: AMEND IN TERMS OF SECTION 4 (1) (b) OF ACT 47 OF 1937 TO READ:

\* *in order*

BC 43529'92

*03 08 1992* REGISTRAR

"By Notarial Deed No 53/72 dated 15/1/72 it has been agreed that the within properties (described as in Schedule B of the Notarial Deed) will not without the consent of the Minister of Agriculture be alienated separately from the properties described in Schedule A thereof. Copies of Schedules A+B annexed hereto. as will more fully appear from said Notarial Deed."

03 08 1992

VIR ENDOSSEMENTE KYK BLADSY 14 FOR ENDORSEMENTS SEE PAGE 14

④

*Landbank*

BC 00000638/233 VERBIND MORTGAGED

GEKANSLEER CANCELLED

VIR FOR R 491.461,00

REGISTRAR B 283 99

07 JAN 2006 06 01 99

REGISTRAR

*WOP*

*This Bond Rankes Prior to B 36608/88*

(14)

II

Para 8

GETRANSPORTEER AAN	TRANSFERRED TO
Nico Van Loggerenberg Family	
Taske IT 16711 1995	
RESTANT/REMAINDER	
T 000000713 / 2006 (2)	(b)
04 JAN 2006	REGISTRAR/REGISTRAR

Para 1 - 9

I

Kragtens Akte van Notariële Akte van kansellasië van koppeling ~~000000007-2006~~ (1) gedateer 28 ste van September 2005 TS Notariële Akte van koppeling nr. K 53/1972 getanselleer verklaar en kansellasië van die beperkende voorwaarde daarin vervat aanvaar.

Soos meer volledig so blyk uit gesegde Notariële Akte (b)

Akte kantoor Kaapstad

04 JAN 2006

Registateur van Aktes.

Paras 1-7, 9.

VERBIND	MORTGAGED
VIR FOR R 600.000,00	
B 0172 / 2006 (3)	(b)
04 JAN 2006	REGISTRAR/REGISTRAR

WOP

Annex to ff 9175/63

SCHEDULE A.

1. CERTAIN piece of land situate in the Division of Steytlerville being the remaining extent of Lot No. 3025, called "ERASMUS LAAGTS";  
MEASURING as per remaining extent one thousand four hundred and eighty one comma seven six one eight (1481,7618) Hectares;  
HELD by WILLIAM ARTHUR CAWOOD (born on 29th January, 1907) as to a half share by Deed of Transfer No. 4575 dated 11th April 1944 (Paragraph 1) and as to the other half share by Deed of Transfer No. 26266 dated 18th November 1948 (Paragraph 1).
2. CERTAIN piece of abolished quitrent land situate as above, being the remaining extent of Lot No. 2094 called "ERASMUS LAAGTE OUTSPAN";  
MEASURING as per remaining extent four hundred and fifty two comma two five six eight (452,2568) Hectares;  
HELD by WILLIAM ARTHUR CAWOOD (born on 29th January, 1907) as to a half share by Deed of Transfer No. 4575 dated 11th April 1944 (Paragraph 2) and as to the other half share by Deed of Transfer No. 26266 dated 18th November 1948 (Paragraph 3);
3. CERTAIN piece of abolished quitrent land (granted under Act 5/1870) situate in the Division of Steytlerville, being the remaining extent of Portion 3 of the farm "ERASMUS LAAGTE OUTSPAN";  
MEASURING as per remaining extent fifty two comma six nine nine seven (52,6997) Hectares;  
HELD by WILLIAM ARTHUR CAWOOD (born on 29th January 1907) as to a half share by Certificate of Registrar

- Title -

W. J. J. 1947



Title No. 26265 dated 18th November 1948  
to the other half share by Deed of Transfer  
No. 26266 dated 18th November 1948 (Paragraph 2);

4. CERTAIN piece of abolished quitrent land (granted under Act 5 of 1870) situate as above, being a portion of Lot No. 2093, now called "ERASMUS LAAGTE";

MEASURING Four hundred and thirty seven comma nought nought ~~three nought~~ <sup>three nought</sup> (437,00~~00~~<sup>30</sup>) Hectares;

HELD by WILLIAM ARTHUR CAWOOD (born on 29th January 1907) as to a half share by Deed of Transfer No. 4575 dated 11th April 1944 (Paragraph 3) and as to the other half share by Deed of Transfer No. 26266 dated 18th November 1948 (Paragraph 4);

5. CERTAIN piece of land (granted under Act 15/1887) situate as above, being the remaining extent of Lot a of "JACKALS LAAGTE";

MEASURING Seventeen comma two seven nine one (17,2791) Hectares;

HELD by WILLIAM ARTHUR CAWOOD (born on 29th January 1907) as to a half share by Deed of Transfer No. 4575 dated 11th April 1944 (Paragraph 4) and as to the other half share by Deed of Transfer No. 26266 dated 18th November 1948 (Paragraph 5);

6. CERTAIN piece of land situate as above, being the remaining extent of Lot No. 2079 called "JACKALS LAAGTE";

MEASURING as per remaining extent one thousand seven hundred and eighteen comma eight six nine nine (1718,8699) Hectares;

HELD by WILLIAM ARTHUR CAWOOD (born on 29th January 1907) as to a half share by Deed of

Transfer No. 4575 dated 11th April 1944 (Paragraph 5) and as to the other half share by Deed of Transfer No. 26266 dated 18th November 1948 (Paragraph 6);

- 7. CERTAIN piece of abolished quitrent land situate as above, being the remaining extent of a portion of the farm "PIEMAARS POORT";

MEASURING as per remaining extent seventy six comma nine nought six five (76,9065) Hectares;

HELD by WILLIAM ARTHUR CAWOOD (born on 29th January 1907) as to a half share by Deed of Transfer No.4575 dated 11th April 1944 (Paragraph 6) and as to the other half share by Deed of Transfer No. 26266 dated 18th November 1948 (Paragraph 7);

- 8. CERTAIN piece of redeemed quitrent land (granted under Act 15/1387) situate in the Division of Jansenville, being the remaining extent of "THORNDAL" portion of the farm "EAST OF GOUS KRAAL";

MEASURING as per remaining extent one thousand and thirty three comma five six eight six (1033,5686) Hectares;

HELD by WILLIAM ARTHUR CAWOOD (born on 29th January 1907) as to a half share by Deed of Transfer No.4575 dated 11th April 1944 (Paragraph 7) and as to the other half share by Deed of Transfer No. 26265 dated 18th November 1948 (Paragraph 8);

- 9. CERTAIN piece of abolished quitrent land situate in the Division of Steytlerville being Portion 3 of the Farm "WITTEKLEYGATFONTEIN";

MEASURING one thousand one hundred and twenty comma one nought three seven (1120,1037) Hectares;

HELD by WILLIAM ARTHUR CAWOOD (born on 29th January 1907) as to a half share by Deed of Transfer No. 12454 dated 4th September 1944 and as to the other half share by Deed of Transfer No. 26266 dated 18th November 1948 (Paragraph 9).

*C.M.*  
*2025*

SCHEDULE B.

1. CERTAIN piece of land, being PORTION 2 of LOT B of the farm LOT 3038 situate in the Division of STEYTLERVILLE;  
MEASURING seven hundred and twelve comma nought four eight six (712,0486) Hectares;
2. CERTAIN piece of land (granted in terms of Act 15/1887) being PORTION 1 of the farm "MINNAWILL" situate in the Division of STEYTLERVILLE;  
MEASURING two hundred and twenty comma nine three nine eight (220,9398) Hectares;
3. CERTAIN piece of land, being portion called "DOMWYLL", of the farm "ERASMUS LAAGTE", situate in the Division of STEYTLERVILLE;  
MEASURING two hundred and seventy three comma six one seven seven (273,6177) Hectares;  
HELD by WILLIAM LOGIE CAWOOD (born on 23rd June, 1943) as to a half share by Deed of Transfer No. 9175 dated 26th June 1963 and as to the other half share by a Deed of Transfer now about to be issued to him.

W. L. C. 119

**15.ANNEXURE 6 : LATEST AUDITED FINANCIAL STATEMENTS**

**SA LIME (EDMS) BPK**  
**(Registrasienommer 2006/027364/07)**  
**Finansiële jaarstate**  
**vir die jaar geëindig 29 Februarie 2008**

**SA LIME (EDMS) BPK**  
**(Registrasienommer 2006/027364/07)**  
**Finansiële Jaarstate vir die jaar geëindig 29 Februarie 2008**

**Indeks**

---

Die onderstaande verslag en state behels die finansiële jaarstate wat aan die aandeelhouers voorgehou is:

<b>Indeks</b>	<b>Bladsy</b>
Verslag van die Onafhanklike Ouditeur	2 - 3
Direkteursverslag	4
Balansstaat	5
Inkomstestaat	6
Veranderings in ekwiteit	7
Kontantvloeistaat	8
Rekeningkundige beleid	9 - 10
Aantekeninge by die Finansiële Jaarstate	11
Die volgende aanvullende inligting is nie deel van die finansiële jaarstate nie en is ongeouditeer:	
Volledige inkomstestaat	12
Belastingberekening	13

## Verslag van die Onafhanklike Ouditeur aan die lede van SA LIME (EDMS) BPK

Ons is aangestel om die finansiële jaarstate van SA Lime (Pty) Ltd te audit. Hierdie finansiële jaarstate bestaan uit die direkteur se verslag, die balansstaat soos op 29 Februarie 2008, die inkomstestaat, die staat van veranderings in ekwiteit en die kontantvloeistaat vir die jaar wat op daardie datum geëindig het, 'n opsomming van beduidende rekeningkundige beleid en ander verduidelikende aantekeninge, soos uiteengesit op bladsye 4 tot 11.

### Direkteur se Verantwoordelikheid vir die Finansiële State

Die maatskappy se direkteur is verantwoordelik vir die opstel en redelike voorstelling van hierdie finansiële jaarstate ooreenkomstig Suid Afrikaanse Algemene Aanvaarde Rekeningkundige Praktyk en op die wyse wat deur die Maatskappywet van Suid-Afrika, 1973 vereis word. Hierdie verantwoordelikheid sluit in: die ontwerp, implementering en instandhouding van interne beheer relevant tot die opstel en redelike voorstelling van finansiële jaarstate wat vry is van wesenlike wanvoorstellings, hetsy weens bedrog of foute; die selektering en toepassing van toepaslike rekeningkundige beleid; en die maak van rekeningkundige ramings wat in die omstandighede redelik is.

### Ouditeur se Verantwoordelikheid

Dit is ons verantwoordelikheid om op grond van ons audit 'n mening oor hierdie finansiële jaarstate uit te spreek. Buiten soos bespreek onder, het ons ons audit ooreenkomstig "International Standards on Auditing" uitgevoer. Daardie standaarde vereis dat ons voldoen aan etiese vereistes en die audit beplan en uitvoer om redelike gerustelling te verkry of die finansiële jaarstate vry is van wesenlike wanvoorstellings.

'n Oudit behels die uitvoering van prosedures om ouditbewyse te verkry oor die bedrae en openbaarmaking in die finansiële jaarstate. Die prosedures wat geselekteer word hang af van die ouditeur se oordeel, insluitend die beoordeling van die risiko's van wesenlike wanvoorstelling van die finansiële jaarstate, hetsy weens bedrog of foute. Tydens daardie risikoboordeling oorweeg die ouditeur interne beheer relevant tot die entiteit se opstel en redelike voorstelling van die finansiële jaarstate ten einde ouditprosedures te ontwerp wat in die omstandighede toepaslik is, maar nie met die doel om 'n mening uit te spreek oor die effektiwiteit van die entiteit se interne beheer nie. 'n Oudit sluit ook 'n evaluering van die toepaslikheid van rekeningkundige beleid wat gebruik is en die redelikheid van die rekeningkundige ramings wat deur die direkteur gemaak is in, asook 'n evaluering van die algehele voorstelling van die finansiële jaarstate.

Ons glo dat die ouditbewyse wat ons verkry het, toereikend en toepaslik is om 'n grondslag vir ons ouditmening te bied.

### Grondslag vir Gekwalifiseerde Mening

Vanweë die aard van die maatskappy se rekords, was geen bevredigende ouditprosedures uitgevoer om 'n redelike gerustelling te verkry dat die openingsbalanse behoorlik aangeteken is nie. Gevolglik was ons nie in staat om ons van die volledigheid en akkuraatheid van die rekeningkundige rekords ten opsigte van die openingsbalanse te vergewis nie.

### Gekwalifiseerde Mening

Buiten vir die uitwerking van die aangeleenthede wat in die paragraaf oor die Grondslag vir Gekwalifiseerde Mening omskryf word, bied die finansiële jaarstate ooreenkomstig Suid Afrikaanse Algemene Aanvaarde Rekeningkundige Praktyk en op die wyse wat deur die Maatskappywet van Suid-Afrika, 1973 vereis word in alle wesenlike opsigte 'n billike beeld van die finansiële posisie van die maatskappy op 29 Februarie 2008, en sy finansiële prestasie en sy kontantvloeï vir die jaar wat op daardie datum geëindig het.

C Beggs Hoof Uitvoerende Beampte

F Tonelli Hoof Bedryfsbeampte

A W Brink Direkteur – Bestuurs Pretoria-kantoor

Die Maatskappy se besigheidadres is te Eglinweg 2, Sunninghill, waar 'n lys van die direkteure se name ter insae is.

PricewaterhouseCoopers Ing is 'n gemagtigde verskaffer van finansiële dienste.

BTW reg-nr. 4950174682

### Aanvullende Inligting

Ons vestig aandag op die feit dat die aanvullende skedules wat op bladsye 12 tot 13 uiteengesit word, nie deel uitmaak van die finansiële jaarstate nie en as bykomende inligting aangebied word. Ons het nie die skedules geouditeer nie en spreek gevolglik nie 'n mening daaroor uit nie.

*PricewaterhouseCoopers Ing*

**PricewaterhouseCoopers Ing.  
Direkteur: DH du Plessis  
Geregistreerde Ouditeurs  
Pretoria  
Datum**

30 Januarie 2009.



**Direkteursverslag**

---

**1. Oorsig van aktiwiteite**

**Hoofbesigheid en -bedrywighede**

Die maatskappy handel in alle aktiwiteite en verwante aktiwiteite met betrekking tot die ontginning en verwerking van kalk.

**2. Gemagtigde en uitgerekte aandelekapitaal**

Daar was gedurende die jaar geen verandering in die maatskappy se uitgerekte aandelekapitaal nie.

**3. Dividende**

Geen dividende is betaal of word vir die rekenpligtige tydperk voorgestel nie.

**4. Direkteur**

Die maatskappy se direkteur gedurende die jaar en tot die datum van dié verslag is soos volg:

Naam

T.G. Pistorius

**5. Sekretaris**

Die maatskappy beskik nie tans oor die dienste van 'n sekretaris nie.

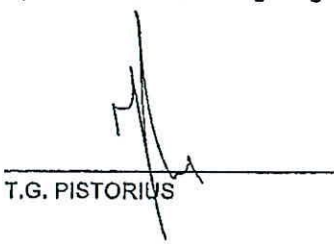
**6. Stand van sake en bedryfsresultate**

Die stand van die maatskappy se sake en bedrywighede word in die aangehegte finansiële state weergegee.

**7. Wesenlike feite of omstandighede wat plaasgevind het na balansstaatdatum**

Geen belangrike feite of omstandighede wat van belang is vir die beoordeling van die maatskappy se stand van sake het tussen die datum van die balansstaat en die datum van hierdie verslag plaasgevind nie.

Die finansiële jaarstate wat op bladsy 4 to 13 uiteengesit word en op die lopende saak uiteengesit word, is op 16 Januarie 2009 goedgekeur en onderteken deur:

  
T.G. PISTORIUS

**SA LIME (EDMS) BPK**  
**(Registrasienommer 2006/027364/07)**  
**Finansiële Jaarstate vir die jaar geëindig 29 Februarie 2008**

**Balansstaat**

	Aante - keninge	2008 R	2007 R
<b>Bates</b>			
<b>Niebedryfsbates</b>			
Lenings toegestaan	2	6,976	-
<b>Bedryfsbates</b>			
Kontant en kontantekwivalente	3	3,322	-
<b>Totale bates</b>		<b>10,298</b>	<b>-</b>
<b>Ekwiteit en aanspreeklikhede</b>			
<b>Ekwiteit</b>			
Aandelekapitaal	4	100	-
Opgelope verlies		(484,378)	(44,686)
		<b>(484,278)</b>	<b>(44,686)</b>
<b>Laste</b>			
<b>Niebedryfslaste</b>			
Langtermynlenings	5	494,576	44,686
<b>Totale ekwiteit en aanspreeklikhede</b>		<b>10,298</b>	<b>44,686</b>

SA LIME (EDMS) BPK  
 (Registrasi nommer 2006/027364/07)  
 Finansiële Jaarstate vir die jaar geëindig 29 Februarie 2008

**Inkomstestaat**

	Aante - keninge	2008 R	2007 R
Inkomste		56,258	-
Koste van verkope		(58,129)	(44,686)
<b>Bruto verlies</b>		<b>(1,871)</b>	<b>(44,686)</b>
Bedryfskoste		(393,487)	-
<b>Bedryfsverlies</b>		<b>(395,358)</b>	<b>(44,686)</b>
Finansieringskoste		(44,334)	-
<b>Verlies vir die jaar</b>		<b>(439,692)</b>	<b>(44,686)</b>

**SA LIME (EDMS) BPK**  
**(Registrasienommer 2006/027364/07)**  
**Finansiële Jaarstate vir die jaar geëindig 29 Februarie 2008**

**Veranderings in ekwiteit**

	Aandele- kapitaal R	Opgelope verlies R	Totale ekwiteit R
Saldo op 1 Maart 2006	-	-	-
Verandering in ekwiteit			
Verlies vir die jaar	-	(44,686)	(44,686)
Aandele-uitgifte	100	-	100
Totale veranderings	100	(44,686)	(44,586)
Saldo op 1 Maart 2007	100	(44,686)	(44,586)
Verandering in ekwiteit			
Verlies vir die jaar	-	(439,692)	(439,692)
Totale veranderings	-	(439,692)	(439,692)
Saldo op 29 Februarie 2008	100	(484,378)	(484,278)

**SA LIME (EDMS) BPK**  
 (Registrasienuommer 2006/027364/07)  
 Finansiële Jaarstate vir die jaar geëindig 29 Februarie 2008

**Kontantvloeistaat**

	Aante - keninge	2008 R	2007 R
<b>Kontantvloei uit bedryfsaktiwiteite</b>			
Kontantontvangste van kliënte		53,991	-
Kontant betaal aan verskaffers en werknemers		(449,349)	(44,686)
Kontant aangewend in bedrywighede	7	(395,358)	(44,686)
Finansieringskoste		(44,334)	-
<b>Netto kontant uit bedryfsaktiwiteite</b>		<b>(439,692)</b>	<b>(44,686)</b>
<b>Kontantvloei uit beleggingsaktiwiteite</b>			
Lenings aan lede terugbetaal		(6,976)	-
<b>Netto kontant uit beleggingsaktiwiteite</b>		<b>(6,976)</b>	<b>-</b>
<b>Kontantvloei uit finansieringsaktiwiteite</b>			
Opbrengs op aandele-uitgifte	4	100	-
Terugbetaling van langtermynlenings		449,890	44,686
<b>Netto kontant uit finansieringsaktiwiteite</b>		<b>449,990</b>	<b>44,686</b>
<b>Totale kontantbeweging vir die jaar</b>		<b>3,322</b>	<b>-</b>
Kontant aan die begin van die jaar		-	-
<b>Totale kontant aan die einde van die jaar</b>	3	<b>3,322</b>	<b>-</b>

**Rekeningkundige beleid**

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**1. Aanbleding van Finansiële Jaarstate**

Die finansiële jaarstate is opgestel om aan Suid Afrikaanse Algemene Aanvaarde Rekeningkundige Praktyk en die Maatskappywet van Suid-Afrika, 1973 te voldoen, toepaslik vir die maatskappy se besigheid.

Die finansiële state word op die historiese kostegronslag opgestel, behalwe vir finansiële instrumente wat teen billike waarde aangetoon word.

**1.1 Finansiële instrumente**

**Aanvanklike erkenning**

Beleggings in finansiële bates en laste word aanvanklik teen kosprys ingesluit, waarna dit gemeet word teen billike waarde, afgesien van vastevervaldatum-beleggings soos skuld en lenings. Finansiële instrumente wat in die balansstaat ingesluit is, sluit in banksaldo's, lenings toegestaan, krediteure en langtermynlenings.

**Handels- en ander debiteure**

Ontvangbare handelsrekeninge word met aanvanklike erkenning teen billike waarde en daarna teen die gearmorteerde koste bereken deur die effektiwerentekoersmetode te gebruik. Toepaslike voorsiening vir beraamde onverhaalbare bedrae word in wins of verlies erken wanneer daar objektiewe bewys is dat die bate verswak is.

Handels- en ander ontvangbare rekeninge word as lenings en ontvangbare rekenings geklassifiseer.

**Handels- en ander krediteure**

Handelskrediteure word aanvanklik teen billike waarde en daarna teen gearmorteerde koste bereken deur die effektiwerentekoersmetode te gebruik.

**Kontant en kontantekwivalente**

Kontant en kontantekwivalente bestaan uit kontant voorhande en aanvraagdeposito's en ander korttermyn hoogs likiede beleggings wat geredelik in 'n bekende kontantbedrag omskepbaar is en aan nietige risikos ten opsigte van waardeverandering onderhewig is. Dit word aanvanklik en daarna teen billike waarde aangeteken.

**1.2 Aandelekapitaal en ekwiteit**

Gewone aandele word as ekwiteit geklassifiseer.

**1.3 Inkomste**

Inkomste uit die verkoop van goedere word erken wanneer al die volgende voorwaardes nagekom is:

- die maatskappy het die wesentlike risiko's en belonings van eienaarskap van die goedere aan die koper oorgedra;
- die maatskappy behou nie die voortgesette bestuursbetrokkenheid op dieselfde vlak wat gewoonlik met eienaarskap of effektiewe beheer van die verkoopte goedere geassosieer word nie;
- die hoeveelheid inkomste kan betroubaar bereken word;
- die ekonomiese voordeel verbonde aan die transaksie sal waarskynlik die maatskappy toekom; en
- die koste wat ten opsigte van die transaksie aangegaan is of wat aangegaan sal word, kan betroubaar bereken word.

Wanneer die uitslag van die transaksie wat dienslewering behels, nie betroubaar bereken kan word nie, sal inkomste slegs erken word ten opsigte van die erkende uitgawes wat herwinbaar is.

#### **1.4 Omset**

Omset bestaan uit verkope aan kliënte en dienste wat aan kliënte gelewer word. Die omset word teen die faktuurbedrag verklaar en sluit belasting op toegevoegde waarde in.

#### **1.5 Koste van verkope**

Wanneer voorraad verkoop word, word die drabedrag van dié voorraad as 'n uitgawe erken in die tydperk waarin die verwante inkomste erken word. Die bedrag van enige afskrywing van voorraad tot netto realiseerbare waarde en alle verlies van voorraad word as 'n uitgawe erken in die tydperk waarin die afwaartse waardasie of verlies plaasvind. Die bedrag van enige omswaaiing van enige afwaartse waardasie van voorraad voortspruitend uit 'n toename in netto realiseerbare waarde word in die tydperk waarin dit omgeswaai word, erken as 'n vermindering van die voorraadbedrag, wat as 'n uitgawe erken word.

Die koste verbonde daaraan om 'n diens te lewer wat in die huidige tydperk as inkomste erken word, word by koste van verkope ingesluit.

**SA LIME (EDMS) BPK**  
 (Registrasiensnommer 2006/027364/07)  
 Finansiële Jaarstate vir die jaar geëindig 29 Februarie 2008

**Aantekeninge by die Finansiële Jaarstate**

	2008 R	2007 R
<b>2. Lenings toegestaan</b>		
Henke Pretorius	6,976	-
Die lening is onverseker, dra geen rente nie en is terugbetaalbaar op aanvraag.		
<b>3. Kontant en kontantekwivalente</b>		
Absa Bank Beperk	3,322	-
<b>4. Aandelekapitaal</b>		
<b>Gemagtig</b>		
100 Gewone aandele van R1 elk	100	-
<b>Uitgereik</b>		
T.G. Pistorius	20	-
H.C.W. Pistorius	80	-
	100	-
<b>5. Langtermynlening</b>		
Theodore Pistorius Kinders Trustfonds	494,577	-
Die lening is onverseker, dra rente teen 13% (2007 : Geen) per jaar en is terugbetaalbaar op aanvraag.		
<b>6. Belasting</b>		
Geen voorsiening is gemaak vir 2008 se belasting nie aangesien die maatskappy geen belasbare inkomste het nie. Die berekende belasting verlies bedrae R 439 692 vir die jaar.		
<b>7. Kontant aangewend in bedrywighede</b>		
Verlies voor belasting	(439,692)	(44,686)
<b>Aanpassings vir:</b>		
Finansieringskoste	44,334	-
	<b>(395,358)</b>	<b>(44,686)</b>



**SA LIME (EDMS) BPK**  
**(Registrasienommer 2006/027364/07)**  
**Finansiële Jaarstate vir die jaar geëindig 29 Februarie 2008**

**Volledige inkomstestaat**

	Aante - keninge	2008 R	2007 R
<b>Inkomste</b>			
Verkope		53,991	-
Rente ontvang		2,267	-
		<u>56,258</u>	<u>-</u>
<b>Koste van verkope</b>			
Aankope		(58,129)	(44,686)
<b>Bruto verlies</b>		<u>(1,871)</u>	<u>(44,686)</u>
<b>Bedryfskoste</b>			
Bankkoste		(679)	-
Drukwerk en skryfbehoeftes		(6,411)	-
Herstelwerk en instandhouding		(2,404)	-
Motorvoertuigkoste		(136,462)	-
Onthaalkoste		(36,237)	-
Posgeld		(3,081)	-
Reiskoste		(53,036)	-
Rekenmeestersvergoeding		(1,140)	-
Telefoon en faks		(41,833)	-
Wetenskaplike studies en navorsing		(7,695)	-
Vervoerkostes		(62,749)	-
Diverse Uitgawes		(1,488)	-
Ledegeld		(19,152)	-
Salarisse en Lone		(21,120)	-
		<u>(393,487)</u>	<u>-</u>
<b>Bedryfsverlies</b>		<u>(395,358)</u>	<u>(44,686)</u>
Finansieringskoste		(44,334)	-
<b>Verlies vir die jaar</b>		<u>(439,692)</u>	<u>(44,686)</u>

SA LIME (EDMS) BPK  
(Registrasienommer 2006/027364/07)

Finansiële Jaarstate vir die jaar geëindig 29 February 2008

Belastingberekening (Ongeouditeer)

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	R
Netto verlies volgens inkomstestaat	<u>(439,692)</u>
Belastingverlies vir 2008 - oorgedra	<u>(439,692)</u>
Belasting daarop @ 29 sent in die rand	<u>NIL</u>

**16.ANNEXURE 7 : FORECAST OF DETAILED COST ANALYSIS**

**17.ANNEXURE 8 : FORECAST OF DETAILED REVENUE ANALYSIS**

**18.ANNEXURE 9 : CASHFLOW FORECAST**

**19.ANNEXURE 10 : FORECAST OF CAPITAL EXPENDITURE**





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## S.A. LIME EASTERN CAPE (PTY) LTD



## LIFE OF MINE

This report is an addendum to the mining permit application for a proposed open pit mining operation in the Mount Stewart area intended to supply limestone to the agricultural sector and Portland Cement manufacturers within South Africa. This report is undertaken in compliance with the Minerals and Petroleum Resources Development Act, Act 28 of 2002.

**August 2009**



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## 1. INTRODUCTION

The Life of Mine document is a planning document for S.A. Lime EC that reports on the extent of its reserves; the technology to mine and process the ore; the markets that purchase the finished products and the subsequent expected lifespan of the enterprise. This document details the mineral resources and ore reserves. The financial viability and forecasts are quantified and qualified.

## 2. LOCALITY

S.A. Lime EC Opencast Mine is applying for a mining permit over a 1,5 hectare area for the mining of limestone for agricultural and industrial uses. The site is located at 33° 07' 06" S and 24° 25' 32" E.

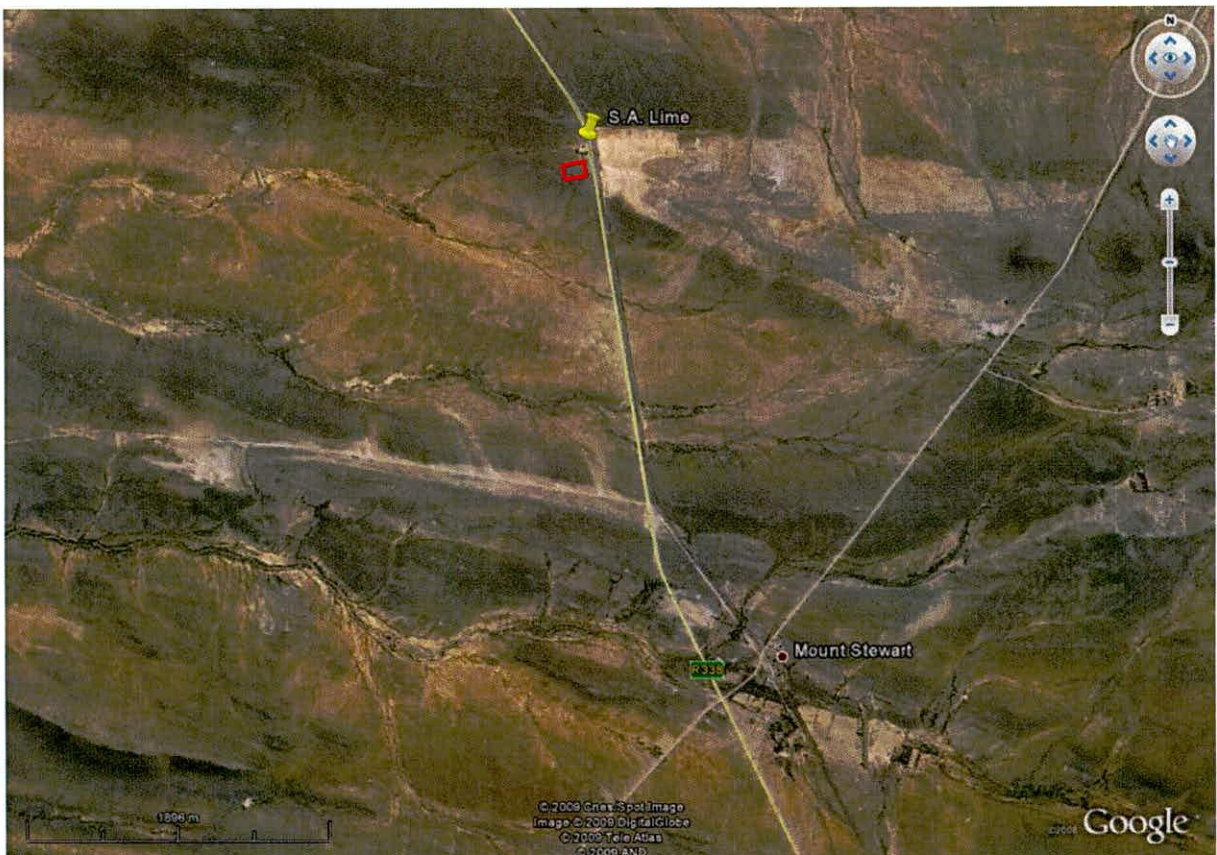


Figure 1: Locality of the limestone mining permit area shown on a Google Earth image

### 3. TOPOGRAPHY AND DESCRIPTION OF LAND

The parcel of land on which S.A. Lime EC's Limestone Quarry is located is **Portion 1 (Thornton) of the farm East of Gous Kraal, 257, Jansenville**, which is situated in the Ikwezi Local Municipal area, in the Cacadu District of the Eastern Province of South Africa. The total area of this Title Deed is 1033,5686 ha of which only 1,5 ha will be utilised for the limestone mining permit area. The title deed details are shown below :

Title deed	Extent	Owner	Administrative District	Local authority
T25861/1977	1033,5686	Peter Logie Cawood	Jansenville	Ikwezi Local Municipality

Table 1: Summary of the Title Deed housing the limestone permit area.

The site and surrounding area is zoned for agricultural use and utilised as pastures for goat - & sheep small stock farmers. The owner of the land where the limestone reserves are found is also a farmer who has angora goats. Boundary fences of the farmers are vermin proof to protect the sheep and goats. Other faunal species are restricted to migratory game buck species ; small rodents as well as small game predators like jackals and lynx (rooikat).

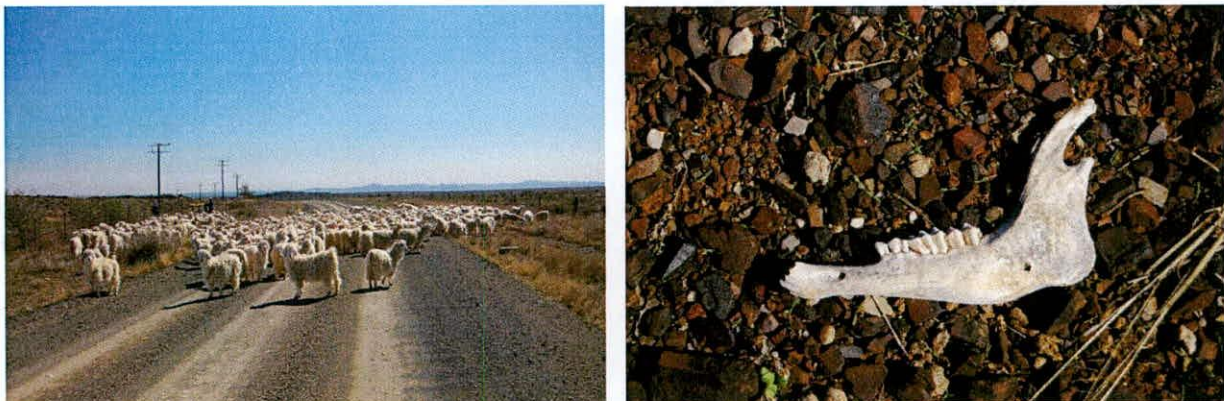


Figure 2: Small stock goat farming is commonly found in Mount Stewart.

The surrounding area is flat expansive open Karoo veldt (with scattered karoo bushes ) and distant mountain ridges. The climate is very hot and dry and water is at a premium. During the winter months the arid area does not receive rainfall and during the summer the rainfall is low.

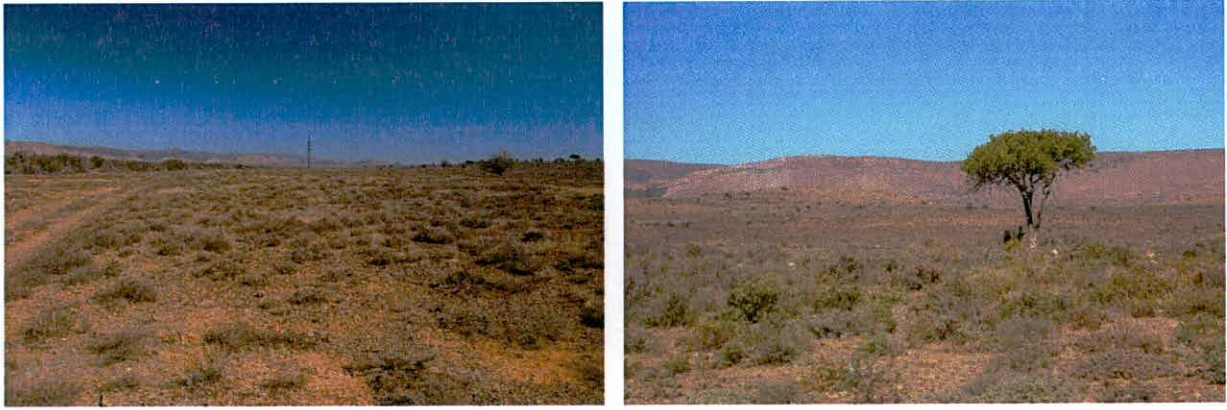


Figure 3: Typical Karoo landscapes and Karoo vegetation.

The surface soil is hard and exposed, with minimal vegetation cover and is very stony (below right). The trail excavation (below left) indicates the shallow topsoil layer and the underlying unconsolidated subsoil and mineral for extraction.

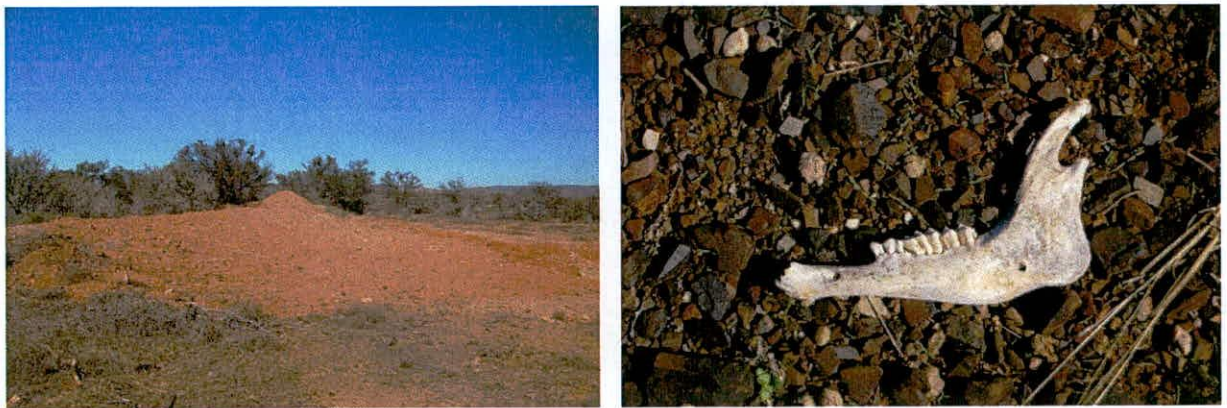


Figure 4: Topsoils and Subsoils are very stony with very little humus.

The photographs below show the existing PPC Quarry immediately opposite the proposed limestone quarry site of S.A. Lime EC Opencast Mine. Note the rail way line in the foreground.



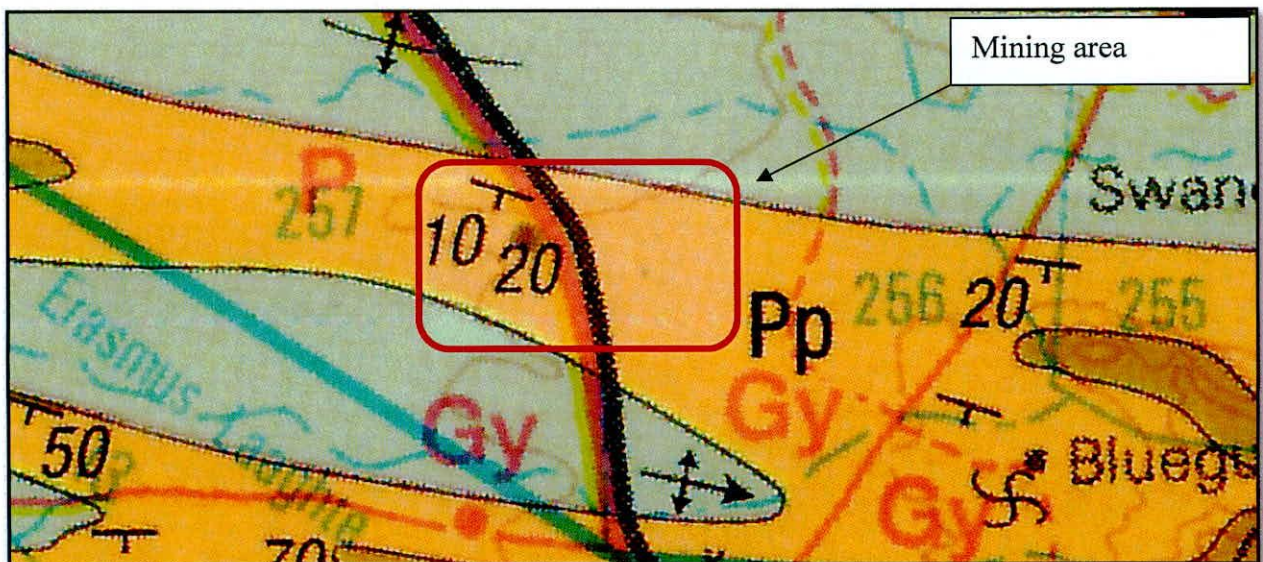
Figure 5: The railway infrastructure parallel to the R338 servicing the PPC Quarry.

There are no communities living within the proximity of the mining areas currently being occupied by the existing PPC Quarry and the new limestone quarry site of S.A. Lime EC Opencast Mine.

#### 4. GEOLOGY AND STRATIGRAPHY

S.A. Lime EC's limestone deposit is found north of the Small Winterhoekberg Mountains within the Whitehill Formation of the Ecca Group of the Karoo Supergroup. This formation overlies the Prins Albert Formation, which lies on top of the Dwyka Group. The rockmass is gently folded in the area with the anticline and syncline formations striking West - North - West to East - South - East. In the surrounding areas of the proposed mining permit area the strata dip at approximately 10° South - West - South. The limestone occurs as a sedimentary deposit infill in a basin structure. The surrounding areas are inundated with steep dipping dykes in the form of dolerite intrusions and extrusions that have general East - West strike orientations.

A close-up view of the geology of the area is shown in the figures below, the Whitehill formation is shown in light reddish brown, with Gy, denoting the presence of Gypsum and Limestone.



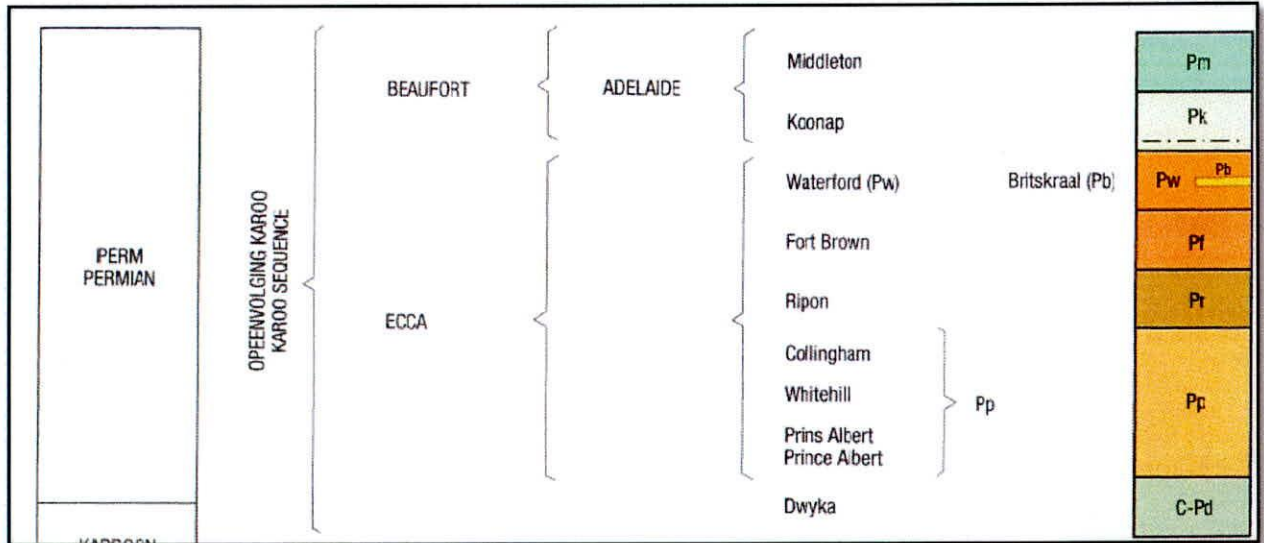


Figure 6: Map and legend of the location of the proposed quarry for SA Lime EC, showing the Whitehill formation, in which the mineral resource is found.

## 5. MINERALOGY

The weathering of the parent rock formation causes a colour change from black to white, which makes the formation a good marker unit. The fresh outcrops and subsurfaces are predominantly black, carbonaceous and pyrite bearing.

This formation is known to contain fossils of plants, palaeoniscoid fish and arthropods. The sequence was deposited largely by suspension settling in young underfilled foreland basin under anoxic bottom conditions.

## 6. ECONOMIC USES OF THE MINERALS

The limestone deposits have value as agricultural limestone to increase the pH of cultivated lands for the farming communities in the Eastern Cape and could also be used as an industrial mineral in Portland cement manufacturers production processes. Letters of Intent have been signed and firm commitments have been placed with S.A. Lime EC to mine and produce the limestone once the mining permit has been granted.

## 7. MINING PRACTICE

The mining method to be used is opencast open-pit by means of a truck and shovel operation. No strip mining will be utilised. No blasting with explosives is envisaged and all minerals are being free dug by means of mechanical excavators and front end loaders. The fleet of equipment consists of a front end loader, excavator and dump truck.



Figure 7: The fleet of mining equipment.

The hydraulic excavator breaks out the limestone sediments and loads it onto dump trucks. The dump trucks transport the materials to the various customers' stockpile areas. The basic mining operations follow the sequence of:

### 1. Topsoil removal and stacking

Topsoil is removed by scraping off the first 200mm of material with a bull dozer or excavator.



Figure 8: Topsoil is firstly stripped off and stacked aside for later rehabilitation.

### 2. Stripping off of minerals

The limestone minerals are mined by excavator or loader in benches or slopes to maintain the stability of the slopes created by the mining operations.



Figure 9: The various minerals are free dug and loaded during mining production.

### 3. Replacing of Topsoil

Once mining is complete, the slopes will be flattened out to an angle from horizontal of 17°. This will enable the placement of soil in such a way that no erosion can occur.

### 4. Rehabilitating the affected areas

Placed soil will be seeded and planted with indigenous grasses and bush species to rehabilitate the site. The objective of rehabilitation would be to create a pasture again for small stock farming.

The final voids and open pits will have benches or slopes which are being constructed during the operational phase and maintained until the rehabilitation thereof. The planned production rate for the limestone will be around 15 000 cubic metres / year ; i.e. an equivalent of about 50 cubic metres per day.



## **8. MINING SEQUENCE AND SCHEDULING**

The entire mining area will be regarded as one mining block due to simplicity of mineral and mining method. The mine face will be advanced from the north-west to the south-east. See ANNEXURE 1 : MINING PLAN for the detailed layout of the mining sequence and face advance of the limestone quarry. The mining should be conducted over a period of 24 months in blocks as indicated on the Mining Plan.

## **9. MINERAL PROCESSING**

No mineral processing will take place, as S.A. Lime EC will retail run-of-mine limestone to local agricultural farming communities and Portland cement manufacturers.

## **10. MARKETING**

The mineral being mined will be sold directly as per the supply and off-take agreements to the farming communities and the cement manufacturers in the Eastern Cape. The farming communities consume about 500 tonnes per month during their planting seasons and the cement producers a consistent 1800 tonnes per month. As a member of the Cement & Concrete Institute (CNCI), both Natal Portland Cement and PPC Cement have access to marketing throughout the Eastern Cape, KwaZulu Natal and greater South Africa. See ANNEXURE 3 : L.O.I. & M.O.U. FROM CUSTOMERS detailing the existence of the market.

## **11. MINERAL RESOURCE & ORE RESERVE DETERMINATION**

The mineral resource has been calculated based on reconnaissance of the mining area ; assessment of neighbouring operational mining open cast pits and knowledge of the underlying geology. The following factors have been taken into consideration in calculating the mineral resources and ore reserves:

## S.A. LIME EC OPENCAST MINE

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1. Final slopes of with an inclination of a maximum of 17° from horizontal
2. Geological uncertainty and unsuitable material making up a factor of 25%
3. Mining Losses making up a factor of 15%
4. Marketing Losses making up a factor of 5%

The mineral resources and lime reserves within the mining permit area could be summarised as follows :

Category	Estimated Volume	Units
Indicated Limestone Mineral Resource	24 768	m <sup>3</sup>
Measured Limestone Mineral Resource	18 576	m <sup>3</sup>
Proven Lime Reserves	15 000	m <sup>3</sup>

Table 2: Mineral resource and lime reserve calculations for S.A. Lime Opencast Mine's limestone mining permit area

## 12. LIFE OF MINE

Given the lime reserves and the current market demands, S.A Lime Opencast Mine plans to mine the 15 000 m<sup>3</sup> of limestone over a **two year** period. Thereafter the mine would be closed under its mine closure plan.

**13. ANNEXURE 1 : MINING PLAN**

**14. ANNEXURE 2 : EXPLORATION FIELDBOOK**

P P C - Quarry

KLIPPLAAT ←

PAD (R338)

→ Mount Stewart

A<sub>1</sub>

A (MARK)

B

C

D

A<sub>1</sub>M<sub>1</sub>

A M<sub>1</sub>

B M<sub>1</sub>

C M<sub>1</sub>

D M<sub>1</sub>

A<sub>1</sub>M<sub>2</sub>

M<sub>2</sub>

•

•

•

A<sub>1</sub>M<sub>3</sub>

M<sub>3</sub>

•

•

A<sub>1</sub>M<sub>4</sub>

M<sub>4</sub>

•

•

A<sub>1</sub>M<sub>5</sub>

M<sub>5</sub>

(mooi, diep)

•

A<sub>1</sub>M<sub>6</sub>

M<sub>6</sub>

•

A<sub>1</sub>M<sub>7</sub>

M<sub>7</sub>

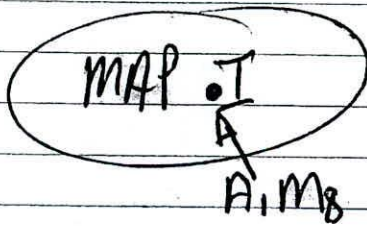
•

MAP I

M<sub>8</sub>

•

A<sub>1</sub>M<sub>8</sub>



Klipplaat ←

R338 ROAD

→ Mount Skene

(Klipplaat)	KP		MS
1,0	40,5	1	0 55,3
2,5	77,9		74,7
	55,02	2	0 77,6
	77,4		81,2
	21,03	3	0 51,0 → 0 43,4
35m ↓	54,7		81,4 61,7
	32,05	4	0 68,9
	69,5		77,1
57,6 ← 30m	44,08	5	0 34,2 → 30m 0 48,7
63,4	88,1		87,4 76,2
	45,03	6	0 71,8
	76,7		62,1
41,10	51,07	7	0 46,7
69,3	72,3		78,5
	43,09	8	0 67,1
	49,1		76,4
	5m ↙	9	0

Holes were 5m from the fence & approx 35m apart.  
 Two monitors per gate, fencing, op 1m or 2,5m  
 4 pits were made 30m further away from the 5m row  
 on MS 3 and 5  
 also on KP 5 " 7

MAP II

# Analysis MAP 1

$A, M_1$	$< 1m - 32,3$	$A, M_1 - 27,1$	$BM_1 - 31,7$	$C - 48,6$	$D = 23,3$
	$+ 1m - 59,8$	$- 66,2$	$- 67,5$	$- 55,1$	$- 63,7$
	$> 2m - 71,5$	$- 77,9$	$- 85,1$	$- 73,8$	$- 82,1$
$A, M_2$	$< 1m - 24,9$	$A, M_2 - 76,5$	$BM_2 - 21,3$	$C - 44,4$	$D - 33,1$
	$+ 1m - 73,3$	$- 45,3$	$- 15,7$	$- 50,6$	$- 59,1$
	$> 2m - 73,8$	$- 77,5$	$- 18,1$	$- 78,2$	$- 74,9$
$A, M_3$	$< 1m - 19,5$	$A, M_3 - 47,4$	$BM_3 - 48,9$	$C - 37,1$	$D -$
	$+ 1m - 49,1$	$- 57,2$	$- 45,5$	$- 57,1$	$-$
	$> 2m - 70,7$	$- 65,0$	$- 28,1$	$- 63,9$	$-$
$A, M_4$	$< 1m - 3,5$	$A, M_4 - 3,8$	$BM_4 - 48,6$	$C - 48,0$	$D -$
	$+ 1m - 39,9$	$- 38,3$	$- 60,3$	$- 57,8$	$-$
	$> 2m - 63,0$	$- 76,9$	$- 48,1$	$- 72,6$	$-$
$A, M_5$	$< 1m - 14,3$	$A, M_5 - 1,4$	$BM_5 - 42,2$	$C - 50,2$	$D -$
	$+ 1m - 31,0$	$- 15,3$	$- 51,5$	$- 73,8$	$-$
	$> 2m - 60,3$	$- 22,2$	$- 51,1$	$- 74,8$	$-$
$A, M_6$	$< 1m - 42,1$	$A, M_6 - 8,8$	$BM_6 - 74,3$	$C$	$D -$
	$+ 1m - 54,1$	$- 48,7$	$- 34,3$		$-$
	$> 2m - 69,1$	$- 54,8$	$- 57,6$		$-$
$A, M_7$	$< 1m - 32,9$	$A, M_7 - 11,6$	$BM_7 - 48,0$	$C$	$D -$
	$+ 1m - 68,7$	$- 48,2$	$- 57,8$		$-$
	$> 2m - 75,0$	$- 67,4$	$- 72,6$		$-$
$A, M_8$	$< 1m - 34,4$	$A, M_8 - 12,6$	$BM_8 - 39,1$	$C$	$D -$
	$+ 1m - 73,8$	$- 41,3$	$- 59,3$		$-$
	$> 2m - 77,1$	$- 61,4$	$- 74,5$		$-$

**15. ANNEXURE 3 : L.O.I. & M.O.U. FROM CUSTOMERS**



0422331037



**f a x**

sundays river citrus company

To: S.A. Lime  
 Attention: Henke Pistorlus  
 From: Linta Greeff

Fax No.: 012-3464359  
 Date: 15/09/2009  
 Pages: 1

**CALCITIC LIME USAGE IN SUNDAYS RIVER VALLEY**

There are approximately 14 000 hectares of citrus planted in the Sundays River Valley. Typical chemical analysis of soils in the Sundays River Valley show that there is an imbalance in the base saturation ratios of the various cations with calcium tending to be low (<60%) and magnesium and sodium tending to be high (>25% and >5% respectively).

Traditionally virtually no lime has been used in the SRV with producers tending to apply gypsum (particularly in seasons following dry summers). Commercial experience however shows that calcitic lime can have a positive impact on cation balancing in the SRV.

It appears that where soil calcium levels are below 55% (of total base saturation) the application of calcitic lime (at rates of 1,5 - 3,0 tons/ha) can increase calcium levels to over 60% within 1 season.

SRCC Technical department (who are responsible for advising the majority of citrus producers in the SRV) would like to encourage increased usage of calcitic lime. Due to financial constraints SRCC has not sold more than 1500 tons of gypsum/annum (although the potential need could be as high as 7500 tons). The same will apply to calcitic lime where potential sales could be upto 10 000 tons/annum but in reality the actual sales are likely to be much lower than this (particularly in the short term). Once more results of the benefits of commercial application of lime are available, this will help to promote further sales.

Dave Gerber  
 SRCC Technical manager

