



mineral resources

Department:  
Mineral Resources  
REPUBLIC OF SOUTH AFRICA

**NAME OF APPLICANT:**

## **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.**

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## 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

SKILLS CATEGORY		TECHNICAL COMPETENCE COST FORECAST								
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 ESTIMATED QUARTERLY EXPENDITURE ON EACH EMPLOYMENT CATEGORY, SUBCONTRACTOR, OR SERVICE PROVIDER AS SHOWN BELOW								
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
Top Management 1x Projects / Operations Director	Engineering Diploma / Min of 15 Years Experience. Part Time on Mine- Full Time in Employ 15% of time on Quarry	18.2	18.2	18.2	18.2	19.2	19.2	19.2	19.2	149.6
Professionally Qualified/Specialist 1x Site / Quarry Manager	Engineering diploma with 5 years experience or 10 years experience in industry. Blasting Certificate. Full time 100% of time on Quarry	91	91	91	91	96	96	96	96	748
1x General Foreman	Years Experience & Training 100% of time on Quarry	59	59	59	59	63	63	63	63	488
Skilled Technical Mechanic	Qualified Mechanic with min of 5 years experience Full Time Quarry	42	42	42	42	45	45	45	45	348

Semi-skilled 1x Site Administrator	Internally Trained with at least 2 years tertiary training in admin and accounting	Full Time	26	26	26	26	26	26	26	26	26	26	26	26	26	216
Semi-skilled 6x Mobile Plant Operators	Training Certificates and 2 Years Experience	Full Time	280	280	280	280	280	280	280	280	280	280	280	280	280	2308
<b>TOTAL ESTIMATED EXPENDITURE</b>			<b>516.2</b>	<b>516.2</b>	<b>516.2</b>	<b>516.2</b>	<b>516.2</b>	<b>516.2</b>	<b>516.2</b>	<b>516.2</b>	<b>516.2</b>	<b>516.2</b>	<b>548.2</b>	<b>548.2</b>	<b>548.2</b>	<b>2064.8</b>

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	Rehabilitation		850 000
		Dust control measures	30 000	
		Noise control measures		
		Storm water system		
Blasting	Fly Rock	Access control measures		
Stockpiles	X	Rehabilitation		150 000
		Dust Control Measures	40 000	
		Storm water system		
Discard dumps or dams		Rehabilitation		
		Dust control Measures		
		Storm water system		
Loading, hauling and transport	X	Noise control measures		
		Dust control Measures	40 000	
Water supply dams and boreholes.	X	Rehabilitation		35 000
Accommodation, offices, ablation, stores, workshops etc.		Rehabilitation		30 000
		Noise control measures		
Processing Plant	X	Dust control Measures	30 000	
		Storm water system		
		Rehabilitation		45 000
		Rehabilitation		1 110 000
		<b>TOTAL</b>	<b>145 000</b>	

## 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
<b>PRODUCTION</b> The mass or volume of the product to be produced in each quarter, either in tons, m <sup>3</sup> , grams, carats, etc., whichever is applicable.	90 000	90 000	90 000	90 000	90 000	90 000	90 000	90 000	720 000
<b>PRICE</b> The expected price that will be received for the abovementioned product	50	50	50	50	53	53	53	53	412
<b>REVENUE</b> The mass or volume of production multiplied by the price	4500	4500	4500	4500	4770	4770	4770	4770	37080
<b>OPERATING COST</b> Estimated quarterly operating cost (as shown in table 4.2 herein) of stores, materials, electricity, water, fuel and other (Excluding labour and environmental cost)	2250	2250	2250	2250	2385	2385	2385	2385	18 540
<b>TECHNICAL COMPETENCE COST TO BE PROVIDED FOR</b> Estimated quarterly cost shown in table 1 above, i.e. salaries, wages, labour, service providers, subcontractors, etc.	516.2	516.2	516.2	516.2	548.2	548.2	548.2	548.2	2064.8
<b>ENVIRONMENTAL COST</b> Estimated quarterly cost shown in table 2 above and divide the total rehabilitation cost among the quarters. The total of the environmental cost must equal all the quarterly environmental costs and the total rehabilitation cost combined.	163.75	163.75	163.75	163.75	163.75	163.75	163.75	163.75	1310
<b>CAPITAL AND OTHER</b> The cost (as shown in table 4.1 herein) of land, machinery, the plant, buildings and infrastructure and any other costs.	980	980	980	980	980	980	980	980	7840
<b>WORKING PROFIT / LOSS</b> The revenue minus all the costs listed above	590.05	590.05	590.05	590.05	693.05	693.05	693.05	693.05	5132.40

**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	5 000 000	
State the amount the applicant has available to fund the project	5 000 000	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	250	
Buildings and infrastructure	80	
Processing plant	350	
Machinery	300	
Other (specify)		
<b>TOTAL (to be reflected in the cash flow forecast in table 3.1 above)</b>	<b>980</b>	

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

COST CATEGORY	Quarterly cost R'000
Fuel	120
Electricity	9
Water	120
Stores and materials	60
Other (specify)	
<b>TOTAL QUARTERLY COST (must be reflected in the cash flow forecast in table 3.1 above)</b>	<b>309</b>

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	1
	State number of loaders to be used	0
	State number of trucks to be used	2
ELECTRICITY	State volume or tonnage of material to be processed in the plant	0
WATER	List plant or equipment that requires electricity	Office & Weighbridge
	State volume of water to be used	20 000 liters per day
	Where will the water be obtained?	
OTHER	Describe other operating costs to be incurred, if applicable	



5. IDENTIFICATION OF THE REPORT

Herewith I, the person whose name and identity number is stated below, confirm that I am the person authorised to act as representative of the applicant in terms of the resolution submitted with the application, and confirm that the above report and appendices comprise the details and documentary proof of the Financial and Technical ability required to be submitted with this application in terms of form F, annexure I of the MPRDA Regulations.

Full Names and Surname	FREANIE KENNEDY
Identity Number	54 12 25 500 2083



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