

Mr. D Botha  
PRISM Environmental Management Services  
P O Box 1401  
Wilgeheuwel  
1736

Friday, 6 December 2019

Dear Sir

**RE: Sewage handling facilities for the No 3 Shaft complex**

The current sewage plant is situated in the Zondereinde complex and is designed for an inflow of 3 Mega litre per day.

The current inflow is 1.2 Mega litre per day, which is 40% of its design capacity. This includes waste from the mine, hostel complex and the Setaria residential area.

The No 3 Shaft sewage will be pumped to this facility with an intermediate pumping facility halfway.

It is not foreseen that No 3 Shaft will increase the load significantly on the sewage facility, as the majority of employees that will be deployed at the shaft will be transferred from the current shaft complex.

Kind Regards



V Hlungwane  
Relieving General Manager

APPENDIX 13 – CONFIRMATION OF SERVICES

Table 1: Timeline of Significant Meetings between Northam Platinum Limited and Service Providers in relation to the provision of services i.e. electricity and water to the proposed Northam Zondereinde 3 Shaft project

Date	Venue	Organisation			Discussion Items
		NZ	Eskom	Magalies Water	
23 October 2019	Northam CNC	✓	✓		<p>Initial discussions with Eskom commenced for the design of a 4 x 20 Mva substation between the No 3 Shaft complex and the nearest Eskom lines approximately 100m apart.</p> <p>Eskom will commence with load studies onto exiting lines.</p> <p>A consultant (EHL) is in the process of designing a self-built substation on behalf of Eskom.</p> <p>Eskom does not object to the process going forward.</p>
27 August 2019	Northam Zondereinde Mine	✓		✓	<p>The current 400nb and 200nb Magalies Water pipelines must be rerouted once the surface infrastructure drawings is finalised. An offtake from the Magalies Water pipeline is required to supply water to the No 3 Shaft complex.</p> <p>Magalies Water has been alerted to the potential re-routing of the existing pipelines and the additional take off point and did not object (meeting not minuted).</p> <p>An official request to Magalies Water will be made, once the design details are finalised.</p>



ESKOM SOC LIMITED  
Limpopo Operating Unit  
Key Customer Services  
Private Bag X477  
**POLOKWANE**  
0699

Date:  
27 October 2019  
Enquiries:  
Karl Dalbock  
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(M) 083 279 2146

Via email to: [KojanaKC@eskom.co.za](mailto:KojanaKC@eskom.co.za)  
[BaloyiMG@eskom.co.za](mailto:BaloyiMG@eskom.co.za)  
[StrausJG@eskom.co.za](mailto:StrausJG@eskom.co.za)

**NOTE FOR THE RECORD – NORTHAM PLATINUM ZONDEREINDE MINE APPLICATION IN RESPECT OF 3# COMPLEX**

This communicate serves to record the salient points as recorded at the stakeholder meeting held at Northam CNC on Wednesday, 23<sup>rd</sup> October 2019 and submission of Northam Platinum preferred Option 3.

1. Summary

Eskom presented two [2] options in terms of the proposed way forward:

1.1 Option 1

Item	Scope	Monopoly (Eskom)	Contestable (Northam)
1	EIA	✓	
2	Land & Rights	✓	
3	Design 132kV LILO	✓	
4	Procure and Construct 132kV LILO	✓	
5	Design 132kV Switching Station	✓	
6	Procure and Construct 132kV Switching Station	✓	
7	Relabelling of the Spitskop 2 / Norplats 132kV OHL	✓	
8	Commissioning of the 132kV Switching Station	✓	
9	Design, construct and commission Norplats 3# / Eskom 132kV Interconnectors		✓
10	Design, construct and commission Norplats 3# 132/6.6kV/60MVA Substation		✓

## 1.2 Option 2

Eskom indicated in the meeting that this is the likely and preferred option.

Item	Scope	Monopoly (Eskom)	Contestable (Northam)
1	EIA		✓
2	Land & Rights		✓
3	Design 132kV LILO	✓	
4	Procure and Construct 132kV LILO		✓
5	Design 132kV Switching Station	✓	
6	Procure and Construct 132kV Switching Station		✓
7	Relabelling of the Spitskop 2 / Norplats 132kV OHL		✓
8	Commissioning of the 132kV Switching Station	✓	✓
9	Design, construct and commission Norplats 3# / Eskom 132kV Interconnectors		✓
10	Design, construct and commission Norplats 3# 132/6.6kV/60MVA Substation		✓

## 2. Eskom Access Road

Northam confirmed that it would construct a fit-for-purpose access road to the Eskom Switching Station for unfettered access.

## 3. Designation for the Eskom 132kV Switching Station

Northam has no preference as this is an Eskom asset and proposed the designation of "Norplats 132kV Switching Station" for consideration.

## 4. Cost Estimate Letter

Eskom indicated that the CEL would be issued in March 2020.

- Northam's special request as mentioned in 5. below deals with this in context.

## 5. Supply Need Date

- Eskom stated that the need date as stipulated in the Norplats application of March 2021 is not possible and most likely Q4/2021.
- Northam placed on record that the need date of March 2021 is critical as a winder will need to be used according to its project plan and will submit a special request for Eskom's consideration to expedite the process – in essence the following is proposed:

⇒ Northam Platinum will do the design of the Eskom monopoly works (preferred) for reasons of time for Eskom's review and acceptance, or

- ⇒ Eskom will do the design and initiate this process upfront:
- Northam will pay Eskom upfront for the design work.
  - Northam will upfront procure all design related long lead equipment for reasons of time.
  - Northam accepts that the design implementation is conditional to the completion of related EIA and Land & Rights and statutory approvals.

## 5.1 Option 3

Northam Platinum preferred option.

Item	Scope	Monopoly (Eskom)	Contestable (Northam)
1.1	Eskom issue CEL making provision for joint design with Northam of Eskom monopoly works	✓	
OR			
1.2	Eskom issue CEL allowing Northam to design the Eskom monopoly works	✓	
AND			
2	EIA (include 132kV LILO and 132kV Switching Station in Northam's EIA on behalf and ceded to Eskom)		✓
3	Land & Rights (LILO an Switching Station for transfer to Eskom)		✓
4	Design 132kV LILO	✓	✓
5	Design 132kV Switching Station	✓	✓
6	Procure and Construct 132kV LILO		✓
7	Procure and Construct 132kV Switching Station		✓
8	Relabelling of the Spitskop 2 / Norplats 132kV OHL		✓
9	Commissioning of the 132kV Switching Station	✓	✓
10	Design, construct and commission Norplats 3# / Eskom 132kV Interconnectors		✓
11	Design, construct and commission Norplats 3# 132/6.6kV/60MVA Substation		✓

In order for Option 3 acceptance and implementation, Northam undertakes the following:

- Upfront payment of the Budget Quotation including the Eskom design work or if Eskom prefers, the full estimated Connection Fee.

In closing, Northam stated that this project is critical for its' operational sustainability and the Norplats 3# Complex is an integral project in terms of the expansion plan.

Northam is also prepared to meet with Eskom's senior management to discuss the preferred Option 3 and any other offered synergies to agree on a win-win solution for both parties.

We trust that Eskom will consider our request for the expeditious processing and collaborations, and acceptance of Option 3 to meet the timeline and timeous completion of the project, and look forward to a favourable reply.

Kind regards



**Karl Dalbock**

Distribution List:

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Mr Malcolm Erasmus  
Engineering Manager  
Northam Platinum (Pty) Ltd: Zondereinde Mine  
P O Box 441  
THABAZIMBI  
South Africa  
0380

02 December 2019  
Keneuoe Kojana  
015 2990374  
Quote Ref No:  
293605994

Dear Mr Erasmus

**COST ESTIMATE LETTER FOR AN INCREASE IN SUPPLY / NEW SUPPLY FOR NORTHAM PLATINUM ZONDEREINDE MINE SELF-BUILD NMD INCREASE AT NORPLATS PLANT SUBSTATION**

Thank you for your application for a decrease in the supply of electricity from a 42MVA to 30MVA at existing Norplats Plant 132/6.6kV substation and a new bulk supply of 30MVA at 132kV to the Electrical Installation.

Eskom has assessed your requirements and herewith provides an estimate of the cost of providing the Works and the Connection. It is based on engineering assumptions and provided in order to assist in making a decision whether or not you should proceed to request a Budget Quote.

This Cost Estimate Letter is not an offer for a contract. It is purely illustrative and in anticipation of a request for a Budget Quote. No information contained in this Cost Estimate Letter shall be deemed to form part of any contract between Eskom and the Customer.

Furthermore, if based on this Cost Estimate Letter a Request for Budget Quote is submitted to Eskom, any information recorded in this Cost Estimate Letter will lapse immediately (even if a Budget Quote is eventually not provided or accepted) and Eskom will not be bound to perform in terms of this Cost Estimate Letter in any way.

The provision of a Budget Quote related to any portion of the Eskom related cost not covered through the Connection Charge, is subject to such funding being included in Eskom's budget and approval for the investment being obtained through Eskom's governance processes.

Eskom will require certain documents and Approvals, set out herein, and payment of a Distribution Quotation Fee and if applicable a Transmission Quotation Fee, in order to provide a Budget Quote.

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 Notwithstanding that this Clause 1 deals with interpretation, where any sub-clauses hereof contain operative provisions, effect shall be given thereto as set out herein.
- 1.2 The following capitalised words and expressions shall have the meanings as assigned to them and cognate expressions shall have corresponding meanings:
  - 1.2.1 **'Act'** means the Electricity Regulation Act of 2006, including any regulations issued pursuant thereto, as amended or re-enacted from time to time;
  - 1.2.2 **'Approvals'** means any permission, permit, approval, consent, licence, authorisation, registration, grant, acknowledgement, exemption or agreement required to be obtained from any Government Authority;
  - 1.2.3 **'Approved Credit Rating'** means a long-term unsecured foreign currency debt rating no

**Distribution**  
[BU/OU]  
[Street Address]  
[Postal Address]  
Tel +27 ..... [www.eskom.co.za](http://www.eskom.co.za)  
Eskom Holdings SOC Ltd Reg No 2002/015527/30

- 6.3 Where the Customer elects to exercise the Self-Build option, the Customer shall enter into a written Self-Build Agreement with Eskom. If the Customer fails to construct the Contract Works in accordance with the required Eskom standards and specifications, Eskom will not be obligated to take ownership of these assets. In this instance, the Customer will be in breach of the Self-Build Agreement. Should the Customer fail to remedy its breach and meet the requirements, Eskom may, in its sole discretion, provide to the Customer a new quotation to complete the project and take over the assets.
- 6.4 The Customer shall be liable to pay any taxes and/or levies relating to the subject matter hereof, which may be imposed in terms of any existing and/or future legislation or as approved by NERSA.
- 6.5 The terms and conditions of this Cost Estimate Letter are subject to the provisions of the Code(s), the Act(s) and the rules and regulations issued thereunder, and of Eskom's licences and Schedule of Standard Prices, as amended or re-enacted from time to time and any other applicable laws.
- 6.6 The information contained in this Cost Estimate Letter should not be used for anything other than its intended purpose. Eskom accepts no liability, contractual or otherwise, as a result of any reliance on this information and the Customer accordingly indemnifies Eskom against any liability emanating from the use of this information.
- 6.7 Eskom's bank account details for direct deposits or bank transfers shall be specified in the invoice issued by Eskom in respect of the Distribution Quotation Fee and the Transmission Quotation Fee, if applicable.
- 6.8 The Customer shall use the account number on the invoice as the reference number for the deposit or transfer. Please attach proof of payment to the completed Request for Budget Quote.

For any information, enquiries or confirmation, please contact Keneuoe Kojana at telephone number +27 15 299 0374

I thank you for the opportunity of allowing Eskom to provide this service and trust that your favourable written reply will reach this office shortly.

Yours sincerely

Mphahlele Mnyani



Senior Manager Top customers (Limpopo and Mpumalanga)

02 December 2019

Date:

Cc Customer file



## REQUEST FOR BUDGET QUOTE

Mr Malcom Erasmus  
 Engineering Manager  
 Northam Platinum Limited  
 P.O. Box 441  
 THABAZIMBI  
 0380  
 Date: .....

Eskom Holdings SOC Ltd (Reg No: 2002/015527/30)  
 Ms Keneuoe Kojana  
 Key Customer Executive  
 Tel no.: 0152990374  
 P O Box 1464  
 POLOKWANE  
 0700

Dear Ms Kojana

**REQUEST FOR BUDGET QUOTE FOR A DECREASE IN THE SUPPLY OF ELECTRICITY FROM 42MVA TO 30MVA AT EXISTING NORPLATS PLANT 132/6.6KV SUBSTATION AND A NEW BULK SUPPLY OF 30MVA AT 132kV.**

I have read and understood the terms of the Cost Estimate Letter dated 19 August 2019, reference number 5245270768 I hereby request Eskom to prepare a Budget Quote for my consideration.

I acknowledge that I intend to exercise the Self-Build option and herewith submit an application to do so.

I do not intend to exercise the Self-Build option

If I have elected the Self-Build option above, the estimated timeline to complete the Contract Works is ..... calendar months.

Please provide an invoice for the following:

Description	Cost	Select
Distribution Quotation Fee	R1 447 339 (+ VAT = R1 664 439,85)	
Transmission Quotation Fee	R0,00 (+ VAT = R0,00)	
<b>Total Quotation Fee</b>	<b>R1 447 339 (+ VAT = R1 664 439,85)</b>	

Please find herewith also the documentation/information required by Eskom as set out in the Cost Estimate Letter to proceed with the Budget Quote.

I acknowledge that Eskom will release the project for the Budget Quote phase when all of the following conditions are met:

- Request for Budget Quote letter received
- Distribution Quotation Fee and/or Transmission Quotation Fee paid

All future correspondence must be addressed as follows:

\_\_\_\_\_ code \_\_\_\_\_

Signed for and on behalf of ..... on ..... 20.. by  
..... in my capacity as ..... (who confirms that I am duly  
authorised).

.....

CONNECTION APPLICATION



Farm Zondereinde 284 KO  
District Thabazimbi, South Africa

PO Box 441  
Thabazimbi 0380  
South Africa

Tel: +27 14 784 3000 | Fax: +27 14 785 6125  
Website: [www.northam.co.za](http://www.northam.co.za)

ESKOM SOC LIMITED  
Limpopo Operating Unit  
Key Customer Services  
Private Bag X477  
POLOKWANE  
0699

Enquiries  
Karl Dalbock  
(M) 083 279 2146  
(E) [karl@memsza.com](mailto:karl@memsza.com)

Monday, 15 April 2019

Via email to: [StrausJG@eskom.co.za](mailto:StrausJG@eskom.co.za)  
[KojanaKC@eskom.co.za](mailto:KojanaKC@eskom.co.za)

Dear Mr Strauss

**NORTHAM PLATINUM LIMITED: ZONDEREINDE MINE PLANT – APPLICATION FOR AN INCREASE IN SUPPLY CAPACITY**

Eskom Account Number: 5245270768  
Eskom Premise ID: 5245270663

This communique serves as our official application for an increase in capacity at the Eskom Norplats Plant point of supply.

**1. Introduction**

Northam's smelting capability dates back to 1993, when the metallurgical complex was first commissioned. At the time the smelter contained a 15MW furnace, which was used to treat Zondereinde's output.

More recently the smelter was expanded with an additional furnace (20MW), which has grown capacity to 35MW.

Zondereinde, a Northam Platinum Limited group mine  
Directors: KB Mosele (Chairman), PA Durso (Chief Executive Officer) | Braubh, AH Coetzee (Chief Financial Officer), DH Brown, CK Chabwhe, R Havenskin, Ms M H Hovey,  
Dr NY Janya, M H Juma, Ms TE Kgusa, H Mase, J Noh, JS Seshana (B4665) | Company Secretary: PB Boko  
Registration Number: 1977/030282345

With growing output from the Booyssendal complex, and the prospect of Eland being recommissioned an upgrade to the No: 1 Furnace from 15MW to 30MW is required to accommodate the higher volumes emanating from the mining growth

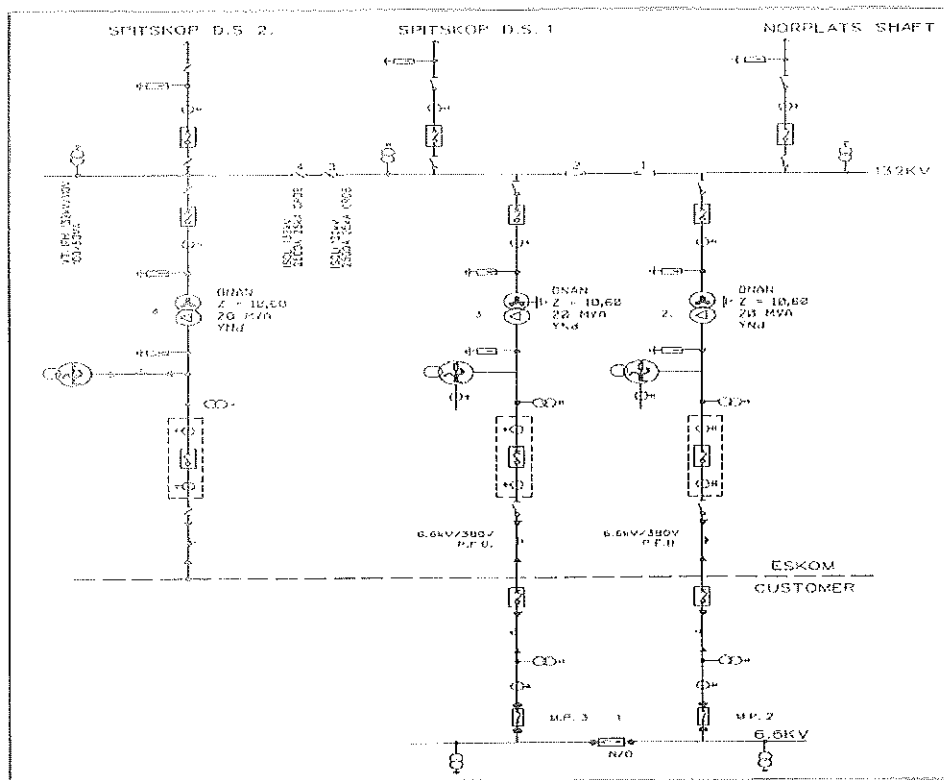
## 2. Current Situation

The current Eskom supply infrastructure is inadequate for the upgraded furnace capacity and our intent is to install power plant that will meet the operating requirements of this upgrade.

This application for an increase in supply capacity is established on the self-build principle (cost and time) for a new Substation adjacent to the existing Substation and taking supply at 132kV.

With the above as background, our application for an increase in supply capacity is based on the following high level scope of work:

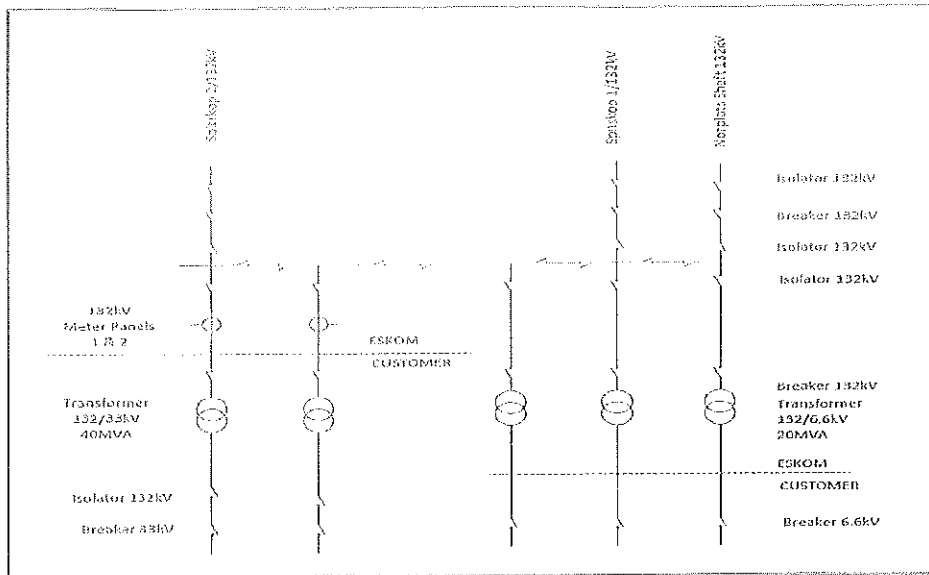
## 3. Existing Substation Single Line Diagram



#### 4. High Level Scope of Work

- 1.1 Establish a new 132/33kV/2x40MVA Substation adjacent to the existing 132/6.6kV/3x20MVA Substation;
- 1.2 1 x Fully equipped 132kV Feeder Bay (132kV Line Isolator, CT's, Breaker and Busbar Isolator);
- 1.3 1 x 132kV Busbar Bay, 1 set of 132kV Busbar VT's; 2 x 132kV Power VT's;
- 1.4 Connect the new Substation 132kV Busbar to the existing Substation 132kV Busbar via 2 x 132kV Isolators for sectionalising;
- 1.5 Relocate the existing Spitskop2/132kV Feeder into the new substation;
- 1.6 2 x 132kV Metering Points consisting of 1 set of 132kV CT's and 1 x 132kV Isolator each;
- 1.7 Equip the new 132kV Substation with 2 x 132/33kV/40MVA Auto-OLTC Transformers.

#### 5. Proposed Substation Single Line Diagram



The detailed equipment list is omitted from the above SLD and will be updated after receiving Eskom's cost estimate letter detailing the acceptance of our application and conditions precedent, i.e. monopoly and contestable works associated to the self-build.

## 6. Load Forecast

The following load forecast is submitted to indicate the additional load take-up and distribution over time:

Year	6.6kV Point of Delivery		33kV Point of Delivery		Combined Point of Supply (6.6kV & 33kV)	
	MD (MVA)	NMD (MVA)	MD (MVA)	NMD (MVA)	MD (MVA)	NMD (MVA)
2019	34	42	0	0	0	0
2020	34	42	0	0	0	0
2021	26	30	22	30	48	60
2022	26	30	22	30	48	60
2023	26	30	22	30	48	60
2024	26	30	22	30	48	60
2025	26	30	22	30	48	60
2026	26	30	22	30	48	60
2027	26	30	22	30	48	60

## 7. Supply Need Date

At this point in time it is estimated that we will require the new Substation to be completed, integrated with the existing Substation 132kV Busbar and commissioned in Q1/2021.

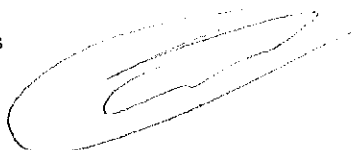
## 8. Application and Request for Payment of the Cost Estimate Fee

Eskom is requested to consider our self-build application aligned to the high-level scope of work.

Kindly issue Northam Platinum – Zondereinde Mine with an invoice for the cost estimate fee.

After receipt of the cost estimate fee payment, we request that a stakeholder meeting be arranged to discuss the application details and agree on the self-build proposed scope of work.

Regards



**ANDRE MULDER**  
Group Metallurgical Consultant

### Distribution List

Ernest Becker	Plant Engineer
Martin van der Merwe	Consultant
Karl Dalbock	Consultant

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**CUSTOMER DETAILS, DESCRIPTION OF ELECTRICAL INSTALLATION AND PROPERTY**

1.1	Customer	<b>Northam Platinum (Pty) Ltd</b>
1.2	Description of Property	<b>Northam Platinum Plant in Thabazimbi</b>
1.3	Description of Electrical Installation	<b>New 132kV point of supply and 132/6.6kV NMD reduction</b>
1.4	Nature of Customer's plant	<b>Mining of Platinum</b>