

Doornhoek Fluorspar Mine (Pty) Ltd



Social and Labour Plan

July 2016

**As required in terms of Regulation 46 of the
Mineral and Petroleum Resources Development Regulations under the
Mineral and Petroleum Resources Development Act, 2002
(Act No. 28 of 2002)**

Mining Right Application

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ABBREVIATIONS

ABET	Adult Basic Education and Training
AET	Adult Education Training
ATR	Annual Training Report
ART	Anti-Retro Viral Treatment
BBBEE	Broad Based Black Economic Empowerment
CCMA	Commission for Conciliation, Mediation and Arbitration
CSI	Corporate Social Investment
CV	Curriculum Vitae
DLM	Ditsobotla Local Municipality
DM	District Municipality
DMR	Department of Mineral Resources
DoL	Department of Labour
DSD	Department of Social Development
DTI	Department of Trade and Industry
EAP	Employee Assistance Programme
EE	Employment Equity
EIA	Environmental Impact Assessment
EME	Exempt Micro Enterprise
FET	Further Education and Training
GET	General Education and Training
HDSA	Historically Disadvantaged South African
HIV	Human Immunodeficiency Virus
HRD	Human Resource Development
IDP	Integrated Development Plan

LED	Local Economic Development
LM	Local Municipality
LRA	Labour Relations Act
MPRDA	Mineral and Petroleum Resources Development Act
MQA	Mining Qualifications Authority
NAMB	National Artisan Moderation Body
NMMDM	Ngaka Modiri Molema District Municipality
NPO	Non-Profit Organisation
NSDS	National Spatial Development Strategy
PGDS	Provincial Growth and Development Strategy
QSE	Qualifying Small Enterprise
RDP	Reconstruction Development Plan
RMLM	Ramotshere Moiloa Local Municipality
SDF	Skills Development Facilitator
SAQA	South African Qualifications Authority
SEDA	Small Enterprise Development Agency
SETA	Sectorial Education and Training Authority
SIA	Social Impact Assessment
SLP	Social and Labour Plan
SMME	Small, Medium or Micro Enterprise
UIF	Unemployment Insurance Fund
WSP	Workplace Skills Plan

SECTION ONE:

PREAMBLE

1.1. Company Details

The following SLP forms part of a new Mining Right application for SA Fluorite (Pty) Ltd. As with any new mine, some of the actual employment numbers may change and so too can the start up dates. The owners have made every effort to be as exact as possible in order to be as unambiguous as possible in this SLP.

Table 1.1. Company Background Information

Name of Applicant	SA Fluorite (Pty) Limited
Name of Mine	Doornhoek Fluorspar Mine
Postal Address	P.O. Box 35270 Menlo Park 0102 Pretoria South Africa
Physical Address	54 Impy Road Lynwood Glen 0081
Telephone Number	(012) 361 6083
Fax Number	(012) 348 9458
Commodity	Fluorspar
Life of Mine (LoM)	± 30 years
Financial Year	28 February
Reporting Year	28 February
Responsible Person	Mr. Allan Saad

1.2. Location of mine

The proposed Doornhoek Fluorspar Mine is located in the western part of South Africa in the North West Province. It is located on the boundary of the Ramotshere Moiloa Local Municipality (RMLM) and the Ditsobotla Local Municipality (DLM). The project area is located about 25km south of the town of Zeerust and approximately 40km north of Lichtenburg.

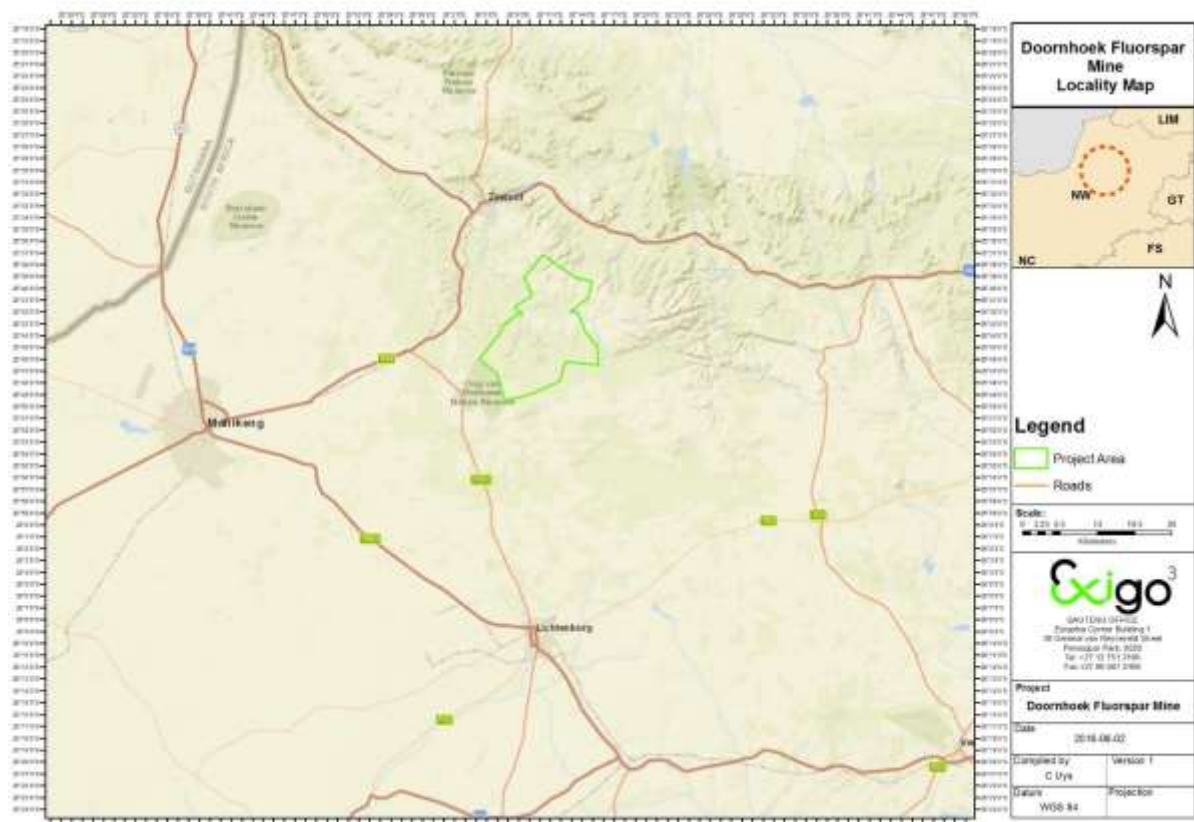
The proposed open cast mine development entails the mining of Fluorspar and the development of mining infrastructure including access and haul roads on the following farms:

- Doornhoek (305 JP)
- Kafferskraal (306 JP)
- Knoflookfontein (310 JP)
- Rhenosterfontein (314 JP).

The entire larger mining right area will however include the following farms:

- Doornhoek 305 JP
- Kafferskraal 306 JP
- Knoflookfontein 310 JP
- Rhenosterfontein 304 JP
- Strydfontein 326 JP
- Kwaggafontein 297 JP
- Paardeplaas 296 JP
- Saamgevoeg 320 JP
- Witrand 325 JP.

Figure 1.1: Doornhoek Fluorspar Mine Locality Map



1.3. Geographic origin of employees

This information is not currently available as the mine has not yet been commissioned. Wherever possible the mine will employ locally and will insist that contractors do the same where practically possible, allowing for legal and safety requirements, skills, experience and ability. Once the data is available, the mine will update the Social and Labour Plan as legally required and submit a breakdown of the origin of employees per provincial, district municipality and local municipality.

1.4. Envisioned workforce profile

The table below provides a breakdown of the envisioned workforce that the mine will employ once fully operational. The table below does not include Contingency calculations (17% absenteeism, leave and training).

Table 1.2. Envisioned Workforce Profile

Occupational Levels	Patterson Band	Number of planned employees for Year 1 fully operational
Top Management	F-Band	1
Senior Management	E-Band	3
Professionally qualified and experienced specialists and middle management	D-Band	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendants	C-Band	74
Semi-skilled and discretionary decision making	B-Band	73
Unskilled and defined decision making	A-Band	27

SECTION TWO:

HUMAN RESOURCE DEVELOPMENT

2.1. Introduction

Construction of the mine is anticipated to start in 2018 and the mine is expected to become operational in 2023. Doornhoek Fluorspar Mine has an anticipated construction period of approximately five years. As such, the first five years after the mining right has been awarded will fall in the construction phase, and during this time Doornhoek Fluorspar Mine will not have employees as it would not be operational, except for a few core staff members.

Doornhoek Fluorspar Mine acknowledges that it is responsible for ensuring contractors employed during the construction period adhere to the relevant legislation impacting Human Resource Development and Employment Equity. Therefore Doornhoek Fluorspar Mine will include compliance to the approved SLP as part of its tender specifications and it will be a condition for the awarding of a contract to the contractors that they are required to adhere to all skills development and employment equity legislations and regulations. When recruiting, the mine will give preference to employees and resources from the hosting communities, especially in terms of semi-skilled and unskilled labour. Contractors and service providers will be required to do the same. Furthermore, the contracting companies will be required to assist Doornhoek Fluorspar Mine in implementing its commitments towards training community members.

A detailed Human Resource Development schedule cannot yet be put together for the contractors, but Doornhoek Fluorspar Mine undertakes to do so within the first month of the contractors being appointed, and to submit the schedule to the DMR for approval within two months after the appointment of the contractor.

2.2. Education Levels of Employees

Skills levels in the local areas are generally low and Doornhoek Fluorspar Mine would like to start developing community members as soon as possible to ensure greater local employability prospects. Once the mine becomes fully operational there will be a greater chance of providing employment opportunities at the mine. Doornhoek Fluorspar Mine is determined to employ locals as far as realistically possible and have budgeted for SLP activities already during the construction phase. The Human Resource Development activities during this phase will thus mostly be focused on members of the community, equipping them with skills that will make them desired employees both during the construction and operational phases of the project.

The primary objective of the Human Resource Development programme is to ensure the development of requisite skills in respect of learnerships, bursaries (core and critical skills), artisanal training, ABET training (level I, II, III, IV and NQF 1) and other training initiatives as required by the amended Mining Charter.

Doornhoek Fluorspar Mine will seek to contribute to the economic, social and educational well-being of its employees and communities (associated with its operation). The mine fully subscribes to the principles of the Mining Charter regarding the empowerment and employment of historically disadvantaged South Africans, including women in mining, in order to achieve the representative targets.

Since Doornhoek Fluorspar Mine does not yet have any employees, the company commits to submitting a completed Form Q, stipulating the number and education levels of the workforce, once it is operational and such information becomes available.

Form Q: Number and education levels of the workforce



DME 327

DEPARTMENT: MINERALS RESOURCES

REPUBLIC OF SOUTH AFRICA

THE NUMBER AND EDUCATION LEVELS OF EMPLOYEES: LESEGO PLATINUM MINE

[in terms of regulation 46(b)(i)(aa) of the Social and Labour Plan of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)]

INSTRUCTIONS:

1. For any enquiries, contact the relevant Regional office or designated agency during office hours (refer to List 1).
2. Complete the form in block letters and in black pen.
3. Complete the form in English and do not use abbreviations (e.g. Street not St).

BAND	NQF LEVEL	OLD SYSTEM	Male				Female				Total	
			African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female
General Education and Training (GET)	1	No schooling / Unknown										
		Grade 0 / Pre										
		Grade 1 / Sub A										
		Grade 2 / Sub B										
		Grade 3 / Std 1 / ABET 1										
		Grade 4 / Std 2										
		Grade 5 / Std 3 / ABET 2										
		Grade 6 / Std 4										
		Grade 7 / Std 5/ ABET 3										
		Grade 8 / Std 6										
Further Education and Training (FET)		Grade 9 / Std 7 / ABET 4										
	2	Grade 10 / Std 8 / N1										
	3	Grade 11 / Std 9 / N2										
	4	Grade 12 / Std 10 / N3										
Higher Education and Training (HET)	5	Diplomas / Certificates										
	6	First degrees / higher diplomas										
	7	Honours / Master's degrees										
	8	Doctorates										
		TOTAL										

TO BE ADVISED FOLLOWING COMMENCEMENT OF OPERATIONS

2.3. Compliance with Skills Development Legislation

Doornhoek Fluorspar Mine will comply with the requirements of all skills development and other relevant legislation, including the Skills Development Act (No. 97 of 1998), Skills Development Levies Act (No. 9 of 1999), Employment Equity Act (No. 55 of 1998), ***Employment Equity Amendment Act (No. 47 of 2013)***, the Labour Relations Act (No. 66 of 1995) and amendments of these acts.

Table 2.1. Compliance with Skills Development Legislation

Name of SETA	MQA
Registration number with the SETA	At the time of writing, the company has no employees and is therefore not yet registered with the SETA. Once operational, the company will ensure its registration.
Confirmation of having appointed a Skills Development Facilitator	A Skills Development Facilitator will be appointed once the mine is operational.
Proof of submission of workplace skills plan and date of submission	The Workplace Skills Plan (WSP) will be submitted once the mine is operational.

2.3.1. Paying Skills Development Levies (SDL)

The company will pay its Skills Development Levies of 1% of the payroll amount to SARS on a monthly basis as required by law.

2.3.2. WSP-ATR Submissions

As legally required, the company will compile and submit its Workplace Skills Plans (WSP) and Annual Training Report (ATR) annually to the relevant SETA, which is the Mining Qualifications Authority.

2.3.3. Appointment of a Skills Development Facilitator (SDF)

Once Doornhoek Fluorspar Mine is operational the company will appoint a Skills Development Facilitator (SDF) as legislated. The SDF will be responsible for the planning and implementation of the company's Human Resource Development plans. The SDF will furthermore be responsible for the establishment of a skills development committee, SETA liaison and managing training grants.

2.3.4. Skills Development Committee

A formal Skills Development Committee, equitably representing all races and genders consisting of labour and management, will be established once Doornhoek Fluorspar Mine is operational. The committee will be responsible for, amongst others:

- Approving the appointment of the SDF
- Meeting on a regular basis to discuss skills development related issues
- Promoting skills development related activities
- Identifying the strategic training objectives and prioritising them
- Drafting training plans
- Selecting employees and non-employees for training interventions in line with company requirements, EE targets and career progression plans
- Ensuring career processions plans for employees
- Representing the relevant stakeholders and giving feedback to them on skills development
- Meeting regularly to track progress of training, identifying problem areas and propose solutions
- Keeping accurate training records.

2.4. Company skills development plans

The aim of the Skills Development Plan is to ensure that the environment and the leadership/management of the company both create a culture that is conducive to ongoing learning and development for all employees, and that all learning interventions result in lifelong learning.

Skills Development will not only be a key focus during the establishment of Doornhoek Fluorspar Mine but will also continue to enjoy that priority on an ongoing basis. The plan is aimed at ensuring career progression for employees, meeting operational skills demands and ensuring an ongoing supply chain of the necessary skills required. All employees will be exposed to the opportunities of continuous improvement of key competencies and these development plans will be in line with BEE targets, Workplace Skills Plans and accelerated training opportunities.

2.4.1. Core and generic skills

Core skills refer to the skills that are essential to the basic functioning of the sector. These include skills that new entrants to the sector would need in order to safely and efficiently support sector production. Core skills also include the additional skills that workers in the sector need to stay abreast of changes, for example the impact of new technological developments. Operational and developmental training courses will be selected according to the needs identified by the Workplace Skills Plan and Individual Development Plans. Doornhoek Fluorspar Mine will utilise SETA accredited training providers and facilities. Core business skills training for employees of Doornhoek Fluorspar Mine will start around 2023.

2.4.2. Community Portable Skills

Many skilled and unskilled jobs were lost when the adjoining Witkop Fluorspar Mine closed in 2014. As far as possible use will be made of the existing skills lost in the area. During the construction phase, Doornhoek Fluorspar Mine will where necessary make training available for community members to gain construction, office admin and basic operational skills trainings in an effort to enhance the employability levels of the local community members during the construction and operational phase. Although there are other mines in the area, Doornhoek Fluorspar Mine realises that mining practises will expose the community to a certain degree and require assistance in preparing the community for mining activities in their midst. Often communities in close proximity to mining communities may only see the benefits of a mine in the area, and are ill-prepared for the potential negative impacts that may accompany the mine. Portable skills for community members will therefore where necessary be conducted already during the construction phase of the mine.

Doornhoek Fluorspar Mine will include in its contract agreements, with its construction contractors, commitments to give work experience and job opportunities to the community members trained through this initiative. Table 2.2 shows the proposed budgets and training plan with regards to portable skills training prior to the mine becoming operational.

Table 2.2. Portable Skills Plan

PORTABLE SKILLS	2017	2018	2019	2020	2021	TOTAL 2017-2021
Portable Skills (construction, drivers licences, machine operators, mechanical skills, electrical skills, computer skills, office administration)	5	5	5	5	5	20
TOTALS	5	5	5	5	5	20
BUDGET	R 50,000	R 50,000	R 50,000	R 50,000	R 50,000	R 250,000

Note: Portable Skills numbers refer to new intakes each year, as training provided are short courses.

Once operational Doornhoek Fluorspar Mine has the desire to minimise the impact of job losses in instances of downscaling and/or retrenchment or when the life of mine expires and therefore will ensure that the skills programmes offered at the mine provide practical training opportunities that increase employees' chances of labour mobility. Although Doornhoek Fluorspar Mine promotes the philosophy of upscaling rather than downscaling, it will where necessary identify portable skills training opportunities for all employees who are considered vulnerable during downscaling and/or retrenchment.

The purpose of this section is to outline a strategy for Doornhoek Fluorspar Mine to embark on portable skills development for its employees. Reskilling is considered a separate undertaking to the career advancement actions to be taken by the mine for its staff during the course of the mine's life.

Reskilling, in this context, involves the further improvement or advancement in education and the training of individuals already in possession of a certain skill(s), and/or the introduction of new training and development initiatives for workers that were not previously exposed to certain types of work. The object of reskilling is to provide an opportunity for the ex-miner to secure further employment after mine closure. The commitment to reskill workers must be implemented after assessing the market employment needs, the employee's needs and the employee's willingness to learn.

As can be noted in the table above, many of the skills programmes that will be made available to employees will be transferable to other mining operations and life outside the mining industry. At the same time, these programmes are geared at meeting the core competencies required for their positions at the mine. Therefore, the preceding table presents an overview of the skills that will receive particular emphasis in the programme geared at imparting portable skills to vulnerable staff at Doornhoek Fluorspar Mine.

2.4.3. ABET/AET

In 2012, the Department of Higher Education and Training adopted a transition from ABET to Adult Education and Training (AET) as proposed by the Ministerial Committee on Adult Education of 2007. This transition gives recognition to all forms of adult learning, be it formal, informal or non-formal. The difference between ABET and AET lies in the level of qualification. ABET focuses on formal education and training equivalent to Grade 9/10 years of schooling, whereas AET focuses on all learning up to, and equivalent to Grade 12. For the sake of this document, ABET and AET will be used interchangeably, both referring to ABET as it is known by the industry.

Doornhoek Fluorspar Mine will aspire to hire individuals who are already literate and numerate. As this is not always possible, Doornhoek Fluorspar Mine will implement ABET training and development initiatives for those employees who are not considered to be functionally literate or numerate by the standards set forth in the National Qualifications Framework (NQF).

However as no staff has been appointed yet, the ABET needs cannot be determined exactly. The ABET programme for staff will start around 2023 when Doornhoek Fluorspar Mine becomes operational. As part of the company's recruitment and placement process, the education levels, illiteracy levels and ABET needs will be determined. During construction of the mine, the ABET programme will focus on members of the community who are interested in working on the mine, but who do not have the required literacy levels. Table 2.3. stipulates the proposed targets set with regards to ABET training during the SLP period.

Doornhoek Fluorspar Mine will endeavour to create a conducive learning environment for staff to be able to attend workshops or learning sessions. The ABET programme is considered to be one of the key building blocks of the future and employees that are not on ABET level 4 will be encouraged to participate in the ABET programme. Doornhoek Fluorspar Mine will aim to have the majority of its employees achieve ABET level 4 and also NQF level 1 education within the first 4 years of operation.

Technical skills training up to NQF level 4 will be propagated and coupled to fast tracking of employee promotions.

Considering the local educational levels the mine is looking at a possibility where at least 25% of the proposed workforce will have no schooling and a further 40% will only have some level of formal schooling in the GET band, and therefore Doornhoek Fluorspar Mine considers ABET to be a key component of its Skills Development Plan in the quest to increase the literacy and numeracy levels of its employees and the local education levels. Based on these estimated educational levels, anticipated ABET targets for Doornhoek Fluorspar Mine have been provided in the table below.

Table 2.3. ABET plan

ABET	2017	2018	2019	2020	2021	TOTAL 2017-2021
PRE-ABET	0	0	0	0	0	0
ABET Level 1	0	3	4	5	6	21
ABET Level 2	0	3	4	4	5	19
ABET Level 3	0	3	4	4	4	18
ABET Level 4	0	1	1	2	3	8
NQF 1	0	0	1	1	2	4
TOTALS	0	10	14	16	20	70
BUDGET	0	R 126,400	R 176,960	R 202,240	R 252,800	R 884,800

NOTE: ABET numbers referring to the total number of students per year, including both old and new students.

Once the skills audit has been conducted, these targets will be revised and reported upon.

2.4.4. Form R – Hard to fill vacancies

As the Doornhoek Fluorspar Mine will be a new operation, skills shortage does not currently apply. It is foreseen that positions that are hard to fill throughout South Africa due to skills shortage, will be similar for the Doornhoek Fluorspar Mine. Hard to fill vacancies will be addressed through bursaries, learnerships and skills programmes. Employees will be encouraged to study in the fields where there is a scarcity of skills.

The MQA publishes a list of scarce skills annually. The scarce skills can be directly linked to hard to fill positions. The company should ensure that they are aware of these scarce skills and hard to fill

positions, and that they train accordingly. In doing so the company can ensure that they have a continuous supply of candidates for such positions.

2.4.5. Career Progression Plan

As a broad based principle in the equitable leadership and management of Doornhoek Fluorspar Mine, all staff members will be considered for promotion. Non-discriminatory competency tools for future growth and career progression are to be identified and implemented.

The Career Progression Plans will form part of human resource development interventions that are planned for introduction from the onset of employment for the mine. Some of the interventions that will have a major impact on career management are summarised below.

2.4.5.1. Recruitment

The key component of effective career management will start in the recruitment process. During this process, all three components of short, medium and long-term needs for technical skills, managerial skills and potential skills will be taken into consideration.

Career planning will play a strong role in the medium and long-term recruitment strategy. Applicants will be appointed with careful consideration of not only current skills, but also the future needs of the company.

Recruitment strategies will also include not only the vital technical needs of the business operation, but also how both current skills within the community and future skills of the youth of the community can be employed.

The recruitment process will be the first point in creating an Individual Development Plan for employees as highlighted in the Performance Management System.

2.4.5.2. Job Descriptions/Profiles

All employees will understand, through a thorough induction process, what they have been employed to do and to what standard in both an individual role and their role within their team/department/area they are expected to perform. These profiles will also be the standard to which selection criteria are set in the assessment of employees for progression.

2.4.5.3. Performance Review and Management Systems

A performance review and management system will be introduced. By making use of extensive training at all levels Doornhoek Fluorspar Mine will ensure that not only will management be trained in conducting these processes, but all employees will also receive input as how to receive such performance discussions.

The Doornhoek performance review and management system will strive to achieve continuous improvement in ensuring that all employees understand both the task and behavioural standards required of them. Furthermore this system will assist in identifying and motivating above average performance and it will aid in managing the consequences of non-performance equitably. The performance of individuals over a given time period will be measured against criteria that have been agreed upon between the individual and the manager/supervisor concerned.

The performance management and review system will also indicate skills deficiencies that are to be addressed by the Individual Development Plan (IDP) of each employee. In the early stages of establishing optimal outputs at the mine the Skills Development Plan will be reviewed to ensure that both the company achieves optimum outputs and the individuals experience continuous improvement. Specific programmes will be put in place for training and providing updates for scarce and critical skills to the operations.

All employees will have an Individual Development Plan as part of this process, which will be aligned to the Skills Development Plan. These Individual Development Plans will form the baseline on which the Doornhoek performance review and management system will be focused.

2.4.5.4. Succession Planning

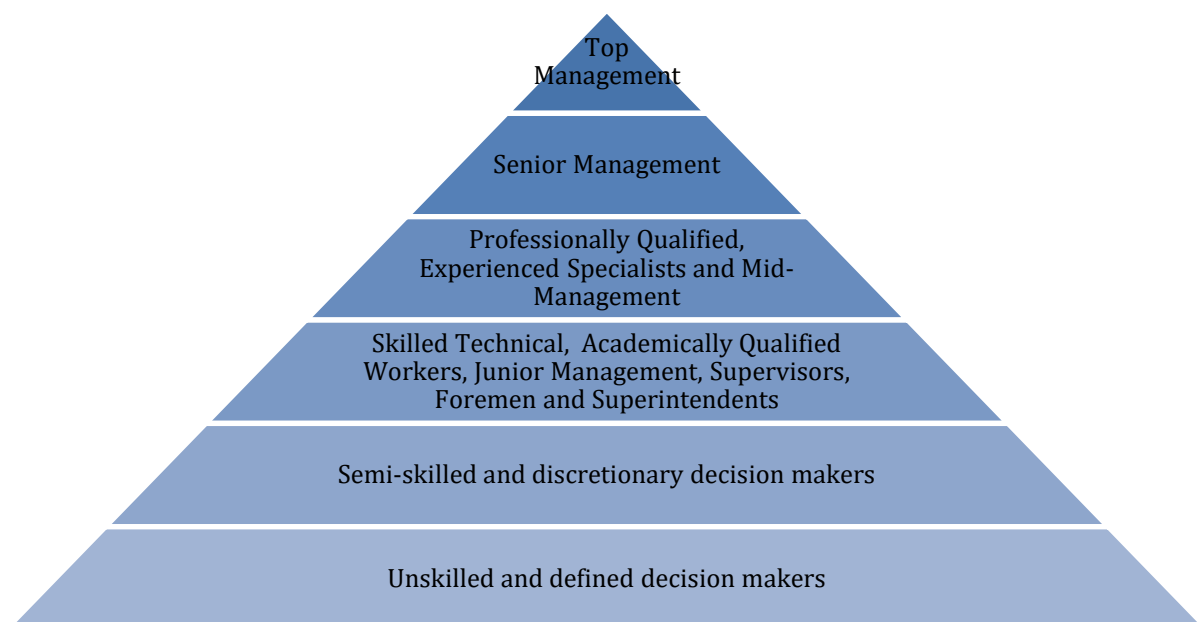
Succession planning for Middle and Senior Management will be put into place from the start. Talent will be identified on all levels and suitable candidates will be developed through the mentorship programme. Employees with potential will be placed in accelerated training programmes as this will help to ensure that a reasonable pipeline of resources is available to fill positions that will become available due to various reasons. A fast tracking programme will be in place to identify individuals with high management potential within the company and this programme will assist in developing them to reach envisioned management positions.

All of the above mentioned elements form part of Doornhoek Fluorspar Mine's strategy to ensure that career progression takes place in the company, and that each individual employee of the company will receive equal and fair treatment and are afforded the same opportunities to develop long and lasting careers with multiple growth opportunities within the company.

Seeing that the Doornhoek Fluorspar Mine is not yet operational, a detailed career progression plan can only be established once staff members have been employed (i.e. when mining activities have commenced). At that point full consideration and analysis will take place as to what skills individual employees possess, plans drafted for inputs required to grow initial skills levels, appropriate timelines set and measurable outputs established. Doornhoek Fluorspar Mine is committed to instituting a performance review and management processes in order to assist its own employees with personal and professional development. The aim of the performance review and management process will be to ensure that individuals understand which career paths are available to them and what will be required of them as individuals to progress along these paths. Performance reviews will take place under the guidance of the Human Resources Department and the employee's direct manager or supervisor.

Career progression will take place in accordance with the industry's occupational categories/levels and therefore the entry-level skills of the employee will determine in which category they are originally placed. The employee will then be trained making use of various methods in order to progress to the level superseding their own current level.

Figure 2.1. Occupational categories/levels in the mining and minerals sector according to Employment Equity Reporting



Doornhoek Fluorspar Mine will focus mainly on the career progression of the Mining and Engineering fields as the majority of employees who will be employed at the mine will fall within

these fields of specialization. Therefore Doornhoek Fluorspar Mine only includes envisioned career progression pathways for these two fields and not any of the other fields found within the mining and minerals sector. This however does not in any way prevent any employee of Doornhoek Fluorspar Mine to choose career progression into specialist areas such as health and safety, ore reserve management or finance where they render important services to the mine.

Figure 2.2. Career Progression Pathway: Mining

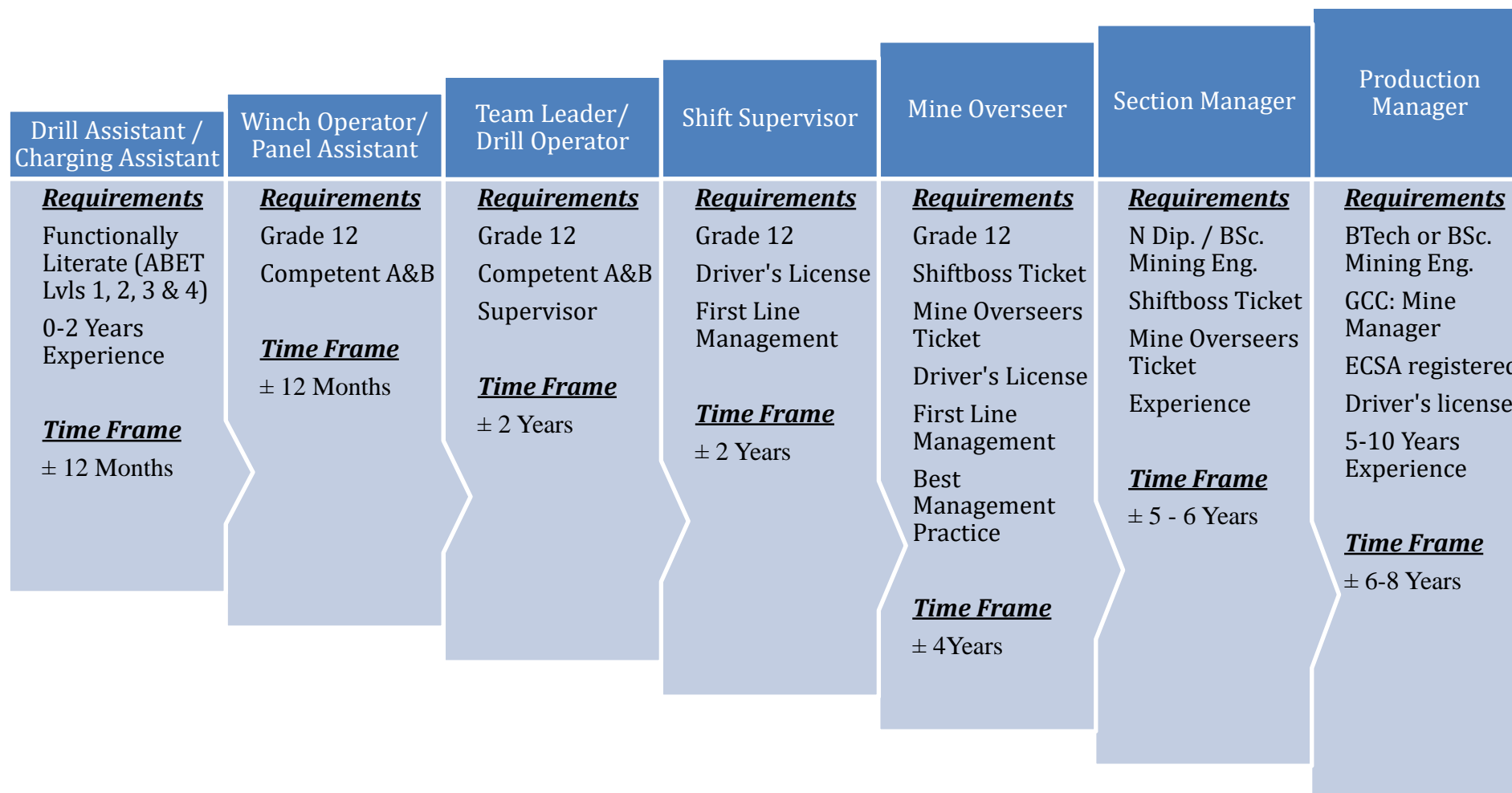
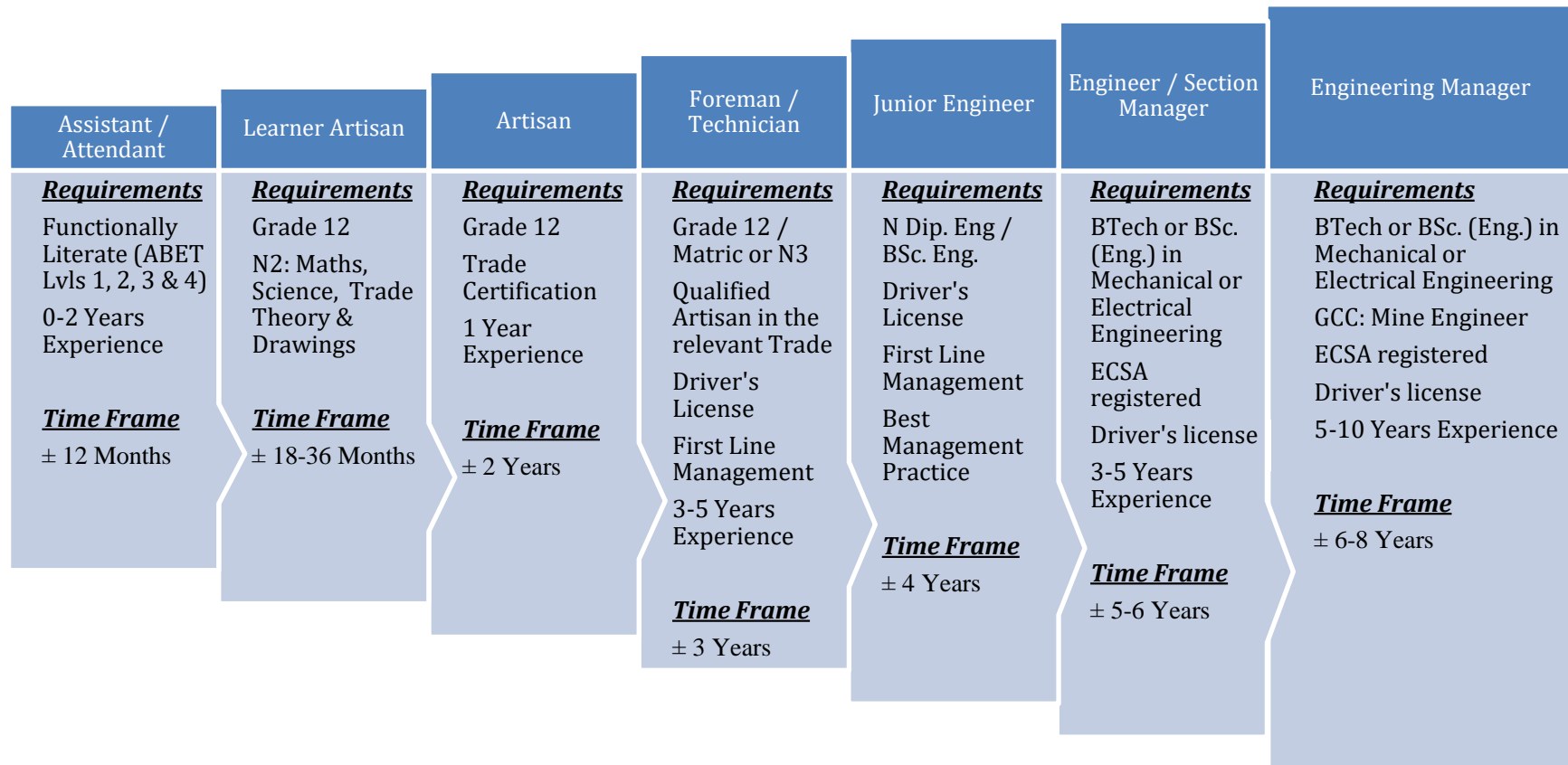


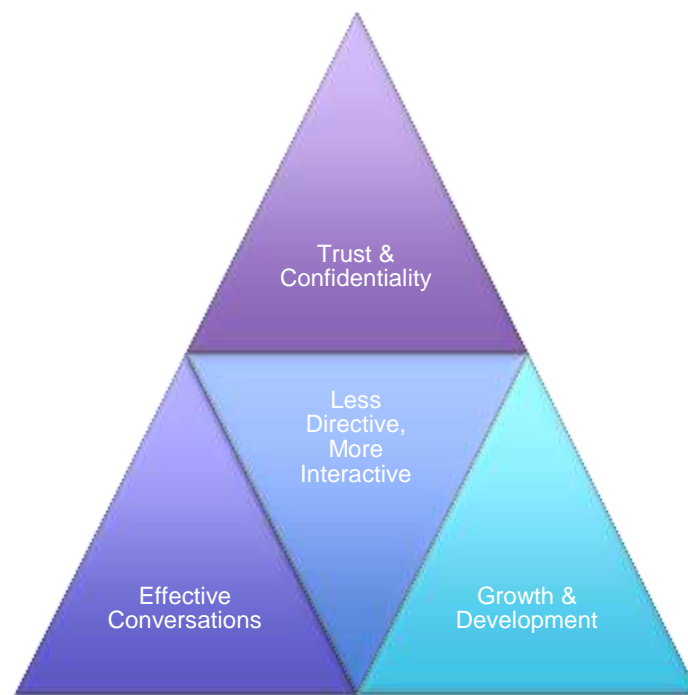
Figure 2.3. Career Progression Pathway Engineering



2.4.6. Mentorship Plan

Doornhoek Fluorspar Mine is committed to developing a plan whereby employees can be mentored as a means of capacity building within the organisation. The aim of the plan is to nurture, guide, develop and advance employees within their chosen field. Doornhoek Fluorspar Mine sees mentorship as a powerful tool to optimise its skills development initiatives. The mine also considers mentorship as a means of retaining valuable staff and developing them for the future in line with its Skills Development, Career Progression and Individual Development Plans. There are interlocking components to the mine's Mentorship Plan that will be considered as crucial to the success of the programme.

Figure 2.4. Mentorship Plan Elements



The illustration above indicates that:

- Both mentor and mentee take active roles in the mentorship process
- A mentor needs to develop a relationship of trust and confidentiality with the mentee
- Mentees need to know and feel that they are able to express their thoughts in a secure environment
- A successful mentor has the ability to hold an effective conversation and therefore possesses excellent listening, speaking and questioning skills

- The less directive the mentoring approach is, the more the mentee will grow and develop.

Doornhoek Fluorspar Mine anticipates the following benefits from its Mentorship Plan if, as mentioned above, it is structured to feed into the mine's Skills Development and Career Progression Plans:

- Increased employee satisfaction
- An increase in the commitment and productivity of staff
- Reduction in recruitment and employee costs due to higher employee retention
- Availability of support networks for employees in times of organisational change (e.g., during restructuring, downscaling)
- Progress towards diversity and employment equity in line with the mine's Employment Equity Plan
- Successful mentees could become effective mentors and people managers in the mine's future.

A formal mentorship plan with applicable targets will be submitted to the DMR within one year/ 12 months of the establishment of SA Fluorite's workforce. This detailed Mentorship Plan, identifying specifically trained mentors who will take the lead on the Mentorship Programme, will only be established once Doornhoek Fluorspar Mine becomes operational.

The Doornhoek Mentorship Plan/Programme will consist of three components:

1. The Mentorship Programme policy
2. Continual identification and training of suitable qualified mentors
3. Continual identification of employees requiring mentoring.

During the construction phase of the mine the Mentorship Plan/Programme will not yet be fully implemented, but as soon as the mine becomes operational the focus of the Mentorship Plan/Programme will fall on identifying areas of development that will require mentoring.

The next phase of the programme will be the identification of individuals who are capable of being trained to act as mentors within these initially identified areas of development. Mentors will be identified amongst the labour force, they will be trained and equipped with mentoring skills and be appointed in respect of their proven responsibility and accountability

in job execution. Exact job descriptions for mentors will be compiled once mine development commences. Once mentors have been trained and equipped with the necessary skills to act as a mentor to others, Doornhoek Fluorspar Mine management in conjunction with the Human Resources Department will indicate the number of mentors and mentees, targets and timeframes as well as how the Mentorship Plan will be implemented.

The Mentorship Plan/Programme will directly link to the Skills Development Plan; it will also be closely aligned with the Career Progression Plans and Individual Development Plans (IDP's) and will focus on employment equity targets, learners, interns and bursars. The mine will ensure that it provides an appropriate platform/environment for mentoring to take place.

Table 2.4. Mentorship Plan

MENTORSHIP	2017	2018	2019	2020	2021	TOTAL 2017-2021
Mentorship Training	0	0	0	0	2	2
TOTALS	0	0	0	0	2	2
BUDGET	R 0	R 0	R 0	R 0	R 16,000	R 16,000

Note: Mentorship Development in the first few years (construction phase) will focus on developing the mentors responsible for leading the teams and guiding training once the mine is operational.

2.4.7. Learnerships

As part of the mines commitment to providing lifelong learning opportunities the mine will not only offer Further Education and Training as it is conventionally referred to in terms of training at a tertiary institution, but also to training that involve learnerships and/or artisanal training, as Doornhoek Fluorspar Mine realises that not everyone is interested in academic training, but some individuals might be able to successfully pursue further training and qualifications in more practical skills. The mine sees learnerships as an important component of its skills development plan.

Furthermore, the South African labour market does not develop enough of the skills required by the mining industry. Doornhoek Fluorspar Mine, in collaboration with other stakeholders, will work towards addressing this skills gap by way of working with the MQA in

undertaking to provide skills training opportunities to employees and communities. Doornhoek Fluorspar Mine will implement relevant learnership programs that are registered with the QCTO and are compliant with the standards established by the MQA and NAMB. Focus will be on the development of artisans, technicians, engineers and other scarce skills occupations. Where possible, Doornhoek Fluorspar Mine will apply for grants from the relevant SETA to fund the learnerships offered at the mine.

Learnerships will be offered following the below criteria set by the Mining Qualifications Authority (MQA):

- All learnerships at Doornhoek Fluorspar Mine will have a structured learning and institutional learning component
- All learnerships will have a practical work component of a specific nature and duration
- The learnerships at Doornhoek Fluorspar Mine will lead to a qualification registered on the National Qualifications Framework
- It is intended that the offered learnerships to lead to an occupation
- Only learnerships that are recognised and registered by the MQA will be offered to Doornhoek Fluorspar Mine employees.

The recruitment for learnerships will be done internally (employees) as well as externally (local community). The learnership programmes serve as a pipeline for internal development. External recruitment makes provision for labour turnover and economic growth.

The programmes that will be offered vary from 18 months to 2 years. For the duration of the program, learners are appointed on special agreements and receive a monthly stipend in accordance with sectorial determinations governing and regulating learnerships. Upon completion of the learnership, and if vacancies exist, the competent learner will be considered for employment through the mine's recruitment and selection process.

Since Doornhoek Fluorspar Mine does not yet have any employees, learnership training will focus on community members only. During its construction phase, Doornhoek Fluorspar Mine will negotiate with the training service provider and/or existing mines to allow students an opportunity to complete their practical experience (on-the-job) modules. In this way it will allow community members an opportunity to complete their learnership trainings

before the mine becomes operational, which will enhance their chances of employability at the mine. The two tables below show the provisions for internal and external learnerships.

Table 2.5. Learnership Plan Internal (18.1) & External (18.2)

LEARNERSHIP PROGRAMME	2017	2018	2019	2020	2021	TOTAL 2017-2021
18.1 Learnership (mining, instrumentation, boilermaking, fitting & turning, chemistry & metallurgy)	0	0	0	0	1	1
18.2 Learnership (mining, instrumentation, boilermaking, fitting & turning, chemistry & metallurgy)	0	1	1	2	2	2
TOTALS	0	1	1	2	3	3
BUDGET	R 0	R 105,500	R 105,500	R 211,000	R 316,500	R 738,500

Note: Minimal internal learnerships will be provided to start with until such time as the mine becomes operational around 2023 as skills audits and career progression plans first needs to be drafted and implemented.

2.4.8. Bursary plan

Doornhoek Fluorspar Mine recognises the importance of promoting careers in the mining industry and in an effort to promote this the mine will award bursaries to employees and external candidates who meet the criteria set by the mine. The bursaries will be a contribution to covering tuition fees, and the recipient must enrol for a qualification in line with the industry. Renewal of the bursary will depend on the successful performance of the bursary recipient. The need of the mine will be evaluated annually and adjusted accordingly.

Doornhoek Fluorspar Mine is committed to establish a bursary and study assistance scheme with the objective to create a talent pool as well as educate employees for the company. Doornhoek Fluorspar Mine will make a financial contribution to further the training of deserving employees with high potential for studying in their own time. However, since Doornhoek Fluorspar Mine does not yet have any employees, these possibilities will be investigated further once operations have commenced.

Table 2.6. Internal Bursaries Plan (Study Assistance)

BURSARY	2017	2018	2019	2020	2021	TOTAL 2017-2021
18.1 Bursary (mining, human resources, engineering, finance, environmental, chemistry & metallurgy, geology & surveying)	0	0	0	0	2	2
TOTALS	0	0	0	0	2	2
BUDGET	R 0	R 0	R 0	R 0	R 80,000	R 80,000

Note: Minimal internal study assistance will be provided to start with until such time as the mine becomes operational around 2023 as skills audits and career progression plans first needs to be drafted and implemented.

The bursary plan for community members during this SLP period is geared towards providing a potential pool of graduates for internships from which the mine can employ once it becomes operational. Bursaries for students at tertiary institutions will include tuition fees, an allowance for accommodation and food, and an allowance for stationary and books. The mine will work with the local schools and the Department of Education to ensure that the applications for bursaries are advertised and that the community is aware of the training opportunity. The mine will endeavour to source majority of its bursary holders from the local schools in the local communities.

Table 2.7. External Bursaries Plan

BURSARY	2017	2018	2019	2020	2021	TOTAL 2017-2021
18.2 Bursary (mining, human resources, engineering, finance, environmental, chemistry & metallurgy, geology & surveying)	0	1	1	1	2	3
TOTALS	0	1	1	1	2	3
BUDGET	R 0	R 100,000	R 100,000	R 100,000	R 200,000	R 500,000

NOTE: Bursary numbers refers to the total number of students per year, including both old and new students.

2.4.9. Internship Plan

Doornhoek Fluorspar Mine recognises that the implementation of an Internship Plan will aid the mine's endeavour to achieve key competencies and skills required for the success of the operation. Doornhoek Fluorspar Mine, as part of their aim of providing opportunities for continuous development, will provide vacation work and work experience to students in need of such training activities in order to assist these students who need to complete practical work experience as part of their studies to acquire their formal qualification. "Vacation work" as well as "work experience" are training activities that need to be aligned with material provided by the educational institutions at which the students are completing their studies.

Furthermore the mine under the guidance of the MQA will also offer internships opportunities to university graduates needing to gain more extensive work experience in order to assist them in working towards gaining their professional registration.

Doornhoek Fluorspar Mine will embark on an internship programme once the mine is operational. It is anticipated that interns will be students from the community who have recently completed their studies as part of the Doornhoek Fluorspar Mine's bursary programme.

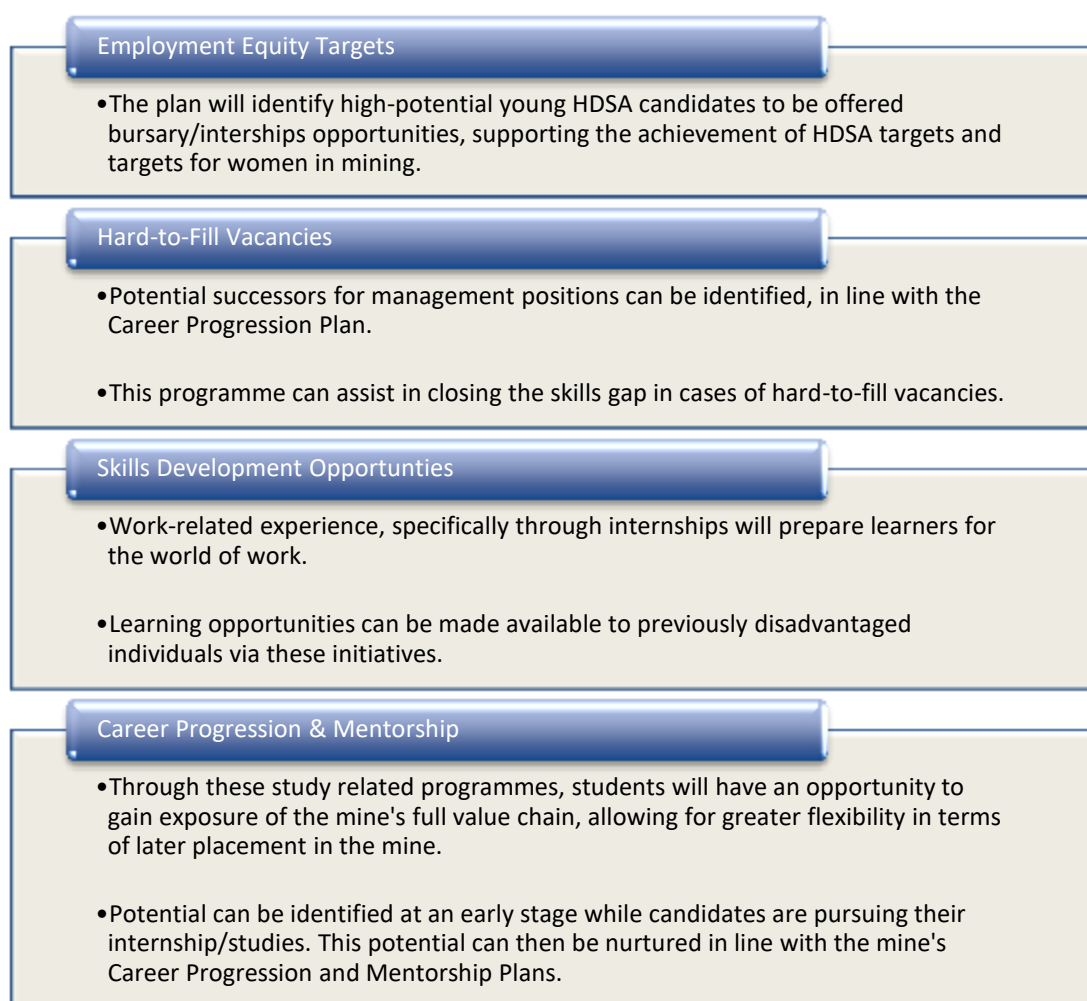
Table 2.8. Internship plan

TRAINING INTERVENTION	2017	2018	2019	2020	2021	TOTAL 2017-2021
Internship (mining, engineering, environmental, chemistry & metallurgy, geology & surveying, human resources, finance)	0	0	0	0	2	2
Work Experience (mining, engineering, environmental, chemistry & metallurgy, geology & surveying, human resources, finance)	0	0	1	1	2	4
Vacation/ Vocation Work	0	1	1	1	2	5
TOTALS	0	1	2	2	6	11
BUDGET	R 0	R 12,000	R 136,000	R 136,000	R 532,000	R 816,000

Note: It is the intent that interns taken in 2021 will be the bursars who started with the company in 2018. Internships are 2 years, therefore the students will continue with their internships in 2022.

It is expected that the mine's internships and bursary programmes will contribute to the following focus areas of the mine's HRD Programme as outlined in Figure 2.5 below:

Figure 2.5. Foreseen Contributions of SA Fluorite's Internship and Bursary Plan



Comprehensive details of the mine's Internship and Bursary Plans will be reported upon 6 months prior to commencement of full production in 2020. Doornhoek Fluorspar Mine has nevertheless made assumptions on the likely number of candidates to be offered opportunities for bursaries and internships from 2016 until 2020 which is reported in the tables above.

2.4.10. Employment Equity

Doornhoek Fluorspar Mine is committed to the principle of equal employment opportunities and considers employment equity to be supportive of its strategic objectives. The mine will compile a legally compliant Employment Equity Plan as set out in the Employment Equity Act of 1998. While Doornhoek Fluorspar Mine recognises that the Employment Equity Act and amendments thereof sets out fundamental principles that need to be complied with, the

mine believes that in order for the operation to succeed it is equally imperative for all employees to view employment equity initiatives as necessary and socially responsible.

A focus on employment equity initiatives will allow the mine to access a broader base of skills, giving historically disadvantaged individuals the opportunity to develop their abilities, realise their aspirations and make positive contributions to the organisation. Doornhoek Fluorspar Mine's Employment Equity Plan will abide by the requirements set out in the Mining Charter to achieve at least 40% HDSA participation in management and for at least 10% of its workforce to be consistent of women. The mine will aim to achieve these targets within the first year of full production.

Doornhoek Fluorspar Mine will more specifically concentrate on the following initiatives:

- Establishing recruitment practices that incorporate the targets for the achievement of Employment Equity at the mine, including HDSAs in management positions and women in mining positions
- Establishing Employment Equity targets especially in the middle to top management categories
- Identification of a talent pool and fast tracking it in line with the mine's Skills Development, Career Progression and Mentorship Plans
- Engaging in higher levels of inclusiveness and advancement of women at the mine, particularly in core technical positions identified during the skills audit
- Adequately training and building capacity in terms of the skills requirements for positions occupied by HDSAs (including women).

Doornhoek Fluorspar Mine will appoint a custodian of Employment Equity who will monitor all related initiatives at the mine to ensure the successful implementation of its Employment Equity Plan and that unlawful and inappropriate conduct is prohibited.

2.4.11. Employment Equity Plan

Doornhoek Fluorspar Mine is committed to workplace diversity and equitable representation at all levels as these are catalysts for social cohesion, transformation and competitiveness in the mining industry. The mine will protect all employees against unfair discrimination, and all forms of racism. Doornhoek Fluorspar Mine also commits to the promotion of equal opportunities for all employees and will guard against any form of unfair

discrimination in any policy. Policies will be drafted to include aspects such as transformation, gender, language, disability, HIV/AIDS, culture and religion, sexual harassment and race in order to achieve Employment Equity.

Specific dispute resolution mechanisms will be put into place in conjunction with the Mentorship Programme in order to deal with matters pertaining to Employment Equity. This process needs to be driven on a multi-dimensional level and all relevant stakeholders should be included in the resolution mechanisms.

Transformation at the mining operation is aimed at enhancing the opportunities and quality of life of especially the group of employees that can be described as HDSAs. Transformation is also a measure designed to redress the imbalances of the past, and to ensure equality of opportunity and diversity so as to prepare HDSAs to equally compete for vacant positions, and to confidently compete for positions in sections of the mine other than that specific section they start-up in.

Doornhoek Fluorspar Mine will, from the onset, comply with the Employment Equity targets set out in the Mining Charter. Doornhoek Fluorspar Mine will do so by ensuring that its recruitment and placement procedures are completely based on and aligned to such targets.

Once operational, a critical starting point for Management is the setting up of an Employment Equity Committee representative across all levels and areas within the mine that will meet quarterly and focus on Employment Equity Review of the areas legislatively defined, such as:

- Obstacles/barriers for achieving optimal targets
- Recruitment practices
- Job classification/Grading
- Training/Development
- Work environment/Facilities
- Succession Planning
- Company culture
- Skills availability
- Performance Management processes

- Development of People with disabilities
- HIV/AIDS
- Sexual Harassment
- Labour Turnover.

Employment Equity policy and goals will be set to ensure legislative compliance from all Government Departments and the exceeding thereof, not only in targets but also in all due processes including Strategies and Forums.

Objectives will have timelines that will be reviewed on an annual basis and will constantly raise goals not only in total numbers, but also in the ratio of the numbers apportioned across management levels.

Targets will be set for numerical goals that will focus on defining the percentage of black employees fulfilling roles in:

- Top Management
- All other Management
- Non specialist admin/production/maintenance
- Learners/Apprentices
- Women
- People with Disabilities.

Doornhoek Fluorspar Mine undertakes to review all areas prescribed in the Employment Equity Act 55 of 1998 and amendments thereof, as a matter of priority in the establishment of the mine, including Employment Equity (EE) Statistics. In addition, targets will be part of Key Performance Areas (KPA) and Key Performance Indicators (KPI) and those that do not comply will be dealt with accordingly. Mentors will be identified and aligned to key management candidates and quarterly performance appraisals will be introduced and aligned to mentorship and coaching. A programme will be put into place to train mentors.

Once operational, Doornhoek Fluorspar Mine will comply with Section 21 of the Employment Equity Act 55 of 1998, by submitting its Employment Equity Reports on an annual basis.

2.4.12. Planned employee status

Construction is anticipated to start in 2018 and the first production should start by 2023 during which time employees will be appointed. It is therefore not possible to complete Form S at this stage, but this will be done as soon as possible after the mine becomes operational.

Form S: Employment Equity Statistics

DME 325



DEPARTMENT: MINERAL RESOURCES REPUBLIC OF SOUTH AFRICA

EMPLOYMENT EQUITY STATISTICS AS AT 31 MAY 2015 for LESEGO PLATINUM MINE [in terms of regulation 46(b)(v) of the Social and Labour Plan of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)]

INSTRUCTIONS:

1. For any enquiries, contact the relevant Regional office or designated agency during office hours (refer to List 1).
2. Complete the form in block letters and in black pen.
3. Complete the form in English and do not use abbreviations (e.g. Street not St).

	Male				Female				Disabled	
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female
OCCUPATIONAL LEVELS									TOTAL	
Top Management										
Senior Management										
Professionally qualified and experienced specialists and mid-management										
Technical and academically qualified workers, junior management, supervisors, foreman and superintendents										
Discretionary decision making										
Defined decision making										
TOTAL PERMANENT										
Non-permanent employees										
TOTAL										

TO BE ADVISED FOLLOWING COMMENCEMENT OF OPERATIONS

2.4.13. Annual progressive targets

Doornhoek Fluorspar Mine will comply with the Employment Equity targets set out in the Mining Charter as of the first year of being operational. Annual plans for the next SLP period (2022 – 2026) will be drafted and submitted once staff has been appointed and there is a baseline to work from.

Other measures that will be put into place include recruitment and promotion targets. Facilities will be put into place to accommodate women and people who are disabled, changing rooms for women, ramps, appropriate office furniture as well as signage and clearly marked areas.

2.4.14. Gender equity

It is Doornhoek Fluorspar Mine's committed position to address gender equality and youth employment for as far as realistically possible in the type of work that the proposed mining operation would entail. In this instance the pool of suitably qualified persons from designated groups, from which the Doornhoek Fluorspar Mine can reasonably expect to draw from for recruitment purposes, will play a part, as it is Doornhoek Fluorspar Mine's stated purpose to give local individuals preference in such recruitment situations.

Doornhoek Fluorspar Mine's strategy to increase and maintain the required representation of women in mining, will consists of three components:

- Creating developmental positions specifically for HDSA female employees
- Appointing more women in learnerships
- Promoting women for vacant positions and ensuring that positions that were previously occupied by a female employee are once again filled by a female employee.

No form of purposely designated job reservation per gender will be implemented, but men are more suited to some forms of labour and women to other forms of labour. In that respect, Doornhoek Fluorspar Mine will endeavour to enhance the positions of both genders within the operation (reaching the target of a minimum of 10% women in mining), by assisting both groups with specific training, and by utilising the mentorship programme to its full extent.

The table below shows Doornhoek Fluorspar Mine's plan to achieve 10% participation of women in mining. The Revised Mining Charter target of 10% will be met from the onset of the mining operation in 2023, as part of the company's initial recruitment and placement strategy. The actual figures for 2023 will be completed and submitted once the mine is operational and staff have been appointed.

Table 2.9. Plan to achieve 10% participation of women in mining

WOMEN IN MINING		2017	2018	2019	2020	2021
		Targets	Targets	Targets	Targets	Targets
Top Management (Board)	Mining Charter Target 10%	10%	10%	10%	10%	10%
Senior Management (Exco)	Mining Charter Target 10%	10%	10%	10%	10%	10%
Middle Management	Mining Charter Target 10%	10%	10%	10%	10%	10%
Junior Management	Mining Charter Target 10%	10%	10%	10%	10%	10%
Core Skills	Mining Charter Target 10%	10%	10%	10%	10%	10%

2.4.15. HDSA participation in management

The table below shows Doornhoek Fluorspar Mine's plan to achieve 40% HDSA participation in management. The Revised Mining Charter target of 40% will be met from the onset of the mining operation in 2020, as part of the company's initial recruitment and placement strategy. The table will be updated with figures and the targets will be adapted from the baseline once the Doornhoek Fluorspar Mine is operational and staff have been appointed.

Table 2.10. Plan to achieve 40% HDSA participation in management

HDSA		2017	2018	2019	2020	2021
		Targets	Targets	Targets	Targets	Targets
Top Management (Board)	Mining Charter Target 40%	40%	40%	40%	40%	40%
Senior Management (Exco)	Mining Charter Target 40%	40%	40%	40%	40%	40%
Middle Management	Mining Charter Target 40%	40%	40%	40%	40%	40%
Junior Management	Mining Charter Target 40%	40%	40%	40%	40%	40%
Core Skills	Mining Charter Target 40%	40%	40%	40%	40%	40%

2.5. HRD Financial Provision Summary

Table 2.11. projects the financial provision for HRD for the SLP period, 2017 – 2021.

Table 2.11. Human Resource Development Financial Provision Summary

HRD FINANCIALS	2017	2018	2019	2020	2021	TOTAL 2017-2021
Portable Skills	R50,000	R50,000	R50,000	R50,000	R50,000	R250,000
ABET Plan	R0	R126,400	R176,960	R202,240	R252,800	R758,400
Mentorship Plan	R0	R0	R0	R0	R16,000	R16,000
Learnerships Plan Internal & External	R0	R105,500	R105,500	R 211,000	R316,500	R738,500
Internal Bursaries Plan (Study Assistance)	R0	R0	R0	R0	R80,000	R80,000
External Bursaries Plan	R0	R100,000	R100,000	R100,000	R200,000	R500,000
Internship & Work Experience Plan	R0	R12,000	R136,000	R136,000	R532,000	R816,000
TOTALS	R50,000	R393,900	R568,460	R699,240	R1,447,300	R3,158,900

SECTION THREE:

MINE COMMUNITY DEVELOPMENT

3.1. Mine community development

Local Economic Development (LED) is an approach towards economic development, which allows and encourages local communities, government and the private sector to work together to achieve sustainable economic growth and development, thereby promoting economic benefits and improved quality of life for all residents in the local municipal area.

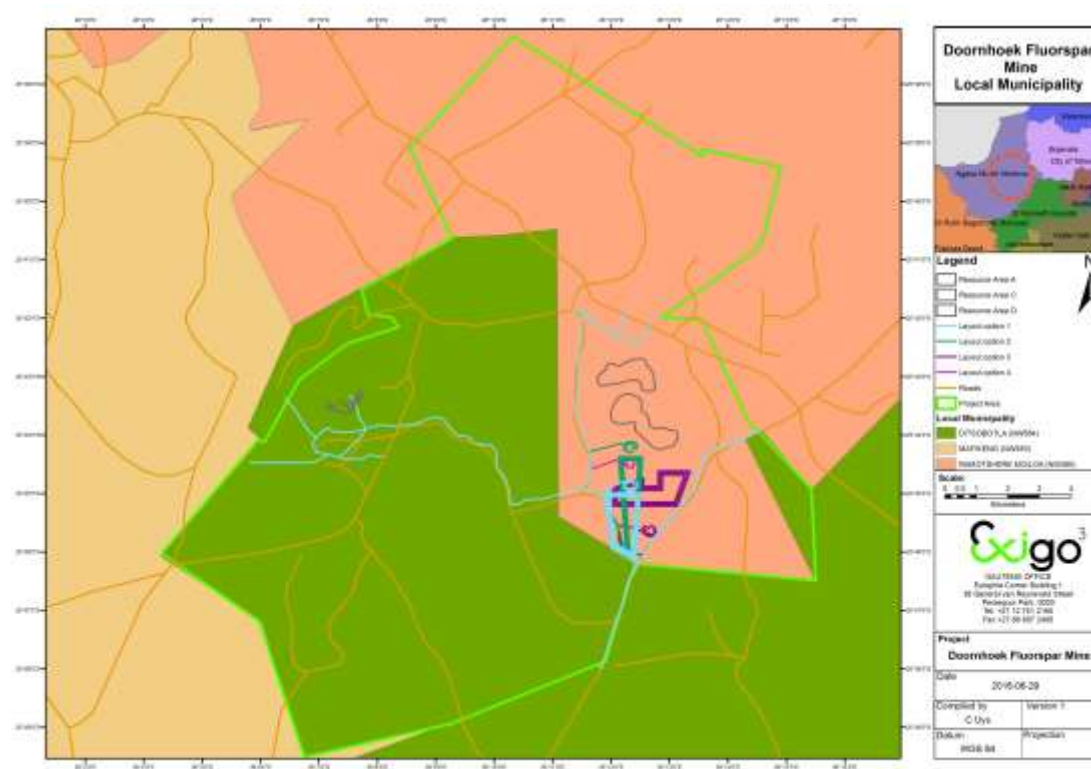
The proposed Doornhoek Fluorspar Mine is located about 30km south of Zeerust (in the Ramotshere-Moiloa Local Municipality (RMLM)), and some 40km north of Lichtenburg (in the Ditsobotla Local Municipality (DLM)). The socio-economic development challenges in the communities around the proposed mine are complex and multifaceted where the resolution compels a manifold approach underpinned by strong partnerships between stakeholders with an array of perspectives and capabilities. It is against such a background that Doornhoek Fluorspar Mine aims to partner with the key local stakeholders in order to best contribute to the economic development of the related local municipalities.

Figure 3.1. Map of Doornhoek Fluorspar Mine in relation to NMMDM



The proposed Doornhoek Mining operation spreads between Ramotshere-Moiloa Local Municipality (RMLM) and Ditsobotla Local Municipality (DLM) while more dominantly appearing in the RMLM. It is also envisioned that labour and services will primarily come from Zeerust (RMLM) due to locality and accessibility. In this study, both municipalities were included in the general analysis. Through a mutually beneficial partnership, fundamental strategies will be adopted in order to better the lives of the local communities. As a way to show commitment, Doornhoek Fluorspar Mine aims to adopt strategies aimed at preparing the local community for the envisaged mining operation years prior to operation.

Figure 3.2. A map of Doornhoek Fluorspar Mine in relation to the Local Municipalities



3.2. Socio-economic background information

3.2.1. Ngaka Modiri Molema District Municipality (NMMDM)

The main towns of the District Municipality include Mafikeng, Lichtenberg, and Zeerust. The fore-mentioned towns are relatively close to the site with distances ranging from 30km to 70km. NMMDM is administratively divided into five local municipalities, namely Tswaing, Mafikeng, Ratlou, Ditsobotla and Ramotshere Moiloa. The district has a population of 798

783 and 183 401 households. There are 284 settlements within NMMDM, 42% of these are in rural villages, 36% in scattered rural areas, 12% are dense rural and 10% of the total settlements are situated in urban areas.

The proposed Doornhoek Fluorspar Mine is located approximately 30km south of Zeerust in the RMLM, and some 40km north of Lichtenburg in the DLM. Since the mining right for Doornhoek Fluorspar Mine falls within both the RMLM and DLM, Table 3.1. gives a quick statistical comparison between these two municipalities.

Table 3. 1. Statistical comparison between RMLM and DLM

RAMOTSHERE-MOILOA (ZEERUST)	DITSOBOTLA LOCAL MUNICIPALITY (LICHTENBURG)
POPULATION	
Total population of 150,713 people	Total population of 168,902 people
18% of the district population	20% of the district population
Population growth rate 0,92%	Population growth rate 1,3%
UNEMPLOYMENT	
36,2% Overall unemployment	28,3% Overall unemployment
45,8% Youth unemployment	37% Youth unemployment
SKILLS LEVEL	
6,4% Possess higher education	6,7% Possess higher education
21% Possess matric	20% Possess matric
ECONOMIC ACTIVITIES	
Economic growth rate 2,4%	Economic growth rate 5,1%
35,2% households engage in agricultural activities	21% households engage in agricultural activities
HOUSING	
18% Urban	52,4% Urban
70,5% Traditional	24,1% Traditional
11% Farm	23,5% Farm
WATER	
19% access water in their households	34,9% access water in their household
ELECTRICITY	
80% of the households have electricity	74% of the households have electricity
INCOME PROFILE	
14,9% have no income	12,5% has no income

Dependency on social grants 31%	Dependency on social grants 31%
DEPENDENCY RATIO	
Dependency ratio of 67,6%	Dependency ratio of 61,5%
GENDER	
48,6% Male	50,5% Male
51,4% Female	49,5% Female
46,1% of households are female headed households	34,5% of households are female headed households
HEALTH	
Two (2) hospital	Two (2) hospitals
Twenty three (23) state clinics	Nine (9) state clinics

3.2.2. Ramotshere-Moiloa Local Municipality (RMLM)

Ramotshere-Moiloa Local Municipality (RMLM) is characterized by a few urban areas including Zeerust Town (the main town in the LM) as well as some formal settlements at Ikageleng, Henryville, Olienhout Park, Shalimar Park, Welbedacht (Lehurutshe Town) and Groot Marico. The rural part of the municipality is estimated at 70% of its total area, with over 40 villages spread across distances of up to 120 km from the main town. Mountainous terrain forms a significant divide between the areas along the N4 and the remainder of the LM area.

3.2.2.1. Population Profile

Ramotshere-Moiloa Local Municipality (RMLM) has a total population of 150,713 of which 94,4% are Black African, 3,8% White and the Coloured population making up less than 1% of the population. The population growth rate has declined from 1996 to 2001 where the growth rate was 1,22% per annum and in 2011 currently declined to 0,92% per annum. Despite the noted decline, a substantial increase in the number of households has been experienced since 2001. An increase in number of households is significant for basic services and RDP housing delivery targets along with the decrease in average household size from 4.3 in 2001 to 2.7 in 2011, indication that households may have split e.g. adult children leaving home etc. (RMLM IDP 2015-2016).

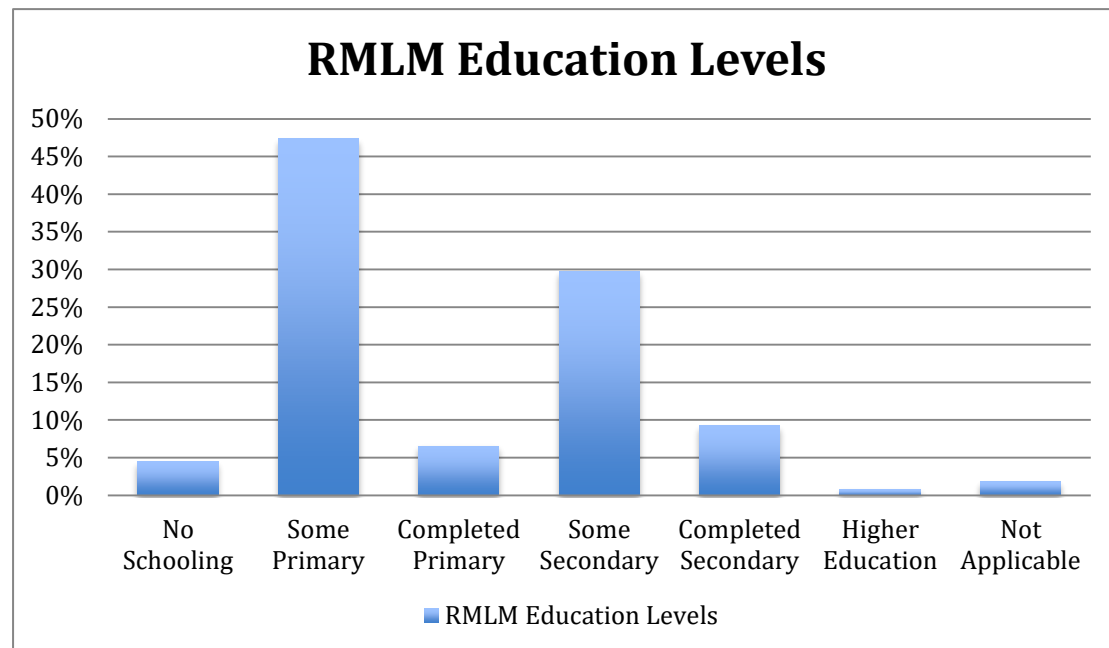
In terms of age structure, the population of the RMLM has aged slightly, with a slight increase in the older two age groups, and a slight decline in the under 15 years age group. It is recorded that young people between the ages of 15-36 constitutes close to 30% of the

population. Further the disparities between males and females is almost similar 51,4% female and 48,6% male, the prevailing dominance of one over another in terms of power may not be visible, however given the fact that it is a peri-rural area still largely under traditional leadership, patriarchy and other gender mainstreaming challenges are still prevalent.

3.2.2.2. Educational Profile

Education is perceived as a key contributor to the economic growth and development. There are 24 high schools in the district with an average matric pass rate of 69,3%.

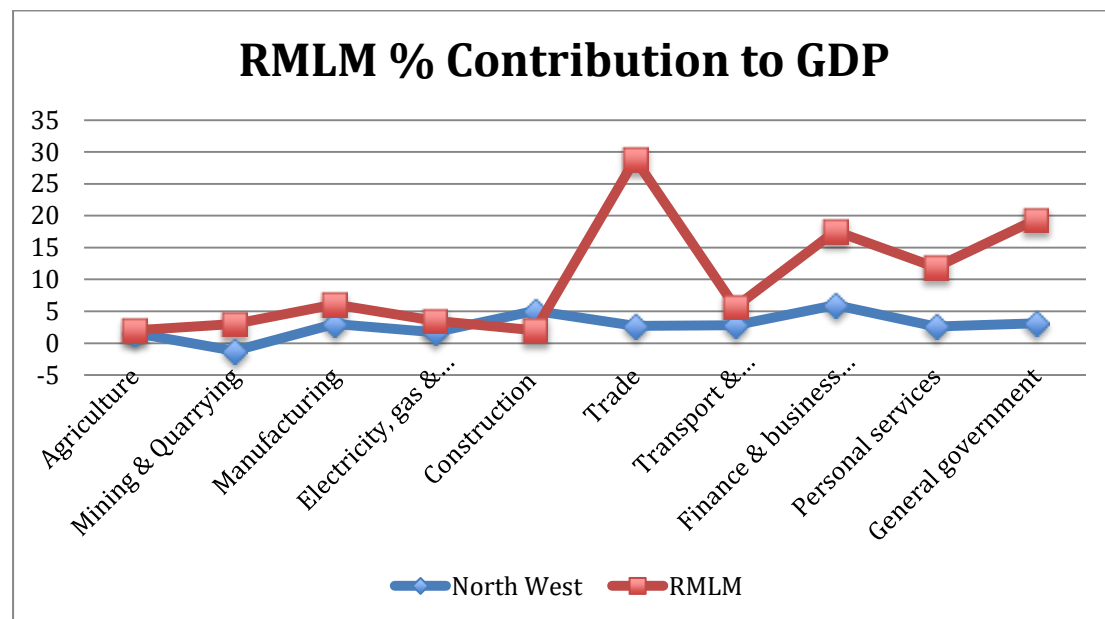
Figure 3.3. Education levels of those aged 20 years or older (StatsSA Census 2011)



3.2.2.3. Economic profile

RMLM is classified as a rural area with an economic growth rate of 2,4% from 2003-2013. Figure 3.4 indicates the growth rate and economic performance of the LM in comparison to the North West Province. Mining and agriculture experienced an economic decline in 2009 with few mining operations having to close and the droughts requiring farmers to reconsider the crops cultivated. In 2013 mining and quarrying contributed 3% to GDP. In comparison Wholesale and Retail Trade, Catering and Accommodation contributed 28,9%, Finance and Business Services contributed 17,6%, Community, Social and Personal Services contributed 11,9%, General Government contributed 12,9% and Manufacturing contributed 6,1%.

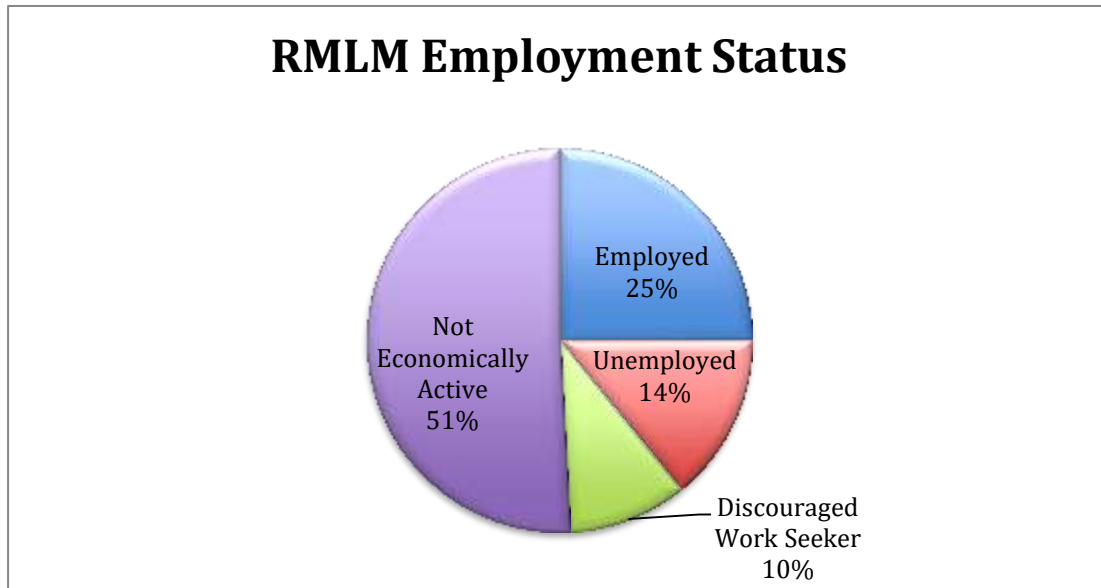
Figure 3.4. RMLM % contribution to GDP (Guantec 2016)



The occupational structure in the RLMLM area is dominated by the elementary occupations, 38,4% in 2001 (RMLM IDP 2015-2016). Elementary occupations include domestic workers, street vendors, shoe cleaners, building caretakers, messengers, porters, garbage collectors, agricultural workers, mining and construction labourers, manufacturing labourers, transport labourers and freight handlers. Employment in professional occupations (10,6% in 2001) represents the other important occupations contributing to the local economy. The trends in high levels of elementary occupations are directly related to factors operative within the industry groups (sectors) in the local economy. There is a correlation between elementary occupations and current functional industries within RMLM. In summary, RMLM has a very constricted economic base and a very small economy (RMLM IDP 2015-2016).

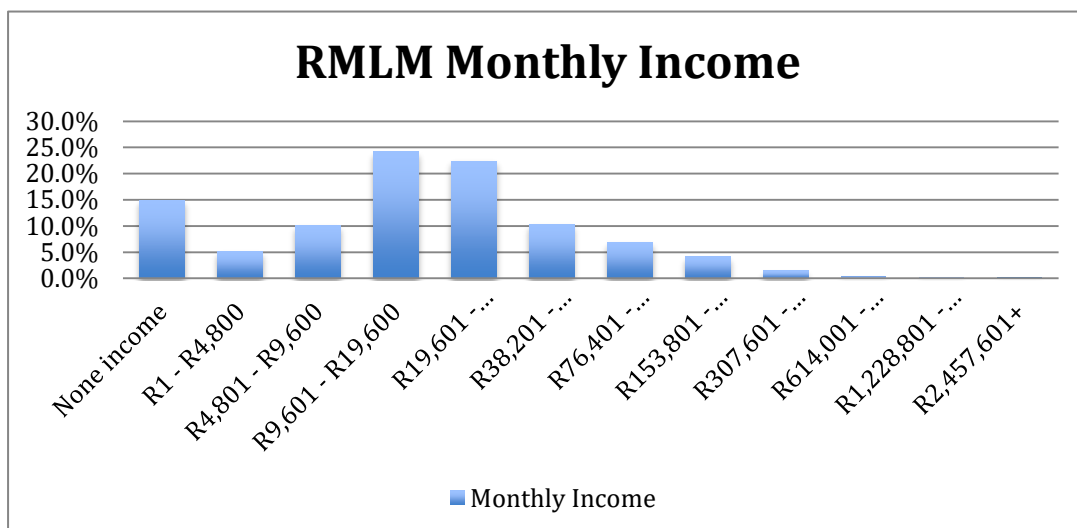
The overall unemployment rate for RMLM is 36,2%. Levels amongst the economically active population (aged between 15 and 65 years) in the area are very low compared to neighbouring municipalities. The unemployed breakdown can be divided into economically active and non-economically active where discouraged work seekers who wanted to work in available posts but did not find a job (Quarterly Labour Force StatsSA 2015). The unemployed youth population between the ages of 15-35 are at 45,8%. While youth unemployment remains a major concern in South Africa, rural and peri-urban unemployed youths face numerous challenges that restrict access to information and basic services.

Figure 3.5. RMLM Employment status of those of economically active, age 15-65 years (StatsSA Census 2011)



In 2014, the RMLM and DLM had a very high dependency on social grants at 31% (National Household and Transport Survey 2014). The imbalance in disposable income presents challenges in addressing different social issues.

Figure 3.6. RMLM Personal Monthly Income Profile (StatsSA Census 2011)



3.2.2.4. Social dynamics

Female-headed households (comprising 46,1% of households) and child headed households are most affected by poverty. Other vulnerable groups in rural areas are the elderly, youth, disabled and families living with AIDS. Since RMLM is located in a dry basin, families with small plots of land without irrigation are also vulnerable to poverty.

Crime is categorized in three phases: high, medium and low. While the municipality struggles with rapid cases of cable theft, the local police station asserts that cable theft is a highly organized crime and that many of the suspects are not from around the RMLM. The most commonly reported criminal cases in RMLM are common assault and rape which both occur in taverns and liquor stores. Other notable incidences are common break-ins at taverns and liquor stores. Substance abuse is one of the key drivers of noted acts of crime in RMLM. The youth are particularly at risk to substance abuse and addictions due to a lack of recreational activities and youth development initiatives.

Wealth inequalities are particularly evident by education, with more highly educated people reporting a higher household wealth and socio economic status. Low socio-economic status and poverty may also enhance the likelihood of alcohol consumption to cope with poverty related stressors.

3.2.2.5. Health and HIV & AIDS prevalence

North West estimates a high HIV prevalence in people 2+ years, with the prevalence of HIV under people aged 15-49 years, being as high as 17,7% (StatsSA Behavior Change Communication 2009). The NMMDM is ranked fourth in the province when it comes to HIV prevalence.

The municipality is currently rolling out HIV & AIDS awareness campaigns to extended communities. The Municipality has twenty-three clinics, two health posts, four mobile clinics and two hospitals in Zeerust and Lehurutse. All government clinics are reported to have enough supplies of Ante-Retroviral Treatment (ART), which ensures that patients have access to treatment as needed. The noted health challenges mostly include the management and control of ARV defaulters, the longevity of and the maintenance of HIV patients in the Wellness Phase (which is a phase for patients who do not yet qualify for ART)).

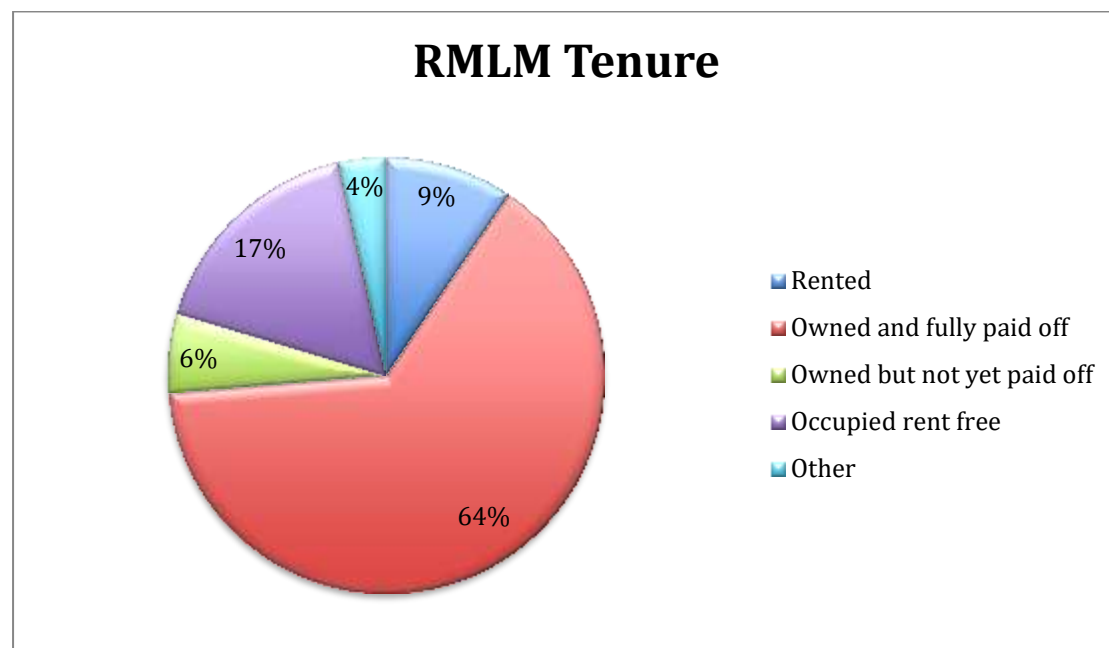
The most causes of death are notably other Chronic Diseases of lifestyle. As a result of a lack of private health facilities, some patients travel to the neighbouring towns for private medical health care. The deaths related to HIV decreased since 1999 but increased again after 2005. The treatments for HIV also had an effect on the epidemic, which resulted in the longer survival time for the affected individuals.

3.2.2.6. Infrastructure

Housing

Formal dwellings still made up around 81% of housing structures in the area, but the percentage of informal dwellings have increased in recent years (StatsSA Census 2011). The percentage of households with access to electricity for lighting is 81,9% and 19,7% of households have access to formal waste removal from their homes. There is an increase in a number of people who own households despite the noted economic downgrade between 2001 and 2007. Tenure status rose up to 66% for households, which were fully owned and fully paid off. RMLM has a housing plan, which includes building houses for villages and areas close to the centre to reduce the housing backlog in the area (IDP Reviewed 2015-2016).

Figure 3.7. RMLM Tenure Status (StatsSA Census 2011)

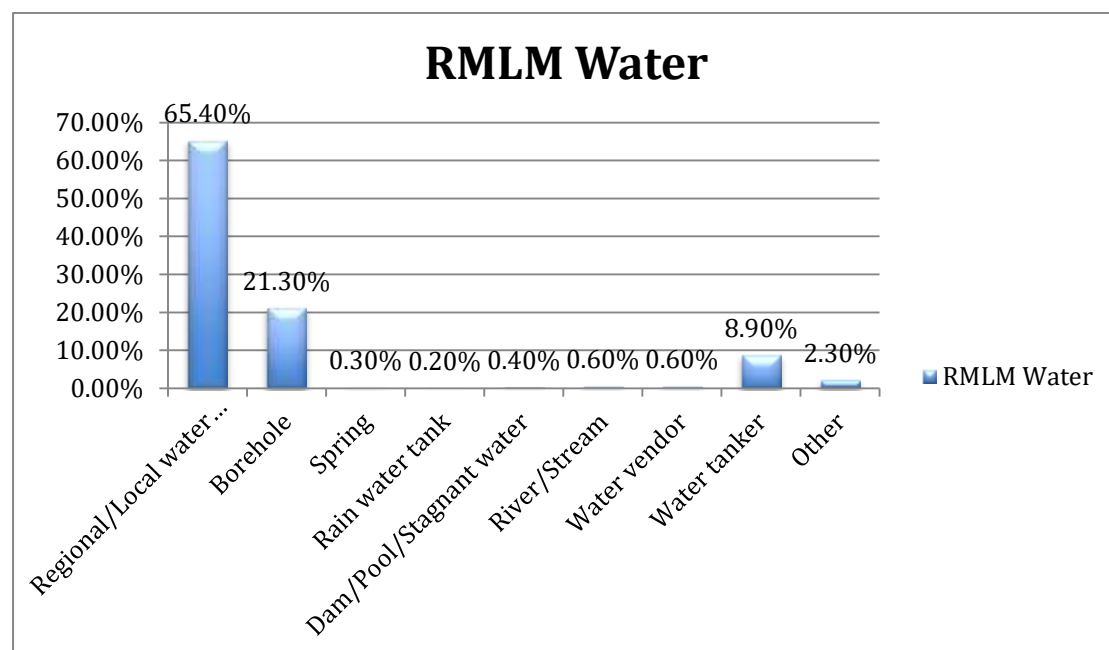


Water

Water is scarce and water provision is a massive issue not only in RMLM, but also in the district as a whole. Challenges identified by the RMLM include identification of a water source for Lehurutshe and the neighbouring villages. Ageing infrastructure needing upgrading (sewerage/water network) and the upgrading of the Zeerust and Groot Marico Sewerage Reticulation System to cope with the developments.

In RMLM 19% of households have access to piped water in their dwellings and 38,2% have access to piped water in the yard. Only 8,3% of households does not have any access to piped water (StatsSA Census 2011). According to the IDP a substantial percentage of households in the RMLM do not yet have access to piped water and therefore also not to a water-borne sanitation/chemical sanitation system.

Figure 3.8. RMLM Water Supply (StatsSA Census 2011)

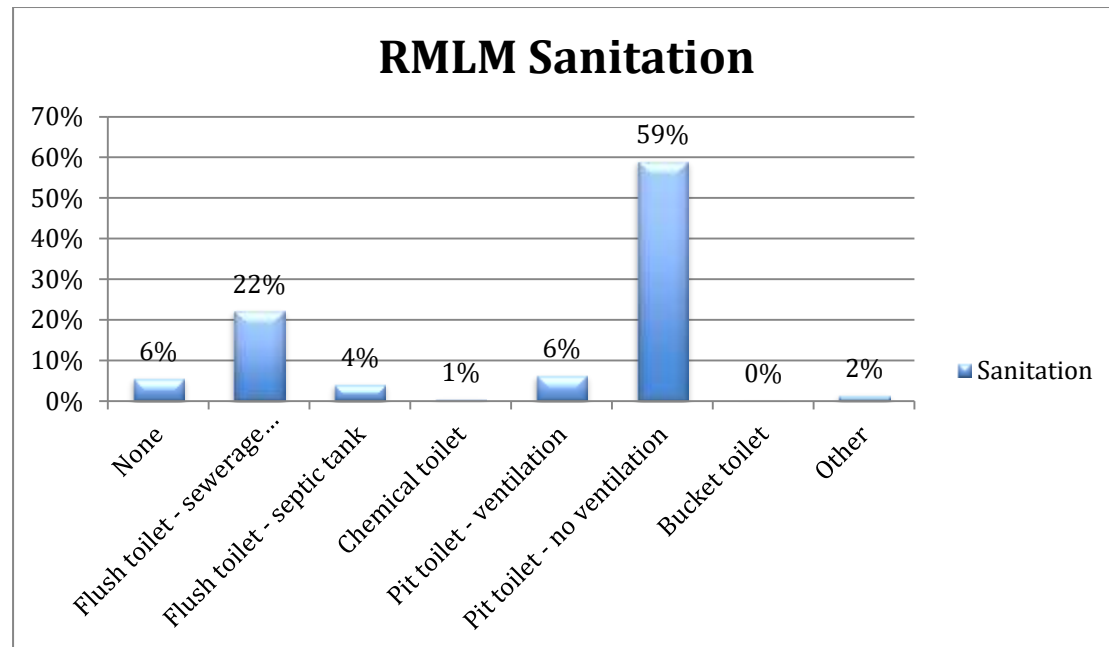


Sanitation

The biggest concern in sanitation in RMLM is the continued prevalence of pit latrines. As stated by the IDP (DLM 2015-2016) latrines are one of the priorities in the municipal projects. Due to the lack of water sources in the dolomitic areas of the municipality, latrines are a more viable option than flush toilets. However such a system does pose its own health

and hygiene related challenges. This is a health hazard and can lead to the outbreak of diseases such as cholera.

Figure 3.9. RMLM Sanitation (StatsSA Census 2011)



Electricity

Various progresses have been made in terms of electricity provision with 81,9% of households having access to electricity for lighting (StatsSA Census 2011). Despite the high percentage, the improvement of electricity bulk supply in Zeerust and maintenance of existing infrastructure remains a challenge. The RMLM is responsible for provision in the Zeerust, Sandvlegt, and Ikalegeng area, and Eskom in the remainder of the area. Crime is a major challenge to the effective provision of electricity with cable theft and break-ins into mini substations occurring often.

3.2.3. Ditsobotla Local Municipality (DLM)

Ditsobotla Local Municipality (DLM) is situated within the Ngaka Modiri Molema District Municipality in the North West province. The municipality was established through the consolidation of the former Lichtenburg, Coligny and Biesiesvlei Transitional Councils. DLM's main attractions are cultural, heritage and agricultural museums (StatsSA Census 2011).

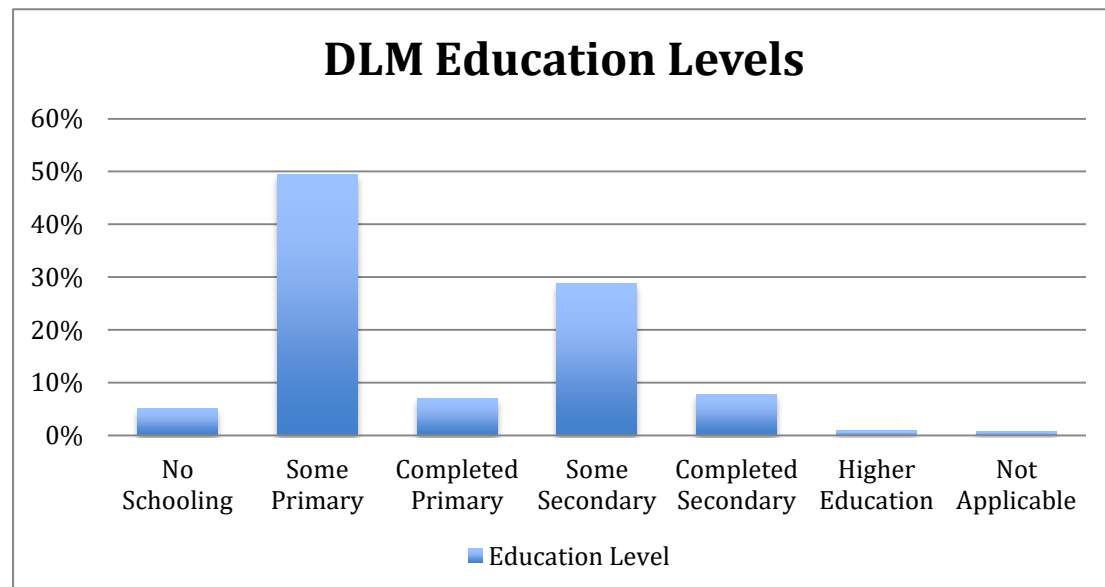
3.2.3.1. Population Profile

The recent Census 2011 reveals that the population of DLM has grown by an average of 1,35% from 147 599 in 2001 to 168 902 in 2011. The total households have also increased from 35 582 to 44 500 with an average size of 3.8 persons. The population distribution shows that 89,1% are Black Africans, which is below the district percentage of 93,4%, followed by the White population at 8,2% overall. The youthful nature of the DLM population is highlighted in the age structure profile indicating that approximately 46% of the DLM population is younger than 20 years of age. The figure solemnly shows that a significant number of young people will be entering the economically active age category over the next five years and would be seeking employment opportunities, thus employment creation strategies need to be intensified (DLM IDP 2015-2016). Additionally, the proportion of people younger than 15 years accounts for 32,6% of the population. The highest concentration of people over 40 years of age is located in the urban areas of Lichtenburg and Coligny towns.

3.2.3.2. Educational Profile

The municipality has experienced growth in the levels of literacy between 2001-2011. The proportion of the population which falls under the school-going age group without schooling has reduced by 9% from 24% (in 2001) to 15% (2011). Approximately 20% can be classified as having completed Grade 12, which represents a 4% growth, and 6,5% have higher education qualifications (StatsSA Census 2011). There is a correlation between agricultural households and their level of education. In DLM the majority of people engaging in agricultural activities have no schooling.

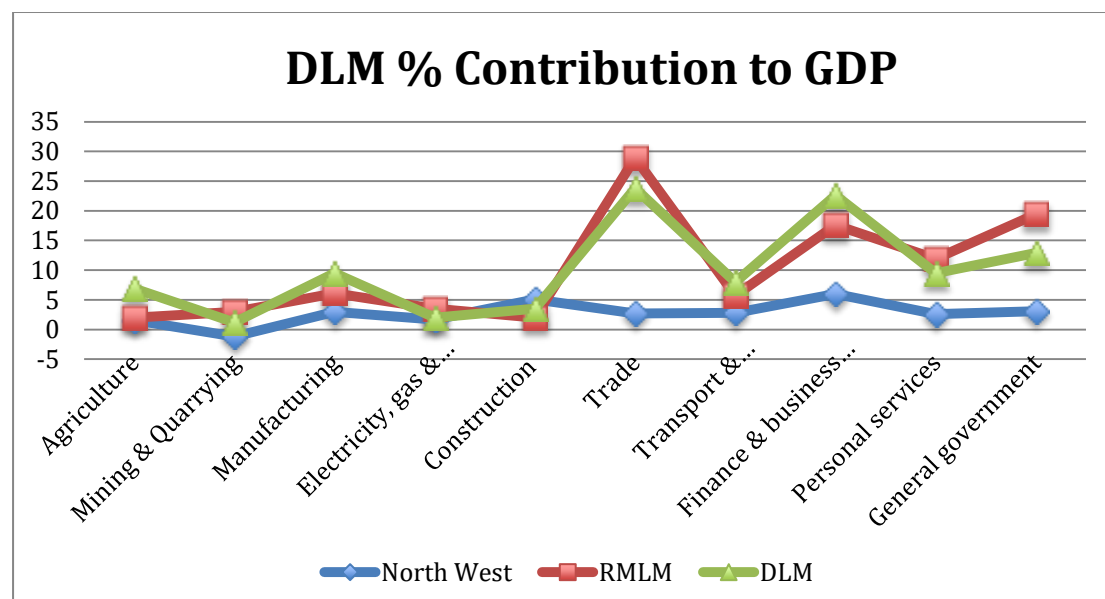
Figure 3.10. DLM Education levels those aged 20 years or older (StatsSA Census 2011)



3.2.3.3. Economic profile

DLM has an economic growth rate of 5,1% from 2003 - 2013 which is much higher than that of its neighbouring municipality, RMLM (2,4%). Figure 3.11 indicates the growth rate and economic performance of DLM in comparison to RMLM and the North West Province. In 2013 mining and quarrying in DLM contributed a mere 1,2% to GDP. In comparison Trade contributed 23,8%, Finance and Business Services 22,6% and General Government 12,9%.

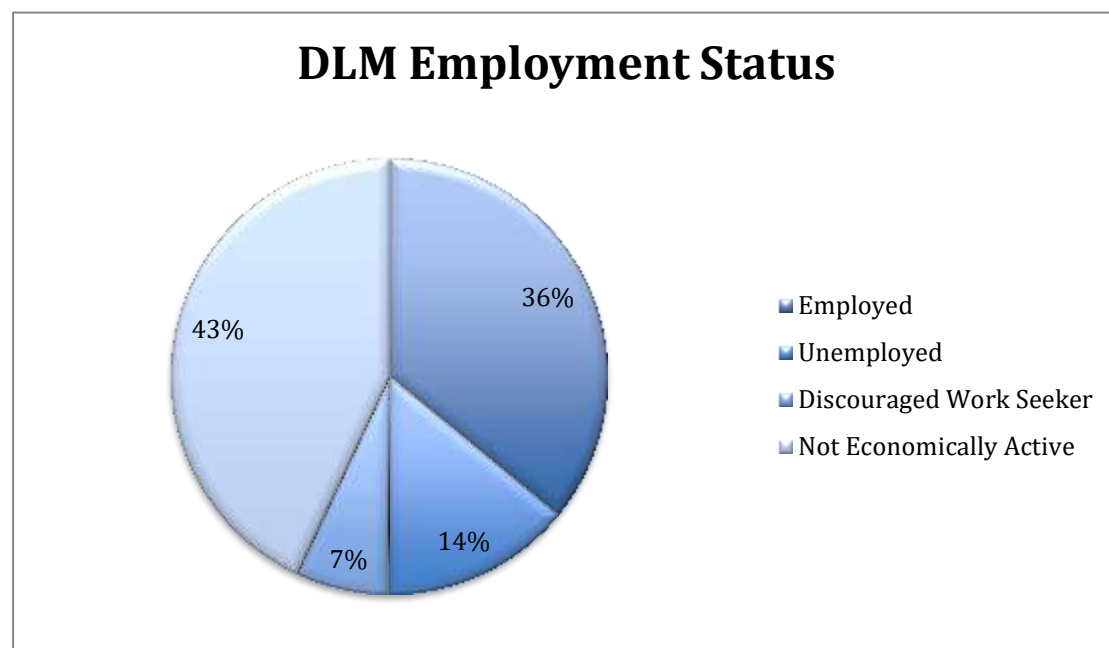
Figure 3.11 DLM % contribution to GDP



Subsistence farming is one of the strategies employed by the DM in alleviating poverty in the municipalities. A study on general agricultural activities in households per province show that 24,5% of people under the no income category are actively participating in agricultural activities (StatsSA Agricultural Households Statistics by Province 2011). The figure raises potential impediments with regards to food security and poverty.

The employment profile of a local municipality depicts economic activity and the prevalence of potential social illness. The economically active population for DLM is 53,5% which represents a total population of 89 518. Approximately 42,2% is unemployed and 57,8% employed (DLM IDP 2015-2016). The major structural issues that have contributed to the high unemployment and poverty in the area include persistent low economic growth, retrenchments from the decline in mining and insufficient diversification of the economy. The spatial distribution of people employed in the agricultural sector clearly indicates that the agricultural sector's employment opportunities are mostly located in the rural areas in the north-eastern and central southern part of the municipality.

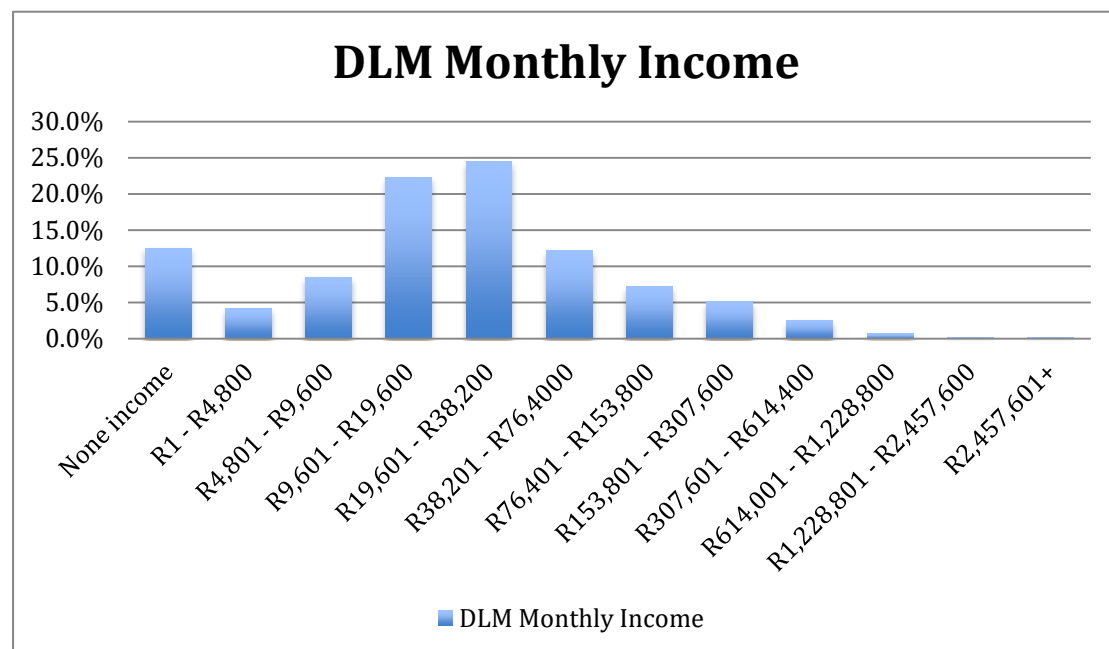
Figure 3.12. DLM Employment status of those of economically active, age 15-65 years (StatsSA Census 2011)



With regards to DLM's occupational breakdown, 41% of the economically active population can be described as elementary occupations. In addition, 9,9% of the work force is active in

the craft and related occupations sector and 9,5% in the plant machine operator and assembling sector. The proportion of the economically active population in the skills and technical sectors are very limited. Only 7,8% of the economically active population can be described as technicians, approximately 8% as professionals, and roughly 3% as senior officials and managers (DLM IDP 2015-2016). The concentration of elementary occupations as well as skilled agricultural workers within the rural areas, highlight the importance of the agricultural sector within these areas. The skilled and clerical workers are mainly concentrated within the Lichtenburg town.

Figure 3.13. DLM Personal Monthly Income Profile (StatsSA Census 2011)



The highest average household income is concentrated in the formal areas of Lichtenburg. The average household income in these areas is generally in excess of R6 000 per household per month. The average household income in the vast majority of the rural areas, as well as the majority of villages in the rural areas is less than R1500 per household per month. DLM has the lowest number of households which are living below R1500 in the district at 28,2% overall (StatsSA Census 2011). Further a combined study between DLM and RMLM showed that there is a 31% dependence on social grants in the North West Province (NHTS Provincial Report 2014). Typically areas, which have a dependence of social grants, are vulnerable to experiencing the highest negative impacts of social ills.

3.2.3.4. Social dynamics

The gender inequalities hampers women empowerment and progress on the economic and social arena within the DLM remains a priority matter. Women in the DLM are considered a marginalised group for the reason that they are confronted with challenges relating to social injustices manifesting in crime and domestic violence. Other noted populations at risk include: people living with HIV/AIDS, children and people living with disabilities. Projects focused on assisting these populations at risk falls under the mayoral office (DLM IDP 2015-2016).

The DLM has identified economic intervention measures as the best option to youth development and employment. The municipality is challenged to cater for the needs of young people and children in protecting them from abuse, vulnerability to crime and involvement in criminal activities, alcohol and drug abuse. This remains a major challenge.

3.2.3.5. Health and HIV & AIDS prevalence

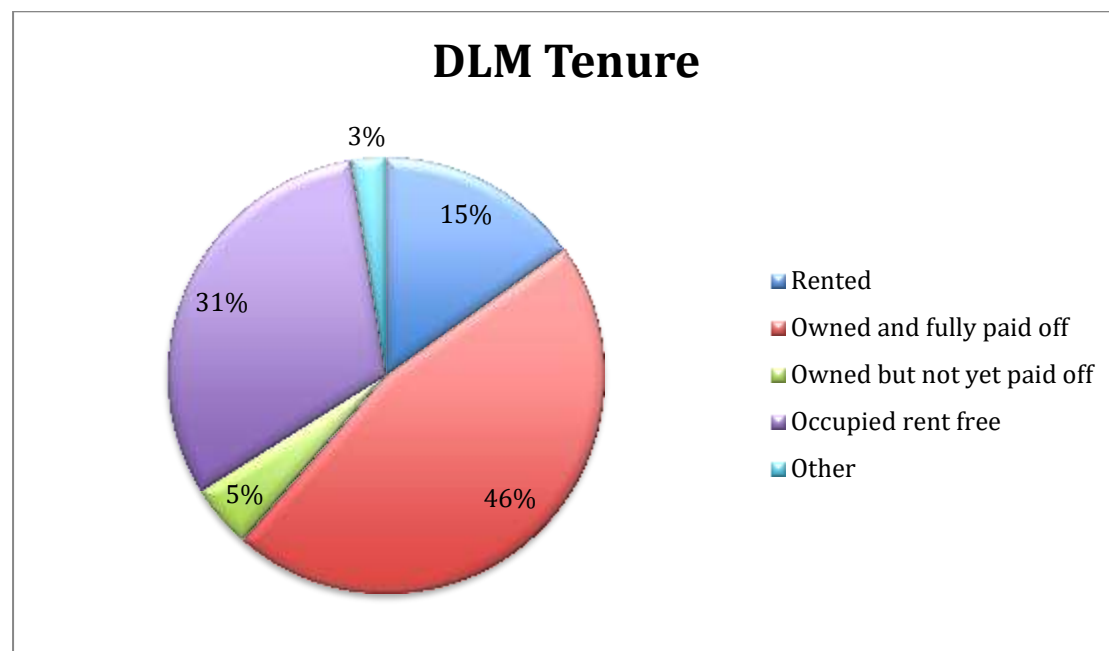
There are two hospitals providing comprehensive health care services in collaboration with nineteen clinics. Based on the planning standards and norms, there should be one clinic per 5000 people. In this light it is evident that the DLM is underprovided with health clinics, leading to many public health risks. There is only one formal old age home facility in the DLM area, which is the Lichthuis Old Age Home situated in Lichtenburg.

3.2.3.6. Infrastructure

Housing

North West has the highest percentage of informal dwellings (76,2%) amongst the provinces. This figure is above the national average of 14,4%. In DLM the municipality's Human Settlement Sector Plan (2012) estimates the municipal housing needs to be 16 514. The housing backlog is perpetuated by pressures such as migration of farm-workers into urban areas in search of job opportunities and/or security of tenure. In terms of the estimates provided the required land for new housing is 6 210 hectares. The service delivery infrastructure capital estimate is R141 million.

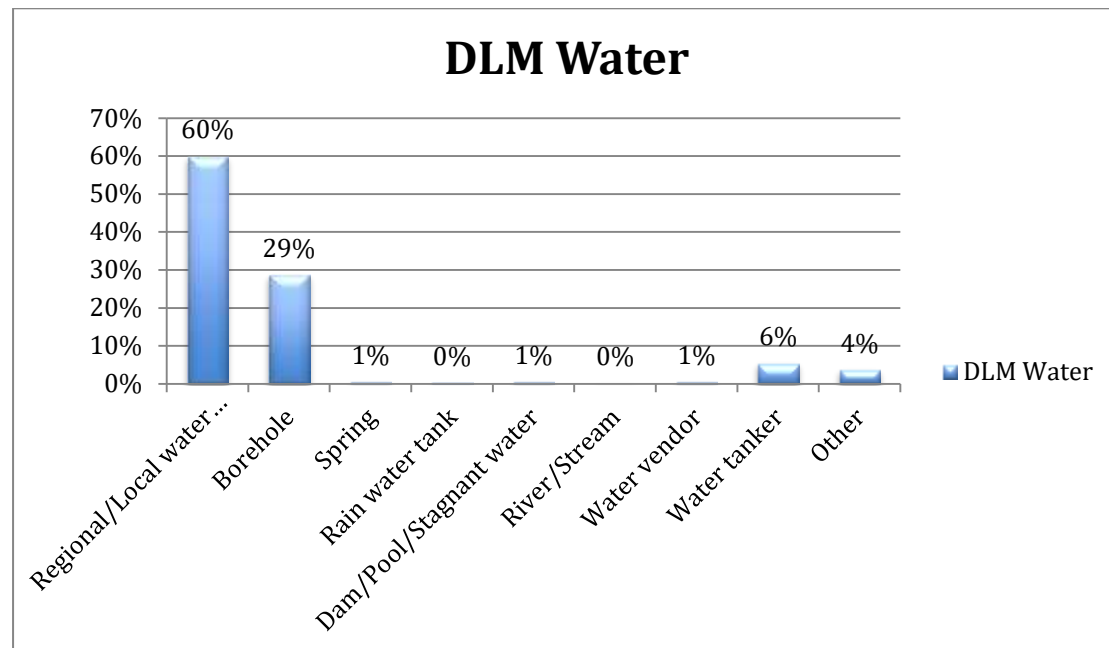
Figure 3.14. DLM Tenure Status (StatsSA Census 2011)



Water

In terms of the current powers and functions the Ngaka Modiri Molema District Municipality is a water services authority and the Ditsobotla Local Municipality is a water services provider. The DLM households with access to piped water inside the dwelling are 34,9%. Only 6,2% of households has no access to piped water and rely on alternative water sources (StatsSA Census 2011). According to the municipality there has been a 7% increase in the general access to water (community taps within range, inside yard taps, inside dwelling water access) between 2001 and 2011 (DLM IDP 2015-2016). Despite the increase in water access the actual number of households without access to water has remained stable due to the occurrences of informal settlements.

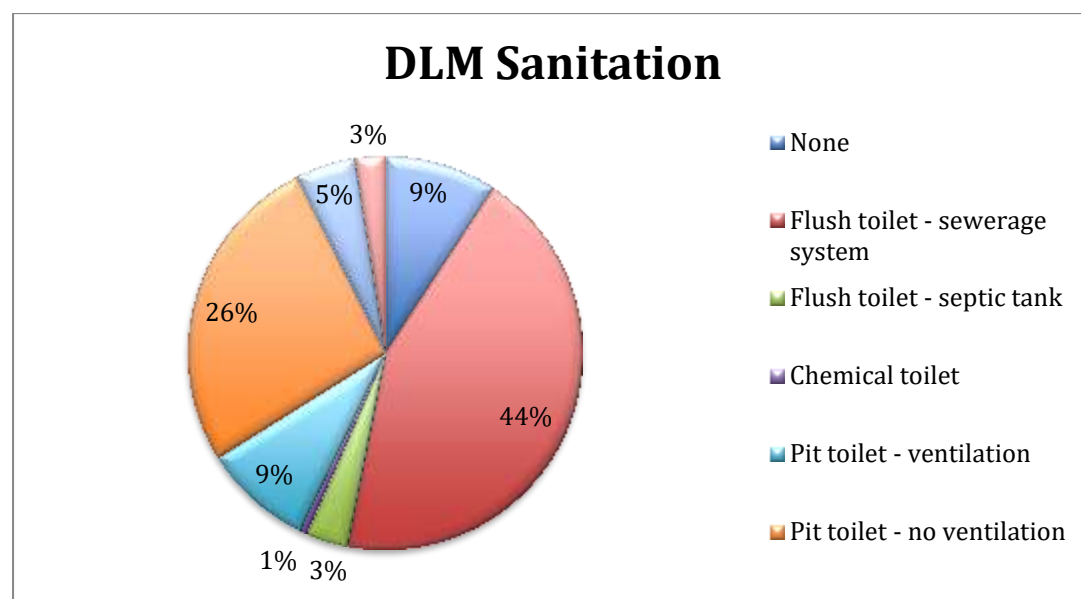
Figure 3.15. DLM Water Supply (StatsSA Census 2011)



Sanitation

The percentage of households with access to flush toilets connected to sewerage remained fairly constant for the period 2001 and 2011 at 42,7% and 43,9% respectively. The remaining part of the municipality is reliant on pit latrines with some parts of informal settlement utilizing the bucket system. Villages such as Ga-Motlatla, Sheila, Matile, Meetmekaar, and Springbokpan rely on pit-lantrines.

Figure 3.16. DLM Sanitation (StatsSA Census 2011)



Electricity

In Ditsobotla Local Municipality 74% of the households are connected to the electrical grid. Although the figure is above the district average, there is a backlog of 26% of the households in need of electricity for lighting and performing basic services such as cooking (StatsSA Census 2011).

3.3. Negative impact of the mining operations

It is understandable that a new mining company will have both positive and negative impacts on its host and affected communities, as well as the district as a whole. Table 3.3. highlights some of these positive and negative effects identified during the SIA process. Additional impacts are considered under the company's EIA, submitted as part of the mining right application.

Once fully operational the mine will initially employ a mere 190 people. Thus in the light of the current high levels of unemployment in the area, the region requires some dramatic job creation programs, which is well beyond what Doornhoek Fluorspar Mine can deliver. In the same way not all envisioned impacts can be completely avoided by the mine. Yet as far as possible the mine will mitigate the impacts as best possible. Table 3.4. identifies the most pressing risks to the mine and mitigation measures to address these.

Table 3.2. Social Impact Assessment (SIA) Potential Impacts of the Mine on the Community

Positive Impacts	Negative Impacts
<u>Construction Phase:</u> <ul style="list-style-type: none">• Job creation and employment opportunities during construction phase.• Enterprise development opportunities for entrepreneurs to provide secondary services required.	<u>Construction Phase:</u> <ul style="list-style-type: none">• In-migration of people seeking employment from the mine might increase the risk and spread of some infectious diseases.• In-migration causing an increase in crime in the local region.• Unrealistic expectations raised in the local community for job employment opportunities and development initiatives by the mine.
<u>Operational Phase:</u> <ul style="list-style-type: none">• Increase in disposable income of inhabitants in the local region as a result of employees' salaries and	<u>Operational Phase:</u> <ul style="list-style-type: none">• In-migration of people seeking employment from the mine might increase the risk and spread of some

<p>wages.</p> <ul style="list-style-type: none"> • Job creation and employment opportunities at the mine during operational phase. • Enterprise development opportunities for entrepreneurs to provide secondary services required. • Increase in the quality of local employment skills set through training opportunities and skills development initiatives of the mine. • Increase quality of life of inhabitants, as employees will be receiving financial and non-financial benefits. • Improved service delivery through LED projects initiated by the mine, e.g. water provision. • Motivation to local school learners to perform well in school to obtain a possible bursary from the mine. • An additional market to local farmers and enterprises to supply produce and services to the mine. • Overall economic growth in the district. 	<p>infectious diseases.</p> <ul style="list-style-type: none"> • In-migration causing an increase in crime in the local region. • In-migration of foreigners and employment of foreigners can lead to social conflict. • Potential growth of the existing Witkop Mine informal residential location and the establishment of additional informal settlements around the mine. • Rapid environmental degradation and pollution: air, land and noise. • Decrease in the value of surrounding farmland. • Increase in traffic related accidents. • Solemn or disproportionate reliance of the municipality on the mine to provide economic growth. • Potential inter-municipal conflict between RMLM and DLM for resources and LED benefits from the mine. • Increased prevalence of sex workers. • Conflict between mine workers and farm workers about jobs and benefits. • Increased demand on municipal services such as water, electricity and sewage. • Increased demand on other public services such as health, social and transport services. • Limited employment opportunities in the mine leading to dissatisfaction and hostility by communities towards the mine, due to original unrealistic expectations.
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Table 3.3. Social Impact Assessment (SIA) Mitigation Measures

Social Impact Assessment Risks	Mitigation Measures
Obtaining a “social license to operate” encompasses more than a mere SLP document and includes dealing with the community’s expectations (however realistic or unrealistic they might be) on an ongoing basis.	Even as early as the construction phase, transparent communication with the host and effected communities need to be prioritized. The establishment of a detailed grievance mechanism for communities to lodge concerns, suggestions and complaints are advisable, as well as the establishment of a community forum.

Dealing with two Local Municipalities and a District Municipality in the mining right might cause conflict due to opposing interests and needs relating to the mine's SLP projects and budgets.	Maintain an open working relationship with both Local Municipalities and the District Municipality and ensure transparent communication. Ensure consideration of all stakeholders in all new initiatives and projects.
If the communities perceive the mine to be disturbing their water there will be literal/physical protests as there has been in the past.	Mine to ensure a project that enhances water service delivery to communities and seek alternative water saving initiatives.
Specialized crime e.g. cable theft is already evident in the community. The mine could become a victim hereof.	Enhance security measures and ensure a good working relationship with the local police.
Substance abuse is already a massive social ill prevalent in the surrounding communities. The company runs the risk of their employees being negatively affected by this, e.g. <ul style="list-style-type: none"> • Sexual immorality leading to STDs, HIV & AIDS • Domestic violence • Crime and criminal records • Financial debt leading to presenteeism at work. 	An effective Employee Assistant Programme (EAP) can help overcome and mitigate the negative impacts of the social ills already prevalent in the communities. Strong relationships with government and non-governmental organizations and projects addressing such ills are strongly advisable.
In-migration of people and employment opportunities given to foreigners has the potential to cause social unrest.	Develop, communicate and implement a recruitment policy that allows equal opportunities to all people (men, women and disabled) but giving preference to local labour.
Farmers, farm workers and farming communities' dissatisfaction with regards to negative environmental and social impacts of the mine on them.	Establish a farmers and farmworkers forum to meet with the mine on a regular bases to raise, discuss and find solutions to concerns.
Insufficient local suppliers to deliver quality goods and services required by the mine.	Develop, communicate and implement a clear procurement policy and provide business mentorship to potential local suppliers, especially black owned EME and QSEs.
Increase in demand for local services leading to poor service delivery to the mineworkers and the communities.	Timeously during construction engage with local service providers to prepare them for the potential increase in the demand for transport, health and social services in the local and regional areas.
Potential growth of informal settlements around the mine and on neighbouring farms.	Prioritize local requirement; ensure efficient transport services for employees to and from the mine; and plan for worker accommodation in time, in line with the mine's chosen Living and Housing strategy.

3.4. Local Economic Development Project

To ensure that the Local Economic Development Project included in the Doornhoek Fluorspar Mine's SLP is relevant to the local context a twofold strategy was followed. Firstly, a secondary data study was conducted considering the socio-economic dynamics of the areas, looking at the local government IDPs and other economic developmental frameworks, like the Provincial Growth and Development Strategy (PGDS) and the National Spatial Development Strategy (NSDS). Secondly, primary data were collected and prioritized including consultations with LM and DM and other key organizations and entities as well as the findings of the mitigation and management plan proposed in the Socio-economic Impact Assessment. The fieldwork involved interviews, formal and informal interactions as listed below.

3.4.1. IDP reviews

The North West province actively participate in infrastructural development and poverty alleviation projects in the area through its involvement in the local IDP and LED forums, and taking into consideration other economic development frameworks like the Provincial Growth and Development Strategy (PGDS) and the National Spatial Development Strategy (NSDS). A number of priority items were identified in the different IDPs for the communities concerned.

The Ditsobotla Local Municipality and Ramotshere Moiloa Municipality simultaneously indicated from 2015 – 2016 IDPs respectively, that poverty alleviation and economic development remain a top priority in revitalizing and uplifting their municipalities through various infrastructural and non-infrastructural initiatives. In both municipalities physical capital is seen as a major restraint in terms of their economic growth. Access to basic services, particularly water, is seen as a major hindrance to the municipalities' development. Furthermore water is highlighted as one of the key natural resources required to stimulate economic growth, uplift tourism and agriculture and most assuredly contribute towards rapid service delivery. Although enterprise development remains a key focus area in creating employment in the communities, water scarcity has an effect on all local economic development strategies.

The IDPs for both municipalities feature alignment with the provincial development plan along with the district growth plan in NMMDM. Underpinning the projects and priorities in the IDP are key priorities, which are well aligned with the different strategic documents. As infrastructure development is a key element in accelerating growth and economic development the lack of these enablers can pose a threat to the local municipality's ability to remain resilient economically. Ditsobotla and Ramotshere Moiloa Local Municipalities have thus identified (as per their IDPs) the following as major infrastructural development challenges in relation to the municipal basic service delivery priorities:

- Ageing Water and Sanitation infrastructure
- Electricity
- High Mass Lights.

The above priorities are also adopted as projects in the IDPs although not necessarily fully funded (RMLM IDP 2015-2016).

Table 3.4. Extract from the NMMDM IDP Executive Summary 2015-2016: District

Infrastructure Development					
Project in IDP	Performance Indicator	Activities	VTSD Locality & Ward	Time Frame	Budget
Drought relief/ water supply assurance	Access to free basic water services on temporary basis	Water tankering to the villages without water	All identified villages in the district municipality	12 months	R5,000,000
O & M Water Schemes (Rural)	O & M of water infrastructure per urban area	Operational Subsidy	All 5 Local Municipalities	12 months	R5,000,000 (R1mil per LM)
Development of WSDP	WSDP	Draft backlog study report	All wards	12 months	R1,500,000
Ground water development	Access to water services	Drilling and equipping of boreholes	All rural areas within the district	12 months	R500,000
Water quality Management	Clean Water	Sampling program	All wards in the district municipality	12 months	R500,000
Eskom (Electricity for Boreholes)	Operational water infrastructure	Payment of electricity usage on boreholes & pump station	All wards in NMMDM	12 months	R1,800,000

Desludging of Sanitation Facilities	Address health and hygiene	Sucking of VIP toilet and Septic tanks to avoid spillages	All wards in NMMDM	12 months	R1,000,000
Road Maintenance	Length of roads maintained	Blading, re-graveling and installation of road signs	NMMDM road networks in all wards	12 months	R3,000,000
Enterprise Development					
Project in IDP	Performance Indicator	VTSD Locality & Ward	Time Frame	Budget	
Enterprise Development	Sector Development Programmes	NMMDM	-	R3,950,000	
Enterprise Development	SMME/ Cooperative Training Programme	NMMDM	-		
Enterprise Development	Tourism Development Programme	NMMDM	-		

Table 3.5. Extract from the NMMDM IDP Executive Summary 2015-2016: RMLM

Water					
Capital Projects	VTSD	Ward	Budget 15/16 FY	Budget 16/17 FY	Budget 17/18 FY
Olienhoutpark Water & Sewer Reticulation Phase 1	Township	15	R10,000,000	R850,000	R0
Olienhoutpark Water & Sewer Reticulation Phase 2	Township	15	R1,000,000	R8,000,000	R10,000,000
Welbedacht Water & Sewage Reticulation	Small Town	13	R13,000,000	R850,000	R0
Sanitation					
Capital Projects	VTSD	Ward	Budget 15/16 FY	Budget 16/17 FY	Budget 17/18 FY
Groot Marico Outfall Sewer & Reticulation	Small Town	17	R10,000,000	R500,000	R0
Ikageleng Outfall Sewer	Township	16	R500,000	R0	R0
Ramotshere-Moiloa Rural Sanitation	Villages	-	R1,000,000	R9,500,000	R0
Zeerust WWTP Phase 2	Town	15	R31,400,000	R37,000,000	R10,000,000

Table 3.7. Ramotshere Moiloa Local Municipality (RMLM) IDP Priorities 2016-2017

General	Key Performance area	Type of need	Baseline Info
Infrastructure Development	Maintain and expand water purification works and waste water treatment works in line with growing demand	Compile a bulk water supply & storage; Rural villages assessment report; Construction of a new reservoir in Groot Marico	Unavailability of water causing riots in communities; Ageing infrastructure
Local Economic Development	Facilitate the development of local markets for agricultural produce	Economic Development	Financing of LED Projects is a challenge

3.4.2. Community Engagements

Community consultations took the form of formal and informal meetings with the LM, DM and other key organizations and entities relevant to understanding and prioritizing the real need of the communities, as to inform the SLP project.

District Municipality

Doornhoek Fluorspar Mine consulted with the DM with regards to the general development needs in the district, and more specifically the water project requirements. The DM echoed the sentiment of the LM and stressed the water scarcity challenges faced in the district, emphasising that assistance of water infrastructure will be a major solution. Of all the needs identified by the DM, water again received the highest priority. Refer to Annexure A for the meeting minutes of the engagement meeting.

Ramotshere Moiloa Local Municipality

Doornhoek Fluorspar Mine consulted with the RMLM with the aim of creating a long-term working relationship. During consultation, certain development needs were identified and brought to attention. Water infrastructure was identified as a key development need and the LM has requested Doornhoek Fluorspar Mine to assist the municipality in solving the

challenge. Of all the developmental needs identified by the LM, water received the highest priority. Refer to Annexure B for the meeting minutes of the engagement meeting.

Ditsobotla Local Municipality

The mining right for Doornhoek Fluorspar Mine falls within both RMLM and DLM and therefore meetings were requested with both LMs and the DMs. Despite the numerous attempts to set up a meeting with the DLM, no positive feedback was received. Annexure C stipulates the communication attempts. Since the majority of the footprint of the proposed mine will fall in RMLM, the first SLP project will focus on this municipality. The DLM will be consulted in the future to establish a working relationship and to ensure their IDP and inputs are prioritized in the next SLP.

Farmers

Farming and Farmers in general are likely to be affected by the presence of the mine. Doornhoek Fluorspar Mine has maintained a healthy and open engagement with affected farmers. Concerns and comments raised by the farmers during consultation were captured in the Comments and Response Table in the Scoping Report. Once operational close consultations with the surrounding farming communities will continue.

Community water profiles

The Department of Social Development (DSD) has conducted community profiles of all the communities in the LM. Table 3.8. indicates the water service realities of the relevant communities in and around Zeerust as captured by DSD. Although the study was not scientifically conducted and the validity of data questionable, it still highlights the identified need for water projects in the communities. A column was added to stipulate the most recent Census data on the same topic.

Table 3.7. Community water profiles

Community	DSD Survey - Water infrastructure available	DSD Survey - Comments	StatsSA Census 2011
Dinokana	4 Boreholes 15 Shared community taps 3 Water tank supplier	<ul style="list-style-type: none"> • There are no household taps in Dinokana • One community water tap is not working 	<ul style="list-style-type: none"> • Only 6,6% of the 6543 households have piped water inside their dwellings

	2 Rivers 1 Well 0 Household Taps		
Ntswelotsuku	10 Boreholes 14 Shared community taps 0 Water tank supplier 2 Rivers 6 Wells 110 Household tap	<ul style="list-style-type: none"> • Shared community taps are not secured and were vandalized by some of the community members. • There are ten (10) boreholes but one of them is not functional • There are illegal connections to the communal tap pipeline 	<ul style="list-style-type: none"> • Only 6,4% of the 2292 households have piped water inside their dwellings
Lehurutse	4 Boreholes 0 Shared community taps 0 Water tank supplier 0 Rivers 0 Wells 600 Household taps	<ul style="list-style-type: none"> • Water is a real challenge in Lehurutse • There is a lack of boreholes and well-functioning community taps • The number of household taps are unknown 	<ul style="list-style-type: none"> • 59,7% of the 2323 households have piped water inside their dwellings

3.4.3. Project Selection

In consultation with the Department of Mineral Resources (DMR) and the various municipal authorities it was agreed upon that the first SLP will have a project in the RMLM only, since it's a large project addressing the immediate need of the municipality and the mine. The next SLP will consider initiatives in both the RMLM and the DLM. Based on the secondary data analysis and primary data engagements the need for a water related project was unquestionable.

The communities rely on the water source for livelihoods, such as agriculture, fishing, or animal husbandry. Furthermore access to water is a human right affecting communities, governments, and companies. The District Municipality reported that the Dinokana and Lehurutse area have had riots as a result of water scarcity. Doornhoek Fluorspar Mine purposes to avoid or exacerbate conflicts around water that can bring reputational, operational, legal, humanitarian, and financial risks. Furthermore, the mine aims to create sustainable opportunities for a better livelihood in the communities. Triggers for conflict

include water scarcity, lack of access, unclear water, unequal service delivery and a general lack of trust.

Due to the difference in roles and responsibilities that the DM and LM respectively plays in the provision of water respectively, a project steering committee representative of all relevant parties and authorities will be established to ensure successful implementation.

3.4.3.1. Water Project

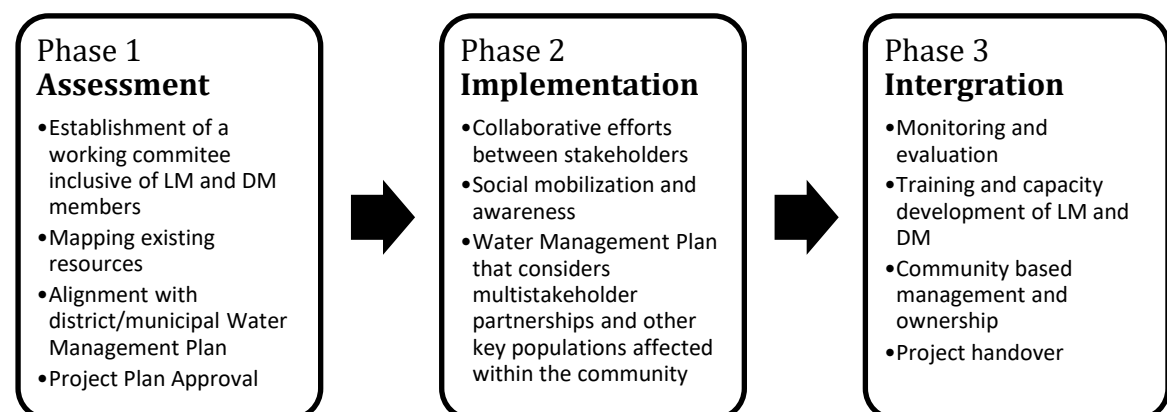
The project intends to assist the municipality with their water service delivery infrastructure, to better serve the communities around Zeerust. The water project is linked to the sustainable development goals in increasing access to water. The project is aimed at having a ripple effect in the community affecting the different members of the community, thus creating an enabling environment for better livelihood. During the assessment phase of the project the detailed project scope will be determined. The following options will be explored in terms of infrastructural development:

- Expansion of existing municipal water supply infrastructure
- Contribution to the upgrade of the existing sewage treatment plant
- Grey water processing plant

The project is subject to the agreement with the municipality that water will be supplied to the mine.

3.4.3.2. Project Cycle

Figure 3.17. LED Project Cycle



3.4.3.3. Project Table

Table 3.10. LED Project Table

Project name:	Water Project		Classification of project:	Infrastructure Development	
Background:	Water is scarce and not available to all communities as a result of the inadequacy of the infrastructure. Challenges identified by the RMLM include the identification of a water source for Lehurutshe and the neighbouring villages, ageing infrastructure needing upgrading (sewerage/water network) and the upgrading of the Zeerust and Groot Marico Sewerage Reticulation System to cope with the developments.				
Who initiated project:	The project was requested by the RMLM as well as the DM as a need of the highest priority to the municipality and the communities around Zeerust.				
Geographical location of the project:	District Municipality: Dr. Kenneth Kaunda	Local Municipality: Ramotshere Moiloa LM	Village name: Zeerust and/or surrounding communities	Project start date: Jan 2017	Project end date: June 2021
Output: Improve access to clean water in bulk water supply	Key performance area: Development of necessary water infrastructure for water provision and/or grey water purification and/or sewage treatment	Key performance indicator: Number of households with access to water	Responsible entity: Doornhoek Fluorspar Mine, RMLM, DLM, District Municipality	Quarterly timelines and year: 2017 - Project steering committee establishment & water assessments 2018 - Project scope finalization, roles clarification & project Implementation 2019 - Project implementation, integration and training 2020 - Project implementation, integration, training and hand over 2021 - final M&E and project hand over	Budget: <

	Classification of jobs:	Male adults:	Female adults:	Male youth:	Female youth:	Total:	Comments:
No. of jobs to be created:	To be confirmed based on the final project selection. Jobs created are expected to be semi-skilled and skilled engineering jobs.	5	0	3	2	10	All the jobs created will be for a short to medium term during the implementation of the project. Once completed, integrated and transferred to the municipality the on-going maintenance thereof will be the responsibility of the municipality.
Medium term:	Concrete casting, brick laying, paving, and painting.						
Long term:	The project is for a short to medium term during the implementation of the project, however expected to have long term impact in the water provision for the communities.						
Links with other development initiatives:	This project is linked to all prioritized projects in both the LM and the DM IDP's.						
Sustainability plan:	Since the project is in line with both the LM and DM priorities, its sustainability is guaranteed, based on the successful handover to the respective municipalities and their commitment to ensure its long term use.						
Completion date and exit strategy:	Once completed, integrated and transferred to the municipality the on-going maintenance thereof will be the responsibility of the municipality.						

3.5. Housing and Living Conditions

The history of the South African mining industry had a dire impact on the social cohesion of communities and family structures. The migration of primarily men from their families in the rural areas to the mines became part of the long-term social problems facing the current age. The Mining Charter therefore holds at its core the transformation of the industry and to ensure a sustainable and socially sound industry in the future.

The 2014 Mining Charter targets required companies to upgrade or convert hostels to individual rooms and/or family units and to encourage home ownership options. Another serious challenge with company housing and mining villages occurs much later at mine closure. A number of case studies have proven the difficulties to proclaim mining villages, to transfer ownership and to continue providing services after mine closure. Thus mining companies have lately started planning new mining operations taking into consideration the above. New mining operations are therefore no longer keen to invest in or encourage mining villages, hostels or residential sites where employees are secluded from the local community. Instead companies aim to ensure integration of mine workers with the local communities as best possible.

3.5.1. Company Strategy

As a result of the above background Doornhoek Fluorspar Mine aims to prescribe in the principles of sustainable mining and is therefore not planning any onsite residences for employees. Doornhoek Fluorspar Mine foresee that small groups of employees will come on site to complete tasks during their working shift and leave the site on completion of their shift. It is the intention of the mine to create a stable and well-integrated local workforce. As a result, it will be in the interest of the company to create means for their employees to invest in sustainable long-term accommodations, which carefully considers their wellbeing including the family. Employees of the proposed mine operation will be expected to integrate with existing communities in and around Zeerust. Local recruitment will form part of the company's strategy to reach this aim.

3.5.2. Home Ownership & RDP houses

The local municipality of RMLM is responsible for the planning and building of RDP houses and RMLM are currently running a number of RDP housing projects. Doornhoek Fluorspar Mine aims to continue maintaining a good relationship with the municipality, once operational. If and when needed, home ownership options for mine employees will be facilitated in consultation with

organized labour and the municipality. Doornhoek Fluorspar Mine will discuss any foreseen housing issues with the local municipalities and seek to find sustainable solutions.

3.6. Community Development Financial Provision

Table 3.9. Financial provision for LED projects

Local Economic Development						
	2017	2018	2019	2020	2021	TOTAL
Project 1: Water Project	R125,000	R500,000	R500,000	R500,000	R500,000	R2,125,000
TOTAL	R125,000	R500,000	R500,000	R500,000	R500,000	R2,125,000

SECTION FOUR:

DOWNSCALING AND

RETRENCHMENTS

4.1. Company strategy

It can be expected that companies will have to retrench workers from time to time for economic reasons and to remain globally competitive. It is therefore important that companies have strategies in place on how to deal with such situations. Doornhoek Fluorspar Mine will develop turnaround strategies to have detailed processes for saving jobs, managing downscaling and regenerating local economies ready for implementation if and when needed.

The main objective of Doornhoek Fluorspar Mine management of downscaling and retrenchment plan is to ensure that there are no other viable options to achieve operational requirements before considering downscaling of the workforce. Once the mine is operational, its downscaling and retrenchment strategy will be drawn up in a partnership approach between the Human Resource Department and Senior Management of the mine, in consultation with the Future Forum and will include specific objectives and desired outcomes.

The Doornhoek Fluorspar Mine retrenchment and downscaling strategy will be aligned with the legislation that governs this process (LRA 66 of 1995). The following bodies, legislation and guidelines will be consulted and taken into consideration whenever retrenchments and downscaling are under consideration:

- The Department of Labour (DoL)
- The Commission for Conciliation, Mediation and Arbitration
- The Labour Relations Act 66 of 1995 (LRA)
- Mineral Resources and Petroleum Development Act 28 of 2002
- Declaration of the Presidential Jobs Summit, October 1998.

As required, the company's downscaling and retrenchment strategy will include the sections set out below.

4.2. Future Forum

Doornhoek Fluorspar Mine undertakes to establish a Future Forum once operational stability has been achieved. The Forum will consist of management and employee representative, both directly employed and employed by contractors.

The functions of the Future Forum will include, but are not limited to:

- Promoting ongoing discussions between worker representatives and employers about the future of the mine
- Looking ahead to identify problems, challenges and possible solutions with regard to productivity and employment
- Developing turnaround and redeployment strategies to help reduce job losses and to improve business sustainability
- Implementing strategies agreed upon by both employer and worker parties.

The Forum will meet quarterly, or as regularly as the members may decide upon. When closure of the mine is imminent, the Forum will meet at least monthly.

4.3. Mechanisms to save jobs, provide alternative solutions and procedures for creating job security where job losses cannot be avoided

Should it become clear that job losses cannot be avoided, a process will be followed that shall include, but is not limited to, the following actions:

- Consultation with relevant stakeholders
- Implementing section 189 of the Labour Relations Act, 1995
- Notifying the Minerals and Mining Development Board
- Complying with Ministerial directive and confirm how corrective measures will be taken.

Consultation with relevant stakeholders

It is envisaged that any potential downscaling or closure requirement will be identified during the ongoing consultations, discussions and deliberations at the regular Future Forum meetings. The option to retrench any employee will only be considered as a last resort where necessary, but if applied Doornhoek Fluorspar Mine will commit itself to give retrenched employees fair packages.

Potential strategies and plans to avoid job losses will include, but will not be limited to:

- Delegation of workload in order to minimise overtime
- Moratorium on recruitment of all vacancies for a specified period
- Early retirement of employees
- Shortened working hours, workweek or extension of unpaid leave
- Implementation of programs (and budget) to train employees in other skills to enhance their employability outside the mining industry

- Eliminate use of sub-contractors where possible
- Temporary suspension of service
- Voluntary retrenchment (individual choice)
- Introduce an exploration programme which will identify additional resources and extend the life of mine.

Implement Section 189 of the Labour Relations Act (LRA), 1995

In the event of downscaling and retrenchments occurring, consultation with employees will be effected in accordance with section 189 of the LRA and any collective agreement that may exist. The following issues are relevant to the consultation process that will be undertaken with the relevant employee representatives:

- Ensure subscription to the universally accepted principles of fair retrenchment, incorporating consultation and negotiations with the elected worker representatives at the mine
- Disclosure of all relevant information
- Measures to avoid or minimise dismissals.

Notify Minerals and Mining Development Board

After consultations through the Future Forums where it becomes apparent that strategies and plans are not successful in avoiding job losses, Doornhoek Fluorspar Mine will notify the Minerals and Mining Development Board in accordance with Section 52(1) (a) of the MPRDA of the need for downscaling/closure as and when required during the life of the mine and if possible some four to five years prior to the end of the life of the mine. The government authorities will be given notice of the time-frame for the closure and/or downscaling process, on-going consultation, strategic initiatives and plans as discussed through the Future Forums. Regular progress reports will subsequently be distributed to the necessary departments.

Compliance with Ministerial directive

Doornhoek Fluorspar Mine will comply with any reasonable corrective measures and terms and conditions as the Minister may determine. The company will confirm in writing that it has complied with the directive and has undertaken the corrective measures determined by the Minister. Regular progress reports on compliance will be provided.

4.4. Management of retrenchments

Should it be impossible to prevent job losses, Doornhoek Fluorspar Mine will follow a process consisting of, but not limited to, the following:

- Consultation
- Communication of possible retrenchments
- Notification of the Minerals and Mining Development Board
- Implementing Section 189 of the Labour Relations Act, 1995.

Consultation

In carrying out a constructive consultation process, Doornhoek Fluorspar Mine undertakes to:

- Consult with all parties as required by trade union agreements
- Consult with affected employees or groups
- Seek and attempt to reach consensus with consulting parties on appropriate measures to avoid dismissals, minimise dismissals, change timing of dismissals and to mitigate the adverse effects of dismissals
- Seek and attempt to reach consensus with consulting parties on the method for selecting employees to be dismissed and severance packages for those employees
- Provide consulting parties with written information as per the requirements of the Labour Relations Act.

Communication of possible retrenchments

An extensive communication strategy will be implemented when retrenchments are inevitable after discussion and agreement at the Future Forum.

- Employees will be informed of possible retrenchments through sessions with senior management
- Continuous information sessions will be in place to address employees when retrenchments may come into effect
- The following information will be communicated to the employees
 - Reasons for the contemplated retrenchments
 - Strategic plans implemented by the Future Forum to avoid and minimise job losses
 - The number of employees likely to be affected by the retrenchments
 - Details of the expandable skills programmes and how these can be accessed

- Alternative employment opportunities available to employees that may be retrenched
- The timing of the retrenchments and severance packages that will be paid to employees
- Assistance that will be provided to employees and their families to deal with the emotional impact of retrenchment
- Any additional assistance that will be provided to employees.
- Informing other affected parties like labour sending areas and municipalities of possible retrenchments at the mine through the Future Forum.

Notify Minerals and Mining Development Board

The Minerals and Mining Development Board will be notified as required by Section 52(1) (a) of the MPRDA, where retrenchment of 500 employees or 10% of the labour force, whichever is fewer, is to take place in any 12-month period; and to the Minister of Labour if retrenchment of 500 employees or 10% of the workforce, whichever is greater, is contemplated. Ministerial directives will be complied with.

Implement Section 189 of the Labour Relations Act, 1995.

In the event of downscaling and retrenchments occurring, consultation with employees will be effected in accordance with section 189 of the Labour Relations Act (66) of 1995, as amended (LRA), and any collective agreement that exists (refer to section on consultation process).

Mechanisms to be put in place where job losses cannot be avoided include:

- Keeping a list of names and contact details of redundant employees in case vacancies should become available
- Compiling CVs
- Claims to the UIF
- Letters of reference
- Assisting with employment agencies
- Assistance to notify financial institutions regarding e.g. loan repayment
- Awarding certificates of service
- Transfers into lower paid positions
- Providing facilities for practical support assist in seeking alternative employment (i.e. fax, telephone, copiers).

It is the intention of Doornhoek Fluorspar Mine to employ people with core skills in a sustainable manner. This will ensure that these people can be assured of employment through the up and down times of the business cycle.

Exceptions may be considered in the future policy as follows:

- Apprentices will not be retrenched before their contracts expire without the approval of the SETA. The contract may be transferred to another employer. Apprentices may be considered for employment in other posts until an appropriate post becomes available.
- Bursars, learner technicians and other learner programmers: these employees will not be retrenched during their training programmes and will only be considered after completion of their studies according to merit and circumstances.
- No employee will be given notice or retrenched during annual, sick, maternity or family responsibility leave, neither have such notice run concurrently with any such leave, except sick leave.

The critical elements of minimizing damage to the employees in dealing with such a difficult issue are the on-going consideration of activities that create portable skills and communication.

4.5. Mechanisms to ameliorate the social and economic impact on individuals, regions and economies where retrenchment or closure of the operation is certain

Doornhoek Fluorspar Mine will implement employee assistance programmes (EAP) to offer support to affected employees where retrenchment or closure of the operation is certain. Employees who are retrenched will where possible, practical and reasonable be offered basic life skills, financial life skills and counselling services to ameliorate the effects of retrenchment. All these services will be available for a period set by the company and will be completely voluntary.

The processes followed to ameliorate the social and economic impact on individuals, regions and economies shall include, but will not be limited to:

- Comprehensive self-employment training programmes
- Comprehensive training and re-employment programmes
- Comprehensive portable skills development plan
- Projects earmarked for absorbing retrenched employees.

Comprehensive self-employment training programmes

A self-employment training programme will be facilitated to assist employees with specific skills to form and start small businesses. Examples of training topics that can be included are business idea generation, business plans, feasibility, viability, finance and capital requirements, risk, financial plans, business premises, furniture and equipment, trade licenses, personnel and stock. This process will ensure that retrenched employees are more marketable and can capitalise on current and emerging employment or business opportunities that exist in the local labour and business environment.

Comprehensive training and re-employment programmes

A comprehensive training and development program for retrenched employees will be compiled and conducted, in line with the earlier undertakings for non-mining and mining related portable skills training. Through the effective implementation of Doornhoek Fluorspar Mine's HRD plan, appropriate systems for creating employee mobility will be in place.

Retrenched employees will be assisted to find alternative employment with other companies. Employees will be allowed time off to go for job interviews. Each worker will be issued with a letter of recommendation, and existing infrastructure (such as telephones, computers, internet, etc.) will be made available to workers to seek employment.

Other procedures that will also be detailed for inclusion in the programme are:

- Selection criteria
- Alternative internal job offers
- Job offers at the same level
- Job offers on a lower level
- Determinations of the reasonableness of the job offer
- Severance pay
- Retirement funds
- Unemployment insurance fund
- Service certificates
- Alternative work
- Re-employment
- Employee assistance programmes
- Tax implications

- Medical examination
- Miscellaneous.

Comprehensive portable skills development plan

Doornhoek Fluorspar Mine will implement a focused portable skills training programme one to two years before any downscaling event. This is to provide sufficient time to re-skill employees prior to the commencement of the actual downscaling event. This will ensure that the portable skills are usable at the time the employee exits the company, it will facilitate a smooth transition into other industries or self-employment and will ensure improvement of income capacity after the downscaling event.

Portable skills training for employees will not start within the SLP period 2017 – 2021, since the mine is not yet operational. During the construction phase the focus will be on portable skills for members of the community. These skills will also enhance their employability during the construction phase. Details regarding community members' portable skills training are discussed in Section 2 (Human Resource Development) of this document.

Doornhoek Fluorspar Mine is committed to training employees throughout the company's life of mine. Such training will primarily be focused on operational skills required by the company. Doornhoek Fluorspar Mine does not envision training employees on alternative portable skills (outside of the mining and electrical sectors), during the life of mine, however, commits to making a financial provision to do so at any situation of downscaling, retrenchment and closure. Employees will have the opportunity to stipulate their training needs concerning re-skilling with portable skills should retrenchment or closure occur.

Projects earmarked for absorbing retrenched employees

To stimulate job creation in the surrounding areas, Doornhoek Fluorspar Mine will consider the feasibility of initiation or expansion of rural development schemes and local development interventions that will foster job creation or economic activity at the Doornhoek Fluorspar Mine and the surrounding communities.

If Doornhoek Fluorspar Mine is to close, the following additional options will be considered:

- In consultation with the relevant stakeholders the viability of transferring ownership of any outstanding initiatives to retrenched employees or local authorities or any other responsible

body in terms of the principles and procedures agreed or reasonably established by the enterprise will be evaluated

- In consultation with relevant stakeholders, the financial feasibility of transferring particular amenities, land and buildings and other resources to retrenched employees or the community on beneficial terms will be considered, especially where the market value of the resources does not justify open-market disposal and the beneficiaries are able to maintain and make active use of them.

In partnership with the local municipality projects will be set up prior to closure that will ensure optimal sustainable land use for the land on which the mine is situated. This will benefit both employees and community members to ensure that the area stays open to economic activity. Discussions will also be held with the municipality to determine the best use for infrastructure following closure.

4.6. Downscaling & Retrenchments Financial Provision

Doornhoek Fluorspar Mine commits to a financial provision for downscaling and retrenchment the moment the mine becomes operational. This fund will be set aside and/or invested, accumulating throughout the life of mine. The fund will then be utilized to implement the commitments made regarding the management of downscaling and retrenchments if and when necessary.

Table 4.1. Financial Provision for the Management of Downscaling and Retrenchments.

Management of Downscaling						
	2017	2018	2019	2020	2021	TOTAL
Downscaling investment fund	R0	R0	R0	R0	R0	R0
TOTAL	R0	R0	R0	R0	R0	R0

SECTION FIVE:

FINANCIAL PROVISION

5.1. Financial Provision

The details of the five-year financial provision for the Social and Labour Plan for the Doornhoek Fluorspar Mine is outlined below. Doornhoek Fluorspar Mine has an estimated five-year construction period. As such the five years after the mining right has been awarded will fall in the construction phase and during this time Doornhoek Fluorspar Mine will have no employees, as it would not be operational.

The table below shows a breakdown for the provision for Human Resource Development.

Table 5.1: Financial provision for Human Resource Development

HRD FINANCIALS	2017	2018	2019	2020	2021	TOTAL 2017-2021
Portable Skills	R50,000	R50,000	R50,000	R50,000	R50,000	R250,000
ABET Plan	R0	R126,400	R176,960	R202,240	R252,800	R758,400
Mentorship Plan	R0	R0	R0	R0	R16,000	R16,000
Learnerships Plan Internal & External	R0	R105,500	R105,500	R 211,000	R316,500	R738,500
Internal Bursaries Plan (Study Assistance)	R0	R0	R0	R0	R80,000	R80,000
External Bursaries Plan	R0	R100,000	R100,000	R100,000	R200,000	R500,000
Internship & Work Experience Plan	R0	R12,000	R136,000	R136,000	R532,000	R816,000
TOTALS	R50,000	R393,900	R568,460	R699,240	R1,447,300	R3,158,900

The table below shows a breakdown for the provision for Local Economic Development projects.

Table 5.2: Financial provision for LED projects

Local Economic Development						
	2017	2018	2019	2020	2021	TOTAL
Project 1: Water Project	R125,000	R500,000	R500,000	R500,000	R500,000	R2,125,000
TOTAL	R125,000	R500,000	R500,000	R500,000	R500,000	R2,125,000

The table below shows a breakdown for the provision for the Management of Downscaling and Retrenchments. Portable skills are accounted for under the Human Resource Development Section.

Table 5.3. Financial provision for the Management of Downscaling and Retrenchments

Management of Downscaling						
	2017	2018	2019	2020	2021	TOTAL
Downscaling investment fund	R0	R0	R0	R0	R0	R0
TOTAL	R0	R0	R0	R0	R0	R0

Table 5.4. shows the breakdown for the consolidated SLP financials per annum.

Table 5.4. Consolidated SLP financials per annum

Consolidated SLP Budget per Annum						
	2016	2017	2018	2019	2020	TOTAL
Human Resource Development	R50,000	R393,900	R568,460	R699,240	R1,447,300	R3,158,900
Local Economic Development	R125,000	R500,000	R500,000	R500,000	R500,000	R2,125,000
Management of Downscaling	R0	R0	R0	R0	R0	R0
Budget	R1750,000	R893,900	R1,068,460	R1,199,240	R1,947,300	R5,283,900

SECTION SIX:

UNDERTAKING

6.1. Undertaking

6.1.1. Doornhoek Fluorspar Mine (Pty) Ltd

I, _____ the undersigned and duly authorised thereto by _____ (company) undertake to adhere to the information, requirements, commitments and conditions as set out in the social and labour plan.

Signed at _____ on this _____ day _____ 2016.

Signature of responsible person _____

Designation _____

6.1.2. Department of Mineral Resources

APPROVED

Signed at _____ on this _____ day _____ 2016.

Signature of responsible person _____

Designation _____

ANNEXURE A:

**Ngaka Modiri Molema District
Municipality Engagement Meeting
Minutes**

ANNEXURE B:

Ramotshere-Moiloa Local Municipality Engagement Meeting Minutes

ANNEXURE C:

Ditsobotla Local Municipality Engagement Attempts
