

**SOCIAL AND LABOUR PLAN 2020 -2025
PROPOSED DUNBAR COAL PROJECT**

Applicant: Vandabyte (Pty) Ltd

DMR Ref: MP 30/5/1/1/2/ 10237 MR

October 2019

Driver Behaviour HR Consultants (Pty) Ltd
ProPark Offices 1A
Tzaneen
0850
Email: driverbehaviour@gmail.com
Cell: 071 866 9590
Fax: 086 243 8078

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DEFINITIONS AND ACRONYMS

ABET	Adult Basic Education and Training
Calendar Year	Defined as a year starting 1 January and ending 31 December
Community	A coherent, social group of persons with interest of rights in a particular area of land, in terms of an agreement, custom or by law
Demographics	Means the numerical characteristics of a population (e.g. population size, age
DMR	Department of Mineral Resources
DOL	Department of Labour
GMLM	Govan Mbeki Local Municipality
HDSA	Historically Disadvantaged South Africans
IDP	Integrated Development Plan
Labour Sending Area	Areas from which a majority of mineworkers, both historical and current are or have been sourced
LED	Local Economic Development
LRA	Labour Relations Act
Life of Mine (LoM)	Number of years the mine will be operational
Mining Charter	The broad-based Socio-economic empowerment Charter for the South African Mining and Minerals Industry – Mining Charter Document of 2018
Mine Community	Refer to communities where mining takes place
MPRDA	Mineral and Petroleum Resources Development Act
NSDS	National Spatial Development Strategy
PGDS	Provincial Growth Development Strategy
ROM	Run of Mine
STLM	Steve Tshwete Local Municipality
SETA	Senior Education Training Authority
SLP	Social and Labour Plan
SMME	Small, Medium and Micro-sized Enterprises
Sustainable development	Means the integration of social, economic and environmental factors into planning, implementation and decision-making to ensure that the mineral and petroleum resources development serves present and future generations

PROLOGUE

Vandabyte (Pty) Ltd has the sincere intention through this application for the extraction of coal in an intended opencast Coal Mine, and in specific in the area of Dunbar West situated in the Bethal Magisterial District in the Mpumalanga Province of the Republic of South Africa.

This report represents version 2 of the Social and Labour Plan which will be re-submitted to the Mpumalanga Department of Mineral Resources (DMR) together with the application form. It is the intention of Vandabyte (Pty) Ltd to fulfil all requirements as per the DMR and according to the Mineral and Petroleum Resources Development Act (No 28 of 2002) (MPRDA).

The purpose of the Mineral Resources Development Act, 2002, Act No 28 of 2002) (MPRDA) is amongst others to transform the mining and production industries in South Africa. In order to ensure effective transformation in this regard, the Act requires the submission of the Social and Labour Plan (SLP) as a pre-requisite for the granting of mining or production rights. The SLP requires applicants for mining rights to develop and implement comprehensive Human Resources Development Programmes, Mine Community Development Plan, Housing and Living Conditions Plan, Employment Equity Plan and processes to save jobs and manage downscaling and/or closure.

Consultation started already and more consultation with all relevant stakeholders will take place in due time and sufficient time schedules will be made available for relevant communities involved to comment on the Social and Labour Plan of Vandabyte (Pty) Ltd. The company will also in due time register with the Mining Qualifications Authority MQA to obtain the appropriate SETA for the mining industry.

Vandabyte (Pty) Ltd ensures that all systems, policies, procedures and standard operating documents will be in place within the required time frame.

SECTION 1: PREAMBLE

It is Vandabyte (Pty) Ltd intension to prepare for the extraction of coal in an intended opencast Coal Mine, specific in the Bethal Magisterial District in the Mpumalanga Province of the Republic of South Africa. The study area for the Mining Right application falls in the Steve Tshwete Local Municipality (STLM) located in the Nkangala District Municipality and in the Govan Mbeki Local Municipality (GMLM) located in the Gert Sibande District Municipality.

The study area is located approximately 4.1km south of Meerlus, 8.93 km southeast of Komati, 13.76 west of Hendrina. The Dunbar West project is situated about 40km southeast of Emalahleni (previously Witbank) and 30 km north of Bethal. The R35 is located west, R542 located north and the R38 is located south-east of the study area. The Richards Bay railway is running through the area whilst a newly tarred road is located on the eastern boundary. The Witbank / Highveld Coalfields are currently the most important coalfields in the Republic of South Africa.

The unduling nature of the surface topography provides for well-defined hills and valleys with the Leeufontein Spruit, a tributary of the Olifants River, bisecting the Western portion of the Mining Right.

Farming activities include dry land and irrigated maize cultivation, sheep and cattle farming. Open grasslands are used for cattle grazing.

The Mining Right application includes:

- Farm Dunbar 189 IS: Portions 1, 2 and remaining extent.
- Farm Middelkraal 50 IS: Portions 1.
- Farm Halfgewonnen 190 IS: Portions 6.

The extent of the area required for mining will be \pm 200 Ha of Mining Area and \pm 1840 Ha Mining Right application. The extent of the area required for infrastructure, roads, servitudes etc will be \pm 50 Ha.

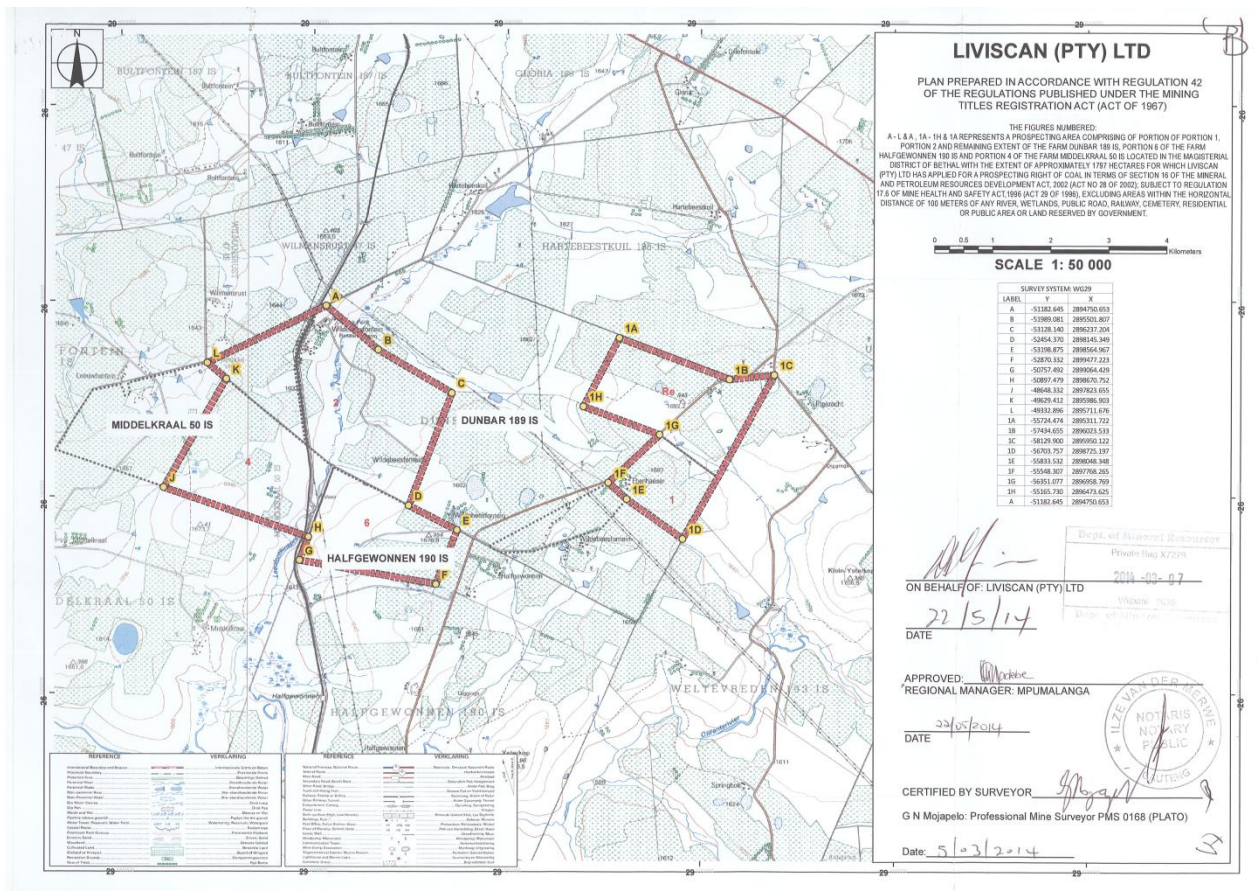


Figure 1: Location of the proposed Dunbar Coal Mine.

OBJECTIVES OF THE SOCIAL AND LABOUR PLAN

The objectives of the Social and Labour Plan as per the DMR SLP Guidelines (2010) are to:

- Promote economic growth and further develop mineral and petroleum resources in South Africa according to Section 2(e) of the MPRDA.
- Promote employment to HDSA and advance the social and economic welfare of South Africans according to Section 2(f) of the MPRDA.
- To furthermore ensure that the holder of the mining rights contribute towards the socio-economic development of the communities and areas involved in which they will be operating as well as the areas from which the majority of the workforce will be sourced from, according to Section 2(i) of the MPRDA as well as according to the Amended Mining Charter 2018.
- To utilize and expand the existing skills base for the empowerment of HDSA and with the main purpose to serve the communities involved.

In accordance with the Mineral and Petroleum Resources Development Act (MPRDA) (No 28 of 2002), the objectives of the Social and Labour Plan is to mainly consider social development programmes, in the context of generally recognized standards of sustainable development. This will be done by integrating all the social, economic and environmental factors in planning the mining operations throughout the complete lifespan of the mine. These objectives will include, but are not restricted to:

- Mining – creating job opportunities, skilled, semi-skilled and unskilled – for the local communities of Rockdale; Rondebosch and Kwazamokuhle to mention a few and towns like Bethal, Hendrina, Middelburg and Emalahleni;
- Contributing to the transformation of the mining industry as per the - BROAD BASED SOCIO- ECONOMIC EMPOWERMENT CHARTER FOR THE MINING AND MINERALS INDUSTRY, 2018; (The Mining Charter).
- Infrastructure development – will endeavour to provide basic services like water, sanitation, housing and access and haul roads; furthermore, they will provide and build offices, weighbridge, workshops and stores.
- Poverty eradication – funding will be made available for training and technological support;
- Local Economic Development Program – to ensure the mine contributes to the development of the Community;
- Enhance the main economical activities e.g. farming of dry land and irrigated maize, and open grasslands for cattle grazing.
- Social factors – advancing the social and economic welfare of the people in the Steve Tshwete ward and surrounding areas.
- Site safety and security – will cover Mine Health and Safety; Access Control.

BASIC OVERVIEW OF MINING METHOD

THE generally low strip ratios and wide surface area of the project area makes it ideal for the opencast truck and shovel mining method. Also, the mining method applicability is driven by technical applicability, economic viability, safety, equipment and infrastructure.

The mining method will comprise of the following main mining activities for both waste and coal:

- Topsoil and soft overburden removal
- Drilling of hard overburden material
- Charging and blasting
- Loading and hauling
- Tipping or dumping

The operational phase, known as the steady state, will commence after the completion of the boxcut. Conventional strip mining method will be employed. Material from the boxcut phase will be stored per overburden classification.

Steady state mining includes the following processes and equipment:

- Topsoil – thickness is assumed to be 1.0m -; loading and hauling to topsoil stockpile by truck and shovel.
- Soft overburden removal – loading and hauling to waste stockpile or in-pit backfill by truck and shovel
- Hard overburden – this material lies just below the weathered material and above the coal seam and will require drilling and blasting. Loading and hauling to waste stockpile by truck and shovel;
- The coal seams are expected to be drilled and blasted; Loading and hauling to ROM tip by truck and shovel;

Vandabyte intends to follow a scheduling excavator production calendar of a seven day week with the possibility of a 20 hour production shift per day.

INFRASTRUCTURE REQUIREMENTS

- Access & Haul roads (with necessary security) including the upgrading of the access point to mining area;
- Contractor's Yard with septic/chemical ablution facilities;
- Offices;

- Weighbridge, workshop and stores (with septic/chemical ablution facilities);
- Rail Siding (possible future expansion);
- Diesel facilities and a hardstand;
- Power and Water;
- Boxcut;
- Stockpiles (topsoil, overburden, subsoil/softs, ROM)
- Crushing, screening & wash facility; and
- Surface water management measures (stormwater diversion berms and trenches; pollution control dams etc).

1. INFORMATION

1.1. Information of Company (According to Regulation 46a)

Name of Company	VANDABYTE (Pty) Ltd
Name of mine	DUNBAR COAL MINE PROJECT
Physical Address	2nd Floor, Tugela House, Riverside Office Park, <u>1303 Heuwel Ave,</u> Centurion 0157
Postal Address	PO BOX 68727 HIGHVELD 0046
Telephone number	012 – 771 4411
Fax number	086 604 5100
EMAIL Address	<u>info@insa.co.za</u>
Commodity	COAL
Reporting	31 March annually
Financial Year	January to December
Responsible person	Bjorn Goosen

SECTION 2

2. HUMAN RESOURCES DEVELOPMENT PROGRAMME

2.1. Introduction

The Dunbar Coal Mine will be based on a Contractor model and the majority of labour costs will be carried by the Contractor. The number of workers employed during the construction phase will be determined by the appointed Contractors. Fully operational, the appointed Contractor will employ approximately 60 mining personnel and 34 staff members. Additionally, 15 to 25 contracted workers will be employed on security, occupational health, cleaning services and coal quality analysis services. No accommodation is planned on the mine and all employees and contract workers will live in the surrounding towns of Bethal, Hendrina and Middelburg.

Vandabyte recognizes and agree that the achievement of its strategic objectives is dependent on optimizing the capability and potential of the Contractors' employees and is therefore fully committed to ensure the structured and systematic training and development of their employees on an ongoing basis to enable them to perform their duties safely, efficiently and effectively. The Contractor will have to ensure per agreement to adhere to these requirements. Training and development will ensure that the Contractor's employees acquire the necessary competencies and related qualifications to meet future human resources needs.

Vandabyte, will in due time established discipline specific career paths for Contractor's employees in the following core disciplines:

- Mining;
- Engineering;
- Human Resources Management;
- Ore Processing;
- Mineral Resources Management;
- Commercial Management;
- Public and Corporate affairs; and
- Security, Safety, Health and Environment.

The human resources development program shall accordingly adhere to the MPRDA Regulations in conjunction with the Mining Work Programme and the National Skills Development Programme. Training and development will flow from the strategic objectives, performance management systems, human resources planning processes as well as skills development and Employment Equity plans.

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Human Resources Development will take place in a structured manner within parameters of proposed annual budgets.

The Human Resource Development Programme will take cognizance of the following:

- Skills Development Plan
 - ABET
 - Learnerships
 - Skills Development Programme
- Career progression Plan
- Mentorship plan
- Bursary Plan
- Internship Plan

2.2. COMPLIANCE WITH SKILLS DEVELOPMENT LEGISLATION

The Human Resources Skills Development Program will be developed according to Regulation 46 (b) (1) and will be implemented in accordance with the National Skills Development framework as provided for in terms of the Skills Development Act 97 of 1998 and the requirements of the Mining Qualifications Authority.

2.2.1. SKILLS DEVELOPMENT PLAN – REGULATION 46 (b) (i)

The objective of Vandabyte Skills Development Plan should be to provide quality learning and growth opportunities for people development in pursuit of individual, operational, corporate and national training and development goals. The Skills Development Plan should be interpreted as the company's strategy into workable and standardized processes and procedures to be implemented. The main focus of the Skills development Plan in respect of Vandabyte will be to provide an enabling environment that delivers:

- An appropriately qualified workforce;
- The opportunity to develop the potential of its workforce;
- The creation of a culture of continuous improvement;
- The embedding of an organizational culture that will promote a stimulating working environment which will be conducive to skills development.

2.2.2. Adult Basic Education and Training (ABET)

Adult Basic Education and Training (ABET) will be offered to all employees of the Contractor. Any employee that will be employed and who wishes to attend ABET,

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will be allowed to enrol in accredited private institutions offering ABET classes and the company will provide financial assistance with regards to the required class fees.

2.3. HARD-TO-FILL VACANCIES

The provision of quality training is not only a matter of upgrading employee skills, but will form part of the intended cornerstone of Vandabytes' future success and sustainability. The alignment of training to key business outcomes will form an integral part to Vandabyte's human resources development approach. Training and development will be prioritized in terms of certain positions regarded as critical and of high impact, and which are hard-to-fill. The following table reflects the relationship between possible critical high impact positions and the hard-to-fill positions.

Occupational levels	Reason for scarcity & challenges	Learning program
Mining Engineer	Relative scarce skill	Job specific development program
OHSA Manager	Relative scarce skill – industry orientated	Job specific development program
Surveyor	Relative scarce skill – geographical location	Job specific development program
Apprentice – Riggers	Lack of skilled people available	Apprentice program
Apprentice - boilermaker	Relative scarce skill	Apprentice program
Boilermakers	Relative scarce skill	Apprentice program
Technicians	Relative scarce skill	Learnership program

2.4. LEARNERSHIPS

Vandabyte through the Contractor will identify learnerships as a key route for achieving its transformation objectives. The company will accordingly offer learnerships in a number of supervisory, managerial and technical disciplines. The number of learnerships will be determined with reference to employee turnover, employment equity objectives, as well as critical high impact positions which will be hard-to fill.

The objectives of the learnership programme will be based on the following:

- Integration of structured learner and workplace experience;
- Provision for employee opportunities to obtain national recognized qualifications;

- Facilitation of diversity and transformation in the workplace;
- The bridging of the gap between current educational and labour needs.

Learnership programmes will focus on the following fields of study:

2.4.1. Supervisory and Managerial Learnerships

Vandabyte will ensure to appoint accredited service providers to assist with the development of accredited supervisory and managerial programmes, through in-service and class room training.

2.4.2. Engineering Learnerships

Vandabyte undertake and will ensure that a relative proportion of learnerships will be focused on the development of technicians and artisans in the engineering field.

Engineering learnerships will be offered in the following fields:

- Mechanical
- Electrician
- Fitting and Turning
- Instrumentation Technicians
- Boilermakers
- Rigger
- Welder / Platter

2.4.3. Mining and processing Learnerships

Vandabyte will also offer learnerships in the mining and processing disciplines. These learnerships are registered with the Department of Labour and will comply with the NQF qualifications. The specific learnerships to be offered will be:

- Mineral Processing NQF Level 2 – National Certificate
- Rock Breaking, Surface Excavations NQF Level 3 – National Certificate
- Mineral Processing NQF Level 3 – National Certificate

2.4.4. Unit Standard and Modular Based Training

In-service training will form part of the Contractor's Skills Development Programme and will incorporate a wide variety of skills and will be needs driven.

2.5. CAREER PROGRESSION PLAN

In order to meet the requirements of Regulation 46 (b) (ii) the Contractor should:

- 2.5.1. Ensure to recognize the need for career paths to sustain employee development and engagement over the next five years;
- 2.5.2. Develop individual development plans for employees;
- 2.5.3. Identify a talent pool to be fast tracked in line with the needs - Vandabyte know that career paths for employees maps out the successive steps during their employment with the company.
- 2.5.4. Provide a comprehensive plan with targets, timeframes and implementation guidelines.

2.6. MENTORING PLAN

Vandabyte believes that mentoring will become an important process that will be used in the development of the Contractors' employees, specifically regarding the transferring of knowledge and skills. Mentorships will be prioritized towards individuals including:

- Learnerships
- Internships
- Supervisory and managerial trainees
- Any individual with an identified potential on a planned career path.

2.7. BURSARY AND INTERNSHIP PLAN

The purpose is to provide bursary and experiential learning opportunities to employees and mine communities. In order to meet the requirements of Regulation 46 (iv) Vandabyte should consider applying fair selection criteria and the plan must conform to the skills development plan and focus on building capacity in various skills for employees reflective of demographics as defined in the Mining Charter.

The bursary scheme will target three key areas:

- Mechanical and Electrical Engineering
- Metallurgy
- Mining

The Contractor will particularly emphasize on technical professions for HDSA and Women in Mining.

2.8. EMPLOYMENT EQUITY

In order to meet the requirements of Regulation 46 (b) (v) Vandabyte will ensure that the Contractor adhere to the Employment Equity Act (No 55 of 1998) as well as the Mining Charter (revised 2018).

The Contractor is committed to the socio-economic transformation of South Africa and will undertake to establish a workforce that will realistically reflects the demographics of the country.

The Contractor through its commitment to Employment Equity will strive towards:

- Eliminating unfair discrimination;
- Promoting a broadly representative workforce;
- Redressing imbalances caused by past practices of unfair discrimination;
- Ensuring compliance with the Employment Equity Act and Revised Mining Charter.

2.8.1. BREAKDOWN OF THE WORKFORCE

Employment of skilled, trained and unskilled people will be done by appointed Contractor. The number of unskilled employees cannot be determined at this stage as this will be done by the Contractor, but it is anticipated that 150 unskilled and /or semi-skilled workers will be employed.

The workforce will diverse in that the intention is further to ensure that the required 10% of employees to be women will be employed accordingly as well as 40% managerial positions form HDSA. At least 55% of employees will be recruited from labour sending areas.

Vandabyte will use its best endeavours to ensure compliance by all employees and contractors is within the requirements of the Human Resources Development and Employment Equity programmes as stipulated in Regulation 46 of the Mineral and Petroleum Resources Development Act (No 28 of 2002). An Employment Equity plan will be submitted and made available as soon as mining operations will start.

TOTAL COST OF ALL TECHNICAL SKILLS AND SERVICES REQUIRED TO OPERATE THE MINE

CATEGORY	BUDGET YEAR 1	BUDGET YEAR 2	BUDGET YEAR 3	BUDGET YEAR 4	BUDGET YEAR 5	BUDGET YEAR 6	BUDGET YEAR 7	BUDGET YEAR 8	BUDGET YEAR 9	BUDGET YEAR 10
IN HOUSE SKILLS AND SERVICES	R 220 588.00	R 220 588.00	R 220 588.00	R 220 588.00	R 220 588.00	R 220 588.00	R 220 588.00	R 220 588.00	R 220 588.00	R 220 588.00
SKILLS AND SERVICES PROVIDED BY SUBCONTRACTORS	R 505 469.00	R 505 469.00	R 505 469.00	R 505 469.00	R 505 469.00	R 505 469.00	R 505 469.00	R 505 469.00	R 505 469.00	R 505 469.00
SKILLS AND SERVICES PROVIDED BY SERVICE PROVIDERS	R 7 762 500.00	R 7 762 500.00	R 7 762 500.00	R 7 762 500.00	R 7 762 500.00	R 7 762 500.00	R 7 762 500.00	R 7 762 500.00	R 7 762 500.00	R 7 762 500.00
TOTAL BUDGET FOR TECHNICAL SKILLS AND COMPETENCE	R 8 488 557.00	R 8 488 557.00	R 8 488 557.00	R 8 488 557.00	R 8 488 557.00	R 8 488 557.00	R 8 488 557.00	R 8 488 557.00	R 8 488 557.00	R 8 488 557.00

Before commencement and as of from date of application the employee per occupational levels will be:

OCCUPATIONAL CATEGORY	MALE					FEMALE					TOTAL
	A	C	I	W	TOTAL	A	C	I	W	TOTAL	
Senior Management	1			1	2						2
Professional qualified and experienced specialists and mid management	2			2	4						4
Skilled technical and academically qualified workers, junior management, supervisors, foremen (contract basis)	20			4	24						24
Semi-skilled and discretionary decision making (contract basis)	10				10	2				2	12
Unskilled and defined decision making (contract basis)	11				11	6		1		7	18
Total permanent	44			7	51	8		1		9	60
Total temporary											
GRAND TOTAL	44			7	51	8		1		9	60

MINE EMPLOYEES

PERSONNEL ON THE MINE'S PAYROLL: (Years 1 to 5)

Category	Year 1		Year 2		Year 3		Year 4		Year 5	
	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget
General										
Mine Manager	1	R 75 000.00	1	R 75 000.00	1	R 75 000.00	1	R 75 000.00	1	R 75 000.00
Site Manager	1	R 55 000.00	1	R 55 000.00	1	R 55 000.00	1	R 55 000.00	1	R 55 000.00
Plant Manager	1	R 45 000.00	1	R 45 000.00	1	R 45 000.00	1	R 45 000.00	1	R 45 000.00
Site Clerk	1	R 9 788.00	1	R 9 788.00	1	R 9 788.00	1	R 9 788.00	1	R 9 788.00
HSEC Manager	1	R 17 800.00	1	R 17 800.00	1	R 17 800.00	1	R 17 800.00	1	R 17 800.00
Training Offices	1	R 15 000.00	1	R 15 000.00	1	R 15 000.00	1	R 15 000.00	1	R 15 000.00
Cleaner	1	R 3 000.00	1	R 3 000.00	1	R 3 000.00	1	R 3 000.00	1	R 3 000.00
TOTAL	7	R 220 588.00	7	R 220 588.00	7	R 220 588.00	7	R 220 588.00	7	R 220 588.00

Personnel on the Mine's Payroll: (Years 6 To 10)

Category	Year 6		Year 7		Year 8		Year 9		Year 10	
	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget
General										
Mine Manager	1	R 75 000.00	1	R 75 000.00	1	R 75 000.00	1	R 75 000.00	1	R 75 000.00
Site Manager	1	R 55 000.00	1	R 55 000.00	1	R 55 000.00	1	R 55 000.00	1	R 55 000.00
Plant Manager	1	R 45 000.00	1	R 45 000.00	1	R 45 000.00	1	R 45 000.00	1	R 45 000.00
Site Clerk	1	R 9 788.00	1	R 9 788.00	1	R 9 788.00	1	R 9 788.00	1	R 9 788.00
HSE Manager	1	R 17 800.00	1	R 17 800.00	1	R 17 800.00	1	R 17 800.00	1	R 17 800.00
Training Offices	1	R 15 000.00	1	R 15 000.00	1	R 15 000.00	1	R 15 000.00	1	R 15 000.00
Cleaner	1	R 3 000.00	1	R 3 000.00	1	R 3 000.00	1	R 3 000.00	1	R 3 000.00
TOTAL	7	R 220 588.00	7	R 220 588.00	7	R 220 588.00	7	R 220 588.00	7	R 220 588.00

Subcontractor Personnel: (Years 1 To 5)

Category	Year 1		Year 2		Year 3		Year 4		Year 5	
	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget
General										
Production Supervisors	2	R 20 000.00	2	R 20 000.00	2	R 20 000.00	2	R 20 000.00	2	R 20 000.00
Plant Supervisors	1	R 10 000.00	1	R 10 000.00	1	R 10 000.00	1	R 10 000.00	1	R 10 000.00
Mechanic	1	R 26 000.00	1	R 26 000.00	1	R 26 000.00	1	R 26 000.00	1	R 26 000.00
Mechanical Assistant	1	R 16 000.00	1	R 16 000.00	1	R 16 000.00	1	R 16 000.00	1	R 16 000.00
Service Crew	4	R 34 800.00	4	R 34 800.00	4	R 34 800.00	4	R 34 800.00	4	R 34 800.00
Security	9	R 14 000.00	9	R 14 000.00	9	R 14 000.00	9	R 14 000.00	9	R 14 000.00
Logistics and Transport	1	R 9 844.00	1	R 9 844.00	1	R 9 844.00	1	R 9 844.00	1	R 9 844.00
Weighbridge Clerks	3	R 21 000.00	3	R 21 000.00	3	R 21 000.00	3	R 21 000.00	3	R 21 000.00
Conveyor assistants	6	R 21 000.00	6	R 21 000.00	6	R 21 000.00	6	R 21 000.00	6	R 21 000.00
TOTAL	28	R 172 644.00	28	R 172 644.00	28	R 172 644.00	28	R 172 644.00	28	R 172 644.00
Opencast Fleet										
Bulldozer Operator D 375	2	R 13 800.00	2	R 13 800.00	2	R 13 800.00	2	R 13 800.00	2	R 13 800.00
Dozer Operator D65	4	R 27 600.00	4	R 27 600.00	4	R 27 600.00	4	R 27 600.00	4	R 27 600.00

Hydraulic Excavator Operator	6	R 41 400.00	6	R 41 400.00	6	R 41 400.00	6	R 41 400.00	6	R 41 400.00
Articulated Dump Truck Operations	24	R 137 400.00	24	R 137 400.00	24	R 137 400.00	24	R 137 400.00	24	R 137 400.00
Grader Operator	2	R 6 429.00	2	R 6 429.00	2	R 6 429.00	2	R 6 429.00	2	R 6 429.00
Water Bowser Operator	4	R 22 196.00	4	R 22 196.00	4	R 22 196.00	4	R 22 196.00	4	R 22 196.00
TOTAL	42	R 248 825.00	42	R 248 825.00	42	R 248 825.00	42	R 248 825.00	42	R 248 825.00
Drill and Blast										
Coal Drill Operator	2	R 10 000.00	2	R 10 000.00	2	R 10 000.00	2	R 10 000.00	2	R 10 000.00
Drill Helper	2	R 7 200.00	2	R 7 200.00	2	R 7 200.00	2	R 7 200.00	2	R 7 200.00
Blaster Helper	4	R 14 400.00	4	R 14 400.00	4	R 14 400.00	4	R 14 400.00	4	R 14 400.00
Blasting Technician	2	R 6 900.00	2	R 6 900.00	2	R 6 900.00	2	R 6 900.00	2	R 6 900.00
TOTAL	10	R 38 500.00	10	R 38 500.00	10	R 38 500.00	10	R 38 500.00	10	R 38 500.00
Other										
Operator Leave / Sick Leave Relief	5	R 32 500.00	5	R 32 500.00	5	R 32 500.00	5	R 32 500.00	5	R 32 500.00
Pit Services	2	R 13 000.00	2	R 13 000.00	2	R 13 000.00	2	R 13 000.00	2	R 13 000.00
TOTAL	7	R 45 500.00	7	R 45 500.00	7	R 45 500.00	7	R 45 500.00	7	R 45 500.00
GRAND TOTAL	87	R 505 469.00	87	R 505 469.00	87	R 505 469.00	87	R 505 469.00	87	R 505 469.00

Subcontractor Personnel: (Years 6 To10)

Category	Year 6		Year 7		Year 8		Year 9		Year 10	
	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget	No of Positions	Budget
General										
Production Supervisors	2	R 20 000.00	2	R 20 000.00	2	R 20 000.00	2	R 20 000.00	2	R 20 000.00
Plant Supervisors	1	R 10 000.00	1	R 10 000.00	1	R 10 000.00	1	R 10 000.00	1	R 10 000.00
Mechanic	1	R 26 000.00	1	R 26 000.00	1	R 26 000.00	1	R 26 000.00	1	R 26 000.00
Mechanical Assistant	1	R 16 000.00	1	R 16 000.00	1	R 16 000.00	1	R 16 000.00	1	R 16 000.00
Service Crew	4	R 34 800.00	4	R 34 800.00	4	R 34 800.00	4	R 34 800.00	4	R 34 800.00
Security	9	R 14 000.00	9	R 14 000.00	9	R 14 000.00	9	R 14 000.00	9	R 14 000.00
Logistics and Transport	1	R 9 844.00	1	R 9 844.00	1	R 9 844.00	1	R 9 844.00	1	R 9 844.00
Weighbridge Clerks	3	R 21 000.00	3	R 21 000.00	3	R 21 000.00	3	R 21 000.00	3	R 21 000.00
Conveyor assistants	6	R 21 000.00	6	R 21 000.00	6	R 21 000.00	6	R 21 000.00	6	R 21 000.00
TOTAL	28	R 172 644.00	28	R 172 644.00	28	R 172 644.00	28	R 172 644.00	28	R 172 644.00
Opencast Fleet										
Bulldozer Operator D 375	2	R 13 800.00	2	R 13 800.00	2	R 13 800.00	2	R 13 800.00	2	R 13 800.00
Dozer Operator D65	4	R 27 600.00	4	R 27 600.00	4	R 27 600.00	4	R 27 600.00	4	R 27 600.00
Hydraulic Excavator Operator	6	R 41 400.00	6	R 41 400.00	6	R 41 400.00	6	R 41 400.00	6	R 41 400.00
Articulated Dump	24	R 137 400.00	24	R 137 400.00	24	R 137 400.00	24	R 137 400.00	24	R 137 400.00

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Truck Operations										
Grader Operator	2	R 6 429.00	2	R 6 429.00	2	R 6 429.00	2	R 6 429.00	2	R 6 429.00
Water Bowser Operator	4	R 22 196.00	4	R 22 196.00	4	R 22 196.00	4	R 22 196.00	4	R 22 196.00
TOTAL	42	R 248 825.00	42	R 248 825.00	42	R 248 825.00	42	R 248 825.00	42	R 248 825.00
Drill and Blast										
Coal Drill Operator	2	R 10 000.00	2	R 10 000.00	2	R 10 000.00	2	R 10 000.00	2	R 10 000.00
Drill Helper	2	R 7 200.00	2	R 7 200.00	2	R 7 200.00	2	R 7 200.00	2	R 7 200.00
Blaster Helper	4	R 14 400.00	4	R 14 400.00	4	R 14 400.00	4	R 14 400.00	4	R 14 400.00
Blasting Technician	2	R 6 900.00	2	R 6 900.00	2	R 6 900.00	2	R 6 900.00	2	R 6 900.00
TOTAL	10	R 38 500.00	10	R 38 500.00	10	R 38 500.00	10	R 38 500.00	10	R 38 500.00
Other										
Operator Leave / Sick Leave Relief	5	R 32 500.00	5	R 32 500.00	5	R 32 500.00	5	R 32 500.00	5	R 32 500.00
Pit Services	2	R 13 000.00	2	R 13 000.00	2	R 13 000.00	2	R 13 000.00	2	R 13 000.00
TOTAL	7	R 45 500.00	7	R 45 500.00	7	R 45 500.00	7	R 45 500.00	7	R 45 500.00
GRAND TOTAL	87	R 505 469.00	87	R 505 469.00	87	R 505 469.00	87	R 505 469.00	87	R 505 469.00

HDSA in Management Targets

ELEMENT	DESCRIPTION	MEASURE	COMPLIANCE TARGET	2021	2022	2023	2024	2025
EMPLOYMENT EQUITY	Diversification of the workplace to reflect the demographics to attain competitiveness	Top Management	40 %	20%	25%	30%	35%	40%
		Senior Management	40%	20%	25%	30%	35%	40%
		Middle Management	40%	25%	30%	35%	40%	40%
		Junior Management	40%	30%	35%	40%	40%	40%
		Core Skills	40%	15%	25%	30%	35%	40%

2.8.2. PROPOSED LABOUR SENDING AREAS

MUNICIPAL AREA	
Steve Tshwete	Rockdale North; Rondebosch; KwaZamokhule; Kanonkop & Newtown.
Govan Mbeki	EMzinoni; Leslie; Lebohang; Leandra & Charl Cilliers development.

SECTION 3: MINE COMMUNITY ECONOMIC DEVELOPMENT

Through the Dunbar Coal Project, Vandabyte is committed to delivering improvements in the social and human capacities of the people who will surround this operation, not only to maintain their social licence to operate, but to create real opportunities for socio-economic advancement.

Social and Economic Background Information (Regulation 46 (c) (i))

The area surrounding the Dunbar Coal Project is a rural area involving mainly commercial agriculture and subsistence farming. Recruitment will focus on local available labour forces and the potential development of skills for the reasons given in other sections. Where local labour skills are not possible, labour forces will be sourced from nearby regions and provinces.

Population density, growth and location

The areas outside the towns and residential areas are generally very rural and under developed. The population resides mostly in the towns of Middelburg, Bethal and Hendrina, and represents the primary service centres for the surrounding rural areas. Two National roads transverse the Steve Tshwete Local Municipality, the N4 (Maputo Development Corridor) and N11 (Middelburg/ Bethal/ Ermelo/ Richards Bay Corridor). The total population of STLTM, according to a Community Survey (2016) data, was 278 749.

The total population for GMLM in 2019 according to the STATS SA increased from 340 091 in 2016 to 374 884 people – the fifth largest population in the province.

Gender profile

Of the total population of STLTM of 278 749, 52,4% represents male and 47,6% represents female.

The male population in GMLM increased in 2016 from 108.45 males per 100 females.

Unemployment estimate for the area

STLM economy is one of the biggest economic areas and it is therefore expected that a significant number of employment opportunities are being provided in the area. Mining, trade and manufacturing are the major leading employment drives in STLM.

The unemployment rate decreased slightly from 19.7 % on 2011 to 16.4 % in 2015. Unemployment rate for females 21.8% and males 12.9%. The Youth Unemployment Rate in STLM was 27.1 % in 2011.

Housing – demand and availability

There is an increasing demand for housing as well as other basic services. The average household size is indicative of the quality of life in any given study area. The number of Households 2016 in STLM is 71022. The number of households 2016 in GMLM is 108 894.

Education levels

According to the 2016 census of STATS SA, the population in STLM which completed grade 12 increased to 97 943 – an increase of 32,7% with a pass rate improvement to 86,2 %.

According to the 2016 census of STATS SA, the population in GMLM which completed grade 12 increased to 107 061 – an increase of 30.2%. The pass rate for grade 12 improved to 73% in 2017.

Social Infra-structure

The infrastructure in the area is generally poor and need either of replacement or upgrading. A range of projects have been identified by the community and are reflected in the Integrated Development Plan (IDP) programmes of both STLM and GMLM. These projects will be implemented by the municipality as funding is approved. The projects for this Social and Labour Plan still needs to be identified which will be in line with the IDP of the Municipality and will be further and more specifically finalised in collaboration with the municipal authorities.

Water supply

Water is supplied in a combination of boreholes and a piped, reticulation system, managed by the STLM. In 2016 85.4% of households has a connection to piped tap water either on site or off site.

The supply of water remains the priority of the inhabitants of the areas within and surrounding the Dunbar Coal Mine, and discussions with regard to supply and reticulation infrastructure for the mine sending areas will continue.

Power supply

STLM is licensed to supply electricity to Middelburg; Hendrina; Kwaza; Doornkop; Komati; Blinkpan and Koornfontein. It comprises of the following divisions: Small consumers; Distribution and Planning and bulk connection. The provision of electricity within the municipality continues to decrease 0.7% between 2011 and 2016.

Key Economic Activities (Regulation 46 (c) (ii))

In comparison to the wider economic region the STLM has strong productive industries, including agriculture, mining and manufacturing. These industries are extremely important for driving economic growth and development in the entire economy.

Eskom power stations, local mines which sustain the area, Columbus Steel, strong agricultural areas, a thriving commercial community and tourist attraction including dams (Middelburg) and rivers characterize the economic profile of the local municipality.

Impact of the Mining Operation

A five year plan of specific community development projects that will address some of the immediate and prioritised needs of the community will be discussed with the municipalities and Ward Committees with the development of the Social and Labour Plan, with commitment by the mine for ongoing collaborative participation with the target community.

Perceived negative impact of Mining Operation so far, includes:

- Possible relocation of people;
- Dust, Visual and Noise pollution;
- Decrease in Water Quality and Quantity;
- Influx of people.

Having identified any negative impact, the applicant should address such impact as required by the relevant legislation and such initiative(s) should not be regarded as mine community development projects.

Community Engagement and Socio-Economic Assessment

To improve the understanding of both the positive and negative impacts of the mining operations on host communities, Vandabyte will utilise the Socio-Economic Assessment Toolbox (SEAT) process, which facilitates more structured dialogue with stakeholders.

A three-year cycle is proposed, which involves profiling of communities as well as gathering information on the impacts (negative and positive) of operations on host communities. Management responses to the concerns and priorities of stakeholders are published in a form of a report, which is distributed to all stakeholder groups, including local, provincial and national government; non-governmental organisations and interested and affected parties. The implementation of the management responses generated by the SEAT process is taken forward through the social management plan, which is updated annually.

During the SEAT process, stakeholders are identified and engagement takes place through formal and informal meetings and interviews.

Infrastructure and poverty eradication projects that the mine would undertake in line with the (IDP) of the areas and other relevant frameworks in which the mine operates and the major sending areas

The needs of the area are broad and Dunbar Coal Mine commits to participate in the Integrated Development Programme (IDP) of the local municipalities. Some of the priority areas identified in the IDP are:

- Environment
- Education
- Agriculture
- Social and Health
- Construction sector

Ongoing discussions with the respective municipalities is taking place, but it has been indicated that services such as schools and clinics were not supported as the maintenance and management of such facilities requires additional funding post project injection. Vandabyte has therefore identified the following potential projects to create jobs, community upliftment and service delivery:

- Education: Community Scholrship Scheme
- Skills development
- Health and welfare
- Safety and emergency preparedness

LED Projects

Category	Project Description	Budget	Project Partner
1. Education	<ul style="list-style-type: none"> Community Scholrsrship Scheme – provision of scholarships per study cycle 	R 7.86 million	STLM and Department of Education
2. Capacity / skills development	<ul style="list-style-type: none"> Skills Galore Ladies Home based Care Training Skills Development Centres Leadership Development 	R 7.86 million	STLM GMLM Department of Gender and Social Development
3. Health and welfare	<ul style="list-style-type: none"> Invets in local AIDS Council initiatives Upgrade Child welfare 	R 7.86 million	STLM GMLM Communities involved Department of health
4. Safety and emergency preparedness	<ul style="list-style-type: none"> Resourcing Disaster Management Centre and Fire Department 	R 7.86 million	STLM GMLM SAPS Disaster Management tean

Proposed Project 1: Education development

Project Name	Name of Project: Education			Classification of Project: Infrastructure and Learner Support				
Background	Huge challenge facing community schools are the deterioration of school infrastructure, high rate of youth unemployment and minimal opportunities for those who pass Grade 12 and go to tertiary institutions to further their studies.							
Geographic location of the project	District municipality: Nkangala	Local Municipality: Steve Tshwete	Village name: N/A	Project start date: Date of mine start-up		Project end date: Proposed 10 years after the start of the mine – updated every 5 years		
Output:	Identify depleted school infrastructure for upgrades and add to bursary for community scholarship	Key Performance Area: Education and infrastructure	Key Performance Indicator: Improve the quality of schools learning environment	Responsible entity (inclusive of all role players): <ul style="list-style-type: none"> • Vandabyte • Department of Education • Tertiary Institutions 	Quarterly timelines and year: Year 1-	Quarterly timelines and year: Year 2/3 –	Quarterly timelines and year: Year 4-5:	Budget for first five years: R 5 million

Proposed Project 2: Capacity/ Skills development

Project Name	Name of Project: Capacity/ Skills development			Classification of Project: Capacity / skills development: Educators			
Background	There is a need for capacity/ skills development within education as educators are often found with low morale.						
Geographic location of the project	District municipality: Nkangala	Local Municipality: Steve Tshwete	Village name: N/A	Project start date: Date of mine start-up		Project end date: Proposed 10 years after the start of the mine – updated every 5 years	
Output: Capacity and skills development workshops focusing on Educators, Women and NGO's	Key Performance Area: Education and NGO's	Key Performance Indicator: Improve the quality of schools learning environments Improve the chances and quality of Women from HDSA	Responsible entity (inclusive of all role players): <ul style="list-style-type: none"> • Vandabyte • Department of Education • NGO's 	Quarterly timelines and year: Year 1 - finalisation of funding and budgets	Quarterly timelines and year: Year 2/3 – Procurement and delivery	Quarterly timelines and year: Year 4-5:	Budget for first five years: R 4 million

Proposed Project 3: Health and Welfare

Project Name	Name of Project: Health and Welfare			Classification of Project: Capacity / skills development: Infrastructure support and capacity building			
Background	Limited health facilities in STLM to service the growing population. Support in form of facilities will greatly improve the standard of healthcare in these areas.						
Geographic location of the project	District municipality: Nkangala	Local Municipality: Steve Tshwete	Village name: N/A	Project start date: Date of mine start-up		Project end date: Proposed 10 years after the start of the mine – updated every 5 years	
Output:	Key Performance Area: Health and Welfare	Key Performance Indicator: Improve the quality of health and welfare centres	Responsible entity (inclusive of all role players): <ul style="list-style-type: none"> • Vandabyte • Department of Health • Steve Tshwete Local Municipality 	Quarterly timelines and year: Year 1 - finalisation of funding and budgets	Quarterly timelines and year: Year 2/3 – workshops and initiatives	Quarterly timelines and year: Year 4-5:	Budget for first five years: R 4 million
Invest in local AIDS Council initiatives							
Upgrade Child welfare							

Proposed Project 4: Safety and Emergency Preparedness

Project Name	Name of Project: Safety and Emergency Preparedness			Classification of Project: Capacity building			
Background	Disaster Management and Emergency Response Departments are under-resourced for the growing population.						
Geographic location of the project	District municipality: Nkangala	Local Municipality: Steve Tshwete	Village name: N/A	Project start date: Date of mine start-up		Project end date: Proposed 10 years after the start of the mine – updated every 5 years	
Output: Capacity building in terms of emergency response	Key Performance Area: Safety and Emergency Preparedness	Key Performance Indicator: Invest in the safety and preparedness of community	Responsible entity (inclusive of all role players): <ul style="list-style-type: none"> • Vandabyte • Steve Tshwete Local Municipality • Emergency Response Departments 	Quarterly timelines and year: Year 1 - finalisation of funding and budgets. Identify materials needed by Department	Quarterly timelines and year: Year 2/3 – Upgrades of infrastructure and purchase of equipment	Quarterly timelines and year: Year 4-5:	Budget for first five years: R 4 million

Community Sharing Infrastructure

The infrastructure developments, which will be directly related to the mining development, will focus on service delivery to the benefit of the HDSAs, including:

- Continued refurbishment of the district municipal bulk services infrastructure, especial water and electricity.
- Maintaining or rebuilding sections of the road infrastructure which will be decided on more specifically in discussion with the municipalities and relevant Departments.

Community Involvement

The IDPs for the local municipalities have been reviewed and Vandabyte, together with the municipalities and the DMR will participate in a process to consultatively develop projects from the date of granting of the mining right, as described provisionally in this SLP.

Measures to Address Housing and Living Conditions - Regulation 46 (c) (iv)

The measures to promote the ownership of housing by employees have been described below. Vandabyte promotes home ownership with the long-term goal of meeting the Mining Charter's requirement that all employees live in sustainable human settlements. The Mining Charter has been revised as follows:

Mining companies must implement the following measures to improve the standards of housing and living conditions for mineworkers:

- Demolition of hostel blocks,
- Attain an occupancy rate of one person per room,
- Facilitate home ownership options for all mine employees in consultation with organised labour.

The Type of Housing and Food Provided for Employees

Vandabyte will not provide housing as such, as the salaries budgeted for all employees include housing, food and travel allowance.

SECTION 4: PROCESSES PERTAINING TO MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

Vandabyte (PTY) Ltd will handle and manage all future downscaling and retrenchments in conjunction with the relevant representative bodies.

Vandabyte (PTY) Ltd subscribes to the principle stated by the DMR that a primary indicator for the need to downscale operations becomes evident when the prevailing economic conditions cause the profit: revenue ratio of the mining operation falls below 6% on average for a continuous period of 12 months. Should this indicator flag an imminent, probable downscaling and retrenchment, the process of saving jobs and managing downscaling and/or managing the process of mine closure will be initiated.

Vandabyte (PTY) Ltd will handle and manage all future downscaling and retrenchments in conjunction with the relevant employee representative bodies.

A detailed process in conjunction with Section 52 of the MPRDA and Regulation 46 (e), for saving jobs, managing downscaling and regenerating local economies will be developed for implementation at time of such need.

Vandabyte (PTY) Ltd accordingly if and when needed follow procedures as Section 189 – Dismissal based on operational requirement – of the Labour Relations Act, whereby timely notices will be given should such procedures be required.

The social and economic impacts on individuals, regions and economies (where retrenchments or closure of the operation is certain) can be ameliorated through such mechanisms as:

- Assessment and Counselling
- Self-employment training and kick-start programmes
- Re-employment programmes (with specific training)

The primary objective of downscaling and retrenchment management is to ensure that there are no other viable options to achieve operational requirements before considering the downscaling of workers.

To achieve this, the following have been put in place:

- Establishment of a representative Future forum
- Mechanisms to save jobs and avoid job losses and decline in employment
- Mechanisms to provide alternative solutions and procedures for creating job security where job losses cannot be prevented

- The improvement of social and economic impacts where retrenchment or closure of the operation is certain.

4.1. Future Forum

Future forums are an outcome of the 1997 Presidential Job Summit, where the tripartite parties agreed on the implementation of a “Social Plan” which aims to put in place three sets of measures, or interventions namely;

- To prevent retrenchments taking place;
- Where retrenchments are unavoidable, they are managed humanely; and
- Where large-scale retrenchments have taken place, then measurements to assist the affected individuals and communities to find alternative form of employment or sustainable livelihood.

The establishment of a Future Forum is a required under Regulation 46 (d) (i) of the MPRDA. A Future Forum is a site-specific labour-management body that will focus on the implementation and monitoring of the Social and Labour Plan.

A Future Forum will be established within two years after the granting of the mining right. The functions of the Future Forum will include but are not limited to:

- Promote ongoing discussions between worker representatives (Work Forum) and the Employer about the future of the Project;
- Establish and identify problems, challenges and possible solutions with regard to productivity and employment;
- Develop turnaround and redeployment strategies to help reduce job losses and to improve business sustainability; and
- Implement strategies agreed upon by both employer and worker parties.

Vandabyte (PTY) Ltd should undertake to establish a Future Forum within twelve (12) months after the execution of an agreement with stakeholders. The future Forum will comprise of management and workers or their representatives. This mechanism of the management of downscaling will be undertaken by members of the Community Liaison Committee and will be included in the Terms of Reference of the Board.

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

The process to be followed to ameliorate the impact will include but are not limited to:

- Comprehensive self-employment training programmes;
- Re-employment programmes;
- Comprehensive portable skills development plan;
- Earmark projects for absorbing retrenchments;
- Submitting the abovementioned plans to DMR 24 months prior to the commencement of the downscaling process.

One of the requirements of the Future Forum is to have structures in place to facilitate the consultation processes so that Vandabyte's management and recognized trade union representatives can meet on a monthly basis to discuss workplace issues. The intention is to provide a formal vehicle where all affected parties can consult and discuss challenges and possible solutions to problems facing the workplace that may have the potential to lead to large-scale retrenchments in the future.

Processes for Creating Job Security

The most direct and appropriate intervention is for Vandabyte to assist employees facing retrenchments to secure alternative employment.

Certain processes will be followed when prevailing economic conditions cause the profit-to-revenue ratio of the Colliery to drop below 6% on average for a continuous period of 12 months. These processes will include:

- Consultations – the consultation process in terms of Section 52(1) of the MPRDA;
- Implementation of Section 189 of the Labour Relations Act;
- Notifications to the Minerals and Mining Development Board – the notification process to the Board in terms of Section 52 (1) (a) of the Act;
- Complying with the Ministers directive and conforming how corrective measures will be taken;
- Providing training for proxy earners; and

- Reskilling of workers for other jobs on the mine or for jobs outside the mining sector

Mechanisms to provide alternative solutions and procedures for creating job security where job losses cannot be avoided

Besides disciplinary actions, the primary reasons for loss of employment are technological changes, redundancies, retrenchment, mine closure, adverse economic and trading conditions, and business process streaming.

Under these circumstances, the key issues that need to be considered are the degree of dependence of the mine community and labour-sending area on the Dunbar Coal project, and the policies and procedures in place with Vandabyte (PTY) Ltd to provide financial security for individual employees. Further mechanisms and solutions will be sought in collaboration with the employee's forums.

The amelioration of social and economic impacts where retrenchment or closure of the operation is certain

Planning for closure and downsizing takes place throughout the life cycle of the mine, from exploration through to post-closure rehabilitation.

Vandabyte (PTY) Ltd will make every effort to ameliorate the social and economic impact of individuals, regions and economies where retrenchment and closure is certain. These initiatives will focus on:

- Assessment and counselling services for affected individuals
- Comprehensive self-employment training and re-employment programmes; and
- Closure planning

Vandabyte (PTY) Ltd will consider providing counselling through professional counsellors. Requests for such counselling are to be directed.

Self-employment training and re-employment programmes and portable skills development plan

As part of its corporate social responsibility, Vandabyte intends to equip the current work force as well as members of the community with portable skills that will benefit the individuals concerned.

To realize this commitment, Vandabyte will generate a portable skills programmes covering the following skills:

- Carpentry
- Bricklaying
- Painting
- Plumbing

Closure Planning

Vandabyte has developed a closure plan that considers the optimal use of mine land and infrastructure during the operational phase as well as the closure phase of the mining life-cycle. This plan will be a focus area of the Dunbar LED strategy to diversify the economy and will take into account the potential social benefits of utilizing the existing land and infrastructure.

Of importance is the consideration of alternative uses of the physical infrastructure in the event of mine closure, which will require an amendment to the existing Environmental Management Programme (EMPr) in consultation with the DMR.

All infrastructure and mine management programmes on projects will be conceived and implemented within the context of the accepted standards of sustainable development.

Land and infrastructure for food production enterprise on mine land

A principal issue in the reduction of risk exposure of mine communities is their lack of food security. More specifically, loss of wage income as a consequence of retrenchment eliminates or reduces the capacity of the urban resident to purchase food.

In a rural environment, residents can often undertake subsistence farming as a substitute for purchased food. Inevitably, due to space constraints and the competition for formal sector employment in an urban environment, lower income groups will have the greatest difficulty in gaining alternative employment. They will also be most restricted in their access to land grow alternative subsistence sources of food.

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SECTION 5: FINANCIAL PROVISION

In order to meet the requirements of Regulation 46 (e) (i), (ii), (iii), the following should be considered:

In line with sections 23 (1) (e) and 84 (1) (g), the applicant for a mining and production right must provide financially and otherwise for the social and labour plan.

- Financial provision should be in monetary value (Rand); and
- The provision should cater for all components of SLP.

Note:

Financial commitment should be the sole responsibility of the mining right holder. Where other partners or stakeholders are involved, mechanisms should be put in place to ensure delivery.

Vandabyte undertakes to make provision for the implementation of a Human Resources Development Programme (HRDP). All contractors and consultants have included the 1% of the labour budget for the National Skill Fund contribution.

The allocated funds are intended for:

- Participation in Skills Development Levies Act
- Learnerships
- Internal training program
- External training program
- Mentor-assisted training
- Local community bursary funding

The provisions for LED and Downscaling will be funded entirely by Vandabyte in the form of a fund generated by a unit per ton on revenues provided that operations remain profitable after having taken the charge and is subject to the absence of other imposed royalties.

The royalty payment will be based on the prescriptions of the Mineral and Petroleum Resources Royalty Act (28 of 2008) (MPRRA). Section 4 (2) stipulates that for an unrefined mineral, the quantum is determined as a percentage equal to

0.5% plus (EBIT/ (Sales of unrefined resource x 9) x 100). Such calculations will be included in the cash flow as a separate entry.

The provisions for HR Development Programme will be fuelled by both company and employee contributions for HR related funding, in the normal way that Pension and Provident Funds are for the Life of Mine.

SECTION 6 UNDERTAKING

The person responsible for the social and labour plan, who is responsible to make known the social and labour plan to the employees and who must be contacted for follow-ups, requests, reports, queries, enquiries, discussions, etc. at time of such needs must make the following undertaking on behalf of the Mine or Production Operation. The Chief Executive Officer, Managing Director or any other person so appointed must approve the social and labour plan.

I, _____ the undersigned and duly authorized

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 _____ 20 _____

Signature of responsible person

Designation _____

Approved

Signed at _____ on this _____ day of _____ 20 _____

Signature: _____

Designation: _____