



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

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From: Directorate: Mineral Regulation: Mpumalanga Region

Enquiries: Mavundza D.O **Reference No. MP 30/5/1/2/2/429 MR**

Subdirectorate: Mineral Laws

REGISTERED MAIL

The Directors
Universal Coal Development 1 (Pty) Limited
P O Box 2423
Brooklyn
PRETORIA
0181

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Gentlemen/Ladies

APPLICATION FOR A MINING RIGHT IN TERMS OF SECTION 22 OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT, 2002 (ACT 28 OF 2002): PORTION 1 AND THE REMAINING EXTENT OF PORTION 2 OF THE FARM WOLVENFONTEIN 244 IR, MAGISTERIAL DISTRICT OF DELMAS.

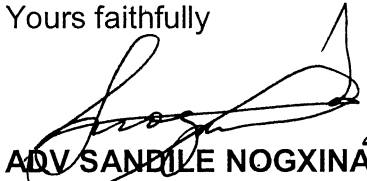
1. This serves to inform you that your abovementioned application from a mining right to mine for **Coal** in respect of the abovementioned property has been granted in terms of Section 23(1) of the abovementioned Act. The Regional Office will prepare the final copies of the right to be signed.
2. Take note that the Regional Manager will approve the relevant Environmental Management Programme and sign the right.
3. Further note that in terms of Section 23(5) of the Act, the mining right comes into effect on the date on which the Environmental Management Programme is approved. In terms of Section 25(2)(b) mining activities must commence within one year of the effective date.
4. In light of the afore-going, you are requested to:
 - 4.1. Ensure that all outstanding matters regarding your application are finalized and that relevant documents are submitted to the Regional Office no later than 30 days prior to the date mentioned in paragraph 2 above, which outstanding matters include the submission of:
 - a. financial provision in an amount of R 8,091,456.00
 - b. the particulars of your authorized representative who will sign the right,

- c. the particulars of the public notary, before whom the right must be signed,
- d. six copies of the final mining work programme,
- e. A diagram prepared by a surveyor **6 (six) originals** in accordance with the requirements of the Mining Titles Registration Act and which shall indicate-
 - (i) the north point;
 - (ii) the scale to which the plan has been drawn;
 - (iii) the name, number registration division and portion of the farm or farms on which the relevant area is situated;
 - (iv) the shape of the relevant area in relation to the farm boundaries and co-ordinates points;
 - (v) the region in which the relevant farm is situated and;
 - (vi) be certified, approved signed and dated by the professional land surveyor, unless the Director General otherwise indicates.
- f Six (6) copies of the Social and Labour Plan

4.2. Please make arrangements for the public notary, authorized representative(s) of your company and a witness to be present and attend the signing of the mining right once the aforesaid outstanding matters are verified and an execution date has been finalized by this Office.

- 5. Note further that in terms of Section 25(2)(a), the signed/executed mining right must be lodged for registration at the Mineral and Petroleum Titles Registration Office, Pretoria, within 30 days as from the date of approval of the relevant environmental management programme.
- 6. Failure to comply may result in the withdrawal, suspension or cancellation of the right in question.

Yours faithfully


27/09/2010
ADV SANDILE NOGXINA
DIRECTOR GENERAL
DEPARTMENT OF MINERAL RESOURCES