



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

NAME OF APPLICANT: Pan African Mineral Development Company (Pty) Ltd

REFERENCE NUMBER: NW/30/5/1/1/2/400PR

PROSPECTING WORK PROGRAMME

**SUBMITTED FOR A PROSPECTING RIGHT APPLICATION
WITHOUT BULK SAMPLING**

AS REQUIRED IN TERMS OF SECTION 16 READ TOGETHER WITH REGULATION 7(1) OF THE
MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT 28 of 2002)

STANDARD DIRECTIVE

All applicants for mining rights are herewith, in terms of the provisions of Section 16 and in terms of Regulation 7(1) of the Mineral and Petroleum Resources Development Act, directed to submit a Prospecting Work Programme, strictly under the following headings and in the following format together with the application for a prospecting right.

1. **REGULATION 7.1.(a): FULL PARTICULARS OF THE APPLICANT**

Table 1: Applicant's Contact Details

ITEM	COMPANY CONTACT DETAILS
Name	Dr. Kosmas G. Chenjerai
Tel no	010 201 4700
Fax no:	010 201 8209
Cellular no	072 655 1437
E-mail address	kosmasgc@aemfc.co.za
Postal address	P. O. Box 786 141 Sandton, 2146, South Africa

Table 2: Consultant's Details

ITEM	CONSULTANT CONTACT DETAILS (If applicable)
Name	N/A
Tel no	N/A
Fax no:	N/A
Cellular no	N/A
E-mail address	N/A
Postal address	N/A

**2. REGULATION 7(1)(b): PLAN CONTEMPLATED IN REGULATION 2(2)
SHOWING THE LAND TO WHICH THE APPLICATION RELATES**

See attached maps

3. REGULATION 7(1)(c): THE REGISTERED DESCRIPTION OF THE LAND TO WHICH THE APPLICATION RELATES

(a) Farms: Greenwich 302 IM, Sydney 312 IM, Tauton 315 IM, Govie 324 IM, Belper 331 IL, Ross 330 IM, Collins 189/15 JM and Skelek 189/14JM

4. REGULATION 7(1)(d) and (e): THE MINERAL OR MINERALS TO BE PROSPECTED FOR

Table 4.1: Minerals to be prospected for

- (a) The lapsed 38 PR included diamonds, gold, manganese, iron, lead/zinc, nickel, platinum group metals, uranium and copper.
 (b) The new applications include manganese and iron only

ITEM	DETAIL
Type of mineral(s)	Diamonds, gold, manganese, iron, lead/zinc, nickel, platinum group metals, uranium and copper
Type of minerals continued	
Type of minerals continued	
Locality (Direction and distance from nearest town)	North West Province
Extent of the area required for prospecting	Approximately 100 000 hectares
Geological formation	Ongeluk and Gamagara Formations of

4.2 Description why the Geological formation substantiates the minerals to be prospected for: Regional aeromagnetic interpretation of the area has indicated manganese and iron ore anomalies.

4.3 Attach a geological map that justifies the description why there is a possibility that the minerals applied for could occur on the land concerned (see the Geology map attached to the Annual Report).

5. REGULATION 7(1)(f): A DESCRIPTION OF HOW THE MINERAL RESOURCE AND MINERAL DISTRIBUTION OF THE PROSPECTING AREA WILL BE DETERMINED

The prospecting will be guided by the Prospecting Works Programme submitted for NW400 PR. These properties will be added to the existing NW400 PR.

(a) Manganese and Iron Ore anomalies: Ground geophysics, followed by drilling and drill core sampling

AND

REGULATION 7(1)(h): ALL PLANNED PROSPECTING ACTIVITIES MUST BE CONDUCTED IN PHASES AND WITHIN SPECIFIC TIMEFRAMES

AND

REGULATION 7(1)(i): TECHNICAL DATA DETAILING THE PROSPECTING METHOD OR METHODS TO BE IMPLEMENTED AND THE TIME REQUIRED FOR EACH PHASE OF THE PROPOSED PROSPECTING OPERATION

The table below incorporates the information required in respect of Regulations 7(1)(f), 7(1)(h) and 7(1)(i):

Table 5.1

Phase	Activity (what are the activities that are planned to achieve optimal prospecting)	Skill(s) required (refers to the competent personnel that will be employed to achieve the required results)	Timeframe (in months) for the activity)	Outcome (What is the expected deliverable, e.g. Geological report, analytical results, feasibility study, etc.)	Timeframe for outcome (deadline for the expected outcome to be delivered)	What technical expert will sign off on the outcome? (e.g. geologist, mining engineer, surveyor, economist, etc)
1	Project Conceptualisation	Geologist(s) Geophysicist(s)	4-6 weeks	Geological model	6 weeks	Geologist Geophysicist
2	Scoping	Geologist (s)	2 – 3 months	The first phase of geological exploration is underway but not far advanced.	3 months	Geologist Geophysicist
3	Pre-Feasibility	Geologist (s)	6 – 8 months	The second phase of geological exploration is complete. Measured and Indicated mineral resource definition. 10 drill holes are planned	8 months	Geologist
4	Feasibility	Geologist	12 months	Advanced mineral resource definition. An additional 20 -30 drill	12 months	Geologist

				holes are planned.		
5	Bankable Feasibility Study	Geologist	18 months	Final phase of geological exploration. A further 10 – 20 drill holes are planned.	18 months	Geologist

6. REGULATION 7(1)(g): A DESCRIPTION OF THE PROSPECTING METHOD OR METHODS TO BE IMPLEMENTED

(i) DESCRIPTION OF PLANNED NON-INVASIVE ACTIVITIES:

Desktop studies, regional aeromagnetic interpretation

(ii) DESCRIPTION OF PLANNED INVASIVE ACTIVITIES:

Ground geophysics, diamond drilling, drill core sampling

(iii) DESCRIPTION OF PRE-/FEASIBILITY STUDIES

Geological modeling leading to ground geophysics, diamond drilling, drill core sampling, resource estimation and project development.

**Commitment to provide addendums in respect of
additional prospecting activities**

I herewith commit to provide the Department of Mineral Resources with an addendum in respect of both the EM Plan and Prospecting Work Programme regarding any future in-fill prospecting required but not described above, prior to undertaking such activities. The addendum will cover all the Regulations as per the Prospecting Work Programme.

I agree that the addendums will provide for similar activities only and if the scope changes I would be required to apply in terms of Section 102 of the MPRDA for an amendment of the Prospecting Work Programme

Mark with X

ACCEPT	X
--------	---

7. REGULATION 7(1)(j)(i):DETAILS WITH DOCUMENTARY PROOF OF THE APPLICANT’S TECHNICAL ABILITY OR ACCESS THERETO TO CONDUCT THE PROPOSED PROSPECTING OPERATION

7.1 Competencies to be employed in terms of the Mine Health and Safety Act

COMPETENCIES TO BE EMPLOYED (List the legal appointments that will be made in terms of the Mine Health and Safety Act, appropriate for the type of operation)
The applicant has already executed NW400PR and has started carrying out exploration activities

I herewith confirm that I, in Table 9.1 have budgeted and financially provided for the required skills listed above.

CONFIRMED (Mark with an X)	X
-----------------------------------	---

7.2 List of Appropriate equipment at your disposal (If Applicable)

Table D: Appropriate Equipment Available

<i>Applicant to hire contractors</i>

7.3 Technical skills provided Free of Charge

7.3.1 Information (CV's) in respect of skills already acquired (append)

7.3.2 Copy of the relevant contractual agreements between the service provider and the applicant relative to the duration of the planned prospecting period, where applicable.(append)

7.3.3 ALL other evidence of Technical Ability (append)

8. REGULATION 7(1)(j)(ii):DETAILS WITH DOCUMENTARY PROOF OF A BUDGET AND DOCUMENTARY PROOF OF THE APPLICANT'S FINANCIAL ABILITY OR ACCESS THERETO

The Applicant has already executed NW400PR and has started carrying out exploration activities

AND

9. REGULATION 7(1)(k) A COST ESTIMATE OF THE EXPENDITURE TO BE INCURRED FOR EACH PHASE OF THE PROPOSED PROSPECTING OPERATION (remember to also include prospecting fees)

Table 9.1

ACTIVITY	YEAR 1 Expenditure (R')	YEAR 2 Expenditure (R')	YEAR 3 Expenditure (R')	YEAR 4 Expenditure (R')	YEAR 5 Expenditure (R')
PHASE 1 (4-6 weeks)					
Conceptual	500 000.00				
PHASE 2 (2 -3 months)					
Scoping	500 000.00				
PHASE 3 (6-8 months)					
Pre-Feasibility	3 000 000.00	3 000 000.00			
PHASE 4 (12 months)					
Feasibility		4 000 000.00	4 000 000.00		
PHASE 5 (18 months)					
Bankable Feasibility Study				4 000 000.00	3 000 000.00
Annual Total	4 000 000.00	7 000 000.00	4 000 000.00	4 000 000.00	3 000 000.00
				Total Budget	22 000 000.00

NOTE! If any person (including the applicant) provides services in any job or skills category at a reduced rate or free of charge, then such person's Curriculum Vitae (CV) must be attached as documentary proof of the technical ability available to the applicant.

10. FINANCIAL ABILITY TO GIVE EFFECT TO THE WORK PROGRAMME

10.1 The amount required to finance the Work Programme.

R 22 00 000.00 (Twenty two million Rands)

10.2 Detail regarding the financing arrangements

PAMDC is a tripartite company, jointly owned by Zambia, Zimbabwe and South Africa in equal shares. The company is funded by the three governments and is also looking for strategic partnerships to carry out the exploration programmes. Joint Venture negotiations are at various stages with different potential partners

10.3 Confirmation of supporting evidence appended

Pan African Mineral Development Company has already executed NW400 PR and is in the second year of exploration.

11 Confirmation of the availability of funds to implement the proposed project.

Pan African Mineral Development Company has already executed NW400 PR and is now in its second year of exploration activities.

12 I herewith confirm that I have budgeted and financially provided for the total budget as identified in Regulation 7(1)(k).

Confirmed (Mark with an X)	X
----------------------------	---

13 REGULATION 7(1) (m): UNDERTAKING, SIGNED BY THE APPLICANT, TO ADHERE TO THE PROPOSALS AS SET OUT IN THE PROSPECTING WORK PROGRAMME

Table: 13.1

Herewith I, the person whose name and identity number is stated below, confirm that I am the Applicant or the person authorised to act as representative of the Applicant in terms of the resolution submitted with the application, and undertake to implement this prospecting work programme and adhere to the proposals set out herein.	
Full Names and Surname	Dr. Kosmas Goriat Chenjerai
Identity Number	CN 441942

END