

# Boikarabelo News

Edition 1  
December 2013



Welcome to Boikarabelo News, the regular newsletter which will keep you up-to-date with progress around Resource Generation's Boikarabelo coal mine – one of South Africa's largest coal deposits.

Development at Boikarabelo has been progressing well over the past eight months and, in this first newsletter, we highlight some of the hard work by members of our team both at the minesite and in the local communities.

## A new logo for the Boikarabelo coal mine – Hennie the hippo



In March 2013, we launched a competition in 27 high schools around the Waterberg region to design a new logo for our mine. We wanted local school children to design a logo which would highlight our high safety standards and equal employment opportunities and which would be easily recognisable within our local communities.

The winner would win a set of encyclopaedia and sports kit for his or her school.

The quality and number of entries was outstanding and it was very hard to select just one winner. As a result, we decided to award a second set of encyclopedia and sports kit to the school of the runner-up.

The winning logo was designed by Koos Mawele Monyeki of the Batlhelerwa Secondary School, and the runner-up was Rosina Moyahabo Mmaledi of the Motlhajwa Secondary School.

Well done to both Koos Monyeki and Rosina Mmaledi and thank you to everyone who entered.

### An explanation of what Boikarabelo and Hennie the hippo represent

- The Waterberg region is well known for its hippos, and Zeekoevlei (Hippo Lake) was the first farm Resource Generation bought;
- Boikarabelo means 'to be responsible' in the local northern sotho dialect and the Boikarabelo coal mine aims to be responsible in all aspects of its work and community activity;
- Hennie is a big hippo with an appetite for eating up the coal Boikarabelo will produce;
- He is a safe and responsible hippo, with safety glasses and hard hat;
- He is also a happy hippo, happy to be at Boikarabelo and happy to be at work.



Andy McLeod (Mine Manager) and Bongsi Ndimande (General Manager, Human Resources) congratulating winner, Koos Monyeki.



Andy McLeod (Mine Manager) back at school with runner-up Rosina Mmaledi.



# Community News:

An important part of Boikarabelo's development is the contribution the coal mine will make to neighbouring communities. Over the past months, representatives from the mine have been very active in the communities, meeting regularly with local council representatives. We continue to give briefings on progress to date, as well as our future plans. In total, we have held more than 50 consultations in the past 32 weeks. In addition to the local community engagements, we have made numerous school and university visits.

## The local economy

It is very important that the Boikarabelo coal mine supports the local economy and, where the skills exist, we will be sourcing supplies and services from local businesses.

Of the 20 tenders issued to date, many have required skills or services that do not currently exist within the local communities (eg. complex contracts or production of mining machines). As part of the tender conditions, however, local agencies and businesses will be involved in commissioning and repairs and maintenance.

So far three projects have been reserved just for local businesses, and this number will increase. For the three projects, 17 local businesses were invited to tender and four were awarded work. In addition, we have over 20 local companies supplying services to the mine site on a non-tender basis. This represents approx. 30% of the companies we do business with, and the total spend was ZAR3.35m (A\$0.36m) last quarter.

## Employment

We have created an average of 65 fulltime equivalent jobs during the year. Over 80% of the jobs created were filled by local people; this is important to us and a key objective going forward.

60% of the permanent positions at the mine have been given to women, which is in line with our targets.

## Education and training

Through our commitment to increase the skills of local community members we have started a number of social and labour plan initiatives with the aim of recruiting and training approx. 670 people with a 50/50 balance between men and women. Already over 10,000 applications have been received and are currently being assessed.

## Adult Basic Education & Training (ABET) program

At the end of September we enrolled our first 12 members into our ABET program. The ABET is aimed at local community members who have had no formal primary and/or secondary education. The program, which is run part-time from the mine training centre, teaches communication, numeracy and life skills which will enable attendees to access further employment opportunities.

## Apprenticeships

In September, we agreed a partnership with the Exxaro Training Centre in Grovos, Lephalale to assist us with various programs including training and apprenticeships while the mine is under construction. Already the following apprenticeship places have been offered to local community members:

- 3x Diesel Mechanics
- 1x Fitter
- 1x Electrician and
- 1x Boilermaker.

In addition Ratah Mphete has been selected from the local community to benefit from a storeman apprenticeship program. Ratah, who suffers from a disability was chosen because of her desire to follow a skilled technical trade and the limited opportunities afforded to women, especially disabled women, in a male dominated field.



Bongji Ndimande (General Manager, Human Resources) congratulating local community member Ratah Mphete on being selected for the storeman apprenticeship program and presenting her with her personal protective equipment.

## Bursaries

In addition to the training and apprenticeship programs, the Boikarabelo Coal Mine has also started awarding third year university bursaries. In September, we awarded our first university bursaries to five mining engineering undergraduates from Pretoria University. These bursaries are awarded to students who are studying relevant geology or engineering degrees

and are aimed at helping the students through the final year of their course.

Towards the end of September, bursary interviews were also held for third year geology and electrical engineering students from Pretoria University and Wits University. Successful students were notified of the outcome of these interviews at the beginning of December.



Mining engineering students from Pretoria University receive the first Boikarabelo Coal Mine bursaries.

## Current health campaign

World Aids Day on 2 December

The aim was to give Lesedi community an opportunity to participate in the world aids day event.



Lesedi community members arriving for the World Aids Day event.



# Operational News:

Protech Khuthele (Pty) Ltd has been commissioned to undertake the earthworks for the project. Work is now underway to clear land for the development of the construction camp, railway loop, temporary access road and power and water services.



*Sinvac contractors.*

## The construction camp

In February, we commenced initial preparation work at the mine site which included bush clearing and the beginning of a temporary access road to the construction camp.



*A motor grader levelling the terrace pad at the planned construction camp.*

In September, the site was ready for the earthworks contractor to start ground works for the 200 man construction camp. These are running smoothly and we expect completion of the initial terraces (on which the camp will be built) to be completed by the time you read this newsletter at the end of December 2013.



*Beginning of the construction camp ground works.*

In addition to the construction camp, renovations to existing buildings are also taking place.



*Accommodation being renovated.*

## The railway

On 19 November, we started taking delivery of the first batch of second-hand railway tracks. These 900kg tracks are being reclaimed from the now defunct Buffelsfontein Gold Mine near Orkney in the North West province and transported to the construction site by special articulated long trucks in batches of 28 rails per load. So far we have received approximately 360 tonnes of the 1,100 tonnes of rail we have ordered and deliveries are progressing well and should

be completed ahead of the schedule of June 2014.

These rails will be used to construct the 8.8km rail loop at the side of the mine, where travelling speeds are low. The rail loop will eventually join up with the main rail line to the holding yard, close to the Medupi power station 43km away. The earthworks for the building of the rail line and rail loop is expected to start in January 2014.



*Railway tracks ready for construction of the rail loop.*

## Water and power

Work has started on providing power and water to the construction mine site. The high tension overhead power lines are currently being erected and the contractor responsible for the waterworks will commence the installation work shortly. Once the water works have been established the power will be activated.



*Temporary 32KV power lines, installed to provide power for the construction period, will be replaced by permanent 132KV power lines once the mine is established.*



*Temporary site offices for Protech Khuthele when they very first established, these have now been extended and the access road established.*





## Safety, Health and Environment (SHE)

Safety of all workers at the Boikarabelo project is a high priority, and ZERO HARM is a key project objective. Prior to starting work at the Boikarabelo project all contractors and site personnel are required to have a medical examinations and site induction.

During October, November and December a number of contracting firms were invited to site to establish their base of operations, so far approx. 50 contractors have been inducted from:

- Protech khuthele
- Sinvac
- KZN Rail
- Victaulic

In addition to the inductions we also carried out the first of our first aid training courses on 15 and 16 October, and safety rep training was conducted on 7 November.

### Current safety campaign

Take a moment for Christmas safety, it can be a stressful and tiring time of year with people travelling long distances to get home or go on holiday.

Take your time and don't rush – aim to minimise accidents at the work place and on the road.

## Environmental Management Plan

The Boikarabelo project is a massive greenfield mine site – approx. 77km at its widest point, so it encompasses a large amount of the surrounding Waterberg region. Driving around the site you come across game such as giraffe, warthog, impala and water buck and the project team has a huge responsibility to manage, and where possible limit, the environmental impact of the mine. There are a number of archaeological sites which fall within the mine footprint of disturbance, these sites have been demarcated to ensure that they are cleared in terms of the SAHRA permits.

Conservation of this beautiful region is key and we will adhere strictly to all environmental conditions.

To ensure that we manage our interaction with the diverse environment, we have started our first monitoring studies and putting in place our environmental management plans.



*A young reticulated giraffe, we have approximately 20 on site and recent additions have been observed. Note the dry bush in this winter image, the grass and trees are now lovely and green after recent welcome rains.*

As part of our environmental monitoring we are currently monitoring water quality across 50 sites; collecting dust fallout over 11 sampling sites, and undertaking biomonitoring at 3 sites on the Limpopo River.

### Current studies and surveys

One of our first monitoring studies to be completed was the golden-brown baboon spider survey. The survey's aim was to identify the density of spiders across the areas which will be disturbed as part of the mine and rail development. A golden-brown baboon spider relocation project will follow the bush clearing.



*A golden-brown baboon spider and the relocation which involves digging up the spiders and making new burrows for them.*

Further research is also been undertaken on the trapdoor spider and scorpions found across the project site. 630 pitfall traps were placed across the property in 30 arrays. The location of the arrays was linked to the different soil types across the area. The traps were initially closed and were opened after the first rains. During this first survey 12 species of trapdoor spiders were collected as well as 10 species of scorpions. The trapdoor spider survey conducted at this site will contribute to two major research initiatives. The first is a revision of the systematics of the trapdoor spider family Idiopidae. Robin Lyle is presently busy with her Ph.D. at the University of Pretoria titled "A taxonomic revision of several genera of Afrotropical Idiopinae (Araneae: Idiopidae)". Material collected during the survey will be included in her study. The second is a larger survey of the trapdoor spider diversity of South Africa. The surveys conducted to date, as well scientific studies, have indicated that South Africa has a diverse but largely undiscovered trapdoor spider fauna. The first step in estimating the diversity of the trapdoor spiders is to determine the total number of species that exist in a region.

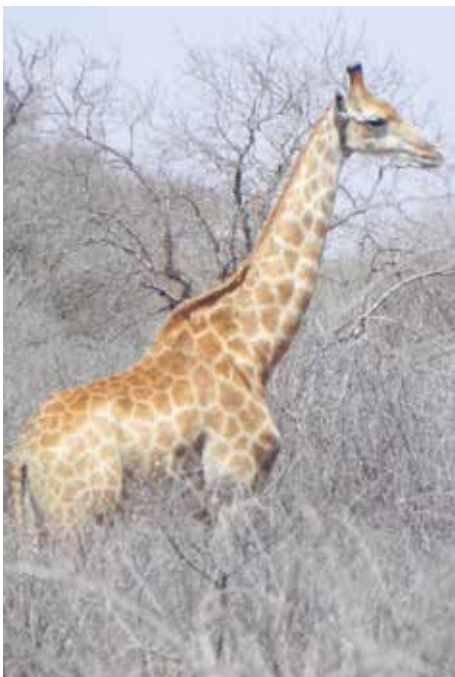
The spiders and scorpions collected during these studies will be safely transported to reputable institutions and museums for safe keeping, where they will be available for study. These institutions and museums will include:

- National collection of Arachnida, ARC, Pretoria, South Africa.
- Ditsong National Museum of Natural History, Pretoria, South Africa.
- South African Museum, Cape Town, South Africa.
- American Museum of Natural History, New York, USA.
- British Museum of Natural History, London, United Kingdom



*Example of scorpions caught in our pitfall traps.*





## Key priorities at Boikarabelo

- **Zero harm** – making sure Boikarabelo is a safe coal mine
- **Equality** – ensuring that men and women have an equal opportunity to work at the mine
- **Low environmental impact** – minimising the impact the mine has on the surrounding Waterberg region
- **Supporting the local economy** – ensuring that as many services as possible are sourced from the local region
- **Be responsible** – aiming to be responsible in all aspects of our work and community activity

