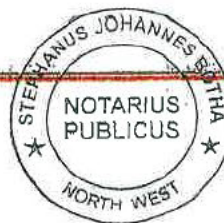


ORIGINAL

WBJV Project 1 (Maseve)
SOCIAL AND LABOUR PLAN

OPERATING COMPANY:
MASEVE INVESTMENTS 11 (Pty) Ltd.

January 2012



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OBJECTIVES OF THE SOCIAL AND LABOUR PLAN

This document is compiled according to DMR Guidelines for Social and Labour Plans (SLP) 2010 and Submitted in accordance with Section 46 of the Mineral and Petroleum Resources Development Act (Act No. 28 of 2002).

The objective of the WBJV Project 1 (Maseve) SLP is to align the principles to the requirements of the Mining Charter through:

- Promoting employment and to advance the social and economic welfare of all South Africans;
- Contributing toward the transformation of the Mining Industry; and
- Contributing towards the socio-economic development of the Rustenburg Local Municipality (RLM), Moses Kotane Local Municipality (MKLM), as well as the Bojanala District Municipality (BDM) in the North West Province (NWP).

In this regard and keeping with the spirit of Charter compliance, it is important to note, that Maseve submitted an SLP in October 2011, outlining its initial social commitments related to the second phase of this project. This has been reviewed by the DMR and amended according to their recommendations. This document is the final revised draft which encapsulates a more comprehensive and integrated commitment, especially in terms of Local Economic Development (LED), to all related and relevant stakeholders. This SLP focuses more on the MKLM for the first 5 (five) year period, reason being that RLM has got 3 (three) of the world largest platinum mines in their jurisdiction, namely Anglo Plats, Impala Platinum and Lonmin, whereas the former Municipality has none of these size companies in its jurisdiction.

Refer to the following Annexures regarding required DMR amendments to the first SLP submission, as well as the necessary consultations:

- Annexure 1: DMR concerns and comments and the references in terms of the sections that addresses each relevant concern;
- Annexure 2: MKLM attendance register; and
- Annexure 3 a: MKLM post-meeting feedback.
- Annexure 3 b: MKLM letter of confirmation regarding the alignment of Maseve's LED project alignment.

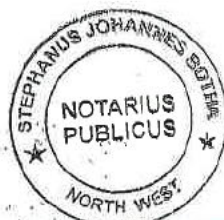


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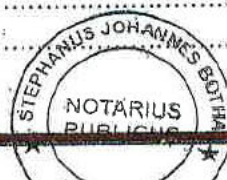
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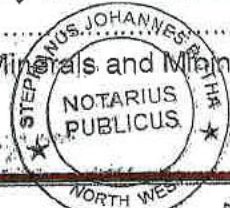


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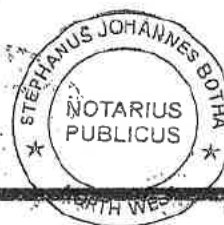


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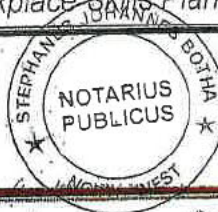
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GLOSSARY OF TERMS

ABET	Adult Basic Education and Training
ATR	Annual Training Report
BBBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BFS	Bankable Feasibility Study
CPP	Career Progression Path
CSI	Corporate Social Investment
DMR	Department of Minerals and Energy
DoL	Department of Labour
EE	Economic Empowerment
EEP	Employment Equity Plan
EIA	Environmental Impact Assessment
HDSA	Historically Disadvantaged South African
HR	Human Resource
HRD	Human Resource Development
ICDP	Individual Career Development Plan
IDP	Integrated Development Plan
KPA	Key Performance Area
LED	Local Economic Development
LEDP	Local Economic Development Plan
LGSA	Local Government Strategic Agenda
LOM	Life of Maseve PROJECT 1 (Maseve)
MKLM	Moses Kotane Local Municipality
MP	Mentoring Plan
MPRDA	Mineral and Petroleum Resources Development Act of 2002
MQA	Mining Qualifications Authority
NQF	National Qualifications Framework
PGE	Platinum Group Element
PGM	Platinum Group Metals
PPP	Procurement Progression Plan
PTM	Platinum Group Metals (RSA) (Pty) Ltd
RLM	Rustenburg Local Municipality
RLS	Rustenburg Layered Suite
RPL	Recognised Prior Learning
SAQA	South African Qualification Authority
SETA	Sectoral Educational and Training Authority
SLP	Social and Labour Plan
SMME	Small Medium Micro Enterprise
SPV	Special Purpose Vehicle
Maseve	WBJV Project 1 (Maseve)
WIM	Women in Mining
WSP	Workplace Skills Plan



Definitions

Broad-based Socio-economic Empowerment: A social or economic strategy, plan, approach or act aimed at:

- Redressing the results of past or present discrimination based on race, gender or other disability of historically disadvantaged persons in the minerals and petroleum industry, related industries and in the value chain of such industries.
- Transforming such industries to assist in, provide for, facilitate:
 - The ownership, participation in or benefit from existing or future mining, prospecting exploration or production operations;
 - The participation in or control of management of such operations;
 - The development of management, scientific, engineering or other skills in historically disadvantaged persons;
 - The involvement or participation in the procurement chains of the operation.
 - The socio-economic development of communities immediately hosting mines, affected by supplying labour to the operations;
 - The ownership of, and participation in the beneficiation of the proceeds of the operations or other upstream or downstream value chain in such industries; and
 - The socio-economic development of all historically disadvantaged South Africans from the proceeds of such operations.

Community: A coherent social group of people with interests or rights in a particular area of land which the members have or exercise communally in terms of an agreement, custom or law.

Community Based Organisation: Organisations that are established by and draw from community representatives.

Community Skills Audit: Represents a process or investigation, to extract from the affected communities surrounding the mine, relevant personal information of unemployed people that could be possibly available for consideration. This audit also includes local SMME's.

Community Skills Database: A database containing a pool of persons with a list of their personal details including their competencies, education levels and experiences, used for the screening, assessment and possible selection for employment at Maseve or any other SLP related actions. This database also allows the mine's HR and HRD departments to develop skills as well as an SMME matrix of the surrounding communities, which would be used to inform decisions related to the magnitudes of training interventions required by the mine either via their monthly ongoing HRD budgets or the SLP.

Community Social Investments: Contributions that are made to stakeholders associated with an operation, which brings benefits over and above the core activities of any mine. The beneficiaries may range from local stakeholders to national and international ones. These investments are generally aimed at addressing the needs within the selected target community. The scope of these activities range from donations to charities to those that tie in with business needs.



Contractors: Companies that supply the mine with workers, who will not be employed under Maseve's conditions of service.

Employee: Any person who is or will be appointed at Maseve under conditions of service.

Historically Disadvantaged South Africans (HDSA):

- Any person, group or community disadvantaged by unfair discrimination before the Constitution of the Republic South Africa (Act 200 of 1993) took effect;
- Any occasion a majority of whose members are persons contemplated above;
- Any jurisdiction person other than an association, in which persons contemplated above, own and control a majority of the issued capital or members' interest and are able to control a majority of the issued capital or members' interest and are able to control a majority of the members' votes.

HDSA Company: a Company that is owned or controlled by historically disadvantaged South Africans.

Integrated Development Plan (IDP): The Municipality Systems Act requires every municipality to develop an IDP as a tool to plan and co-ordinate development within an area of jurisdiction. This tool is meant to assist municipalities to involve all stakeholders in the planning and delivery of service and enhance the chances of sustainable development in their areas.

Major Labour Sending Areas: Areas from which a significant number of mineworkers are or have been recruited.

Migrant Staff: Employees from neighbouring countries who have retained their non-permanent resident status in South Africa while working at Maseve.

Mining Charter: The broad-based socio-economic empowerment charter for the South African Mining Industry.

Scorecard: The scorecard is a way of measuring the implementation, commitment, and achievement of the targets set out in the Mining Charter.

SMME's: Small, Medium and Micro Enterprises, a business that has a gross asset value of less than R50 million and/or employs less than 200 employees.

Social Impact Assessment (SIA): a method of identifying, analysing and evaluating the impacts/actions may have on social aspects of the environment.

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SECTION A

PREAMBLE

A.1. Preamble

A.1.1. Background Information on the Mine

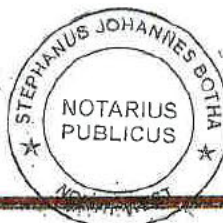
The active partners in the former Western Bushveld Joint Venture ("WBJV") were made up of the following:

- Platinum Group Metals RSA (PTY) Ltd. ("PTM RSA") – a wholly-owned subsidiary of Platinum Group Metals Ltd. (Canada) - 37%;
- Rustenburg Platinum Mines Ltd. ("RPM") – a subsidiary of Anglo Platinum (AMS-JSE) - 37%; and
- Africa Wide Mineral Exploration and Prospecting ("Africa Wide"), a subsidiary company of Wesizwe Platinum ("Wesizwe") (WEZ-JSE) - 26%. Africa Wide and Wesizwe is a company founded on Black Economic Empowerment principles as required under the Mineral and Petroleum Resources Development Act, 2002. The WBJV was divided into distinct project areas, namely Projects 1, 2 and 3.

In late 2008, the parties to the WBJV, namely PTM RSA, Africa Wide and RPM agreed to an asset reorganisation in order to consolidate and rationalize the WBJV and the Frischgewaagd-Ledig Project operated by Wesizwe (which encompassed Project 2 of the WBJV). This was done so that PTM Limited, through PTM RSA and Maseve, would acquire effective ownership of 74% of WBJV Projects 1 and 3 and Wesizwe would acquire 100% of Project 2 and 26% of Projects 1 and 3. PTM RSA is the manager and operator of WBJV Projects 1 and 3 through operating company Maseve.

Platinum Group Metals (RSA) (Pty) Ltd ("PTM RSA") is the manager and operator of WBJV Projects 1, 1a and 3 (Maseve). The three projects are referred to jointly as "the Project Area". The Project Area is located in the heart of the Western Bushveld area of South Africa where 70% of the world's platinum is produced from the Merensky ("MR") and Upper Grade 2 ("UG2") Platinum, approximately 110 kilometres west-northwest of Pretoria and 120 kilometres from Johannesburg. The Resources of Maseve Investments are located approximately 1km from the active MR Reef mining face at the operating Bafokeng Rasimone Platinum Mine ("BRPM") along strike. BRPM completed opencast mining on the UG2 Reef within 100m of Maseve Investment's property boundary. The Project Area covers an area in extent of approximately 4 782 hectares and relates to properties on Elandsfontein 102JQ, Onderstepoort 98JQ, Mimosa 81JQ and Frischgewaagd 96JQ, situated in the jurisdiction of Rustenburg Local Municipality.

Figure 1 below, clearly demarcates the location of the Project area within the Bojanala District Municipality.



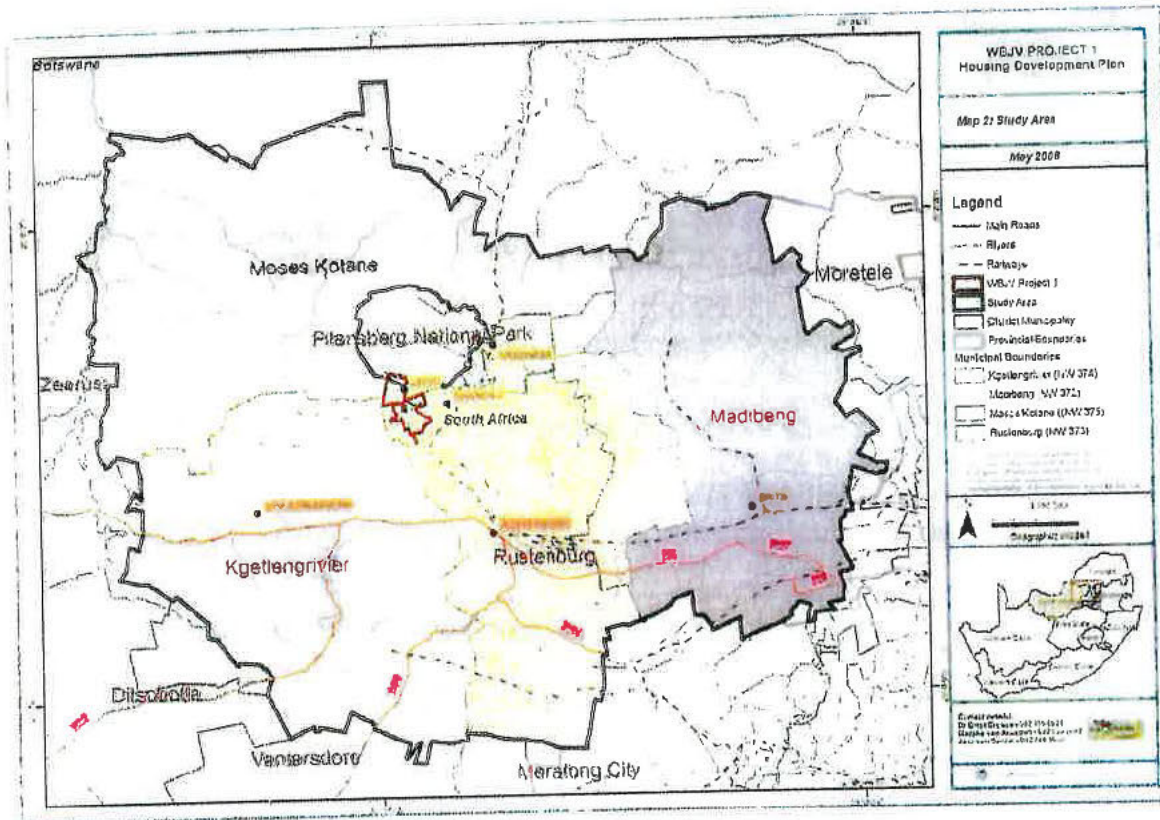
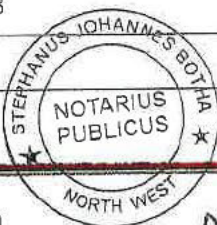


Figure 1: Map of the Bojana District

The full particulars of the applicant are as follows:

Name of Company	Maseve Investments 11 (Pty) Ltd. operated by Platinum Group Metals (RSA) (Pty) Ltd., a wholly owned subsidiary of Platinum Group Metals Limited. (Canada)
Joint Venture Partners	Africa Wide Mineral Exploration and Prospecting (Pty) Ltd.
Physical Address	Platinum Group Metals (RSA) (Pty) Ltd. (operating company) Technology House Greenacres Office Park Cnr. Victory and Rustenburg Roads Victory Park Johannesburg 2193
Postal Address	Postnet Suite nr. 81, Private Bag x 12 Roosevelt park Johannesburg 2129
Name of Operation	WBJV Project 1 (Maseve)
Telephone Number	(011) 782 2186
Fax Number	(011) 782 4338
Contact Person and	[REDACTED]



Telephone Number	
Location of Operation	Province: <ul style="list-style-type: none"> • North West Province Municipality: <ul style="list-style-type: none"> • Bojanala District Municipality • Rustenburg Local Municipality • Moses Kotane Local Municipality Portions of farms: <ul style="list-style-type: none"> • Frischgewaagd 96 JQ, • Elandsfontein 102 JQ, • Onderstepoort 98 JQ, • Koedoesfontein 94 JQ, • Mimosa 81 JQ.
Commodities Mined	Platinum Group Metals
Life of Mine	22 (twenty two) years at 160,000 tpm
Labour Demographics	As far as possible, staff will be sourced locally within 15km from the Maseve operation.
Financial Year	September to August

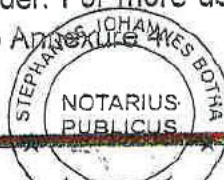
Technical feasibility studies have been carried out over the last 3 (three) years and culminated in a bankable feasibility document presented to the Canadian Board on the 23rd of November 2010. This resulted in the Board approving the project in principle and initial funding was granted for phase 1. Further funding will be finalised during the first quarter of 2012, upon approval of the mining right application.

Total Life of Mine is expected to be 22 (twenty two) years based on production of 1,920,000 million tons per annum (mtpa) with steady state being achieved in the fourth year, since start of construction. The project initiations commenced with the need and eventual continuation of a Bulk Sample for prospecting. The Bulk Sample is generally referred to as Phase 1 and Phase 2 (mining) to commence on completion of the Bulk Sample and on receipt of Environmental Authorisation for mining. The funding model was adjusted to accommodate the project needs in terms of Phase 1 and Phase 2 funding requirements with the SLP adjusted according to the funding model for each respective project phase.

A.1.2. Current and Expected Size of Staff Complement

A.1.2.1. Current Staff Complement

PTM/Maseve has a total of 32 (thirty two) permanent employees. These employees spend a portion of their time on the Maseve project. In addition to the permanent staff complement, over the course of 2011, 270 (two hundred and seventy) short-term contractors have been engaged by the company of which 106 (one hundred and six) were recruited from 6 (six) of the local communities. Table 1 below, reflects the labour demographics of the current permanent staff complement in terms of race and gender. For more detailed information in terms of the permanent PTM (RSA) employees, refer to Annexure 4.



Race	Gender	Complement
African	Male	16
	Female	5
Coloured	Male	1
	Female	1
Indian	Male	1
	Female	-
White	Male	6
	Female	2
Total		32

Table 1: Demographics of the current permanent staff at PTM (RSA)

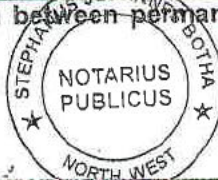
A.1.2.2. Expected Staff Complement

From the Staffing Model developed in the last quarter of 2010, it is estimated that the Mine would employ approximately 2,648 (two thousand six hundred and forty eight) people at steady state, this figure reflects both permanent employees constituting 135 (one hundred and thirty five), as well as contractor employees constituting 2,513 (two thousand five hundred and thirteen).

As indicated above, Maseve will be applying the **owner manager model** to this operation, which means that a small portion of the overall planned staff complement would be permanent Maseve employees, the remainder would be "brought-in" expertise and resources or in other words, independent contractors. These terms are defined in Table 2, below.

Term	Definition
Permanent Employees	A person who, for remuneration, enters into a contract of employment with an employer until his/her retirement date, in terms of which that person places his/her productive capacity at the disposal of the employer.
Independent Contractor Company	A person or entity that is contracted out by a customer to either personally or through others, perform a specific work or produce a specific result in accordance with the terms and conditions set out in a contract concluded between the contractor and the customer. These contractors will be engaged with to ensure compliance with the requirements of the regulation 46 of the MPRDA.

Table 2: The definitions and distinction between permanent employees and an independent contractor company



Maseve staff complement will be recruited as follows:

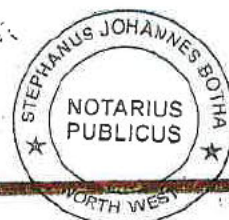
- 30% from core and neighbouring communities (Rustenburg Local Municipality and Moses Kotane Local Municipality);
- 25% from the Bojanala District Municipality;
- 25% from North West province;
- HDSA management target of 40% and 100% of Paterson Bands A & B will be HDSA representatives;
- 12% of positions will be filled by women with 4.7% of women in mining designated positions (the core business of Mining); and
- 23.6% of the underground complement or 14% of the total staff complement is anticipated to be foreign labour (Rock Drill Operators).

The Mine aims to recruit 80% of its employees from the North West Province, but will focus on the Rustenburg and Moses Kotane Local Municipal Areas. At steady state the staff complement is expected to be 2,648 (two thousand six hundred and forty eight), from which 2,513 (two thousand five hundred and thirteen) will be contractors and 135 (one hundred and thirty five) will be permanently employed. Table 3 below, reflects the expected labour for Maseve at steady state and the distribution over the different Bands in the Paterson Job Grades.

Occupational Level	Complement
Top management (Paterson Job Grade: F Band)	2
Senior management (Paterson Job Grade: E Band)	11
Professionally qualified and experienced specialists and middle management (Paterson Job Grade: D Band)	30
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Paterson Job Grade: C Band)	322
Semi-skilled and discretionary decisions making (Paterson Job Grade: B Band)	1,855
Unskilled and defined decision making (Paterson Job Grade: A Band)	204
Non-Availables*	224
Total	2,648

Table 3: Expected staff complement at Maseve

**Non-Availables: The non-available labour figure is calculated at 224, and is based on 15% of lower level production related occupations (B6 and below), to make additional provision for training, leave relief, absentees and sick leave.*



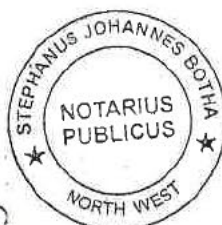
A.1.2.3. Contractor Compliance

Maseve's current strategy regarding the future staff complement is to outsource the operation of the mine to contractors, who will be required to comply with Maseve's commitment to the MPRDA. Approximately, 5% of the staff complement component will be permanent employees of Maseve, while the remaining 95% of the staff complement will be provided by Contracting Companies. Although it will be an independent contractor, Maseve understands that the company is responsible for the compliance with the Mining Charter.

As part of this SLP, the mining Contracting Companies will be compelled to comply with Maseve/PTM policies regarding the following matters:

- Commitment to the Employment Equity and Black Economic Empowerment objectives;
- Commitment to the Mining Charter Scorecard;
- Proof of competence in terms of the new explosion regulation;
- A commitment to undertake unit standard based training programmes; and
- Any and all policies relating to recruitment, training, health and safety, etc.

In this regard, Maseve will implement a comprehensive Human Resource compliance auditing framework that will be used to audit all Contracting Companies on a quarterly basis. Findings will be used for reporting purposes, as well as monitoring the performance of all contractors.



SECTION B

HUMAN RESOURCE DEVELOPMENT PROGRAMMES

In terms of understanding Maseve's approach to HRD, it is important to note the findings obtained from a comprehensive community skills audit that was undertaken during the early part of 2011. The outcomes of the skills audit are listed below.

B.1. Local Community Skills Audit

The audit results, which represent a sample of approximately 4,500 (four and a half thousand) individuals from the local communities, presented below will assist and substantiate the stance that Maseve will undertake in terms of skills development in the local communities:

- Qualifications:
 - As reflected in figure 2 below, a significant portion of candidates (85%) in the community database have Grade 10 and above, which meets Maseve's minimum selection criteria.

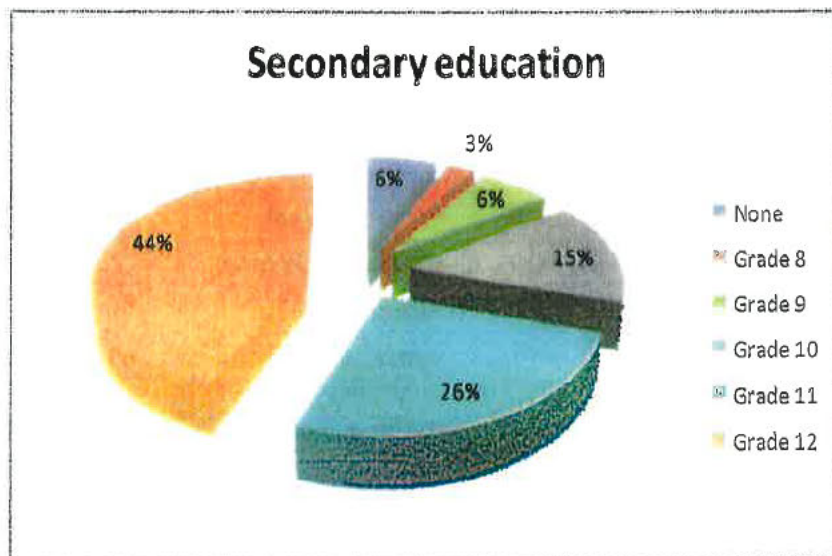
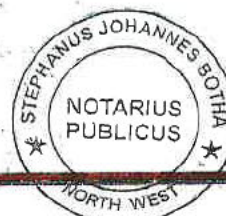


Figure 2: Secondary education obtained by members within the community.

- Only 4% of the community members have tertiary education, of which only 16% of the candidates have mining related qualifications, both technical (50%) and non-technical (50%). This definitely raises concerns about higher level education amongst local community members; and



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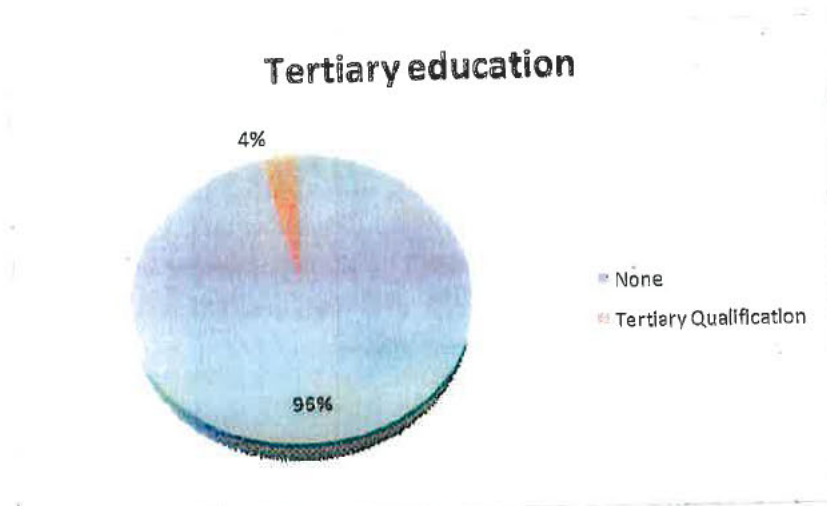


Figure 3: Tertiary education obtained by members within the community

- Reflected in Figure 4 below, indicates that 24%(1080) of the community members have obtained certificates as a result of formal and informal training, 75% (810 of 1080) have mining related skills, including 63% (510 of 810) who have technical mining skills and 37% (300 of 810) non technical mining skills.

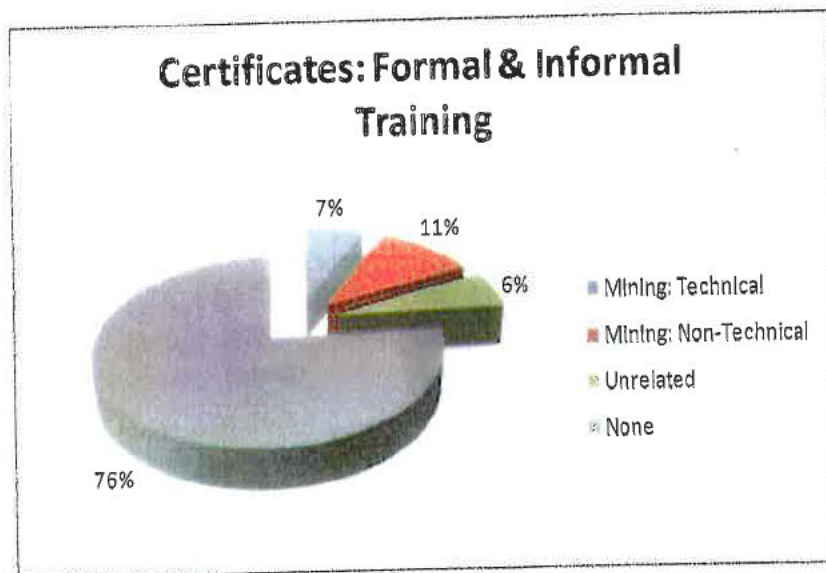


Figure 4: Formal and informal training certificates obtained by community members

- **Experience**

- As reflected in Figure 5 below, the majority of the community database (76.2%) does not have any, or any relevant experience related to the mining industry. 30.4% of the community has no general work experience at all, while 45.8% of the database reflects non mining related experiences, in other words, experiences gained in industries that are not affiliated to mining, such as wholesale, retail, hospitality, gardening, and construction, just to mention a few;

- Only 23.9% of the entire community database reflects related experience, of which 12.7% have technical mining (MTS, Mining, Engineering and Plant) experience and 11.2% have non-technical mining experience (Finance, HR, HRD & Security);
- With reference to the above, the average years of experience for both technical mining experience, as well as non-technical mining experience equate to 1-2 years; and
- From further analysis, of concern is that the candidates that have mining related experience and qualifications are, in most cases, not the same candidates, so they either have the one or the other.

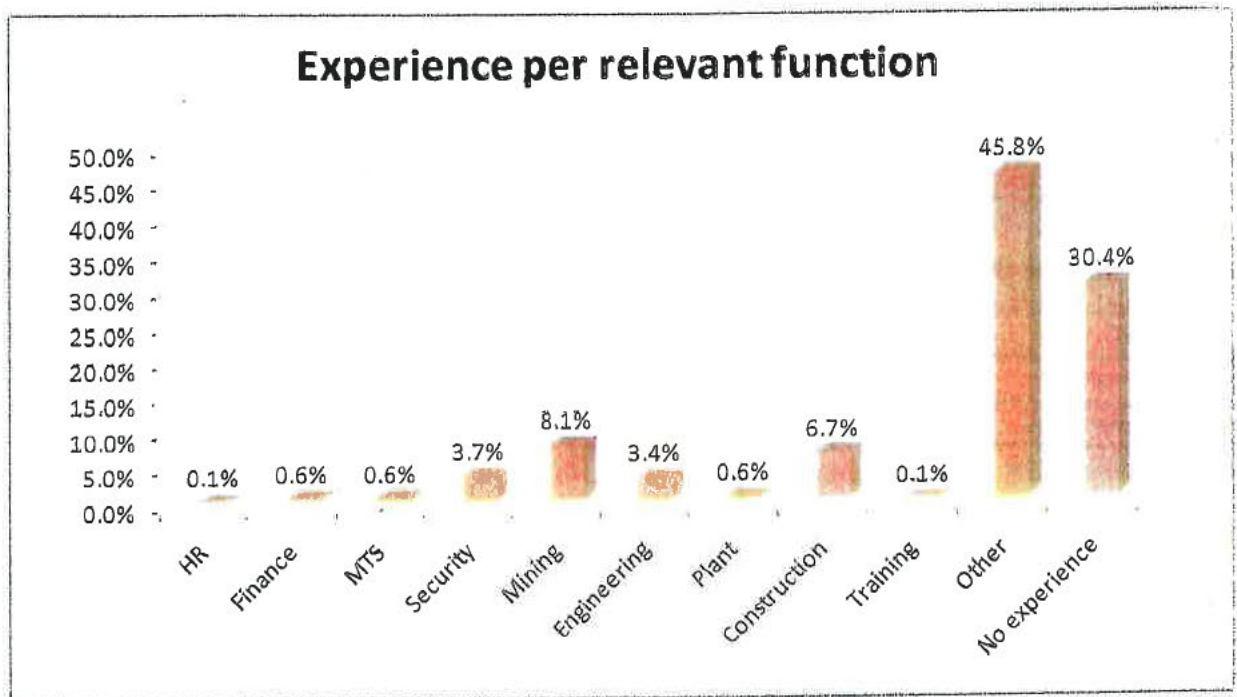
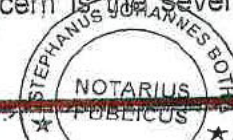


Figure 5: Mining related and unrelated experience amongst community members

Based on the findings taken from the local community database and the interpretations above, the following recommendations need to be made and or re-emphasised, namely that:

1. ABET is not a major problem with current full-time staff, although only three (3) employees require varying degrees of ABET, this will be facilitated through on-site training provision;
2. Greater emphasis needs to be placed on developing relevant skills, both technical mining and non-technical mining related, this should be done by focusing on:
 - Providing internships for community members that have qualifications but lack relevant experience;
 - Broadening a mining relevant tertiary skills pool of Maseve candidates via the Maseve bursary programme; and

This skills audit has succeeded in providing an accurate synopsis of the current status within the various communities in question. Of grave concern is the severe lack of any form of



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relevant mining qualifications and experience, whether from higher level education institutions or merely from accredited Mining Qualifications Authority (MQA) mining training centre, within the sample community database. The lack of these skills will now be addressed through a concerted effort of skills development via the section below.

In terms of Human Resource Development (HRD), as well as Human Resources (HR) in general, it is important to note that most of the required strategies, policies, as well as supporting programmes are currently under development. In this regard, cognisance must be taken of the fact that Maseve represents the first operation for PTM in South Africa and that PTM would be utilising a recognised and established local mining contract company. Based on the intended **operating philosophy of owner managed, the primary focus of Maseve will be that of ensuring compliance** to all prevailing HR and HRD legislation. Table 4 below, summarises the different HRD programmes, as well as the planned amount of people for the following 5 (five) years. As mentioned in the Preamble to this report, this HRD programme represents phase 2 SLP commitments by Maseve.

HRD programme	Years				
	2012	2013	2014	2015	2016
ABET	20	20	20	20	20
Internships	6	9	9	9	12
Learnerships	10	10	10	10	10
Portable Skills Training	19	19	19	19	19
Bursaries	10	10	10	10	10

Table 4: A summary of the planned amount of people for the HRD programmes

B.2. Skills Development Plan

As Maseve is a new operation, a policy will still be created on skills development, which will be guided by the following principles:

- Developing scarce, critical and core skills will take priority;
- Effective and on-going skills management utilising the competency matrix;
- Retaining of necessary skills;
- Promoting Employment Equity (EE);
- Facilitating skills training in line with the National Qualifications Framework (NQF) and the Mining Qualifications Authority (MQA);
- Developing and managing an effective talent pool;
- Efficient career management;
- Regular performance management processes;
- HR planning and HRD;
- Career development and succession planning;

- Individual Career Development Program (ICDP) for all Maseve employees;
- The establishment of a formal mentorship and coaching system as an employee support system; and
- Proper integration between all HRD programmes.

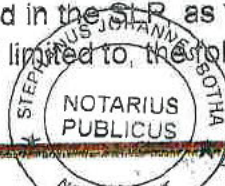
The skills development policy and plan will aim to ensure continuous development of core competencies of all employees. Table 7 below, reflect action plans that Maseve will follow in order to comply with the Skills Development Act.

	Action	Timeframe
1	Development of HRD strategy and associated policies.	End June 2012.
2	Identify and appoint a suitably qualified training institution registered with the Mining Qualification Authority (MQA).	Completed.
3	Commence with the selection of Bursary, Learnership and Internship candidates from the community database.	Currently underway.
4	Registration of Skills Development Facilitators with the MQA.	End April 2012.
5	Pay all Skills Development Levies as required by the Skills Development Levies Act.	Automatically deducted monthly.
6	Ensure the election of a Skills Development Committee/Forum.	Six (6) months from date of mining rights approval.
7	Ensure the establishment of a Career Management Panel.	Six (6) months after action step 6.
8	Submit to the MQA a Workplace Skills Plan (WSP) and the Annual Training Report (ATR).	Within twelve (12) months after commencement of the Mine's operations.
9	Co-operate with the South African Qualifications Authority (SAQA) on matters relating to Education and Training of the South African workforce.	On-going.
10	Liaise with the MQA on relevant "hard to find" or scarce skills for future development thereof.	Six (6) months after action step 6.

Table 5: Action plans for the implementation of skills development programmes at Maseve

During the process of recruitment and induction, which includes entry induction as well as continuous induction, it is Maseve's intention to ensure that its employees are informed about the mechanisms available for skills development within Maseve.

Maseve is committed to ensuring that its core long-term business contractors comply with the HRD requirements and other policies as envisaged in the SLP as well as in the relevant legislation. The relevant legislation includes, but is not limited to, the following:



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- Labour Relations Act;
- Basic Conditions of Employment Act;
- Skills Development Act;
- Skills Development Levies Act;
- Employment Equity Act; and
- Mines Health and Safety Act.

The following will be considered in order to develop a comprehensive HRD plan for the next 5 (five) years of operation:

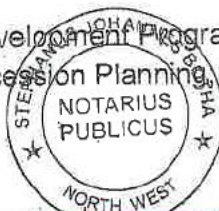
- The Mine's overall business plan;
- The Mine's operating philosophy, namely owner managed;
- Relevant and associated skills/competency needs;
- Management infrastructure; and
- Apparent availability of related skills obtained via a community skills audit.

Appropriate contractual provision and management mechanisms will be put in place to ensure that all employees of Maseve, as well as those of contractors will have access to the required HRD programmes. In this regard, Maseve HRD's primary focus will be to regularly conduct Planned Task Observations (PTO's) on the workforce to ensure that the relevant skills are apparent and applied.

B.2.1. HRD Strategies & Plans

When one considers the development of an HRD strategy, there are normally 7 (seven) basic pillars that will require careful definition. But before defining these pillars in more detail, it is imperative that one contextualises the development and delivery of an HRD strategy, and in this regard, the mine's operating philosophy forms a crucial cornerstone, in other words, is the mine going to outsource or manage the operation themselves, as this decision would direct which of the 7 (seven) pillars would require more or less attention. These pillars are:

1. Organisational Structure;
2. Job Descriptions and Specifications;
3. Competencies and Skills Matrix;
4. Training & Development Programmes;
 - a. Induction Training
 - b. Formal Training (Training Courses)
 - c. Education (Qualifications)
 - d. Coaching and Mentoring
 - e. Learnerships, Internships and Bursaries
 - f. Job Rotation
5. Assessment and Individual Development Programmes;
6. Career Development and Succession Planning; and
7. Performance Management.



When considering Maseve's decision to adapt the owner managed model, the subsequent impact on these 7 (seven) pillars are profound to the extent that certain of the 7 (seven) elements become more crucial than others. As the bulk of the training and actual training responsibilities will reside with the outsourced service provider and/or contractor, thereby changing the role of Maseve HRD and what its focuses would need to be. In short, Maseve would need to place greater attention on clearly defining:

1. Generic Competencies and Skills Matrix per job family;
2. Job specific Standard Operating Procedures (SOP's);
3. Job specific competency and skills assessment (PTO's);
4. Training & Development Programmes; and
 - a. Induction Training
 - b. Safety Training
 - c. Management and Supervisory Training
 - d. Education (Qualifications)
 - e. Learnerships, Internships and Bursaries
5. Compliance Reporting.

Although Maseve will be applying the owner managed operating philosophy, Maseve will ensure that the selected Contracting Companies will apply these elements in their day-to-day operation. This will be achieved by establishing very clear standards in terms of tender adjudication and once selected, regular quarterly compliance audits will be undertaken by Maseve.

Note that all values presented in the following tables in terms of budget requirements for HRD programmes have been escalated by 10% per annum, using 2012 as baseline.

B.2.2. ABET

The Mining Charter scorecard requirement is to offer every employee the opportunity to become functionally literate. Functional literacy and numeracy has been defined by the DMR at ABET level 4 or higher. This means that PTM/Maseve will offer all functionally illiterate employees the opportunity to attend ABET classes, and this will also be extended to certain community members. Although the aim is to employee literate employees, it can be assumed that due to skills shortage, a number of employees may be illiterate. Since Maseve is a new mining operation, the staff complement has not yet been identified for recruitment. Maseve aims to recruit employees with a minimum education level of Grade 10. This level has been confirmed as feasible from the initial community skills audit that has been undertaken to date, which suggests sufficient levels of education throughout the community (Refer to Figure 2). Notwithstanding, Maseve is committed to ensuring that community members are offered the best opportunity to be obtain functional literacy and numeracy.

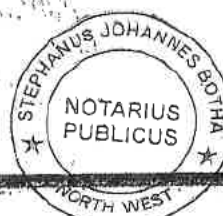


Table 6 below, reflects the ABET targets and budget for the period 2012 – 2016.

ABET Level	Number of new enrolments				
	2012	2013	2014	2015	2016
ABET 1	0	8	6	4	2
ABET 2	0	2	8	6	4
ABET 3	0	4	2	8	6
NQF 1	20	6	4	2	8
Total number	20	20	20	20	20
Budget	R75,000	R82,500	R90,750	R99,825	R109,808

Table 6: Proposed number of ABET Learners for a 5 (five) year period at Maseve

The following action plan will provide broad steps associated with the implementation of the ABET programme, as reflected in Table 7 below.

	Action	Timeframe
1	Assess all PTM/Maseve employees that fall within General Education Training (GET) category.	End May 2012.
2	Liaise with relevant community forums, as well as existing ABET programmes to identify additional community members for inclusion.	End June 2012.
3	Identify and appoint a suitably qualified training institution registered with the Mining Qualification Authority (MQA).	End July 2012.
4	Review nominated candidates and determine most feasible and suitable delivery model to be applied for training.	End July 2012.
5	Investigate possible synergies with existing ABET programmes.	End July 2012.
6	Commence with pilot ABET NQF 1 training.	End August 2012.
7	Prepare ABET plan for 2013 - 2016	End August 2012.

Table 7: Action plan for the Implementation of ABET programmes

B.2.3. Learnerships

The South African labour market does not develop enough of the skills required by the Mining Industry. In order to address this deficiency, Maseve will implement Learnership programmes in terms of Mining and Engineering, which are registered at SAQA in

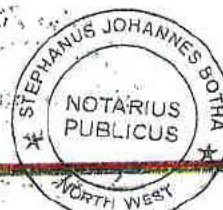
compliance with the standards established by the MQA. The Learnership programmes will serve as a pipeline for internal development and external recruitment to make provision for both skills required by the operation and as part of broader community development. This will be done using the MQA 18.2. contractual appointment framework. The programmes vary in duration and learners will be appointed on special agreements and receive a monthly stipend. It is envisaged that during the first 5 (five) years of the SLP, all (100%) candidates will be African external community members and no provision will be made for internal employees. This is primary as a result of the fact that, as mentioned before that PTM/Maseve will be adopting the owner managed operating philosophy. Post steady state (2017), this status will change, as opportunities would then be given to internal employees as the complement of enrolled staff start to increase. On completion of the Learnership, the competent learner will be offered employment through Maseve's local recruitment selection process focused at providing resources to all of the contracting companies during the construction and build-up phases of the mine. This principle is imbedded in the PTM/Maseve's HR contractor's specification standards (Refer to Annexure 5) that is driven via the company's tendering and preferential procurement procedure, which stipulates, amongst other matters, that preference will be given to local community members that are on the Maseve local community skills database. Maseve's aim is to recruit locally as far possible, and where the skills are not available, they will be sourced accordingly.

The provision of Learnerships within Maseve and its core contractors will be aimed at addressing current and future skills and competency needs in terms of the career path structure and the staff planning process. Learnerships are also aimed at addressing hard-to-fill vacancies. In addition, Learnerships will assist in addressing skills shortages and unemployment challenges by recruiting learners externally (from the communities where possible) and training them in-house. This will support the objective of increasing the pool of available labour particularly in communities surrounding Maseve. Initially, Learners will receive their training at existing accredited training institutions in the surrounding area. No Learners have yet been recruited but pre-recruitment plans have been formulated, whereby the Local Municipality and neighbouring community members as identified by the Maseve skills audit will be given first priority for Learnership opportunities.

Tables 8 below, reflects the Learnership targets over the next 5 (five) years with regards to the number of Learners, and the planned budget, respectively.

Divisions	Number of new enrolments				
	2012	2013	2014	2015	2016
Mining	5	5	5	5	5
Engineering	5	5	5	5	5
Total number	10	10	10	10	10
Budget	R1,000,000	R1,100,000	R1,210,000	R1,331,000	R1,464,100

Table 8: Proposed number of Learners for a 5 (five) year period at Maseve



The following action plan will provide broad steps associated with the implementation of the Learnership programmes, as reflected in Table 9 below.

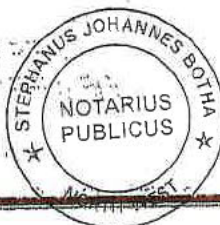
	Action	Timeframe
1	Develop skills requirement for the next 5 (five) years.	Completed.
2	Advertise for Learnerships in the appropriate field of expertise.	Completed.
3	Screen and select candidates.	Completed.
4	Identify and appoint appropriately accredited training provider.	Completed.
5	Register Learnerships.	Currently underway.

Table 9: Action plan for the implementation of Learnership programmes

B.2.4. Portable Skills Training

The objective of portable skills training is to provide the employees of Maseve with skills that will assist them with the smooth transition into other industries. In terms of this, Maseve will continuously undertake research in order to identify the major contributing industries within the District Municipality, so as to align the intended portable skills training to the demands of these industries. In this regard, it has been decided, following consultation, that the following portable skills training will be implemented by Maseve based on the fact that employment opportunities are far more probable, such as:

- Paramedic level 1;
- Engineering assistants;
 - Basic plumbing;
 - Basic electrical;
- Sewing;
- Cooking and culinary skills (Tourism);
- Computer literacy;
- Basic business management skills



Tables 10 below, reflects the Portable Skills Programmes target and budget over the next 5 (five) years.

HRD programme	Years				
	2012	2013	2014	2015	2016
Paramedic level 1	(2) R40,000	(2) R44,000	(2) R48,400	(2) R53,240	(2) R58,564
Basic plumbing	(3) R60,000	(3) R66,000	(3) R72,600	(3) R79,860	(3) R87,846
Basic electrical	(3) R60,000	(3) R66,000	(3) R 72 600.0	(3) R79,860	(3) R87,846
Sewing	(2) R10,000	(2) R11,000	(2) R12,100	(2) R13,310	(2) R14,641
Cooking and culinary skills	(2) R120,000	(2) R132,000	(2) R145,200	(2) R159,720	(2) R175,692
Computer literacy	(2) R10,000	(2) R11,000	(2) R12,100	(2) R13,310	(2) R14,641
Basic business management skills	(5) R250,000	(5) R275,000	(5) R302,500	(5) R332,750	(5) R366,025
Total	(19) R550,000	(19) R605,000	(19) R665,500	(19) R732,050	(19) R805,255

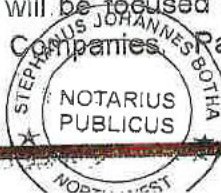
Table 10: Proposed complement and budget for portable skills programmes for a 5 (five) year period at Maseve

The following action plan will provide broad steps associated with the implementation of the portable skills programmes, as reflected in Table 11 below.

	Action	Timeframe
1	Develop portable skills strategy in line with the life of mine.	End May 2012.
2	Identify service providers.	End June 2012.
3	Determine training delivery model.	End July 2012.
4	Assess employee database to determine baseline portable skills requirements.	End July 2012.
5	Develop a 5 (five) year portable skills plan with targets, budgets and schedules.	End August 2012.

Table 11: Action plan for the implementation of Portable skills programmes

Additional portable skills training themes may be decided prior to the implementation thereof, as the possibility exists that the Municipality's IDP's reflection of skills needed in the local area may change. Actual industry trends and infrastructure development projects will be identified to guide the types of portable skills that will be focused on, which will finally be launched in conjunction with the Contracting Companies. Paramount to our LED



programmes, and for that matter, portable skills development, Maseve's core strategy is to embody partnership with local and provincial government bodies that assume responsibilities for such initiatives.

B.2.5. Workplace Skills Plan and Annual Training Report

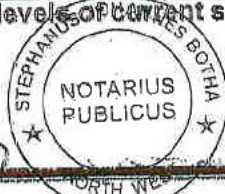
In order to comply with the Skills Development Act, a skills audit has been conducted in the local area surrounding Maseve; the skills development levy will be paid every month; and skills plans and annual training reports will be developed for the completion and submission to the DMR on an annual basis.

B.2.6. Education Levels of the Current Staff Complement (Form Q)

As mentioned before, Maseve is a new operation, the Table 12 below, reflects the education levels of the current staff complement employed at PTM/Maseve, which amounts to 32 (thirty two) permanent employees. In terms of the DMR's definition of functional literacy, this table indicates that 9% of the current permanent staff complement is illiterate.

Band	NQF level	Old system	Male	Female
General Education and Training (GET)		No Schooling	1	
		Grade 0/Pre		
		Grade 1/Sub A		
		Grade 2/Sub B		
		Grade 3/Std 1/ABET 1		
		Grade 4/Std 2		
		Grade 5/std3/ABET 2	1	
		Grade 6/Std 4	1	
		Grade 7/Std 5 ABET 3		
		Grade 8/Std 6		
	1	Grade 9/Std 7/ABET 4		
Further Education and Training (FET)	2	Grade 10/Std 8/N1	13	3
	3	Grade 11/Std 9/N2		
	4	Grade 12/Std 10/N3		
Higher Education and Training (HET)	5	Diplomas/Certificates	3	4
	6	First Degrees/Higher Diploma	5	1
	7	Honour's/Master's Degrees		
	8	Doctorates		
Total			24	8

Table 12: Education levels of current staff complement (Form Q)

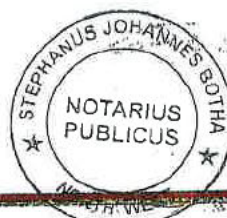


As previously mentioned, Maseve will be adopting the owner managed operating philosophy, which means that the majority of the staff complement will be provided by Contracting Companies, both during construction, as well as subsequent ramp-up to steady state. If this philosophy changes, the DMR will be notified. To this end, Maseve understands that the Company remains responsible for the compliance of the Contracting Companies to the provisions of the MPRDA and the Mining Charter. Until such time that construction commences, the education levels cannot be ascertained, this data will be provided within 6 (six) months of mobilisation.

B.2.7. Hard-to-fill Vacancies (Form R)

As Maseve is a new operation, definite hard-to-fill vacancies will only be identified once the operation has commenced. Maseve is however aware that there are a shortage of critical skills within the Mining Industry and will work in conjunction with the selected Contracting Companies. Table 13 below, indicates the anticipated hard-to-fill vacancies based on other operations in the same industry within the surrounding area.

Occupational level	Job title/description of vacancy	Main reason for being unable to fill the vacancy
Top management	<ul style="list-style-type: none"> None 	
Senior management	<ul style="list-style-type: none"> General Manager Technical HOD Managers, such as Production Manager, Engineering Manager, Mineral Resource Manager and Metallurgical Manager 	<ul style="list-style-type: none"> Skills not easily available
Professionally qualified and experienced specialists and mid-management	<ul style="list-style-type: none"> Accountant Affirmative action technical assistants Mine Overseers and Shift Supervisors Geologists and Surveyors 	<ul style="list-style-type: none"> Skills not easily available Good affirmative action candidates paid excessively high salaries by competitors
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	<ul style="list-style-type: none"> Qualified engineering artisans, such as Riggers, Fitters and Electricians Instrumentation Technicians Foremen 	<ul style="list-style-type: none"> The number of artisans residing in the area is few Industry expansion resulting in high industry demand Employment expectations of Local people
Semi-skilled discretionary decision making	<ul style="list-style-type: none"> Rock Drill Operators Beltsman 	<ul style="list-style-type: none"> Skills not easily available



Women in Mining	<ul style="list-style-type: none"> • Variety of jobs not classified as "Heavy" according to JEI 	<ul style="list-style-type: none"> • Shortage of Mining skills amongst women • Lower Physical capacity than males • Risk factors, such as pregnancy
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Table 13: Expected hard-to-fill vacancies (Form R)

These scarcities have not yet been experienced as the operation is not a going concern as yet. Provisions to fill these vacancies are made through Bursaries, Internships, Learnerships and other Skills training.

B.3. Career Progression Plan

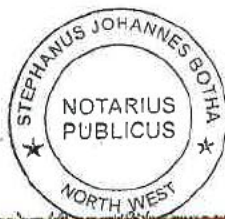
Due to the fact that Maseve is a new operation, a career progression policy has not yet been developed. One of the career progression tools that will be explained in the policy are individual development plans. Given the fact that during the first 7 (seven) years, PTM/ Maseve will apply the owner managed operating philosophy, the company will have a very small staff contingent. Therefore, in the early years, career progression and development in terms of each contracting company's employees will be the responsibility of the company itself. In order to encourage this responsibility with contracting companies, PTM will implement a competency skills matrix, which will detail certain progressive skill sets required that the contractor employees are obligated to possess above their basic job specific requirements. This framework will also form the bases from which PTM/ Maseve's competency verification process will be done and this framework will be completed by end November 2012. For more detail in terms of what these progressive skill sets include, refer to Maseve's HRD strategy, Annexure 7.

It is envisaged that a detailed career progression plan would be developed and available for review 1 (one) year after steady state. This is dependant on the operating philosophy changing to owner operated. Prior to this point, PTM/ Maseve's HRD department will ensure that long term contractors comply to this requirement and it forms part of the PTM/ Maseve people compliance auditing framework which will be conducted internally by Maseve on a quarterly basis.

B.3.1. Career Progression through Individual Development Plans and Workplace Skills Plans

The structured development paths focus on the following departments:

- Mining;
- Engineering; and
- Concentrator.



The career progression process that will be followed for generic development includes the following steps:

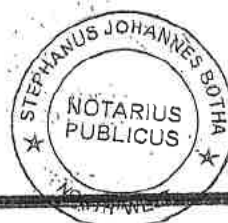
1. Compile job profiles/requirements (Skills; Experience; Knowledge; Qualifications; Generic development);
2. Develop generic career paths (Different routes and job levels);
3. Compile skills development plans; and
4. Implement interventions for development.

The career progression process that will be followed for individual (Supervisory and upper management levels) development includes the following steps:

1. Performance Management
 - a. Performance rating and discussion;
 - b. Identify development gaps;
 - c. Career progression and succession planning discussion;
2. Develop individual development plan; and
3. Implement interventions for development.

Maseve will ensure that focus is given to the development and growth of employees by the Contracting Companies. This focus will assist in reaching Employment Equity (EE) targets related to the Mine, as well as to give the employees the opportunity to advance their careers. Simultaneously, a programme for fast-tracking employees with succession capabilities will also be implemented.

The following Figures 6, 7 and 8 below, represent a generic progression path with regard to career advancement opportunities in Mining, Engineering and Concentrator operations.



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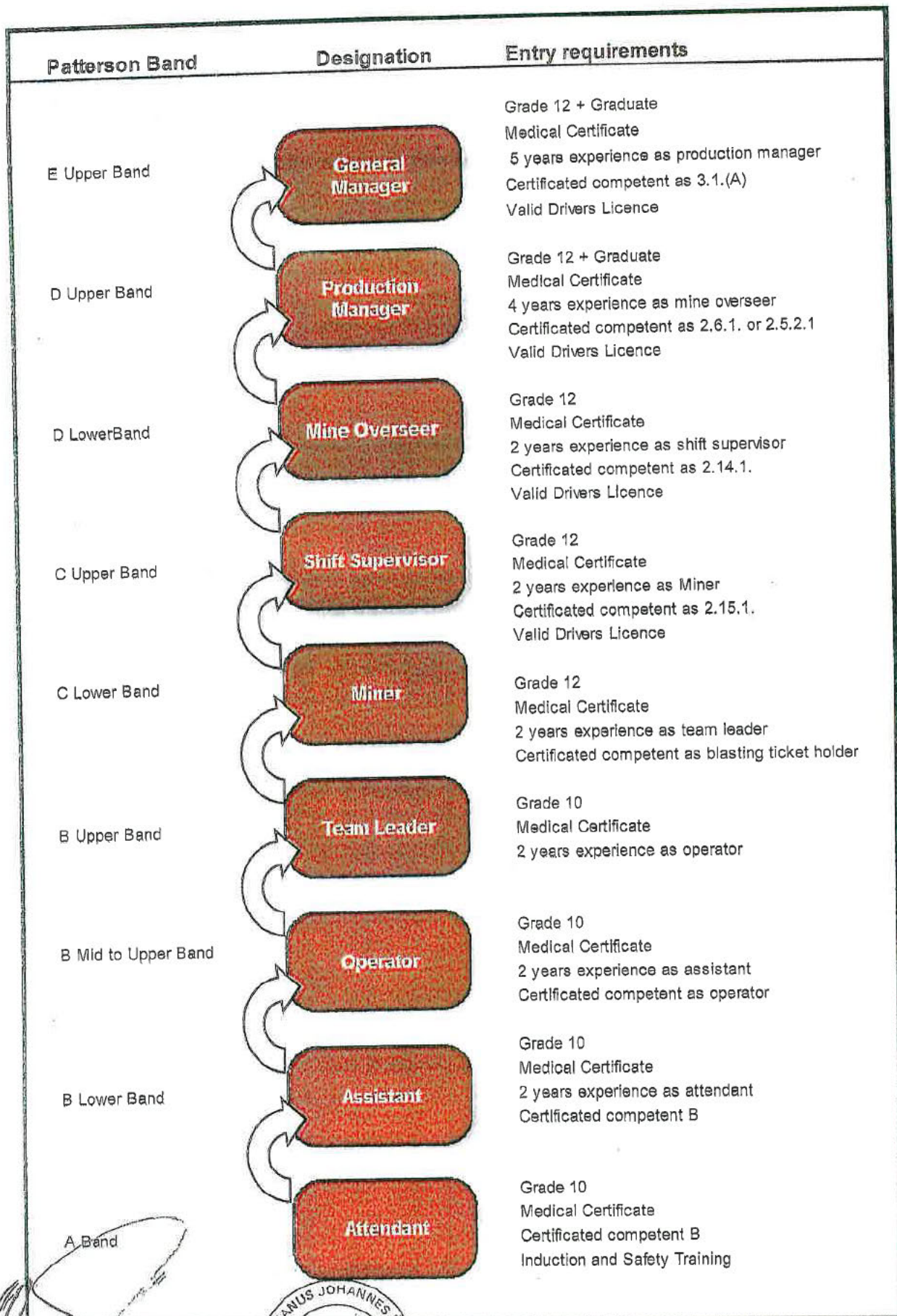


Figure 6: Career progression path: Mining operations

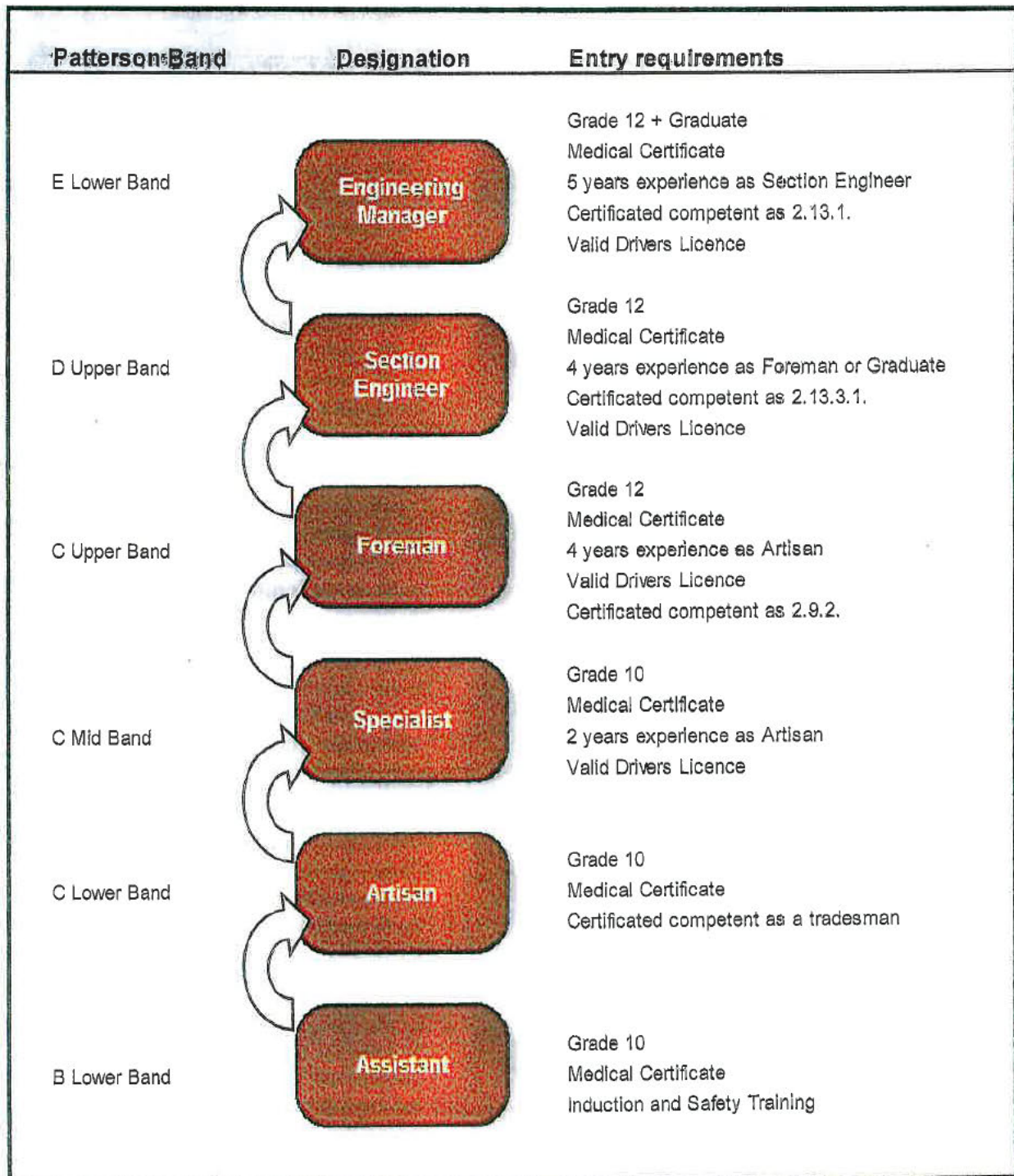
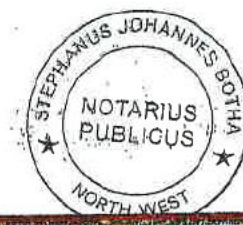


Figure 7: Career progression path: Engineering



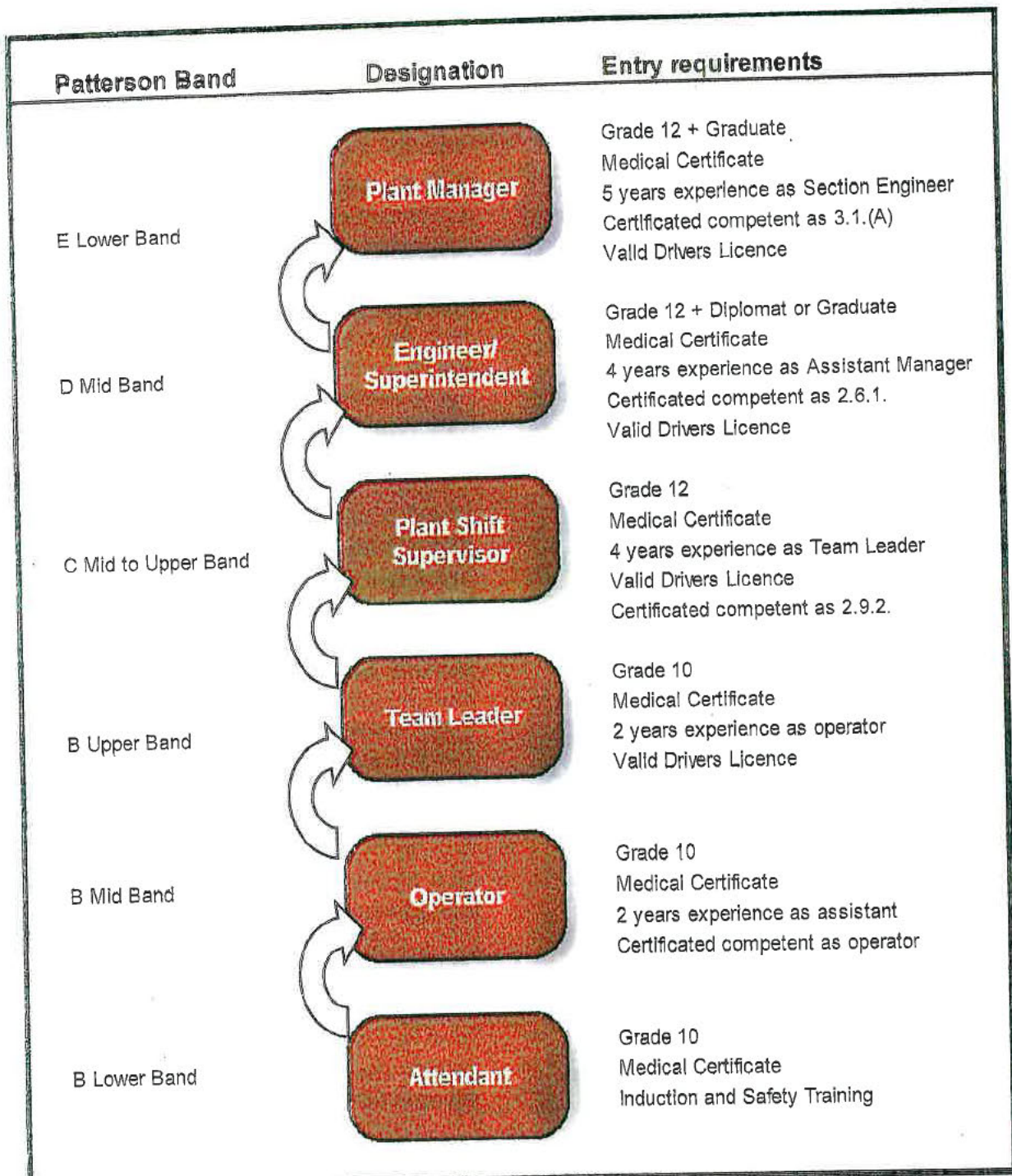
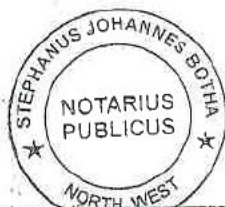


Figure 8: Career progression path: Concentrator



In support of the above mentioned career progression paths, PTM/Maseve will review each individual employee's performance and progression of development against their individual performance and development charters. High potential employees will be earmarked through these processes and the necessary fast tracking plans, which will include mentorship will be developed. Table 14 provides an action plan for the implementation of career progression for PTM/Maseve.

	Action	Timeframe
1	Develop performance management policy and process.	End May 2012.
2	Develop role profiles and competency requirements.	End June 2012.
3	Develop performance appraisal and individual development charter templates.	End July 2012.
4	Assess performance and competencies of individuals.	Every 6 (six) months.
5	Develop individual development charters for individual employees.	Every 6 (six) months.
6	Consolidate high potential candidates into succession plan.	Annually.
7	Review and align succession plan to Employment Equity plan.	Annually.

Table 14: Action plan for the implementation of career progression

B.4. Coaching and Mentorship Plan

In accordance with the Mining Charter, principles, systems and programmes have to be developed to enhance and retain appropriate skills amongst employees, especially HDSA and WIM. This will be done through a comprehensive mentorship and coaching programme implemented by the Contracting Companies and audited quarterly by Maseve to ensure compliance.

B.4.1. Coaching

Coaching is an interactive and developmental process involving training and development programmes where the coach enables the learner to find his/her own solutions, discover new opportunities and implement actions. Coaching facilitates the opportunity for learners to sound out ideas, voice concerns and plan scenarios. This will ultimately have a positive effect on the learners' confidence, job satisfaction and performance. Coaching is typically applied in experiential training situations, usually on lower level employees, and affords them the opportunity to be guided by an experienced person in the work context, which assists their development and progression.



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 - Initials 'AB' and 'M'.

B.4.2. Mentorship

Mentorship is a mutually agreeable relationship that is sustained over time and intended to further the education and professional development of the protégé. It is a broad activity in which an experienced and wiser employee transfers, not just their skills but also their knowledge, attitudes and attributes to the designated protégé. The aim of mentorship is to improve the competencies of employees to meet the current and future demands of the job. Mentorship assists and supports employees in the workplace to maximise their potential and improve their performance.

The proposed mentorship programme that will be implemented is reflected in Figure 9.

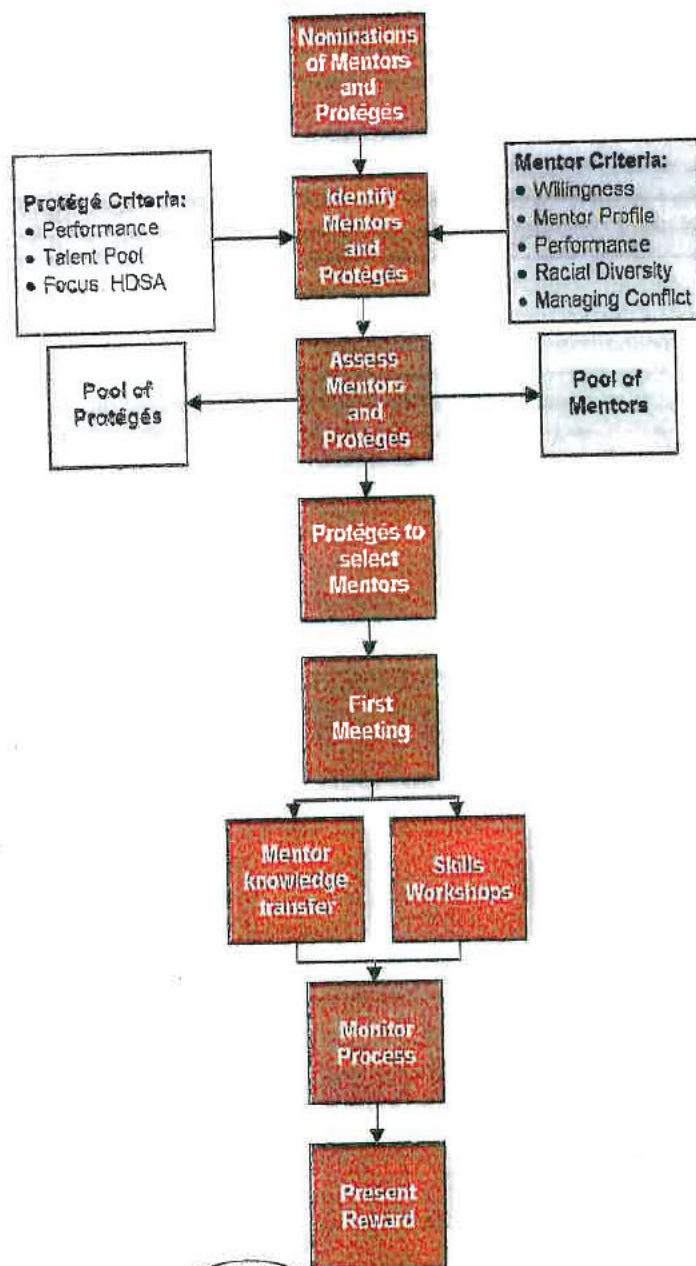


Figure 9: Steps involved in the proposed mentorship programme

The implementation of the proposed mentorship programme will start with nominations of mentors and protégés, they are identified using the following criteria for both parties:

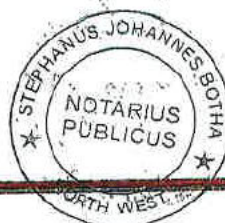
- Protégé:
 - Performance
 - Talent Pool
 - HDSA Focus
- Mentor:
 - Willingness to mentor
 - Favourable mentor profile
 - Performance
 - Understanding of racial diversity
 - Natural mentorship skills

Mentors will be selected by protégés from a pool of assessed nominees, followed by continuous knowledge and skills transfer through regular meetings and workshops. The process will be monitored on a continuous basis and successful participants will be rewarded. At this stage, a detailed breakdown highlighting the coaching and mentorship programme in terms of numbers by gender and year cannot be provided and will be developed and submitted 6 (six) months after the commencement of the mining operation.

Table 15 provides an action plan for the implementation of mentorship programmes for PTM/Maseve.

	Action	Timeframe
1	Develop mentorship policy and procedure.	End May 2012.
2	Develop mentorship competency criteria for screening and identifying suitable managers.	End June 2012.
3	Based on succession and individual development charter, determine the need for mentors.	End July 2012.
4	Applying the process of matching mentors to protégés, record the relationships.	Every 6 (six) months.
5	Develop and sign a formal mentorship programme for each protégé defining expectations and commitments.	Annually at the start of every programme.

Table 15: Action plan for the implementation of mentorship programmes



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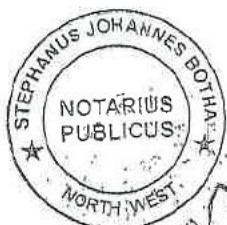
B.5. Bursaries and Internships

It is important to develop skills at a tertiary education level which is mainly done to promote careers in the Mining Industry. This is accomplished through the provision of annual bursaries and internships to identified candidates, which is done via the Maseve comprehensive local recruitment database, as well as the company's career and vocational programme.

Bursaries assist students during their studies and are specifically focused at Universities and Technicons in order to develop higher order skills. Specific focus will be given to Technical qualifications and HDSA candidates, who will only be employees, as well as candidates from the local communities. The programme endeavours to assist the students in terms of finance, by meeting enrolment fees, study costs and, where agreed, accommodation costs, as well as possibly offering them work experience in their fields of study during vacation periods. As mentioned before in the section on Learnerships, all (100%) Bursary candidates prior to steady state are recruited from the local communities on an MQA 18.2 contract, with the distinct plan of being recruited when the student successfully completed their studies.

Internships are aimed at young prospective professionals and bursary students who are taken through a practical development programme. During this period, training and development in the respective field of study is provided. **Maseve internships will span over 12 (twelve) months**, during which period identified candidates taken from the community, that only have suitable qualifications, will be given the opportunity to develop practical experience in order to make them more marketable and also to contribute to the employment of youth. It is envisaged that Maseve would have **2 (two) types of internships, namely mining and non-mining Internships**, with the latter focused on supporting the Maseve's SLP LED programmes.

Table 16, 17 and 18 reflects the budget and the demographic composition for Bursaries and Internships over the next 5 (five) years.



HRD programme	Years									
	2012		2013		2014		2015		2016	
	Number	Budget	Number	Budget	Number	Budget	Number	Budget	Number	Budget
Bursaries										
Mining	5 new intakes (1st year)	R500,000	5 students (2nd year)	R550,000	5 new intakes (1st year)	R605,000	5 students (2nd year)	R665,500	5 new intakes (1st year)	R732,050
Engineering	5 new intake (1st year)	R500,000	5 student (2nd year)	R550,000	5 student (3rd year)	R605,000	5 new intake (1st year)	R665,500	5 student (2nd year)	R732,050
Bursaries Sub-Total	10 students	R1,000,000	10 students	R1,100,000	10 students	R1,210,000	10 students	R1,331,000	10 students	R1,464,100
Internships										
Mining related	3 new intakes	R180,000	6 new intakes	R396,000	6 new intakes	R435,600	6 new intakes	R479,160	6 new intakes	R527,076
Non-Mining related	3 new intakes	R180,000	3 new intakes	R198,000	3 new intakes	R217,800	3 new intakes	R239,580	3 new intakes	R263,538
Internships Sub-Total	6 interns	R360,000	9 interns	R594,000	9 interns	R653,400	9 interns	R718,740	9 interns	R790,614

Table 16: The proposed target and budget for internships and bursaries at Maseve

Racial Composition	Number			% Distribution		
	M	F	Total	M	F	Total
African	15	10	25	60%	40%	100%
White	0	0	0	0%	0%	0%
Sub Total	15	10	25	60%	40%	100%

Table 17: Equity and gender distribution of bursary holders (2012 – 2016)

Racial Composition	Number			% Distribution		
	M	F	Total	M	F	Total
African	25	17	42	60%	40%	100%
White	0	0	0	0%	0%	0%
Sub Total	25	17	42	60%	40%	100%

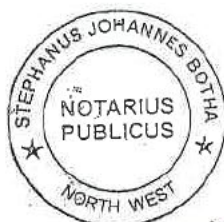
Table 18: Equity and gender distribution of Internships (2012 – 2016)

Table 19 provides an action plan for the implementation of Bursary and Internship programmes for PTM/Maseve.

	Action	Timeframe
1	Develop education policy and procedure.	End May 2012.
2	Advertise and screen community database to identify potential candidates.	End October 2011.
3	Interview and assess potential list of candidates for final selection.	End December 2011.
4	Contract and enrol candidates.	January of every year.
5	Review candidate performance on a monthly basis.	Monthly.

Table 19: Action plan for the implementation of bursary and internship programmes

Amongst other policies (Refer to Annexure 8 for the policy priority and progress list), a recruitment policy has been developed for Maseve, which addresses the local recruitment process, which clearly defines the methodology applied in terms of attracting, screening, assessing, verifying and selecting local candidates in terms of employment (with Maseve contractors), as external bursary, learnership and internship applicants. In terms of the identification and selection of these candidates, a strict local recruitment process has been followed. This process, which is extracted from the recruitment policy, is reflected in figure 10 below.





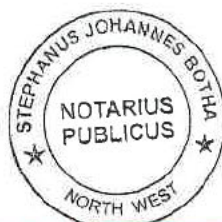
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B.6. Employment Equity Plan

In this section, reference will be made to current staff equity, as well as planned steady state equity.

PTM/Maseve is committed to maintaining non-discriminatory employment practices and supports the principles of employment and advancement of HDSA's. PTM/Maseve's objective is to achieve equitable representation in line with the demographics of the surrounding area in all levels of the workplace, and to this end, the PTM/Maseve SLP will incorporate two specific employment equity objectives that are in line with the broad objectives of the MPRDA and the Mining Charter, namely the development and retention of HDSA's in management within Maseve and its contractors; and an increase in the participation of Women in Mining.

Table 20 below (Form S) indicates PTM/Maseve's equity demographics as at January 2012.



Occupational levels	Grade	Male				Female				Total	Disabled	
		African	Coloured	Indian	White	African	Coloured	Indian	White		M	F
Top management	F	1			1					2		
Senior management	E			1						1		
Professional specialist and mid management	D	1	1		3	1				6		
Skilled technical	C	2			1	2			2	7		
Semi-skilled	B	9			1	2	1			13		
Unskilled	A	3								3		
Total permanent staff		16	1	1	6	5	1		2	32		

Table 20: Maseve's equity and gender distribution of current employees (Form S) (Jan 2012)



B.6.1. Employment Equity Policy

Due to the fact that Maseve is a new operation, a schedule of HR and HRD policies that require development is in the process of being implemented. The EE policy that will be developed will specifically focus on the following commitments:

- To provide equal employment opportunity for individuals including any groups designated by legislation;
- To ensure a workplace free from discrimination;
- To enhance currently underrepresented categories of people;
- Create an organisational culture in which diversity is encouraged and valued; and
- To eliminate any barriers that reduces or prevents EE.

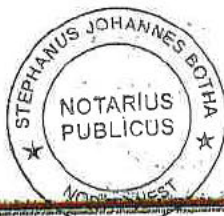
To date, Maseve has already developed a **comprehensive staffing and skills model for the steady state operation**, which defines required staffing complement by skills and includes the demarcation of HDSA and WIM in order to achieve the EE targets set by the Mining Charter. To this end, the current targets contained in the staffing model will be verified against the locally Economically Active Population (EAP) statistics by conducting an EE analysis. Maseve will, during the course of construction and ramp-up, continuously audit the compliance of the Contracting Companies to the provisions contained in the staffing model. These targets are reflected in sections B.5.2. and B.5.3. below.

After commencement of operations, Maseve is committed to comply with all the EE targets set out in the Mining Charter. In compliance with the EE Act, Maseve will not only establish an employment equity committee, publish the EE Plan and Report on an annual basis. This report will also be submitted to the DMR annually.

B.6.2. Women in Mining

PTM/Maseve is committed to meet the gender equity target through the attraction and retention of Women. During the early part of 2012, Maseve HR and HRD departments will develop a comprehensive WiM strategy, which will focus on attracting, developing, retaining and inducting women into the workplace, so as to ensure sustainability and success.

Currently, PTM/Maseve's gender equity distribution indicates that **women make up 25% of the current permanent staff** of 32 (thirty two) employees. In terms of the company's steady state staffing requirements, it has been planned that gender compliance will remain in place as the planned anticipated target for women will be 12%. Table 21 below, illustrates the presence of women in the staff complement of Maseve structured according to the different departments.



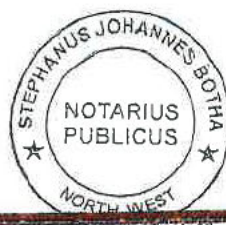
Department	Women In Mining (WIM) Complement	Total Labour Complement	% WIM of Total Labour
Head Office	5	15	33%
Site Operation	0	10	0%
Finance & Administration	10	45	22%
Human Resources	9	39	23%
Mining Technical Services	18	84	21%
SHE	4	14	29%
Security	8	33	24%
Mining Operations	125	1,828	7%
Engineering	110	459	24%
Concentrator	22	121	18%
Sub Total	311	2,648	12%

Table 21: Distribution of women in mining in the proposed staff complement

B.6.3. HDSA Participation

In terms of Form S on page 43, it is evident that PTM/Maseve has exceeded the required minimum target of 40% in terms of current permanent staff. PTM/Maseve firmly believes that well defined staffing targets in terms of HDSA are required in order to achieve future equity requirements. To this end, Table 22 below illustrates the distribution of HDSA presentation in the Maseve proposed steady state staff complement, including WIM. The minimum target of 40% will be maintained through the implementation of a mentorship programme, bursaries, career progression, and the development and management of a community skills database, as well as a community recruitment and skills pool. Maseve's intention is to ensure compliance from start and this can be seen by the statistics related to head office. Recruitment is done strictly according to the targets as contained in the approved labour plan. Deviations from these targets will be dealt with at an executive level.

Table 22 on the next page, illustrates the presence of HDSA's in the steady state staff complement of Maseve structured according to the different departments.



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Department	HDSA Complement	Total Labour Complement	% HDSA of Total Labour
Head Office	9	15	60%
Site Operation	5	10	50%
Finance & Administration	25	45	56%
Human Resources	17	39	44%
Mining Technical Services	58	84	69%
SHE	8	14	57%
Security	21	33	64%
Mining Operations	1,681	1,828	92%
Engineering	315	459	69%
Concentrator	67	121	55%
Sub Total (Incl. Non-Availables)	2,204	2,648	83%

Table 22: Distribution of HDSA's (including WIM) throughout different departments in the proposed staff complement

The total percentage of HDSA in the proposed staff complement at Steady State is planned to exceed the required minimum 40% as proposed by the Mining Charter. Table 23 below, reflects the HDSA representation (including WIM) per grade to indicate the planned percentage target at different Paterson grade levels.

Occupational category	Paterson Grade	HDSA Complement	Total Labour Complement	% HDSA of Total Labour
Top management	F	1	2	50%
Senior management	E	8	11	73%
Professional specialist and mid management	D	16	30	53%
Skilled technical	C	152	322	47%
Semi-skilled	B	1,727	1,855	93%
Unskilled	A	204	204	100%
Sub Total (Excl. Non-Availables)		2,108	2,424	87%

Table 23: HDSA representatives (including WIM) per Grade

The targets highlighted in the Table above are current theoretical estimates, which will require operational confirmation as the project ramps up to steady state. It must be noted that Maseve's intention is to achieve compliance through the implementation of pre-emptive programmes, such as valid local community database, targeted recruitment and skills development programmes. The following action steps in Table 24 on the next page have been defined and implemented in order to support the achievement of the planned steady state staffing and equity/gender targets.

	Action	Objective	Timeframe
1	Community skills audit	<ul style="list-style-type: none"> Identify possible candidates from the Skills Audit process 	Completed
2	Develop a comprehensive staffing model	<ul style="list-style-type: none"> Clearly define the required Organisational Structure and associated complement Demarcate and ring-fence pre-defined positions for HDSA and WIM 	Completed
3	Establish mechanisms to identify and assess HDSA's and WIM with potential in line with the skills audit process	<ul style="list-style-type: none"> Identify and fast-track the development of HDSA employees and women with potential Establish and maintain a balance between the principles of promotion from within and sourcing HDSA and women recruits externally 	Process has commenced in terms of local recruitment database, designations ring-fenced in the staffing model and the SLP HRD obligations.
4	Review recruitment processes and policies	<ul style="list-style-type: none"> Ensure that recruitment processes are in line with EE targets identified in the proposed Staffing Model Female and/or HDSA candidates are given priority in respect of recruitment, appointment and promotion within the framework of the law 	Completed
5	Numerical targets are set on an annual basis for achieving HDSA's & WIM targets	<ul style="list-style-type: none"> Realistic targets are linked to recruitment initiatives, skills audit and talent pool 	Review on a quarterly basis. Refer to point 3 – ditto.
6	Allocate resources to the training of HDSA's & WIM in terms of the staffing model	<ul style="list-style-type: none"> HDSA's and WIM have equal access to training programmes Identify and fast-track the development of HDSA employees and women with potential WIM employee induction programme 	Review on monthly/quarterly and annual basis. Refer to point 3 – ditto.
7	The development and implementation of EE policies that addresses HDSA's and women	<ul style="list-style-type: none"> Minimise loss of potential identified employees to competitors 	Within 6 months of the granting of a Mining Right
8	Design HRD programmes in line with workplace skills plans	<ul style="list-style-type: none"> Empower HDSA's and WIM by providing appropriate training and development Ensure alignment with the Workplace Skills Plan and the Skills Development Plan 	On-going



	Action	Objective	Timeframe
9	Continued mentorship	<ul style="list-style-type: none"> Align HDSA's and WIM to the Mentoring and Coaching program Identifying and fast-tracking the development of HDSA employees and WIM with potential 	On-going
10	EE will be monitored on a monthly, quarterly and annual basis	<ul style="list-style-type: none"> Review selection procedures and practices; Compare Maseve HDSA and WIM targets to that of the Mining Charter 	Quarterly Meetings and Annual reports

Table 24: Action plans to achieve EE targets at Maseve

B.6.4. Employees with Disabilities

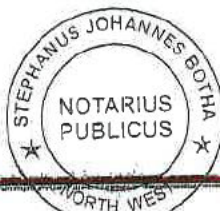
Maseve aims to continuously attempt to employ individuals with disabilities; Maseve accepts the spirit of the intent and will strive to satisfy the requirement.

B.6.5. Foreign Migrant Staff

Maseve will support South African government's Mining Industry's agreement to ensure non-discrimination against foreign migrant labour, although preference will be given to local employment. Accordingly, the following goals will be pursued:

- Maintaining fair and non-discriminatory practices for all employees;
- Creating a working environment where all can work together in a peaceful and harmonious manner; and
- Contributing towards the democratic practices of our country's society by creating an environment where people from different backgrounds better understand one another.

Based on information obtained from local surrounding mines in the area, it is anticipated that a small contingent of foreign labour might need to be employed, specifically in terms of Rock Drill Operating skills. In this regard, the staffing model indicates that approximately 376 (three hundred and seventy six) Rock Drill Operators (RDO's) will be required at steady state, which makes up 23.6% of the underground complement or 14% of total staff complement. This is based on trends obtained from other mining companies in the region.



SECTION C

LOCAL ECONOMIC DEVELOPMENT PROGRAMMES

In compliance with the Mining Charter, this section addresses interventions which Maseve intends to implement in the local municipal areas. These interventions will focus on poverty eradication and local economic development, with specific focus on HDSA's from Maseve's core and affected communities. The primary intentions with these interventions are to adhere to the following:

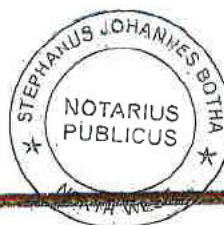
- Establishment of a stakeholder forum;
- Co-operation with the local government in formulating and assisting with development and implementation of plans for the surrounding communities;
- Regular engagements with host communities;
- Contribution to address poverty eradication and upliftment of host communities; and
- Identifying and engaging with key stakeholders in existing and emerging forums.

C.1. Social and Economic Background of the Area

Maseve is situated in the Rustenburg Local Municipality (RLM) and the Moses Kotane Local Municipality (MKLM), which forms part of the Bojanala District Municipality (BDM), in North West Province (NWP). In terms of a local landmark, it is situated across from Sundown Ranch.

The communities that will be affected by Maseve's mining operation have been identified as the following:

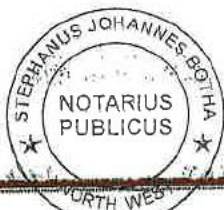
- RLM:
 - Phatsima;
 - Chaneng;
 - Robega;
 - Rasimone;
 - Mafenya; and
 - Boshhoek.
- MKLM:
 - Ledig (Including Mahobieskraal);
 - Bapong;
 - Matooster; and
 - Mogwase.



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In Table 25 below, salient socio-economic data related to the province, as well as the district and local municipalities are presented.

Socio-Economic Indicators	North West Province	Bojanala District Municipality	Moses Kotane Local Municipality	Rustenburg Local Municipality
Population				
Total number of people	3,271,948	1,188,458	237,175	395,761
Total number of households	911,120	334,499	62,861	116,635
Average Household Size	3.7	3.5	4	3.4
Brief Analysis	The average household size compares favourably to National and Provincial levels.			
Housing				
Brick dwelling on separate stand	66.1%	59.1%	75%	56.2%
Traditional dwellings	2.2%	3.5%	5%	2.1%
Informal settlements (separate stands and backyard dwellings)	24,3%	29.4%	17%	41.7%
Flush toilet with sewerage system	39% *	24.3%	11.0%	28.09%
Pit latrine (without ventilation)	33.9% *	51.8%	73.8%	71.16%
No access to any toilet facilities	9.2% *	9.1%	15.2%	0.75%
No Access to piped water	72.6%	70.5%	31.8%	34.35%
Piped water more than 200 m from the yard	20.0%	18.2%	22.1%	13.58%
Piped water near the house	7.2% *	11.3%	31.8%	5.57%
Electricity used for cooking	66.1%	47.7%	51%	66.5% x
Gas used for cooking	2.6% *	2%	2.5%	2.0% x
Paraffin used for cooking	30% *	34%	17.3%	14.9% x
Wood used for cooking	17.4% *	15%	29%	15.1% x
Refuse removed by local authority at least once a week	40.6% *	25.9%	8.2%	60.1% x
Communal refuse dump	1,8% *	1.5%	1.7%	2.1% x
Own refuse dump	48.5% *	62.3%	80.5%	28.6% x
No rubbish disposal	7.3% *	9.8%	9%	7.1% x



Socio-Economic Indicators	North West Province	Bojanala District Municipality	Moses Kotane Local Municipality	Rustenburg Local Municipality
Brief Analysis	The Community Survey 2007 found that there has been a remarkable improvement in several areas, electrical usage in houses, and a proportionate decline in the use of gas, paraffin and wood for cooking. Progress has also been made provincially with access to piped water and refuse removal, decrease in the bucket and pit latrine toilet systems, and a decrease to 8.2% nationally of no access to toilet facilities. There are a significant number of informal settlements in the RLM area, due to the migration and influx of workers to the expanding platinum mining arena.			
Educational profile of adults				
No or limited primary education	40.3% *	34.8%	38.44%	No stats available
Completed primary education	6.9% *	7.4%	7%	7.8%
Completed some secondary education	29.2% *	32.2%	30.6%	33.4%
Completed secondary education	18% *	20.1%	18.4%	22.0%
Completed tertiary education	5.6% *	5.6%	5.7%	6.3%
Brief Analysis	In the Community Survey 2007, note is made that there has been notable growth in some secondary schooling among persons 20 years and older. (From 30.8% in 2001 to 40.1% in 2007 nationally).In 2007, 9.1% of persons aged 20 years and above had completed higher education. This is an indication of a severe lack of certain skills that may be found.			
Employment of working age population				
Working age (15 to 64 years)	64.4%	58%	78.6%	65.6%
Employment rate	33.8%	39.9%	25.3%	47%
Unemployment rate	23.8%	27.6%	26.2%	34.40%
Economically not active	42.4%	61%	48.5%	30.76%
Brief Analysis	The data for the RLM is taken based on villages, which is the predominate area of responsibility, but is misleading as there is a mixture of dense settlements and a portion of 3 rd Order Settlement Cluster being Robega and Bafokeng tribal settlements. These affect the Employment figures as the abovementioned settlements are affected by significant platinum mining expansion and therefore have higher rates of employment.			
Individual Monthly Income for the employed (Excluding income derived from government grants, pensions and informal employment)				
No income	1.9%	1.8%	2.6%	No stats available
R1 to R1,600 per month	57.3%	54%	52%	63.64%
R1,601 to R6,400 per month	33.6%	37.4%	40.5%	32.29%
R6,401 to R51,200 per month	6.9%	6.4%	4.8%	4.08%
R51,201 and above	0.3%	0.4%	0.5%	No stats available
Brief Analysis	It should be noted that the income level of R 6,401 and above is minimal, indicating a lack of experienced tertiary skills probably at management / supervisory level.			

Table 25: Socio-Economic profile of the surrounding areas of Maseve



C.1.1. North West Province

In the North West Province (NWP), a total of 87 mines employ 100,000 workers, accounting for 23% of provincial employment. The NWP provincial economy contributes towards 6% of the South African economy. In 2000, NWP was the fastest growing province in South Africa with an annual GGP growth rate of 5.4%, mostly due to the platinum upswing. As at 2003, mining contributed towards 25.6% of the economy and 17.8% of the total employment in the province. The NWP is also the dominant province in mineral sales with a contribution of 17.8% to the South African mining sector.

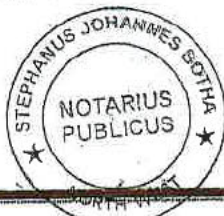
C.1.2. Bojanala District Municipality

The Bojanala District Municipality (BDM) is situated toward the North East of the NWP, and contains 5 (five) local municipalities, including RLM. The current population (Census 2001) for the BDM is estimated to be approximately 1,185,330, which is an increase of approximately 11.34% from 1996. More than half of the population is under the age of 29 (twenty nine). The dominant population group is Black African (92.3%), followed by White (6.9%). The BDM consists of a semi-skilled and skilled population, of which the majority (52.3%) have completed some secondary schooling, including Grade 12.

Of the economically active population, more than half (59.2%) are employed, of which the mining and quarrying sector offer the largest number of job opportunities at 6.9%. The BDM consists of approximately 323,580 households, with an average of 3.7 persons per household. 1.8% of all households in the BDM reported having no income at all, followed by households with a monthly income of between R1,000 and R1,600 (57.3%) and between R9,601 and R19,200 amounting to 18.1%.

The BDM is fairly under-serviced in terms of Municipal Services Networks, as most households (62.3%) make use of their own Refuge dump and 11.3% of the population have access to piped water within the yard. The vision of the municipality is that of a model of co-operative governance for effective and efficient service delivery, through partnership with local municipalities within their jurisdiction. The Key Performance Indicators (KPI's) for local economic development within the Bojanala District Municipality are as follows:

- Thriving and vibrant local economy and neighbourhoods;
- On-going programme contributing to the development of employable, educated and skilled citizenry;
- Facilitation of job creation and access to business opportunities;
- Continuous and positive interactions with all key economic anchors and actors;
- Clean, safe and healthy municipality;
- Universal access to quality, affordable and reliable municipal services (e.g. water, sanitation, electricity, refuse removal, transportation); and
- Regular investment in infrastructure and productive equipment.



C.1.3. Moses Kotane Local Municipality

The Moses Kotane Local Municipality (MKLM) comprises of widely dispersed settlement characterised by poor accessibility, low density, large distances between settlements and differences in residential character. There are about 109 (one hundred and nine) towns and villages within the MKLM. The largest concentration of settlements occurs around Mohabieskraal and north-east of Pilanesburg nature reserve.

The current population for the MKLM is estimated at approximately 237,007 people. As is the case with BDM, more than half (59.5%) of the population are under the age of 29. Females dominate slightly at 51.3%, although households are male headed (50.9%).

The MKLM also has a fairly semi-skilled to skilled population, with almost half (52.3%) who have completed some secondary schooling, including Grade 12. Slightly less than half (39.9%) of the economically active population are employed, of which most (4.4%) in the community services sector, followed by 3.9% in the mining and quarrying sector. The predominant population group is Black African (98.5%), followed by White (1%).

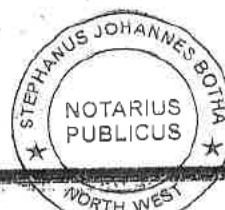
C.1.4. Rustenburg Local Municipality

The Rustenburg Local Municipality (RLM) was established in 2000. The RLM area is mostly characterised by mining activities, especially platinum mining. Although the area is mostly rural in nature, it is seen as the fastest growing city in Africa. The impact can be seen on the growth rate by the significance of the world's three largest platinum mines being located in this municipality, namely Anglo Platinum, Impala Platinum and Lonmin. Approximately, 97% of the total platinum production takes place in the Rustenburg area and contributes to around 50% of all formal employment from the mining sector.

The NWP Growth and Development Strategy places emphasis on Rustenburg as being a major contributor towards the mining and manufacturing industry. The RLM recently commissioned the preparation of a long term initiative for City Development Strategy, which is grounded on International Best Practice.

Census 2001 put the total population of the RLM at approximately 387,088 people. Just over half (53.7%) of the total population is under the age of 29 (twenty nine). More than half (55.8%) of the adult population have had some form of education, which includes the completion of some secondary schooling. Slightly less than half (47%) of the economically active population are employed, of which the majority are in the mining and quarrying sector (15.1%). The predominant population group is Black African (87%), followed by white (11.9%).

There are approximately 116,663 households within the RLM, with an average 3.3 persons per household. The area's majority of people (52%) earn a monthly income between R1,000 and R1,600, followed by a household percentage of 32.29% earning incomes of between R1,601 and R6,400.

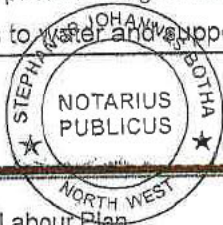


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28.6% of the households make use of their own refuse dump. The majority (39.9%) of the population have access to a flush toilet and approximately 20.7% have access to piped water within their yard. 40.9% of people own the property in which they stay and have paid for the property in full.

Table 26 below, describes the Key Performance Areas of RLM, as identified by the Municipality's IDP 2011/12.

Key Pillar	Key Performance Area
Planning and Skills Development	<ul style="list-style-type: none"> • Mining sector contributes to the majority of formal sector employment opportunities, other contributors being wholesale and retail trade sector, community, social and personal services sector; • Overall skills levels are very low with less than 10% of adult population having tertiary education; • Overall low literacy levels in the municipality will impact on the ability of the economy to maintain high future growth rates in the area.
Construction and Infrastructure	<ul style="list-style-type: none"> • Insufficient capacity of bulk infrastructure networks; • Road infrastructure below standard, insufficient road linkages with Gauteng, lack of road safety; • Limited facilities at existing taxi ranks to comply with requirements of recapitalisation programme; • Limited availability of technical and other skills in the district to support large infrastructure development and construction project
Mining and Energy	<ul style="list-style-type: none"> • Low levels of beneficiation of precious metals to contribute to economic development of area; • Large proportion of inputs and products utilised by Mining Industry obtained from outside district; • Limited opportunities for small scale mining ventures; • Increase and impact of HIV/Aids on the labour force; • Mining resources are a finite and non-renewable resource; • Insufficient alignment of identified priorities and challenges of public sector programmes with CSI and other programmes and initiatives of the mining groups; • Expanding Mining Industry will put increasing pressure on available water resources.
Agricultural and Rural Development	<ul style="list-style-type: none"> • Main agricultural activity is cattle, tobacco, citrus fruit (one of SA's most important citrus areas), wheat, maize, sunflower seed and ground nuts • Nearly 20% of land use area is agricultural but only contributes less than 5% to total GDP of area; • Limited agro-processing facilities; • Limited production of specialised products such as herbs, spices and indigenous trees; • Limited infrastructure; • Limited entrepreneurial skills in rural areas; • Incomplete land claims and other land reform processes, and pressure of other types of development on agricultural land; • Limited access to water and support/advisory services for small scale farmers.

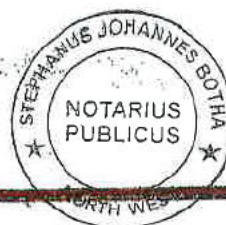


Tourism	<ul style="list-style-type: none"> • Several opportunities for tourism in Magaliesberg, and Bushveld vegetation; • Bafokeng Sports Palace was a designated venue for 2010 FIFA World Cup Soccer; • Insufficient marketing of tourism facilities, and benefits for rural communities from tourism development; • Sub-optimal utilisation of natural resources and benefits from proximity to nearby markets; • Limited opportunities for emerging enterprises and SMME's to participate in tourism and BEE participation; • Limited market profile for cultural tourist attractions; • Insufficient access and signage to key tourist destinations
Manufacturing and Trade	<ul style="list-style-type: none"> • Limited roll played by manufacturing in the economy of Rustenburg; • Accounts for only approximately 7% of all formal sector employment opportunities; • Limited availability of modern and strategically placed industrial and commercial areas in the district; • Limited opportunities and support for SMME's; • Absence of linkages between production activities in rural areas and manufacturing centres of the district; • Unavailability of key bulk infrastructure limits retail and office development markets; • Limited beneficiation of raw product to be used in district, both in agricultural and mining sectors.
SMME Sector	<ul style="list-style-type: none"> • Main reason for starting small business is unemployment; • Most small businesses have been in operation for less than 2 years; • Lack of knowledge in finance, stock control, infrastructure, pricing, improvement of business in marketing and products; • Limited integration of formal and informal sector economic activities; • Absence of a comprehensive information database on SMME's in district; • Uncoordinated SMME support activities.

Table 26: Key performance areas of Rustenburg local municipality (RLM)

C.2. Key Economic Activities of the Area

The main economic sectors in the NWP are mining (17.6%), community services (19.1%), trade (14%), agriculture (14%) and private households (10.6%). There are 87 mines operating in the area employing a total of approximately 100,000 workers, accounting for 23% of the provincial employment. The provincial economy contributes 6% to the South African economy. The average Gross Geographic Product GGP growth rate increased with 2.9% from 1990 to 2000. As at 2003, mining contributed 25.6% towards the economy and 17.8% of total employment in the NWP.



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Table 27 below, states the key economic activities in the BDM and the RLM.

Municipality	Dominant Economic Sector	2 nd most Dominant Economic Sector
Bojanala District Municipality	Mining and Quarrying (6.9%)	Wholesale and Retail (3.4%)
Rustenburg Local Municipality	Mining and Quarrying (15.1%)	Community Services (5.4%)

Table 27: Key economic activities in the affected municipalities.

C.3. Observation and Interpretation of Data

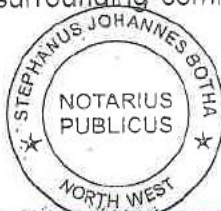
On reflection of the data above, the following important characteristics can be extracted from the surrounding area, which has influenced Maseve's views regarding their proposed LED programmes, are:

- Mining and quarrying plays a significant role in the economic activities of the region, with manufacturing making less than a significant contribution;
- 63.64% of families in RLM and 52% in MKLM earn less than R1,600 (one thousand six hundred rand) per month;
- A significant percentage (52.3% in MKLM and 55.8% in RLM) of the population have achieved secondary education levels, which includes Grade 12;
- A large portion of the RLM population (40.9%) own their own properties;
- Growing concern from local government regarding the development informal settlements, due to influx of migrant and foreign labour;
- A growing concern by local government regarding the impact of HIV/AIDS on the health of workers and local community members;
- A major concern is that less than 10% of the population possessed any form of tertiary education, as well as a lack of technical skills; and
- Lack of support, skills and opportunities for local SMME's severely damper individual's abilities to address their employment status.

C.4. Impact of the Mine in Local & Labour-Sending Communities

C.4.1. Number of Jobs Created and Persons Benefiting

It is anticipated that by the time Maseve reaches steady state, approximately 2,630 (two thousand six hundred and thirty) job opportunities would have been created. Of these, 129 (four hundred and twenty nine) will be employed permanently and 2,501 (two thousand five hundred and one) will be employed as contractors. Translated into salaries, this equates to an estimated amount of R403,000,000 (four hundred and three million rand) per annum that will flow into the region and surrounding communities at full production when steady state has been reached.



Tables 28 - 32 below, reflects the total staff complement per Paterson job grade, and function, as well as the relevant sub-departments, while Table 28 reflects the total staff complement of Maseve by Paterson job grade.

Shared Services							
Paterson Grade	Head Office	Site Operation	Mining Technical Services	Finance & Administration	Human Resources	Security	SHE
A	0	0	0	0	0	0	0
B	1	0	57	23	3	27	6
C	4	1	19	18	34	6	7
D	5	1	8	4	2	0	1
E	3	8	0	0	0	0	0
F	2	0	0	0	0	0	0
Sub Total	15	10	84	45	39	33	14

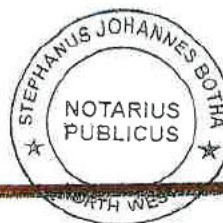
Table 28: Shared Services staff complement per sub-department and Paterson grade

Engineering					
Paterson Grade	Engineering Management	Maintenance	Construction & Reclamation	Logistics	Surface Utilities & Services
A	0	12	8	116	0
B	2	84	41	113	10
C	9	43	12	3	4
D	2	0	0	0	0
E	0	0	0	0	0
Sub Total	13	139	61	232	14

Table 29: Engineering staff complement per sub-department and Paterson grade

Mining			
Paterson Grade	Mining Management	Development	Stoping
A	0	28	28
B	0	282	1,148
C	27	45	42
D	4	0	0
E	0	0	0
Sub Total (Excl. Non-Availables)	31	355	1,218

Table 30: Mining staff complement per sub-department and Paterson grade



Concentrator					
Paterson Grade	Concentrator Management	Process	Concentrator Engineering	Administration	Metallurgy
A	0	12	0	0	0
B	0	39	9	4	6
C	0	25	16	6	1
D	1	1	0	0	1
E	0	0	0	0	0
Sub Total	1	77	25	10	8

Table 31: Concentrator staff complement per sub-department and Paterson grade

Maseve Total staff		
Occupational levels	Paterson Grade	Complement
Unskilled	A	204
Semi-skilled	B	1,855
Skilled	C	322
Professional specialist and mid management	D	30
Senior management	E	11
Top management	F	2
Grand Total (Excl. Non-Availables)		2,424

Table 32: Maseve staff complement per Paterson grade

Furthermore, the average salaries for Paterson A and B Band employees would be R6,001 and R9,968, respectively. This would significantly contribute to the economic upliftment of the region, as this project would add approximately 2,113 new employee families and their associated communities to the region's employment list.

C.4.2. Other Socio-economic Impacts

Besides the number of local labour that will be employed by Maseve, there are other socio-economic impacts that the operation will have on its surrounding communities, including the Maseve HRD and LED programmes, as well as socio-economic impacts that will be discussed in this section.

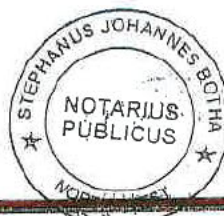
The study also found that a number of Macro Economic indicators will be positively affected. The following estimated impactors are calculated (2011 price terms):

- On household income – R403 million per annum, 90% of this will flow directly into the Region as they will be employed by Maseve;
- On Gross Domestic Product (GDP) – An increase of 0.1% on the national figures;

- On the Fiscus – Approximately R100 million per annum; and
- On Capital Expenditure – An estimated increase of R1.5 Billion (This includes phases 1 and 2).

The following Table 33 illustrates the socio-economic impact that Maseve will have on the surrounding communities, as well as measures in order to track the impact.

Identified socio-economic Impact	Enhancement measure(s)
<p>Socio-economic benefits of the project: Significant positive socio-economic impact for local, regional and national economy as a result of:</p> <ul style="list-style-type: none"> • Provision of employment for significant number of people; • Large capital investment and substantial offshore revenue generation; • Large incomes paid out locally in the form of the company payroll; • Significant payments to government in the form of local, regional and national taxes and levies; • The development of a comprehensive community and SMME skills database; • Ongoing liaison with local communities with needs analysis to identify potential future socio-economic interventions; • Creation and support of service sector jobs, procurement of large quantities of consumables annually; • Outsourcing of service provision to local service providers; • Agricultural projects to aid and advance the secondary economic sector of agriculture; and • Financial assistance to the Department of Education (DoE) regarding the development of the quality of Mathematics and English teachers in the district. 	<p>The enhanced benefits to the local communities from these interventions launched by Maseve are as follows:</p> <ul style="list-style-type: none"> • Large scale local employment; • Inflow of funds into local economy in terms of procurement as well as an increase in families with disposable income in the community; • Procurement for local SMME's will be encouraged; • Supporting efforts to improve safe conditions in the houses of local residents; • Assisting with the development of agricultural skills in the local community, which indirectly supports access to improved nutrition for all participants in the programme; • Enhancing social recreation and indirectly creating and encouraging the development of sports related skills (Specifically referee skills development); • Alignment to prevailing local government and community programmes; and • Maseve intends up-skilling educators in order to make them more effective in their teaching environment (This will ensure that a larger audience benefits from the investment).



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<p>Negative socio-economic impacts</p> <p>Significant negative socio-economic impact for local, regional and national economy as a result of:</p> <ul style="list-style-type: none"> • Potential impacts include population influx and informal settlement development; • The potential exists for partial collapse in the economy of the surrounding area at closure; • Loss of arable land. About 72 hectares of arable land to be disturbed by development of Maseve infrastructure. About 100 hectares of agricultural land covered by the tailings dam will not be returned to its pre-mining land capability; • Air Pollution. The construction of a tailings dam at the site will result in air pollution; and • Road disturbances and road traffic. Heavy vehicle traffic on gravel roads and poorly maintained roads can be hazardous. 	<p>In order to counter these socio-economic impactors, Maseve have launched a number of interventions to address these concerns, namely:</p> <ul style="list-style-type: none"> • A detailed report has been developed to address the accommodation needs for employees in the area, which include migrant and foreign labourers; • Maseve will rehabilitate land disturbed by mining to its pre-mining land capability status where possible. Only the land covered by the tailings dam will not be returned to its pre-disturbance potential; • Maseve will investigate all and any potential mitigating factors that may be implemented to reduce the possible impact of further air pollution in the area. This includes actively engaging with current air pollution impact stakeholders to mitigate the effects; and • Maseve roads will be closed for public use, as well as the introduction of dust allaying measures to mitigate dust creation.
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Table 33: Socio-economic impacts of Maseve on the surrounding community

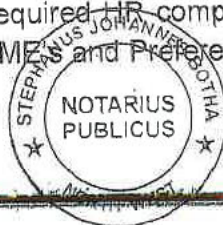
C.4.3. Co-operation with the Local Municipality

Maseve is aware of the fact that the municipality's IDP's is a crucial literature in terms of indicating the development needs in the surrounding communities. It is important to keep track of these plans as they are undergoing the process of amendment, based on the extensive community, local government and stakeholder communication that Maseve has had over the last 2 (two) years, investments have been made in terms of the needs analysis and the government's 2015 vision. This initiative not only links to the local municipalities, but specifically supports the national government's initiative to focus on health care.

Maseve has deployed a HR capacity to site that is responsible to maintain the relationship with the various municipal forums, as well as to drive compliance of all relevant HR legislation via the various appointed contracting companies.

C.4.4. SMME & Community Development

Maseve has appointed a Stakeholder Relations and Permitting Vice President, as well as a dedicated project HR support team, which will work in conjunction with the local municipalities and Ward Councillors to drive the LED as well as HRD programmes. Maseve has developed a number of required HR compliance policies, specifically in terms of HRD, LED and more specifically SMMEs and Preferential Procurement (PP).



Maseve's PP principles and initiatives in the host communities will promote and support the development of local SMME's. Areas of maximum value for interventions will be identified by ensuring that its SMME support and development programme is consistent with the requirement and guidelines of the MPRDA, Mining Charter and other related procurement laws.

C.4.5. Reporting

Maseve will annually report on progress made to reflect Corporate Governance and the principles outlined in the King II report, as well as sustainable development and triple bottom-line reporting.

C.5. Maseve Local Economic Development Programme

C.5.1. Programmes Aligned to Mineral Regulations

As outlined in the Mining Charter, Maseve provides a 5 (five) year Local Economic Development (LED) Programmes. Key stakeholders have been engaged through the development of these programmes; which mainly includes engagement with the government; the local communities and the municipalities. These programmes will be initiated, implemented and financially supported by Maseve.

The programmes have been aligned to the following requirements:

- Consultation and integration in formulating Integrated Development Plans (IDP's);
- Co-operation with the government in implementing these plans for the local community; and
- Engagement with the local community and/or their representatives in the surrounding communities or areas.

The primary objective of Maseve's LED programmes is to contribute to poverty eradication and the upliftment of the communities surrounding Maseve. Maseve has started consulting with the various stakeholders regarding the SLP, especially the proposed LED programmes, in order to ensure alignment to the municipality's IDP's, as well the community needs.

C.5.2. Stakeholders

C.5.2.1. Stakeholder Engagement

Maseve has been actively involved in key community, municipality and stakeholder engagements through continual liaison and communication. This process has resulted in an open door policy with the affected community members and greatly enhanced Maseve's credibility. Maseve's intention is to maintain positive relationships with all stakeholders including local communities, and to honour all legislative requirements and social obligations.



To this extent, Maseve has over the last 2 (two) years spent significant time and funds into this area through community and municipal needs analysis, as well as establishing communication networks with various stakeholders.

C.5.2.2. Stakeholder Identification

Maseve identified key stakeholders, including interested and affected parties, as well as community groups guided by MPRDA regulations. These regulations stipulate that a mining operation has to engage stakeholders in its surrounding areas, as well as relevant local authorities. Table 34 below, highlights all the stakeholders that Maseve has identified and engaged with over the last 2 (two) years.

Stakeholder			Purpose
Government	National Government	All relevant levels	• Engage on all issues
	Provincial Government		
	Local Government	Rustenburg and Moses Kotane Local Municipalities	• Engagement on surrounding communities and IDP's
		Bojanala District Municipality	
Other Governmental Departments	Department of Education	Schools in the surrounding area	• Improvement of the skills of Mathematics and English teachers and ABET programmes
	Health	National Health Council	• Engage on health issues
		Local health services	
	Labour	Department of Labour	• Skills development and training;
		SETA's	• Compliance; and • Reporting
	SAPS	Police Services	• Safety
	Business development	SEDA	• Local Economic Development
	Development Agencies	National Development Agency	• Community Development
	Department of Mineral Resources	All relevant levels	• Engagement on SLP matters • Compliance; and • Reporting
Politically orientated	Community Forums	MQA	• Registration of Maseve
		Youth formations	• Community Development
	Ward committees		• Ensuring successful community development through

			councillors
		Gender committees	<ul style="list-style-type: none"> • Identification of vulnerable community groups
	Magalies Water Board	Bojanala District	<ul style="list-style-type: none"> • Integration of water infrastructure with proposed housing development initiatives
	Rustenburg Water Services Trust	Chaneng Area	<ul style="list-style-type: none"> • Participation in proposed sewerage treatment works
Other	Unions	NUM	<ul style="list-style-type: none"> • Consultations; and • Development
	Forums	Macharora Business Forum	<ul style="list-style-type: none"> • SMME Development

Table 34: Maseve key stakeholders

C.5.3. Developmental Aspects Addressed by LED programmes

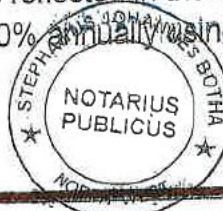
To date, as mentioned in the section above, Maseve has invested both significant time and funds into various initiatives with local stakeholders. The SLP initiatives envisaged by Maseve are not limited to what is contained in the submission. As described in the sections below, Maseve has divided the proposed LED initiatives into each of the 2 (two) local municipalities.

C.5.3.1. Rustenburg Local Municipality (RLM) and Moses Kotane Local Municipality (MKLM)

In terms of Rustenburg, it must be noted that the municipality has embarked on a process of redefining its IDP strategy. In this regard, Maseve has referenced the 2011/12 IDP, and has also engaged with the municipality's relevant community Ward Councilors and community representatives formally held on the 20th October 2011. The LED initiatives mentioned below not only align to the 2011/12 IDP, but also reflect some of the discussions held with the Ward Councilors.

On 17th November 2011, a joint session between MKLM and PTM/Maseve was held where discussions centering around the LED portion of the Maseve SLP was undertaken. At this session, the municipality proposed certain LED projects of specific interest to the municipality. Several consultation sessions have been held since in order to ensure complete alignment of Maseve's SLP LED projects to the identified needs of the MKLM.

The following tables reflect the LED programmes that have been identified by PTM/Maseve for the period 2012 to 2016. Note that all values reflected in the LED tables in terms of budget requirements have been escalated by 10% annually using 2012 as baseline.



Project	Project name: Maintenance and refurbishment of local community centres			Project classification: Small scale infrastructure and local community development			
Background	This project addresses the small scale community infrastructural needs with special focus on local community centres in RLM and MKLM, through the funding in local community development in terms of needs identified by the relevant Municipalities. All these projects already exist as part of the Municipality's IDP's.						
Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Rustenburg Local Municipality	Phatsima	<ul style="list-style-type: none">Plumbing repairsPainting and ceiling repairsSponsoring of office furniture, stationary and equipment	<ul style="list-style-type: none">Q3 2012Q1 2013Q2 2013	AM: 4 AF: 2 YM: 2 YF: 1	<ul style="list-style-type: none">R25,000R110,000R110,000	May 2012 – May 2013
		Robega	<ul style="list-style-type: none">Build Ablution facilitiesPainting and ceiling repairsSponsoring of office furniture, stationary and equipment	<ul style="list-style-type: none">Q4 2012Q2 2013Q3 2013	AM: 10 AF: 4 YM: 4 YF: 2	<ul style="list-style-type: none">R25,000R110,000R110,000	July 2012 – Oct 2013
		Rasimone	<ul style="list-style-type: none">Repairing of ablution facilitiesPainting and ceiling repairsSponsoring of office furniture, stationary and equipment	<ul style="list-style-type: none">Q1 2013Q3 2013Q4 2013	AM: 5 AF: 2 YM: 2 YF: 1	<ul style="list-style-type: none">R27,500R110,000R110,000	Jan 2013 – Dec 2013
	Moses Kotane Local Municipality	Mogwase	<ul style="list-style-type: none">Draft and approve construction planConstruction of a community hall	<ul style="list-style-type: none">Q1 & Q2 2014Q4 2014 – Q4 2015	AM: 10 AF: 5 YM: 5 YF: 5	R2,662,000	Jan 2014 – Dec 2015
Total budget for project						R3,399,500	
Completion date and exit strategy	This project will be complete in totality by end December 2015, although Phatsima, Robega and Rasimone will be completed earlier, December 2013. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance, cost and invoice management, and liaison with the relevant Municipal LED Manager in terms of approval, involvement and ownership. The entire project will be managed and controlled by PTM/Maseve. Upon completion, the Maseve SLP Manager will hand over the project to the relevant authorities for day-to-day management.						

Table 35: LED Project: Maintenance and refurbishment of local community centres

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female

Project	Project name: Maintenance and refurbishment of local community high schools				Project classification: Small scale infrastructure and local community and educational development		
Background	This project addresses the small scale community infrastructural needs with special focus on local high schools in RLM and MKLM, through the funding in local community of the existing educational facilities, with specific emphasis on science.						
Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Moses Kotane Local Municipality	Ledig (Tswaidi High)	<ul style="list-style-type: none">Equip science laboratoryAssociated classroom security and refurbishment	<ul style="list-style-type: none">Q1 2013Q2 2013	AM: 2 AF: 1 YM: 2 YF: 1	R400,000	Jan 2013 – June 2013
		Ledig (Itumeleng High)	<ul style="list-style-type: none">Equip science laboratoryAssociated classroom security and refurbishment	<ul style="list-style-type: none">Q1 2014Q2 2014	AM: 2 AF: 1 YM: 2 YF: 1	R440,000	Jan 2014 – June 2014
	Rustenburg Local Municipality	Phatsima (Kayaletu High)	<ul style="list-style-type: none">Equip science laboratoryAssociated classroom security and refurbishment	<ul style="list-style-type: none">Q1 2015Q2 2015	AM: 2 AF: 1 YM: 2 YF: 1	R484,000	Jan 2015 – June 2015
		Robega (Charora High)	<ul style="list-style-type: none">Equip science laboratoryAssociated classroom security and refurbishment	<ul style="list-style-type: none">Q1 2016Q2 2016	AM: 2 AF: 1 YM: 2 YF: 1	R532,400	Jan 2016 – June 2016
Total budget for project						R1,856,400	
Completion date and exit strategy	This project will be complete by end June 2016. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance, cost and invoice management, and liaison with the relevant Municipal LED Manager and the designated District DoE official in terms of science studies in terms of approval, involvement and ownership. The entire project will be managed and controlled by PTM/Maseve. Upon completion, the Maseve SLP Manager will hand over the project to the relevant authorities for day-to-day management.						

Table 37: LED Project: Maintenance and refurbishment of local community high schools

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female

Project	Project name: Water reservoir & reticulation infrastructure				Project classification: Bulk infrastructure		
Background	In conjunction with Wesizwe Platinum Ltd. Acting as the primary project manager, PTM/Maseve will co-finance an amount of R6,000,000 (six million) towards the construction of water infrastructural development in Ledig. This project will address specifically the building of a water reservoir and a water reticulation system. The estimated cost for this entire project will amount to approximately R12,000,000 (twelve million). This water reservoir and reticulation infrastructure project will benefit approximately 5,000 (five thousand) houses in the Ledig area.						
Geographical location of project activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Moses Kotane Local Municipality	Ledig	<ul style="list-style-type: none">Construction of water reservoirConstruction of water reticulation system	<ul style="list-style-type: none">Q1 – Q4 2014Q1 – Q4 2015Q1 – Q4 2016	AM: 40 AF: 10 YM: 10 YF: 5	<ul style="list-style-type: none">R2,000,000R2,000,000R2,000,000	July 2012 – Dec 2015
Total budget for project						R6,000,000	
Completion date and exit strategy	This project will be complete by end December 2016. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects. With regards to this project, Wesizwe Platinum Ltd. Will assume primary responsibility, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance, cost and invoice management, and liaison with all relevant stakeholders and funding partners. The entire project will be managed and controlled by Wesizwe Platinum Ltd. and upon completion, the project will be handed over to the relevant authorities for day-to-day management. The PTM/Maseve SLP Manager would be involved in so far as reviewing project progress co-ordinating the issuing of PTM/Maseve's funding allocation portion and participation with key stakeholders.						

Table 38: LED Project: Water reservoir & reticulation infrastructure

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female

R 20.8 / R7m

Project	Project name: Housing contribution				Project classification: Housing		
Background	In response to a Ministerial request from the National Department of Housing (DoH), to contribute and support the development of houses for destitute and underprivileged families, PTM/Maseve has decided to accept this "national call" and has allocated a pledge to this Ministerial request. In this regard, PTM/Maseve will provide project management and funding for the construction of 32 (thirty two) houses for destitute senior citizens, at a cost of R64,000 (sixty four thousand) per unit, as part of a broader project managed and driven by the Department of Housing. These houses will be built within 1 (one) of Maseve's communities, specifically Ledig, in the areas allocated by the MKLM for this purpose.						
Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Moses Kotane Local Municipality	Ledig	<ul style="list-style-type: none">Contract service provider appointmentConstruction of 8 units	<ul style="list-style-type: none">Q3 2012Q1 & Q2 2013	AM: 20 AF: 5 YM: 5 YF: 2	R512,000	Sept 2012 - June 2013
			<ul style="list-style-type: none">Contract service provider appointmentConstruction of 8 units	<ul style="list-style-type: none">Q3 2013Q1 & Q2 2014	AM: 20 AF: 5 YM: 5 YF: 2	R563,200	Sept 2013 - June 2014
			<ul style="list-style-type: none">Contract service provider appointmentConstruction of 8 units	<ul style="list-style-type: none">Q3 2014Q1 & Q2 2015	AM: 20 AF: 5 YM: 5 YF: 2	R619,520	Sept 2014 - June 2015
			<ul style="list-style-type: none">Contract service provider appointmentConstruction of 8 units	<ul style="list-style-type: none">Q3 2015Q1 & Q2 2016	AM: 20 AF: 5 YM: 5 YF: 2	R681,472	Sept 2015 - June 2016
	Total Budget For project					R2,376,192	
Completion date and exit strategy	This project will be complete by July 2016. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance, cost and invoice management, and liaison with the relevant Municipal Town Planner, Civil construction Manager and the designated DoH official in terms of building specifications, quality standards and project involvement. The entire project will be managed and controlled by PTM/Maseve. Upon completion, the Maseve SLP Manager, in conjunction with PTM/Maseve executives, representatives from the DoH and Municipality will hand over the houses to the designated citizens in a relevant ceremony.						

Table 39: LED Project: Housing contribution

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female

Project	Project name: Recreation parks				Project classification: Community and recreation development		
Background	This project aims to address social recreational needs of the local community. This initiative forms part of the MKLM IDP requirements and PTM/Maseve, in conjunction with MKLM, has identified the need for the establishment of 2 (two) recreational parks. the bulk infrastructural needs in the MKLM through investment in local community upliftment by providing funding for nature conservation in the areas identified by the MKLM.						
Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Moses Kotane Local Municipality	Ledig	<ul style="list-style-type: none">Establishment of a recreational park with the following infrastructure:<ul style="list-style-type: none">Planting of trees and grassFencingRecreational park equipment	<ul style="list-style-type: none">Q2 2014Q2 2015Q2 2016	AM: 10 AF: 5 YM: 5 YF: 5	R720,000 <ul style="list-style-type: none">R266,200R292,800R161,000	April 2014 - July 2016
			<ul style="list-style-type: none">Establishment of the Mabele-a podi park with the following infrastructure:<ul style="list-style-type: none">Planting of trees and grassFencingRecreational park equipment	<ul style="list-style-type: none">Q2 2014Q2 2015Q2 2016	AM: 10 AF: 5 YM: 5 YF: 5	R1,440,000 <ul style="list-style-type: none">R532,400R585,600R322,000	April 2014 - July 2016
	Total budget for project						R2,160,000
Completion date and exit strategy	This project will be complete by July 2016. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance cost and invoice management, and liaison with the relevant Municipal Town Planner, Civil construction Manager and the designated LED Manager in terms of building specifications, quality standards and project involvement. The entire project will be managed and controlled by PTM/Maseve. Upon completion, the Maseve SLP Manager, in conjunction with PTM/Maseve executives, will hand over the parks to the MKLM LED Manager in a relevant ceremony.						

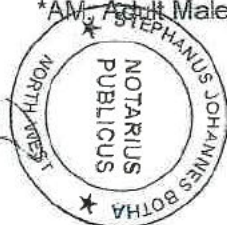
Table 40: LED Project: Recreation parks

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female

Project	Project name: Citrus project				Project classification: Agricultural development		
Background	This project aims to support the MKLM's LED department in expanding an existing vegetable production project within Bapong community. This project will contribute to expanding the current fruit farming activities by adding an additional 6ha piece of land for citrus production to the current 2ha of vegetable production. Maseve will fund specifically in the instillation of irrigation, the erection of fencing and the procurement of the required citrus trees. This programme is planned to be undertaken in conjunction with the National Department of Agriculture (DoA) and supported by MKLM's LED department.						
Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Moses Kotane Local Municipality	Bapong	<ul style="list-style-type: none">Establish an additional 6ha of agricultural land by procuring the following agricultural items:<ul style="list-style-type: none">Fencing;Irrigation; andCitrus trees.	<ul style="list-style-type: none">Q2 2012Q2 2013Q2 2014	AM: 10 AF: 5 YM: 5 YF: 5	<ul style="list-style-type: none">R500,000R550,000R605,000	March 2012 - March 2014
Total budget for project						R1,655,000	
Completion date and exit strategy	This project will be complete by March 2016. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance, cost and invoice management, and liaison with the MKLM LED Manager and the relevant District DoA representative in terms of specifications, quality standards and general project involvement. The entire project will be managed and controlled by PTM/Maseve. Upon completion, the Maseve SLP Manager, in conjunction with PTM/Maseve executives, will hand over the agricultural land to the MKLM LED Manager in a relevant ceremony.						

Table 41: LED Project: Citrus project

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female



43

Project	Project name: Leather production				Project classification: SMME development		
Background	Assist the MKLM's LED department in supporting an existing LED project within the Mogwase community. This project aims at providing operating finance in order to support the operational re-establishment of this project. To date, funding has been obtained and utilised to purchase the required equipment for this initiative, and due to changes to the Municipal Development Agency, support to this project came to an end. Maseve is keen to support MKLM to revitalise this project, and to this end, will fund the required operational finances needed to re-launch this project. The monthly operational funds are aimed at assisting with rental, rates and taxes, water and lights, equipment maintenance, as well as basic stock. The project aims to provide seed funding for the first year of its operation.						
Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Moses Kotane Local Municipality	Mogwase	<ul style="list-style-type: none">Monthly funding in terms of operating expenses (R10,000 per month)	<ul style="list-style-type: none">Q2 2012 – Q2 2013	AM: 1 AF: 4 YM: 1 YF: 1	R120,000	April 2012 - April 2013
Total budget for project						R120,000	
Completion date and exit strategy	This project will be complete by December 2013. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance, cost and invoice management, and liaison with the MKLM LED Manager in terms of fund distribution and review of day-to-day operations. The entire project will be managed and controlled by PTM/Maseve. Upon completion of the annual funding, it is envisaged that the operation would be fully functional and due to the nature of oversight by the PTM/Maseve SLP Manager, in conjunction with the MKLM LED Manager, the hand-over would appear seamless as the operation would be a going concern managed by the appointed staff.						

Table 42: LED Project: Leather production

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female

Project	Project name: Brick manufacturing				Project classification: SMME development		
Background	Assist the MKLM's LED department in supporting an existing LED project within the Mogwase community. This project aims at providing operating finance in order to support the operational establishment of this project. To date, investment has been obtained and utilised to purchase the required equipment for this initiative, and due to changes to the Municipal Development Agency, support to this project came to an end. Maseve is keen to support MKLM to revitalise this project, and to this end, will invest the required operational funds needed to re-launch this project. The monthly operational funds are aimed at assisting with rental, rates and taxes, water and lights, equipment maintenance, as well as basic stock. The project aims to provide seed funding for the first year of its operation.						
Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Moses Kotane Local Municipality	Mogwase	<ul style="list-style-type: none">Establish a co-operative and identify the representativesCoordinate skills assessment and place members on SMME development programmeConduct a needs analysis and circulate requirements and adjudicate the most suitable nominated service providers in order to deliver the following:<ul style="list-style-type: none">Procure:<ul style="list-style-type: none">Equipment maintenanceOffice equipmentStock – Crush and cementForkliftSMME training	<ul style="list-style-type: none">Q2 2012Q2 2013 & Q2 2014	AM: 5 AF: 5 YM: 2 YF: 2	<ul style="list-style-type: none">R600,000R55,000R60,000	April 2013 – April 2015
Total budget for project						R715,000	
Completion date and exit strategy	This project will be complete by April 2015. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance, cost and invoice management, and liaison with the MKLM LED Manager in terms of procurement specifications and staff assessment. The entire project will be managed and controlled by PTM/Maseve. Upon completion, the Maseve SLP Manager, in conjunction with PTM/Maseve executives, will hand over the factory to the MKLM LED Manager in a relevant ceremony.						

Table 43: LED Project: Brick manufacturing

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female

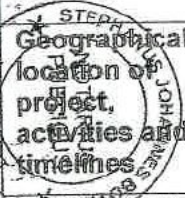
Project	Project name: Moses Kotane Hospital			Project classification: Medical		
Background	Assist the MKLM's local hospital in terms of emergency medical response to the communities. Although the hospital appears to be well equipped, a major area of concern for both hospital management, as well as all communities, is the lack of available and responsive medical emergency support. This project aims at providing finance in order to procure 1 (one) transportation ambulance and 2 (two) SUV's.					
 Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Activities/ Outputs	Delivery Timelines	Estimated Budget	Start & End Date
	Moses Kotane Local Municipality	Ledig	<ul style="list-style-type: none">Procure 1 (one) transportation ambulanceProcure 2 (two) SUV's	<ul style="list-style-type: none">Q2 2013Q2 2014	<ul style="list-style-type: none">R400,000R660,000	June 2012 - June 2014
					R1,060,000	
Total budget for project						
Completion date and exit strategy	This project will be complete by June 2014. PTM/Maseve will appoint a full-time SLP Manager that will be responsible for project managing all related LED projects, which will include the drafting tender documents, tender adjudication, selection of service providers, preferential procurement requirements in terms of local HDSA SMME's, project planning with service provider, project oversight and quality assurance, cost and invoice management, and liaison with the relevant LED Manager and MKLM hospital CEO in terms of vehicle specifications. The entire project will be managed and controlled by PTM/Maseve.					

Table 43: LED Project: Moses Kotane Hospital

*AM: Adult Male, AF: Adult Female, YM: Youth Male, YF: Youth Female

C.6. Housing and Living Conditions

C.6.1. Plans to Address Housing and Living Conditions

According to the Housing and Living Conditions for the Minerals Industry (2009) and the Amendment of the Mining Charter (2010), the Government encourages the development of acceptable and sustainable housing and living conditions for mine employees through the implementation of the following measures by 2014:

- The upgrading or conversion of hostels into family housing units;
- Attaining the occupancy rate of one person per room; and
- Facilitate home ownership options for all mine employees in consultation with organised labour.

When considering accommodation, it must be noted that for the foreseeable future, Maseve, as mentioned before, will embark on an owner managed operating philosophy. This will result in the accommodation responsibility transferring to Maseve's contracting companies until steady state. In order to support responsible accommodation, Maseve undertook a local accommodation and transport study early 2011. Results from the study has lead to recommendations having been made regarding the most suitable and available options for accommodation and transport. (See Annexure 9) During the construction period, Maseve will undertake quarterly accommodation audits to determine the suitability of contractor accommodation.

- In preparation for steady state, PTM/ Maseve HR department has conducted a wide ranging community housing survey, as well as synergising information with neighbouring mines, that will be used to develop the Maseve's steady state accommodation strategy and associated policies and plans.

In this regard, permanent employees accommodation needs will be met through driving local recruitment, as well as home ownership as provided for by the recommended remuneration policy. The current accommodation status of PTM/ Maseve's 32 (thirty two) permanent employees are summarised as follows:

- Head Office staff: Houses in Gauteng under the banner of home ownership;
- Site staff: Mostly rented houses at Sundown Ranch.

The Company's approach to accommodation and service provision for the contractor employees is contained in the above mentioned report addressing this matter. This report presents feasible options that will allow the Contracting Company's employees to implement sensible and affordable choices with regard to accommodation, which complies with the relevant housing legislation. In order to monitor this, quarterly compliance audits will be conducted and reported on in order to mitigate the risks in terms of non-compliance. The housing policy that will be developed by Maseve will address all related issues. Feeding this policy, Maseve has undertaken an extensive survey in the 6 (six) communities, in order to establish community members' points of view related to their expectations and needs in

terms of housing. The study which was conducted during this year, has provided preliminary findings that support home ownership, preferences where home ownership would need to occur and the type of support in terms of home construction and funding. This report will be completed by the end March 2012 and will form the basis of the home ownership policy and the Maseve accommodation strategy that will be developed during the second quarter of 2012. It is envisaged that this strategy would dovetail with some of the surrounding mines as discussions in this regard have tentatively been undertaken. At this stage the home ownerships concept is based on low interest bearing loans provided to employees for the building or purchasing of their own properties and re-paid via the proposed home ownership allowances. See Table 42

Table 44 below, details the 5 (five) year action plan that Maseve has developed regarding accommodation, as well as the objective and timeframe associated to each of the actions.

	Action	Objective	Timeframe
1	Development of a Remuneration Rate Schedule	Calculate provision made for home ownership by Maseve to its employees	Completed
2	Accommodation report	Analyse and recommend accommodation options for Maseve employees and contractor employees based on findings from research and analysis. Refer to Annexure 9.	Completed
3	Contractor specification	Final draft of Maseve's HR compliance specifications for contractors, including accommodation	February 2012
4	Conduct Housing Survey	Identify the perception and needs amongst the community member regarding home ownership	March 2012
5	Housing Policy	Documents Maseve's rules, regulations and procedures regarding employee housing	June 2012
6	Accommodation strategy	Documents Maseve's intention regarding their employees' status in terms of home ownership, employee training in terms of ownership and the process of funding and re-payments.	August 2012
7	Construction alternatives	Documents Maseve's research into alternative low cost housing to support new market entrant, while ensuring quality and maximum eco-friendliness.	October 2012
8	Home ownership orientation and training	A specific training programme that defines Maseve's policy and explains the modus operandi of home ownership to the employee, as well as a section dealing with ownership included in the process of induction.	March 2013
9	Funding model	This deals with the most feasible method of providing employees with low cost capital in order to finance the development or purchasing of their own properties.	June 2014

10	Stakeholder engagement	This deals with Maseve's approach to obtaining national level support from NUM, Department of Housing and South African Revenue Services (SARS)	October 2014
11	Quarterly compliance audits	Ensure that contractors are complying to Maseve's standards, as well as legislative requirements, including accommodation.	On-going

Table 44: Maseve 5 (five) year accommodation action plan

In compliance with the mineral legislation, the concerns regarding Home Ownership and Hostels will be discussed in the next section.

C.6.1.1. Home Ownership

Home Ownership will be the core of Maseve housing strategy. Through the payment of housing allowance for Home Ownership to the Maseve permanent employees, they will be assisted to achieve Home Ownership in the nearest sustainable residential areas. Housing allowance will be based on employee categories and included in recruitment packages. Table 45 below reflects the different home ownership allowance amounts that have been calculated according to the above mentioned method.

Paterson Grade	25 th percentile	50 th percentile	75 th percentile	90 th percentile
A - B6	R 1 600	R 1 600	R 1 600	R 1 600
C1	R 2 693	R 2 965	R 3 238	R 3 401
C2	R 3 178	R 3 499	R 3 821	R 4 014
C3	R 3 750	R 4 129	R 4 508	R 4 736
C4	R 4 425	R 4 873	R 5 320	R 5 589
C5	R 5 222	R 5 750	R 6 278	R 6 595
D1	R 6 161	R 6 785	R 7 408	R 7 781
D2	R 7 271	R 8 006	R 8 741	R 9 182
D3	R 8 579	R 9 447	R 10 315	R 10 835
D4	R 10 124	R 11 148	R 12 171	R 12 786
E1	R 11 946	R 13 154	R 14 362	R 15 087
E2	R 14 096	R 15 522	R 16 947	R 17 802
E3	R 16 634	R 18 316	R 19 998	R 21 007
E4	R 19 628	R 21 612	R 23 597	R 24 788

Table 45: Maseve housing allowance

C.6.1.2. Hostels

Maseve will under no circumstance promote the usage of mining hostels. Instead employees that form part of the Contractor Company will be encouraged to be

accommodated in the nearest suitable community system. The need for accommodation of especially junior level employees will be reduced through Maseve's dedicated commitment to recruit from local communities for both contract employees, as well as their own future permanent staff.

C.7. Nutrition

C.7.1. Plans to Address Nutrition

Nutrition awareness will be promoted throughout Maseve. Maseve will not be providing meals to employees. However, to ensure employees are familiar with the advantages of a balanced diet, the following actions will be considered:

- Feasible accommodation options will be presented by Maseve to the Mining Contractor Company and will include the provision of services, including catering that meet Maseve's standards;
- Regular quarterly nutrition audits of all accommodation service providers will be conducted by Maseve to ensure compliance with the standards set by the Mining Charter;
- An on-site nutritional awareness programme will be launched for all employees and local communities via the mine induction programme, as well as in conjunction with the Moses Kotane hospital, health awareness programmes;
- An on-site canteen facility will be established and outsourced to a local SMME; and
- Regular individual medical assessments.

C.8. Procurement Progression Plan

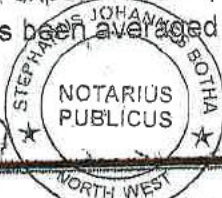
C.8.1. Procurement Progression Objectives in Compliance with Mining Legislative Requirements

In respect of the targets set in the Mining Charter for preferential procurement progression (PPP), Maseve plans to address the following matters:

- To give the qualifying BEE's preferred supplier status;
- To identify levels of procurement from HDSA companies of capital goods, consumables and services; and
- Indicate commitment to BEE PPP over a 3 (three) to 5 (five) year period.

C.8.2. Progression Strategy and Targets

In terms of the forecast expenditure for Maseve as reflected in the Operational Expense forecast, the annual expenditure is predicted to be as follows (Please note that this amount is a forecast and has been averaged over the years reflected in the table):



- Capital Goods (CAPEX): R 1 346 796 907
- Consumer Goods: R 67 339 845 (5% of Capital Goods)
- Services: R 215 137 186

The goals set for PPP regarding Capital goods, Consumer goods and Services for the next 5 (five) years are in line with the targets reflected in the Mining Charter, as indicated in Table 46 below.

Period	Target					
	Capital Goods		Consumer Goods		Services	
	% BEE spend	Forecast expenditure	% BEE spend	Forecast expenditure	% BEE spend	Forecast expenditure
2012	10%	R134,679,691	15%	R10,100,977	40%	R86,054,874
2013	20%	R269,359,381	25%	R16,834,961	50%	R107,568,593
2014	30%	R404,039,072	40%	R26,935,938	60%	R129,082,311
2015	40%	R538,718,763	50%	R33,669,923	70%	R150,596,030

Table 46: Targets for the PPP for Maseve (2012 – 2015)

It is important to note, that this SLP pertains to a new mining operation, it is not yet possible to provide exact capital figures that will be spent on the procurement of BEE suppliers. To this end, Maseve has developed the required policies, such as the preferential procurement policy, as well as include standards within the tendering process for respective Contractor Companies to make use of local SMME's. Refer to Annexure 10. Furthermore, PTM/ Maseve has launched a local HDSA SMME database development project that feeds into the preferential procurement process in order to support the empowerment of local HDSA companies.

In addition, via the tendering procedure, all contractors are vetted in terms of their BBEE status and capital expenditure in terms of contractor status has been carefully monitored.

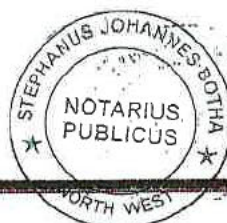
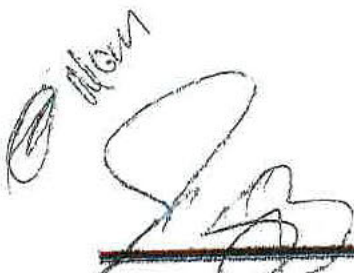
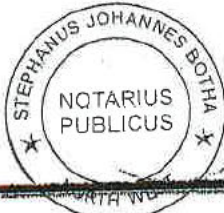


Table 47 below, reflects the Action steps that needs to be taken in order to ensure that the PPP targets are met.

	Action	Timeframe
1	Develop a Preferential Procurement policy, procedures and guidelines prior to the appointment of any goods or service provider.	March 2012
2	Develop the database of local HDSA SMME's	March 2012
3	Identify and record the level of procurement from BEE companies on a quarterly basis as well as geographical sources of procurement. Monitor the contracts awarded to local small businesses on a regular basis via the SMME development program	Within 6 months of receipt of the mining right
4	Commit to procurement progression from BEE over a 4 (four) year timeframe	Within 6 months of receipt of the mining right
5	Encourage, through the development of a strategic plan, suppliers to form partnerships with BEE/HDSA companies without overlooking the necessary requirements of the tender process.	March 2012
6	It will, where possible, publish a list of suppliers on Maseve database and audit this list on a monthly basis for BEE/HDSA participation, ownership and involvement, to be done in conjunction with local networks such as Business Forums and Chamber of Commerce	Linked to the SMME LED Project
7	Where necessary, provide mentoring and capacity building assistance to BEE/HDSA suppliers in order to facilitate improvements in their business practices.	Part of the SMME LED Project

Table 47: Action plans to achieve PPP targets

SECTION D

MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

Maseve is committed to the retention of employment and the avoidance of job losses, wherever possible. Restructuring may on occasion be necessary, particularly given that ore bodies have finite lives and Maseve is committed to managing any such restructuring in a humane and considerate manner. In the unfortunate event that restructuring becomes necessary Maseve will, in line with the guidelines provided by the Department of Labour (DoL), endeavour to put the following measures in place:

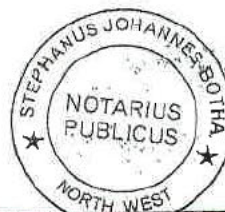
- Interventions to prevent retrenchments taking place at all;
- Interventions to ensure that where retrenchments are unavoidable, the process is managed humanely, and the numbers of retrenchments are minimised;
- Interventions to ensure that, where large-scale retrenchments have taken place, measures are put in place to assist the affected individuals as well as the communities to find alternative forms of employment and to negate the impact of the retrenchments;
- The development of a closure plan to manage downscaling and retrenchment at the end of the Life of Mine (LoM); and
- The communication of downscaling and retrenchment to employees and contractors well in advance.

D.1. Establishment of Future Forum

In conjunction with all the affected stakeholders, Maseve undertakes to establish the Future Forum within 6 (six) months of the granting of the Mining right. The forum will consist of representatives of employees through their unions, both permanently employed and employed by contractors.

The aim of the Forum is to ensure communication between the staff and management. The process for establishing the Future Forum will be as follows:

- Maseve will negotiate a draft Group Social Plan Agreement with the Unions;
- The parties will then negotiate on the establishment of a Group Social Plan Forum. It is intended that the Group Social Plan Forum will consist of Union and Maseve Management representatives, which will monitor the establishment and functioning of the Future Forums.
- Maseve Future Forum will report to the Group Social Plan Forum.



D.2. Mechanisms to Save Jobs and Avoid Job Losses and a Decline in Employment

D.2.1. Consultations

In the event that the employer contemplates the dismissal of any employee for reasons based on the employer's operational requirements, the employer will consult with representatives as stated in section 189 (1) of the Labour Relations Act (66) of 1995.

The possibility of retrenchment will only be considered as a last resort, and if applied, Maseve is committed to the provision of fair packages. Constructive consultation with the following parties is necessary in any downscaling and retrenchment situation:

- All parties as required by trade Unions;
- Affected employees; and
- Future Forum.

D.2.2. Notification to the Minerals and Mining Development Board

The following notifications will need to be implemented in any event of the retrenchment of Maseve employees:

- Minerals and Mining Development Board: retrenchment of 500 (five hundred) employees or 10% of the staff complement, whichever complement is smaller; and
- Minister of Labour: retrenchment of 500 (five hundred) employees or 10% of the staff complement, whichever complement is larger.

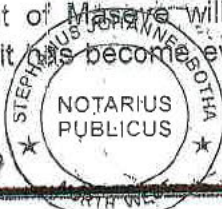
D.2.3. Complying with Ministerial Directive

In accordance with the Labour Relations Act, the following legislative processes will be taken:

- When initiating a retrenchment process, the party will jointly notify the Board;
- Maseve and all affected parties will comply with the legislation that may be issued in respect of this process; and
- Section 189 of the Labour Relations Act will regulate retrenchment processes to be followed.

D.3. Mechanisms to Provide Alternative Solutions and Procedures for Creating Job Security Where Job Losses Cannot be Avoided

The management of Maseve will endeavour to avoid retrenchments wherever possible. However, where it has become evident that job losses cannot be avoided, Maseve Future



Forum will consider the following alternatives to retrenchments, as well as any additional alternatives that may be proposed by organised labour.

Table 48 below, describes alternative solutions and procedures for the creation of job security where job losses, such as retrenchments cannot be avoided.

Alternative	Description
Cessation of recruitment of new employees	Maseve will discontinue the recruitment of new employees while attempting to fill vacant positions with existing over-complement employees who are suitably qualified, skilled and experienced.
The termination of the services of temporary employees and re-employed pensioners	The services of these employees will be reconsidered where suitable qualifications, skills and experience exist amongst the over-complement employees, and where the presence of these employees causes permanent employees to be over-complement.
Normal retirement	Employees on/over retirement age, occupying positions that can reasonably be filled by redundant employees (with suitable qualifications, skills and experience) will leave Maseve on normal retirement.
Compulsory early retirement	Employees who are 55 years and older, and who occupy positions that can reasonably be filled by redundant employees (with suitable qualification, skills and experience) can be required to go on compulsory early retirement with effect from a date to be determined, particularly as their retirement benefits will not be prejudiced by such a move.
Voluntary early retirement	Employees in the age group 50 to 54, who occupy positions that can reasonably be filled by redundant employees (with suitable qualification, skills and experience), could be invited to volunteer for early retirement.
Voluntary separation	Employees may be invited to apply for voluntary separation subject to Maseve's discretion.
Alternative employment with another operation within the group	Maseve will investigate opportunities for employment with other departments within Maseve, as well as with operations created by Maseve in accordance with its LED obligations, which provide for alternative employment.
Alternative employment in other mining companies	Maseve will enquire other vacancies in Maseve neighbouring mines.
Redeployment of misplaced labour to vacancies within Maseve	Maseve employees may be offered transfers where there are vacancies in lower job categories, provided it meets the inherent requirements of the vacant position and will, in such circumstances, receive the conditions of employment and salary applicable to the vacant position. Reasonable training will, where necessary, be provided to the employee.
Implementing alternative work arrangements	Alternative work arrangements such as minimised working hours and different shift arrangements, will be considered if found to be viable, and subject to consultation with organised labour.
Working on off-days	Employees could be approached from time to time to agree to work additional shifts on off-Saturdays and Public Holidays, in order to improve productivity and generate additional revenue.
Overtime	Reductions in overtime and the introduction of stringent controls in order to avoid the escalation of controllable overtime is a possible consideration.

Table 48: Considerable alternatives to retrenchment at Maseve



In the event that retrenchment occurs, Maseve will ensure that suitable Portable Skills Training will be provided to all affected parties.

D.3.1. Consultations

In the event that an employer contemplates the dismissal of any employee for reasons based on the employer's operational requirements, the employer will consult with representatives as stated in section 189 (1) of the Labour Relations Act (66) of 1995.

The possibility of retrenchment will only be considered as a last resort, and if applied, Maseve is committed to the provision of fair packages.

D.3.2. Notification to the Minerals and Mining Development Board

As mentioned in Section D2.2, the following notifications will need to be implemented in any event of the retrenchment of Maseve employees:

- Minerals and Mining Development Board: Retrenchment of 500 (five hundred) employees or 10% of the staff complement, whichever complement is smaller; and
- Minister of Labour: Retrenchment of 500 (five hundred) employees or 10% of the staff complement, whichever complement is larger.

D.3.3. Communicating Possible Retrenchments

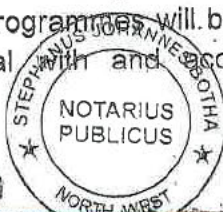
Maseve will communicate regarding the possibility of retrenchments, with the following parties:

- The employees concerned and their representatives;
- Municipalities in labour source and local areas; and
- The DMR and the DoL

D.4. Mechanisms to Ameliorate Social and Economic Impact on Individuals, Regions and Economies where Retrenchment or Closure of the Mine is Certain

Maseve is committed to do what is possible to ensure minimum social and economic impact on individuals and economies where retrenchment and downscaling cannot be avoided. The programmes that will be implemented for this purpose include portable skills training, which will be executed 2 (two) years before the necessary downscaling of the operation.

The mine closure plan to be developed will aim to address the magnitude of impacts associated with downscaling and retrenchment with mitigation measures to ameliorate these impacts. Social programmes will be investigated and reported on in the closure plan as to how best to deal with and accommodate workers impact on by downscaling and retrenchment.



SECTION E

FINANCIAL PROVISION

Table 49 below, reflects the summary of the financial provision that Maseve will contribute towards HRD, LED and Retrenchment and Downscaling programmes. As seen in the table, an amount of R38,484,734 will be provided for the commitments made in the SLP by Maseve, prior to the addition of possible synergy investments and sponsors, especially in terms of LED programmes.

Category	2012	2013	2014	2015	2016	Total
Human Resource Development Programmes	R2,985,000	R3,481,500	R3,829,650	R4,212,615	R4,633,877	R19,142,642
Local Economic Development Programmes	R1,670,000	R2,864,500	R5,797,800	R5,312,920	R3,696,872	R19,342,092
Downscaling and Retrenchment Programmes	Part Maseve's closure and rehabilitation budget					
Total Provision for SLP	R4,655,000	R6,346,000	R9,627,450	R9,525,535	R8,330,749	R38,484,734

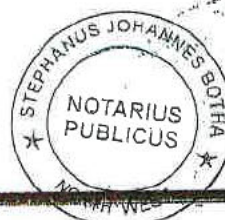
Table 49: Summary of financial provision for PTM/Maseve SLP components

E.1. Human Resource Development Programmes

Table 50 below, reflects the financial provision that PTM/Maseve will contribute towards HRD programmes.

HRD Programmes	2012	2013	2014	2015	2016	Total
ABET	R75,000	R82,500	R90,750	R99,825	R109,808	R457,883
Learnerships	R1,000,000	R1,100,000	R1,210,000	R1,331,000	R1,464,100	R6,105,100
Portable Skills Training Programs	R550,000	R605,000	R665,500	R732,050	R805,255	R3,357,805
Bursaries	R1,000,000	R1,100,000	R1,210,000	R1,331,000	R1,464,100	R6,105,100
Internships	R360,000	R594,000	R653,400	R718,740	R790,614	R3,116,754
Total Provision for HRD	R2,985,000	R3,481,500	R3,829,650	R4,212,615	R4,633,877	R19,142,642

Table 50: Financial Provision for PTM/Maseve Human Resource Programmes



E.2. Local Economic Development Programmes

Table 51 below, reflects the financial provision that PTM/Maseve will contribute towards LED programmes.

LED Programmes	2012	2013	2014	2015	2016	Total
Community centres	R50,000	R687,500	R1,331,000	R1,331,000		R3,399,500
High schools		R400,000	R440,000	R484,000	R532,400	R1,856,400
Water			R2,000,000	R2,000,000	R2,000,000	R6,000,000
Housing		R512,000	R563,200	R619,520	R681,472	R2,376,192
Recreation parks			R798,600	R878,400	R483,000	R2,160,000
Citrus	R500,000	R550,000	R605,000			R1,655,000
Leather production	R120,000					R120,000
Brick manufacturing	R600,000	R55,000	R60,000			R715,000
Moses Kotane hospital	R400,000	R660,000				R1,060,000
Total LED Provision	R1,670,000	R2,864,500	R5,797,800	R5,312,920	R3,696,872	R19,342,092

Table 51: Financial Provision for PTM/Maseve Local Economic Development projects

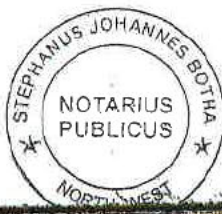
E.3. Management of Downscaling and Retrenchment

As PTM/Maseve is a new mining operations, a retirement policy will be delivered, which will be in line with the applicable legislation and may be altered by collective agreement with stakeholders.

At this stage it is envisaged that retrenchment and severance packages will be based on the following model and calculated as follows:

- Two weeks for every year of service with PTM/Maseve;
- One month's notice pay; and
- A leave pay-out equivalent to 30 (thirty) days.

[Handwritten signature]



SECTION F UNDERTAKING

I, [REDACTED], the undersigned and duly authorised thereto by MASEVE INVESTMENTS 11 (PTY) LTD undertakes to adhere to the information, requirements, commitments and conditions as set out in this Social and Labour Plan.

Signed at JOHANNESBURG on this 12 day of JANUARY 2012 (ms)

(1)

Name of responsible person [REDACTED]

Designation VICE PRESIDENT

Signature 

(2)

Name of responsible person _____

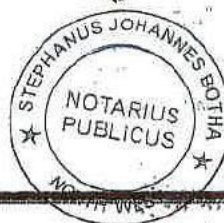
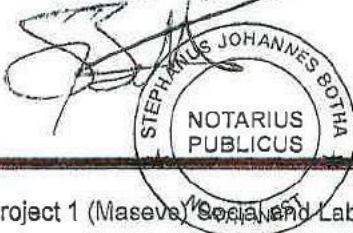
Designation _____

Signature _____

I [REDACTED] do hereby confirm:

This is the final document
not a draft and is binding
to the Company.

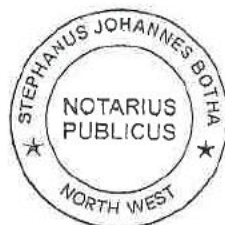
Signed before me [REDACTED] at Klerksdorp acting
as Notary Public and presiding in
Klerksdorp



REFERENCES

The following sources were utilised during the development of Maseve's SLP:

1. Basic Conditions of Employment Act of 1997
2. Community Survey 2007 by Stats SA
3. DMR guidelines for Social and Labour Plans
4. Employment Equity Act no. 55 of 1998
5. IDP Bojanala District Municipality 2007/2008 – 2011/2012
6. IDP Rustenburg Municipality Draft 2007/2012
7. Kumba Iron Ore Application for Mining Right for Sishen South
8. Labour Relations Act of 1995
9. Mineral and Petroleum Resource Development Act and Regulations Act no. 28 of 2002
10. Mining Charter 2002
11. Revised Mining Charter 2010
12. Skills Development Act no. 97 of 1998
13. STATSSA census data 2001
14. Wesizwe Social and Labour Plan
15. Maseve Mining Works Programme
16. Maseve Social Impact Assessment
17. White paper on Housing 1994





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DEPARTMENT OF MINERAL RESOURCES
P.O. BOX 150 TLHABANE 0309

2015 -08- 17

NORTH WEST
RUSTENBURG REGION

To: The Regional Manager
The Department of Mineral Resources
North West Province

Date: 17 August 2015

Attention: Mr. P Swart

Application for Section 102 read in line with Regulation 44 of the MPRDA, Act 28 of 2002 for the amendment of the Social and Labour Plan – Reference number: **NW 30/5/1/2/5/2/528 MR**

WBJV Project 1 (Maseve Mine) is a new mine. The company commenced with the implementation of the commitments of the approved Social and Labour Plan and was confronted with unforeseen circumstances that warranted some adjustments/amendments. The company therefore submits the attached request for the amendment of the Human Resource Development (HRD) programmes and Local Economic Development (LED) projects.

We hope you find it in order.



17/08/2015

PTM RSA

WBJV Project 1 (Maseve Mine) Ref NW 30/5/1/2/5/2/528 MR: Request for amendment of the Human Resource Development (HRD) programmes and Local Economic Development (LED) Projects in the approved Social and Labour Plan according to Section 102 read in line with Regulation 44 of the MPRDA, act 28 of 2002.

WBJV Project 1 (Maseve Mine) under the management of Platinum Group Metals was issued its mining right in May 2012. The Company is still under capital construction and while most of the commitments of the approved Social and Labour Plan have commenced it must be noted that that some have been successfully completed. The company continues to implement its LED obligations by working diligently with its mining community stakeholders. The company experienced delays in commencing with the implementation of the committed projects and programmes due reasons which include: the mine is still in the capital construction phase which requires setting up logistics for implementation; funding for the project was received later than it was expected because of the prevailing adverse economic conditions; it is also important to note that those conditions are still prevailing at the moment; as well as the refusal by Wesizwe as the BEE partner to contribute financially in the development of the mine which caused financial strain and PTM having to cover the overall financing.

1. HUMAN RESOURCE DEVELOPMENT (HRD)

On Human Resource Development (HRD), the following actions and programmes have not yet commenced while some have been delayed. The mine would like to revise the targets and the timelines as follows:

1.1. Adult Basic Education and Training (ABET)

The mine committed to training twenty (20) employees annually over five years. For the period 2012 until 2014 no actual training took place. An internal audit that was conducted indicated that thirty four (34) employees need ABET across all levels. Media Works commenced with the training in February 2015 but only five (5) employees could attend due to challenges in coordinating the shifts and attendance as well as releasing of operators. This led to the suspension of the programme until all the internal systems have been addressed. With the current recruitment drive, the company only employs and train people with educational level of Grade 10 and above. Since the current baseline of employees does not talk to the committed targets, another skills audit

DEPARTMENT OF MINERAL RESOURCES
P.O. BOX 150 TLHABANE

2015 -08- 17

NORTH WEST
RUSTENBURG REGIONAL

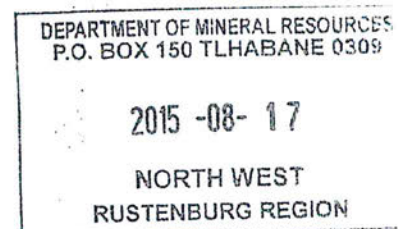
will be conducted at the beginning of 2016 to determine the number of ABET needs. The company requires to defer the training to September 2015

The ABET Training amended plan for September 2015 is projected to as follows:

ABET level	Number of new enrolments		
	September 2015	2016	2017
ABET level 1	10	0	0
ABET Level 2	10	10	0
ABET Level 3	0	10	10
NQF Level 1	0	0	10
Total	20	20	20

1.2. Mentorship and coaching plan

The mine had committed to developing and providing a detailed breakdown of the coaching and mentorship programme in terms of numbers by gender and year within six (6) months after the commencement of the mining operation. The following reasons attributed to the delays in developing and implementing the plan since the granting of the mining right. The company did not have the Human Resources specialist to develop and put in place the required recruitment and career progression policies for the programme to commence; since the mine is still new, systems are no yet put in place to ensure implementation and monitoring of programmes for the contractors. To date, the required policies and procedures have been developed and while awaiting management approval, necessary systems are also being established for proper implementation and coordination of programmes with the contractors. The formal mentorship and coaching plan for Maseve mine which will commence in September 2015 is projected as follows:



Programme/disciplines	Number of mentees		
	September 2015	2016	2017
Bursary students	8	10	10
Learnerships	6	12	10
Employees	1	1	2
Interns	8	9	9
Total	23	32	31

The process for implementation of the mentorship and coaching programme is in process as follows:

Action	Timeframe	Status
Develop relevant policies and procedures	March 2015	Policies developed, awaiting management approval
Identification of mentors and mentees/protégés	July 2015	Completed
Supervision and mentorship training for mentors	July 2015	Completed
Finalise Personal development plans/individual mentorship and coaching plans	August 2015	Completed
Implementation	August 2015	In process
Monitoring and evaluation	Continuous	Continuous

1.3. Career progression

Similarly to the mentorship and coaching programme, the mine had not provided the actual five year plan but had committed to developing a detailed career progression plan and avail it for review one (1) year after steady state which is in June 2016. The mine also committed to implementing a framework which will allow the contractors to align their compliance with which will be audited internally on a quarterly basis. The progress made to date in relation to the career progression/identification of talent pool for career progression is as follows:

Current position	Career development programme	Number of employees	Future position/S	Time frames
SLP Administrator	Graduate Programme Mentorship Personal Development Plan	1	HC Officer HC Superintendent	2 years

1.4. Bursaries

The company commenced with the implementation of the bursary programme in 2014 and not in 2012 as committed in the approved SLP document. The reason for that is because of the delays in acquiring funding and challenges in getting qualifying learners from local schools. The process of issuing bursaries commenced in 2013 and the actual bursaries were issued in 2014. Currently the company is sitting at eight (8) bursary students and the process of getting additional candidates is still ongoing. Local schools are continuously engaged and a number of previous grade 12s have been submitted for consideration. The current intakes are in different levels of completion at different tertiary institutions. It is also important to mention that two (2) of the recipients are co-funded by The Baring Foundation, who formed partnership with PTM to fund Geology students and WITS University. The company will open up the bursary programme to include other disciplines which are not mining and engineering related. This will also include different years of attendance including the first year students and those who successfully completed Grade 12. This will ensure that the committed targets are met as required. The mine has progressed in the implementation of the bursary programme as follows:

Action	Status
Develop and implement bursary policy/procedure	Policy developed, approved and completed in June 2015
Intake of the outstanding ten (10) bursars by the end of 2015.	A total of eight (8) bursars have been engaged and will by the end of 2015 have the total of 10 bursars on the programme. The committed targets will be met as per the approved Social and Labour Plan.

1.5. Employee study assistance

The company is also implementing the employee assistance programme which is not included in the approved Social and Labour Plan. The company requests to include employee's assistance as part of the commitments in the approved Social and Labour Plan. The programme will augment the bursary programme and the details are as follows:

Area of study	2015	2016	2017
Human Resource Management	1 (1 st year)	1 (2 nd year)	1 (3 rd year)
Health and Safety	2 (1 st year)	2 (2 nd year)	2 (3 rd year)
Unspecified	0	1 (new 1 st year)	1 (new 1 st year) 1 (2 nd year)
Total	3	4	5

1.6. Portable and Core skills programme

The company understands that the portable skills training programme is meant to provide employees with skills which will allow them to find alternative employment or be self-employed. Training of employees in portable skills has not commenced yet due to the current construction phase of the mine. The company is currently working on the ramp up for the required skills and a number of external people will be trained to build a pool of such required skills. Maseve Mine has given portable skills training to ten (10) community members in cooking and culinary. The company also trained thirty four (34) novices in Competent B and Pipe, Track and Ventilation (PTV). Twenty eight (28) of them are currently employed with the company. This training allows for the required ramp up of the entry skills for the mine and the company would like to continue building a pool for future employment. The company requests to defer the training of employees in portable skills to the next five year plan. The process and planning for training for employees will commence in 2017. This will be replaced by both portable and core skills training for external

community candidates in the current five (5) year plan. It is based on the above submission that the mine would like to revise/amend the approved portable skills programme to focus on external community candidates as follows:

Type of skill	2014	2015	2016	2017
Basic construction (bricklaying; plastering; tiling; roofing; plumbing)	0	10	10	10
SMME/Business management skills	0	12	12	12
Competent B and Pipe and Ventilation (PV)	34	44	50	50
Low profiles machinery skills training	0	45	0	0
Total	34	111	72	72

The company will not proceed with paramedic 1; sewing; computer literacy as initially committed in the current five (5) year plan.

2. Mine Community Economic Development/Local Economic Development (LED)

The company committed to nine (9) LED projects and is doing well in terms of implementation. Proper consultations with key and relevant stakeholders were done prior to the execution of each project. Maseve Mine was however, forced to make amendments to the commitments due to unforeseen circumstances. The Company held consultation meetings with the affected relevant stakeholders, amongst them included Moses Kotane Local; Rustenburg Local Municipalities and the community leadership structures. The objective of the meetings was to update them on the status of the committed projects and reasons for redirection of funds from other projects to priority projects within the approved Social and Labour Plan. Some of the projects are currently not feasible and have been reviewed and are in the pipeline for replacement with alternative priority projects. The company had to redirect some of the projects funds to the housing and the water reticulation projects which required more resources. The status of each LED project and its amendment is as follows:

2.1. Housing project for destitute families in Ledig

During a consultation with the Department of Mineral Resources (DMR) both Head and Regional offices, the company was advised to put more focus on the presidential priority projects which in our case was the housing project. This led to the revising of the budget. Since the houses were not the normal Rural Development Plan (RDP) structures, the type of houses built required additional funds. The project has been completed and all the thirty two (32) houses were handed over to the beneficiaries in December 2014. It was initially budgeted for R2, 3m but the budget escalated to R 7,2m. The Mine was supposed to build eight (8) houses per year over a period of five (5) years but opted to build all the thirty (32) of them at once. Funds have since been redirected from other committed projects, some of which were no longer feasible, to augment the committed budget.

2.2. Refurbishment of the science laboratories

The two (2) science laboratories for two (2) high schools in Ledig have been refurbished and handed over in 2014. These were done within the set budget. There are still two (2) remaining science laboratories to refurbish. The ones committed to are already done by the other mining companies. The company is currently still consulting with relevant authorities of the affected communities to identify suitable projects to replace refurbishment of the science laboratories.

2.3. Citrus farming/Egg layer Farming Project

The mine is currently implementing the project at Bapong II. At the time when the mine adopted the project from the Integrated Development Plan of the local municipality, the project was said to be exiting. The commitment of the mine was to expand the existing 2 hectare land of vegetable production with additional 6hectare land of citrus production. The company was supposed to install the irrigation system; erect fencing and provide the procurement of the required citrus trees. The company then discovered during the stage of consultation that the existing citrus project actually belonged to the traditional leader of that community. There was however nine (9) members who registered a cooperative. Feasibility studies conducted by the company ruled out the citrus project and the studies for egg production came back positive. A steering committee was established which includes the Local Economic development (LED) manager of MKLM and the Department of Agriculture to provide technical and other support to the project. The company would like to amend the project which is already in the implementation process as follows:

Project	Project name: Ponelopele Egg layer farming project				Project classification: Employment creation			
Background	This project addresses employment for local communities particularly the unemployed youth. Moses Kotane Local Municipality had already identified youth in the Bapong II Community and formed them into a cooperative. The initial project was citrus farming but when the feasibility studies ruled out the project, egg laying project was proposed by the project members and the feasibility studies were positive. The Company went ahead with the process of implementing the project since it also falls within the category of farming.							
Geographical location of project, activities and timelines	Local Municipality	Affected Village	Core Outputs	Activities/	Delivery Timelines	*Estimated Total Jobs Created	Estimated Budget	Start & End Date
	Moses K0otane Local Municipality	Bapong II	<ul style="list-style-type: none">Establish a steering committee to commence with the projectDe-bushing and fencing of 1 hectare		<ul style="list-style-type: none">Q1 2014Q2 2014	AM: 4 AF: 2 YM: 2 YF: 1	<ul style="list-style-type: none">R25,000R110,000R110,000	March 2014 – Nov 2014

			land	• Q4 2014			
			• Structural installations for the layers and office block				
			• Complete structural installations	• Q1 2015	AM: 10	• R25,000	July 2015
			• Purchase the project delivery vehicle	• Q3 2015	AF: 4	• R110,000	– Oct
			• Identify and place consultant for mentorship and coaching of the project	• Q3 2015	YM: 4	• R110,000	2015
			• Delivery of chickens and commencement of project operations	• Q3 2015	YF: 2		
			• Additional support to the project	• Q4 2015 – Q4 2016	AM: 5 AF: 2 YM: 2 YF: 1	• R27,500 • R110,000 • R110,000	Nov 2015 – Dec 2016
Total budget for project							R 1, 655,000
Completion date and exit strategy	The project will be supported for the period of three (3) years and handed over to the project members and the Moses Kotane Local Municipality						

2.4. Support for Moses Kotane Hospital outreach programmes

The two (2) vehicles have been bought (a 10 seater kombi and a 4x4 double cab) and handed over to Moses Kotane Hospital in 2013. There is still one (1) more vehicle to give to the hospital but the hospital management has requested the mine to redirect the remaining funds to priority needs within the hospital. Given the limited amount of funds remaining, the company can only address one of the needs provided by the hospital. The hospital proposed the following needs which the mine requests the DMR to provide advice for further consideration:

1. Security upgrades for hospital staff quarters and pharmacy. The staff experience a lot of break- in's and most leave the hospital for other areas.
2. Resuscitating the hospital sewerage plant. The plant is currently not functioning properly and the local communities complain of the smell that comes from it.
3. Refurbishment of the TB ward.
4. Upgrades to the network and ccv connections.
5. TV and satellite connections.

2.5. Water reservoir and reticulation project for Ledig Community

This project is done in partnership with MKLM and Wesizwe Mine. Maseve Mine had initially budgeted R 6m for the project but had to redirect funds from other committed projects to augment the funds for the project to R7m. The established committee is awaiting the IWULA and EIA approval in order for the project to commence. The project is going on tender for the construction of a five (5) mega litre reservoir, pipeline and pump station.

2.6. Construction of a community centre

Maseve Mine had committed to the construction of a community a centre for the Mogwase Community. This is one of the projects whose funds were used to augment for the construction of houses for Ledig destitute families.

Moses Kotane Local Municipality (MKLM) mentioned that they have been advised by the Premier of North West not to construct a community centre anymore but rather a multi-purpose centre. The municipality is currently in the process of conducting feasibility studies and consulting with other mining companies to contribute to the committed funds by Maseve Mine. Regarding Phatsima, Mafenya and Rasimone communities, the Rustenburg Local Municipality advised them to look into constructing bigger halls instead of refurbishing the existing ones. The affected leadership then proposed housing for destitute families. Since the project will only benefit a few families due to budget constraints, the company would like to further consult and investigate other possible priority projects for replacement. The process of consultation with the local municipalities and the community leadership structures is still ongoing to identify the alternative priority project.

2.7. Brick manufacturing project

The mine had committed to support the already existing brick manufacturing project with operational costs. Since the project was no longer operational the mine conducted a feasibility study to determine its viability. The results of the study came out positive. The municipality had also taken a resolution to sell the project assets. The Mine has already taken the committed funds and redirected them to the housing and water reticulation project.

The local municipality is still considering different options of how to deal with the project. The company is awaiting their resolution on the matter.

2.8. Leather production project

This is another project that the mine committed to support with additional funds. According to the Moses Kotane Local Municipality, the project already existed and had to be supported with additional funds for operational costs. The project also was not operational at the time when Maseve consulted the local municipality to start supporting it. There was no feasibility study conducted as the project had already collapsed. The funds were redirected to the housing and the water reservoir projects.

2.9. Establishment of recreational parks

The mine had also committed to establishing two (2) recreational parks, one (1) in Mabele-a-Podi Village and the other in Ledig. In the meeting held with the local municipality and the traditional council, there was an indication that no provision was made for the maintenance of the parks in the current plan and that there were no land spaces allocated for the projects. The project funds were also redirected to the two (2) major projects as they required additional funds.

3. SMME/Enterprise development

The company also requests approval for the funds redirected towards SMME/Enterprise development. Maseve Mine trained (9) community members from the six (6) local villages in cooking and culinary skills. The training programme was conducted by Tswelopele Hospitality Academy and it lasted for ten (10) days, from the 7 to the 21 August 2013. The mine then bought four (4) mobile kitchens and equipped them with all the requirements. Eight (8) community members are currently operating the mobile kitchens. The cost of the training amounted to R67 500 including transport and the cost for the four (4) mobile kitchens was R192 000.

Maseve Mine remains committed to the execution of the committed LED projects. The company's application is to amend Social and Labour Plan based on the points raised above.