



EMANG MANGANESE MINE

REF: NC 30/5/1/2/5/2/1/10045 MR

2ND SUBMISSION FEBRUARY 2014

AMENDED SOCIAL AND LABOUR PLAN (SLP)

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SECTION 1: PREAMBLE

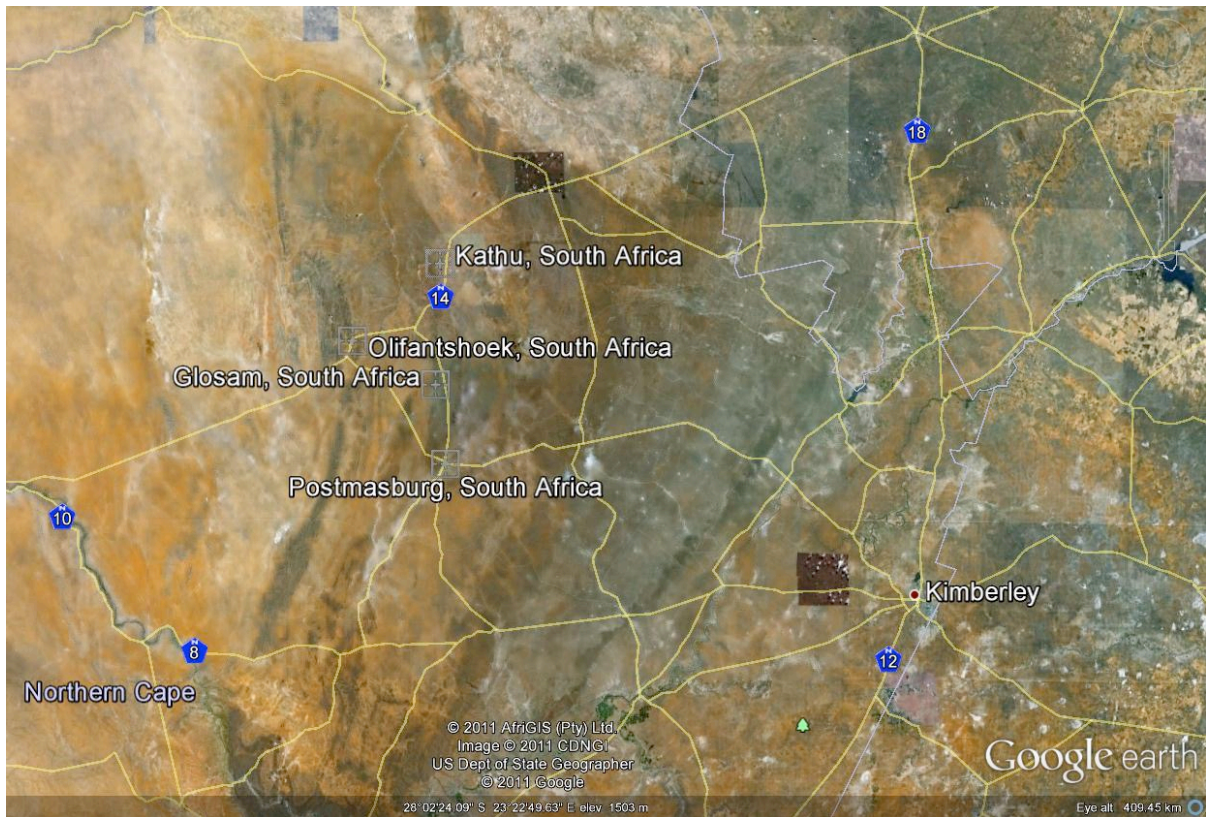
1.1 INTRODUCTION

This Social and Labour Plan (SLP) is compiled in terms of the new minerals legislation (the Mineral and Petroleum Resources Development Act (28/2002) (MPRD Act)) for the life of the mining right at Emang Mmogo Mining Resources (Pty) Limited's Emang Manganese Mine. This SLP outlines the mining operation's plans and objectives in relation to Human Resource Development, Local Economic Development and the management of downscaling and retrenchment for the next five (5) years (2014 to 2019). Progress against these plans and envisaged targets will be reported on annually in the Emang One SLP Report. The objectives of the SLP (Section 41 of the Regulations) are to:

- Promote employment and advance the social and economic welfare of all South Africans;
- Contribute to the transformation of the mining industry; and
- Ensure that holders of mining rights contribute towards the socio-economic development of the areas in which they are operating (including major labour sending areas).

The Emang Mmogo Project is located in the Northern Cape Province between Postmasburg and Olifantshoek, close to the Lohatla Manganese and Sishen Iron Ore mines. The closest town to the project area is Postmasburg which is located approximately 30km south of the project, along the main R325 road. Infrastructure in the area is good, with power lines crossing the area. Closer to the project area is a railway siding which is 2 km away. See Figure 1 below.

Figure 1: Emang Project's Locality Map

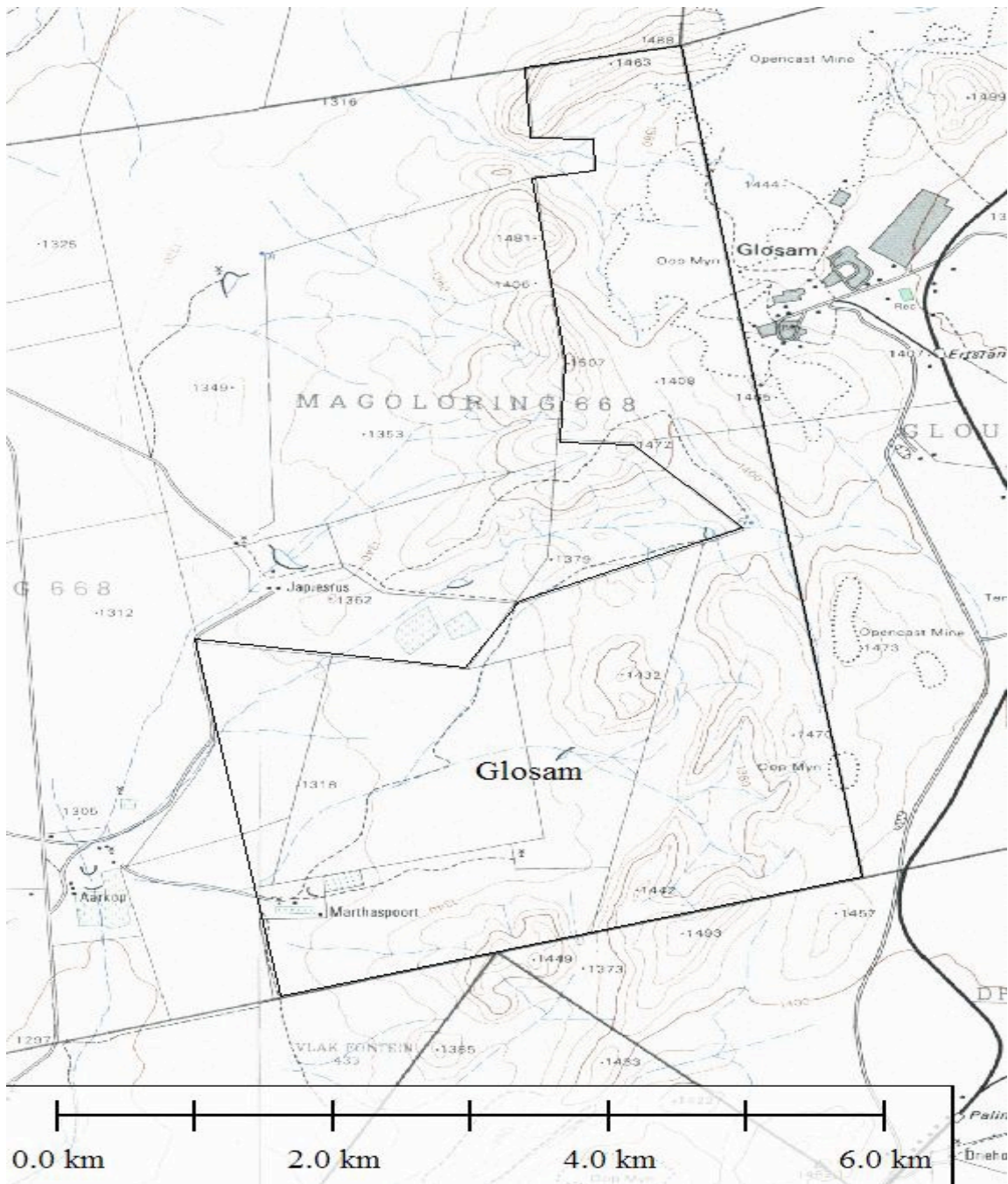


1.2 PROJECT LOCALITY

The Emang Mine is located some 35 kilometres

The project area consists of the following farms:

- Portion 4 of Magoloring 668 (a portion of Japiesrust) which is ± 230 ha in extent
- Portion 5 of Magoloring 668 (a portion of Marthaspoort) which is ± 624 ha in extent
- Portion 2 of Magoloring 668 (a portion of Marthaspoort) which is ± 814 ha in extent



1.3 PROJECT DESCRIPTION

- 1.3.1 Company Name: Emang Mmogo Mining Resources (Pty) Limited (Emang Mmogo)
- 1.3.2 Mine Name: Emang Manganese Mine
- 1.3.3 Physical Address: 41 Lawson Street, Kimberley, 8301
- 1.3.4 Postal Address: P.O. Box 716, Hartswater, 8570
- 1.3.5 Telephone No.: +27 53 831 2150
- 1.3.6 Facsimile: 086 594 4181
- 1.3.7 Location of Mine: Postmasburg
- 1.3.8 Commodity: Manganese
- 1.3.9 Life of Mine: Thirty (30) years
- 1.3.10 Financial Year: March to February
- 1.3.11 Size and Composition of Workforce:

Emang Mmogo will employ about 61 employees on the Emang Manganese Mine. Most of the employees will be at senior management whilst others will be outsourced in the form of contractors.

1.4 Ownership

Emang Mmogo Mining Resources (Pty) Ltd "Emang Mmogo" is a woman led mining company based in the Northern Cape. The company is 100% wholly historically disadvantaged South Africans. It is an initiation of Mrs Virginia Mongwaketsi who formed the company in 2007 and included many Black shareholders from the Northern Cape Province, including women and youth. The company holds a prospecting right which was granted in 2008 for an initial period of 3years under reference NC1383PR. This prospecting right was further renewed in 2011 for another two years. At the time of preparing this document Emang has applied for the Ministerial consent to conduct bulk sampling over the prospecting area to create mineral confidence for mining purposes.

1.5 Commodity to be Mined

Emang Mmogo will focus on manganese ore and iron ore which has been indicated during the prospecting stage. The prospecting results have shown occurrence of both minerals in the area with varying grades in millions in situ. With proper beneficiation these grades can prove the mine to be profitable

1.5.1 Qualification

The Emang Manganese Mine is a new project and the mine will come into both operation and production shortly after the mining right is granted. As such the mine is in the process of finalising may of its policies and procedures for the anticipated mine. The figures used in this SLP are a guesstimate of the result from the Competence Person Report and statistics of surrounding mines. These figures might change as the mine reaches full production and the recruitment process is completed.

The LED projects are being been canvassed with the municipality and it is believed that Emang will receive support from the in principle. The assumption used in the socio-economic interventions will also be tightened with continued engagement with the local municipality.

Emang Mmogo subscribes to the philosophy that the SLP is a living document that encapsulates cradle to grave management and interventions.

1.6 The Demographics of the Emang Mine

1.6.1 Mine Labour

Mine labour in this context is defined as those employees who will be employed directly Emang Mine and its main contractors. In this SLP, labour falls into one of three categories: local employees, migrant workers or transitional workers.

A local employee is on who originates from the mine community. On the other hand, migrant workers are recruited from a rural labour sending area and only come to the mine for purposes of employment. These migrant workers return to their rural homes and families for annual leave or termination of their employment with the mine.

Transitional workers bridge the definition by falling into both categories. Generally, they are migrant workers, particularly those that have a long service history with the mine and have become involved in relationships with the local people and established and urban (second) families locally. These employees are effectively semi-permanent local residents but continue to maintain and support other (first families) in the rural areas. As this type of worker is likely to compromise a fair proportion of the workforce, their particular dependence profile is important in the context of the SLP.

1.6.2 Migrant Labour

There are three types of migrant labour:

- In province migrant workers: those workers who come from areas within the mine's host province but outside the local municipality;
- Inter-provincial migrant workers: those migrant workers who come from other provinces in South Africa
- Foreign migrant workers: those workers who come from the neighbouring countries as defined in the Act.

Emang Mine will generate a total of 61 employment opportunities. Since both the mining and processing plant operations most of these workers will be employed by the service providers/contractors. The exact sources of the Emang Mine employees will be sourced from the Tsantsabane Local Municipality.

1.6.3 Rural Labour Sending Areas

The rural labour sending areas are defined as the labour-sending communities that do not fall within the jurisdiction of the mine community. Generally, labour sending areas are situated in areas characterised by rural settlements.

1.7 Geographic distribution of Emang Manganese Mine sources of labour

Since the mine has not commenced with its recruitment processes, the demographic analysis of the mine workforce will be established within six months after the granting of the mining right. The figures obtained thereto will be sent in a report format to the DMR in the six months preceding mine establishment.

1.7.1 Significant labour sending communities

For purpose of this SLP there are two definitions of significance regarding labour sending communities:

- Those within the mine communities which will form more than 10% of the mine' workforce, and
- Those from rural labour sending areas whose communities who will form more than 10% of the mine's workforce.

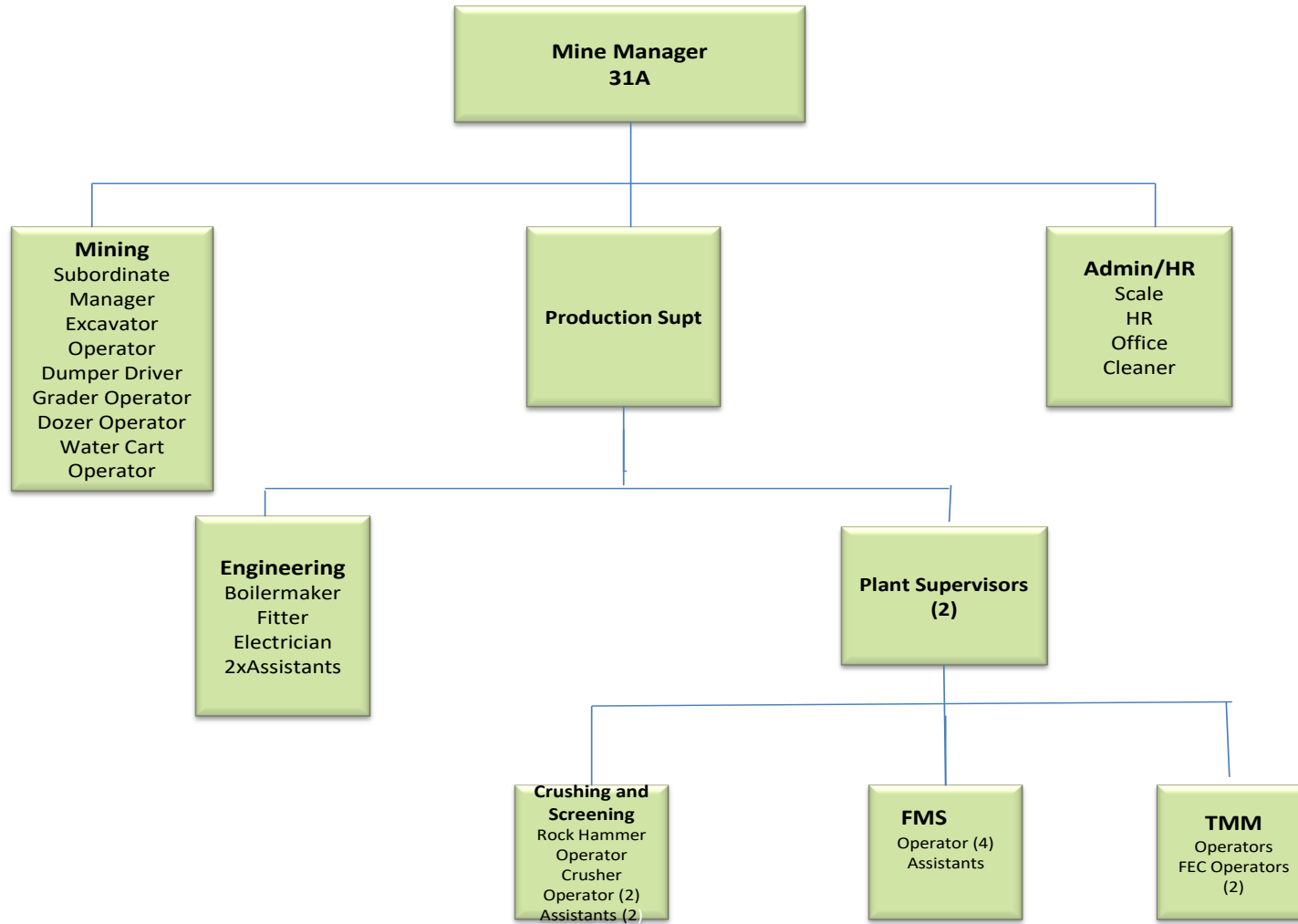
Labour Distribution

It is anticipated that most of the Emang Mine labour complement will be sourced within Postmasburg with projections of some 37% being sourced as migrant labour. This number is consistent with the statistics from the surrounding mines and in particular from the employee profiles of some of the major mining contractors in the area.

Emang Mine falls under the south central part of the Siyanda District Municipality and within the boundaries of ward 6 of the Tsantsabane Local Municipality.

The Emang Manganese Mine currently has no employees. It is envisaged that recruitment will commence after granting of the mining. Recruitment will start with the construction of the mine or commissioning thereof. Projections base on the current mine planning indicate that the mine will employ a total of 164 employees (skilled, semi-skilled and unskilled). Emang Mmogo will endeavour to recruit majority of the required workforce from Siyand District Municipality. Once the workforce has been recruited (which is expected to commence from April 2015) a detailed breakdown of the occupational structure and labour sending areas will be submitted to DMR in the first Annual SLP Report. For the first five (5) years (2015-2019) the staff composition will be as per the figure below:

Figure 2: Emang Mogo's Organogram - Emang Manganese Mine



1.7.2 Geographic Origin of the Workforce

The geographic origin of Emang Mine's workforce at Emang Manganese Mine is presented in Table 1.2. This table presents a summary of the key labour-sending areas for Emang's workforce. As is evident from Table 1.2, the majority of the mine's workforce (81%) will be sourced from the local/district municipal area. Focus on local community up-liftment will be a focus area for Emang Mmogo's Emang Manganese Mine.

Table 1.1: Anticipated Labour-Sending Areas of Emang Mogo's Workforce

Labour Sending Area (Province / Country)	Labour Sending Area (Town/ Settlement)	Local Municipality	District Municipality	Number of Employees per Town/ Settlement
Northern Cape	Postmasburg	Tsantsabane Local Municipality	Siyanda District Municipality	25
	Kimberley	Sol Plaitjie Local Municipality	Francis Baard District Municipality	12
	Khatu	Gamagara Local Municipality	John Taole District Municipality	4
	Danielskuil	Kgatelopele Local Municipality	Siyanda District Municipality	2
	Kuruman	Ga-Segonyana Local Municipality	John Taole Gaetsewe District Municipality	5
	Hotazel	Joe Morolong Local Municipality	John Taole Gaetsewe District Municipality	4
	Upington	Khara Garais Local Municipality	Siyanda District Municipality	3
	Other Provinces	Free State		
Gauteng				2
Foreign		Lesotho		
	Zimbabwe			1
Total:				61

SECTION 2: HUMAN RESOURCES DEVELOPMENT PROGRAMME

2.1 Introduction

The Mine is committed to the development and transformation of the affected communities within which they operate. To that effect the Mine has a strong focus on the recruitment and development of local community members, with an emphasis on the development of the previously unskilled and unemployed members of the affected communities. In order to support this commitment the Mine has had numerous discussions with other stakeholders to ensure that their recruitment procedures are aligned with existing structures and mechanisms. Further agreements will be reached through which the Mine can provide affordable skills training such as Adult Basic Education and Training (ABET) and such as the Mine can facilitate quality skills development for all their employees.

However, the Mine's focus on skills development is intended to deliver an appropriate skilled workforce for its operational needs. Further, it also intends to equip individuals with appropriate skills which can be utilised to further themselves within Emang Manganese Mines, as well as beyond the Mine's life, either within the mining sector or within sectors. The portability of skills is therefore dependent on the achievement of accredited qualifications through accredited training providers and programmes. The Mine will therefore ensure, where possible, that all training will be out-comes based within accredited (with relevant SETA's) training programmes.

During induction (both during sign on and annually) all employees will be given a document and explanation of the mechanisms in which they can develop their career paths whilst at Emang Mine. This discussion will be followed up with at least a half year performance review discussion during which individual performance and career development conversation/opportunities will be discussed in a formal manner. However, the responsibility of individual progression remains that of the employee. Training interventions are available and communicated to the workforce. Business requirements will dictate further focused development of identified personnel for hard to fill vacancies or other needs such as fast tracking for Historically Disadvantaged South Africans (HDSA's) in Management or Women in Mining (WIM). The Mine will utilise the recruitment and induction process to communicate the career progression paths to the workforce.

An SLP manager to be appointed and the main focus of this appointment will be on the implementation of the Social and Labour Plan. Accredited training which is aligned to the core business needs will be provided. The Mine aim is to increase the literacy rate of the employees, then they will identify the potential ABET candidates and on-site training will be provided on the Mine premises.

2.2 SKILLS DEVELOPMENT PLAN

Emang Mmogo is committed to ensuring that its workers are given the opportunity of acquiring skills and competencies to achieve both individual and organisational goals in the context of the mine's operational and Corporate Social Investment (CSI) objectives. The integrated Human Resources Development Plan will seek to maximise the productive potential of people employed at Emang Mine through implementation of the following action plans:

1. Recognition of prior learning;
2. Mining health and safety and Mining induction;
3. Equipping employees with skills that enable to safely and efficiently carry out their jobs;
4. Providing employee with skills that enable career progression in a mining environment;
5. Giving employees skills at the appropriate times which are portable to other industries external to mining; and
6. Broad Based Black Economic Enterprise Development.

The focus of skill development will be on providing employees with opportunities for acquiring skills to promote their advancement within the Mine and mining industry, in compliance with the requirements of the Mining Charter, where this is feasible and sustainable for the Mine.

The skills Development Plan for Emang Mine will detail the strategic approach that is to be followed at the Mine with regard to skills development and will adopt a long term view to skills planning. The Emang Mine Skills Development Plan will be integrated with skills development legislations, and will include developing and submitting a Workplace Skills Plan and annual training reports. An action plan for complying and assessing relevant legislation has been provided in Table 2.1. The plan will be integrated with the paying and claiming of levies and grants with the relevant Sector Education and Training Authority (SETA) with which the operation is registered, i.e Mining Qualifications Authority (MQA).

Table 2.1 Strategic Implementation Plan for Skills Development

Action Plan	Responsible Person	Target Table
1. Conduct Skills Audit and Gap Analysis of workforce to confirm training requirements and inform Career Progression Plans	SLP Manager	30 September 2016
2. Complete Individual Career Progression Planning processes and training schedules for next twelve (12) months inline with business needs (re: levels and type of skills required, including number of employees).	SLP Manager	30 October 2016
3. Compile HRD policies and Procedure Documentation for Executive Management sign-off and communication with all employees as part of Induction Programme	SLP Manager	30 October 2016
4. Complete verification of Personnel Files for all	SLP Assistant	30 September 2016

employees	Manager	
5. Complete administrative WSP for submission to the MQA	SLP Assistant Manager	30 March 2016
6. Complete administrative activities, i.e. payment of levies to relevant authorities according to the Skills Development Act. Pay the required skills levies to the South African Receiver of Revenue Services (SARS) and in turn claim and receive discretionary grants for:- Appointment of a Skills Development Facilitator (SDF); -Submitting WSP's and annual training reports timeously;-Specific grants for ABET, learnership and MQA ex-bursars employed on a fixed term basis	SLP Assistant Manager	1 March 2016
7. Appoint SDF	SLP Manager	1 March 2016

Table 2.2: Action Plan for Skills Development Process

Strategy	Description	Timeframes	Person(s) Responsible
Management Plan	<ul style="list-style-type: none"> A Management Plan will be produced for the mine operation and the processing plant- Ore hankling and Preparation Monitoring and evaluation will be linked to each production area. Lead officers and key partners will be identified for each area 	By February 2016	HRD Manager/ Mine Manager
Recruitment Strategy	<ul style="list-style-type: none"> Establishment of log-in facility on company website for potential candidates searching for employment within the mining sector. The facility will enable individuals to record their skills and provide their CVs for the company's recruitment process. 	From March 2015	Emang Head Office
Reporting and Monitoring	<ul style="list-style-type: none"> Regular reports to the Internal and External Stakeholders will be provided An annual feedback event will be held to monitor the progress of the action plans and review targets for the coming year Lead officers will be responsible for reporting back to the Mine Management and relevant Stakeholder Forum Updated planning following recruitment will be reported to DMR in first Annual SLP Report 	Commencing March 2016 and annually thereafter	Lead Officers
Contractor Compliance	<ul style="list-style-type: none"> As and when any core business contractor companies are appointed at the operation Emang will ensure they comply with the HRD requirements as stipulated in this 	From March 2016	Mine Manager

	SLP as well as the relevant labour legislation.As such the development of a Contractor Compliance Policy will be completed should contractors be appointed within core mining fuctions of the mine		
Training Facilities	<ul style="list-style-type: none"> The Mine will use exisiting training centers within Tsantsabane Local Municipality area or District for the Mines core training requirements 	From March 2016	HRD Manager
Talent Management Programme	<ul style="list-style-type: none"> A skills Development Facilitator (SDF) will be appointed to: Assist the mine and the employees in developing a Workplace Skills Plan (WSP) Ensure submission of WSP as required Advise on the implementation,monitoring and review of the WSP, Draft and implement the WSP Serve as a resource in all aspects of skills development including skills progemme and learnership development;and Serve as liaison person between the mine and the MQA. IDP's need to be signed off by their immediate supervisors in consultative process 	From March 2016	HRD manger/SDF

2.2.1 Education and Training Programme

Emang Mining recognises the importance of introducing the ABET programme within their workforce at Emang Mine as ABET lays a foundation for further skills development and career progressions of employees. Also, an ABET qualification will assist employees with a minimal education qualification to aid finding alternative employment should their positions be terminated at the time of downscaling at the mine. The arrangements for ABET learners who are employees will include all normal terms and conditions of employment whilst undergoing full or part time training. In addition to employee ABET training programmes offered to employees and community members will be in accordance with MQA standards.

As such, Emang Mmogo undertakes to source a suitable service provider (preferably within the local area) to conduct a Recognition of Prior Learning (RPL) exercise to determine the actual numeracy and literacy levels that exist within the workforce. The exercise will also entail an aptitude to learning assessment to aide the placement of employees on relevant training programmes, including ABET. Upon completion of the RPL exercise, Emang Mmogo will identify the employees who require ABET and enrol those learners onto the applicable ABET level programmes. The workforce will be informed of the benefits of ABET on an ongoing basis during monthly worker meetings.

Table 2.3: Implementation Plan for Adult Basic Education and Training (ABET)(2015 to 2019)

Strategy	Action	Responsible	Timeframe
Community ABET	Source service provider to conduct Recognition of Prior Learning (RPL) exercise as well as an aptitude to learning/training assessment on all Paterson A, B and C Level employees.	HRD Manager	From 2016
Training and Development Committee	Appointed service provider to conduct RPL exercise at Emang Manganese Mine.	ABET Service Provider	From 2016
Skills Development Committee	Identify and equip if necessary suitable training venue for roll-out of ABET programme. Make ABET a fixed agenda item for discussion in the forum	HRD Manager plus SDF	From 2016
ABET Programmes	Programmess offered to employees will specifically include: -Learnships and vocation skills development programmes. -Development of portable skills and life skills training Enrol identified ABET candidates in ABET level programmes and provide ABET.	ABET Service Provider/facilitators	From 2016
ABET LEVEL 4	Language and communication Maths literacy Life orientation Natural Science Maths and Science SMME Ancillary health care Humang and Social Science	Mine Manager	During Recruitment
ABET Level 1-3	Language and Communication;and Numeracy	Line Managers	Ongoing
Pre-ABET	Breakthrough to literacy		
Implementation Plan for ABET	ABET will be provided full time to employees identified as part of the mine's talent pool according developmental and businnes plan needs for mine workforce from commissioning,finance permitting; Local ABET facilities and facilitators will be identified and where necessary appropriate support from the mine will be provided to ensure adequate standards therein; Skills assessment during recruitment will facilitate the identification of ABET training needs per ABET level; Appropriate ABET targets and plans per level will be determined following the completion of the recruitment; Expected inherent challenges e.g: expected lwo pass rates; frequently interrupted by periods of leave;attendees being fatigued after long and physically ardous shifts; Part-time facilitators will vary according to quality and availability	SDF	From 2016
Reporting on ABET programmes	The mine will report on their ABET targets and progress achieved within the Annual SLP Report and through the completion of the prescribed Form Q.	HRD Manager	FY End 2016

2.2.2.1 Number and Skills Levels of Emang Manganese Mine Employees

The overall education level for Emang Mine will be provided six months after the granting of the mining right. It is anticipated that, based on provincial statistics, around 15% of the workforce would be regarded as functionally illiterate (have qualifications level less than ABET level 4). Following the

completion of its Workplace Skills Plan, Emang Mine will identify its skills priorities. In line with the mining work programme critical scarce skills will be identified alongside hard to fill vacancies. The mine's response will be anchored on:

- Developing existing identified employees with potential
- Recruiting externally for qualified staff, trainees and bursars; and
- Curbing the impact of HIV/AIDS on staff.

2.2.2 Learnership Programme

A learnership is a registered and accredited learning programme that includes practical work experience, as well as theoretical studies and thereby integrates both workplace and institutional learning. Learnership enables learners to work towards a qualification whilst being employed. Emang Mine undertakes to select employees, community members and students enrolled at various tertiary education institutions to partake in learnership programmes. Learnership offered to be based on skills and development needs of the Mine and educational standards of the employees. Learnership programmes will enable the Mine to develop individuals to fill hard to fill and scarce skills vacancies by offering learnership that are registered by the MQA. Learnership agreements will be entered into accordance with Section 16, 17, and 18 of the Act; Learnership must enable them to become qualified miners and artisans, with prospects for development in mining and engineering career paths and provide theoretical and practical experience. The Mine will provide prospects for development in mining and engineering career paths and provide theoretical and practical experience. The Mine will provide experiential work for college and/or university of technology students.

The following positions have been identified as those where skills will be developed through Learnership targets and programmes as indicated in Table 2.6.

Table 2.4 Summary of the five (5) year commitment to Learnerships at Emang Mine

Learnership Programme	Average Length of Programme	2015			2019		
		Target Enrolment	Expected Pass-out	Total No. of Learners	Target Enrolment	Expected Pass-out	Total No. of Learners
Process Technician	3 Years	2	0	2	2	0	4
Retail Buying	1 Year	1	1	0	0	0	0
Boiler Making Certification	1 Year	0	0	0	1	1	1
Total		3	1	2	3	1	5

The table below illustrates an implementation plan for the learnerships at Emang Mine

Table 2.5: Implementation action plan for Learnerships at Emang Manganese Mine

Action	Responsible	Timeframe
Following completion of RPL exercise and aptitude to learning/training assessment determine appropriate pool of candidates to complete a Learnership Programme.	Mine Manager	
Identify appropriate Learnership Programme Service Providers through the local Department of Labour and/or neighbouring mines who already participate in Learnerships. Determine costs and logistics for enrolment and ensure suitable mentors are assigned from the mine to each enrolled Learner as applicable.	Mine Manager	
Enrol learners onto Learnership Programmes as per planning and monitor progress quarterly.	Mine Manager	
Ensure annual Career Path Planning exercises with employees identifies potential candidates for subsequent annual enrolments to Learnership Programmes in line with skill needs on the mine as well as interests and career requirements of employees. The mine will ensure mentors are assigned to each Learner enrolled on a Learnership programme in order to facilitate the success of the programme and progression of individuals to higher skill level. Any promotion of the successful Learners will be dependent on the availability of such positions on the mine – i.e. promotion will be vacancy driven and cannot be guaranteed as an outcome of the completion of the Learnership on Emang Manganese Mine.	Mine Manager	Annually
Report annually on enrolments and progress in respect of Learnership Programmes in the mine's Annual SLP Report.	Mine Manager	Annually

2.2.3 Hard to fill Vacancies

The mine's recruitment programme and human resources development strategies are targeted at addressing hard to fill vacancies and scarce skill. The Skills shortages that will prevail for periods longer than twelve months within Emang will be address through the recruitment programme and continuous training and development of employees.

2.2.4 Core Business Training Programme

Emang Manganese Mine will commence with the Core Business Training Programme upon completion of the outcome of the RPL and training aptitude assessment will be put arranged for those identified employees with potential. The implementation of this programme will be reported to the DMR in six months after the granting of the mining right.

2.2.5 Portable Skills Training Programme

Where possible, portable skills development training carried out at Emang Manganese Mine will be accredited training in order to facilitate the transferability of the skills acquired within the mining industry. As such:

- Training in ABET will facilitate employees becoming literate and numerate and therefore enable them to either access jobs in the mining or non-mining sectors or to access additional training in fields that interest them;

- Emang Manganese Mine’s Learnership programme will enable the participating learners to obtain accredited qualifications which will facilitate their access to jobs within the mining industry;
- All skills training targets will reflect Emang Manganese Mine’s intentions to facilitate portable skills training within mining related skills amongst its workforce over the next five (5) year period; and
- In accordance with the Mine Work Programme the Emang Mine will in six months list the portable skills training that will be carried out by Emang Manganese Mine over the next five (5) years within disciplines which are transferable across all mineral sectors within the mining economic sector in South Africa.

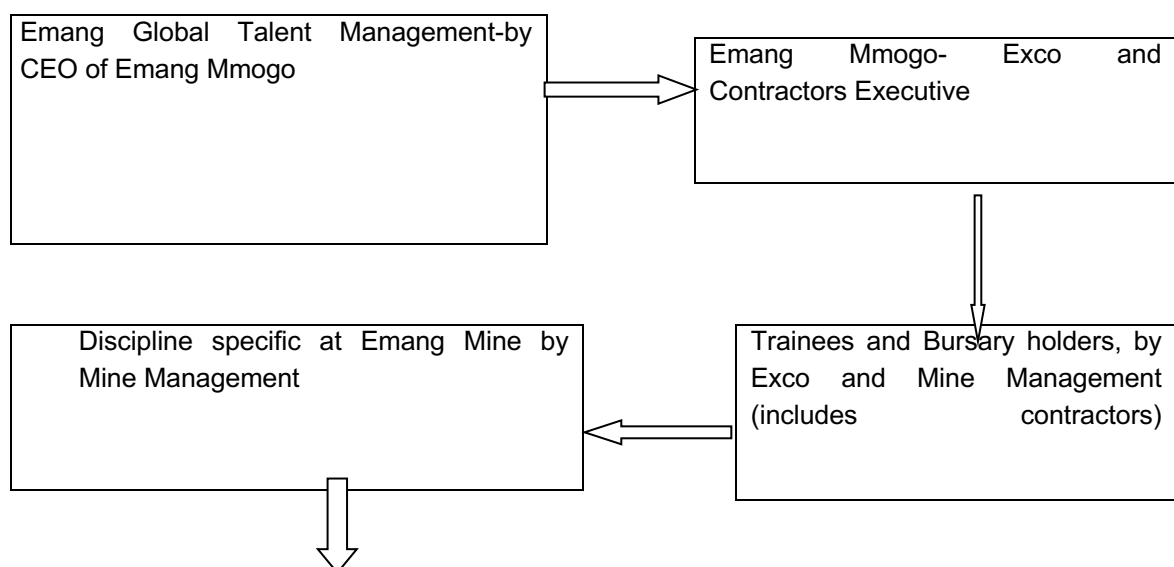
The Portable Skills Training Programme will commence once the identified learners within the ABET programme and core business skills training programmes have successfully completed their programmes (ABET Level 4 Qualification, Health & Safety, Fire Fighting, First Aid and TLB Driving). As such a comprehensive Portable Skills training plan/programme will be developed from August 2016 and will be completed by the beginning of February 2017.

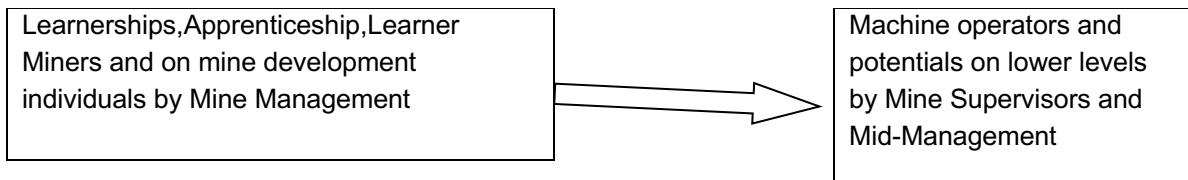
2.3 CAREER PROGRESSION PROGRAMME

Emang Mmogo will utilize the job grading system to grade occupational levels. Employees with potential to advance in their careers are mentored according to the company’s mentoring program. The program includes training to both the protégée as well as the mentor which is identified by the protégée. The mentorship process, illustrated below, is being implemented and is in line with the general mining industry best practice.

1. Employees/Trainees (Protégé) with potential are identified at the operations or bursary entry level.
2. A Mentor is allocated to the Protégé. The protégé will, with the assistance of the training Superintendent identify/nominate a Mentor. This will preferably be an individual occupying a management position.
3. A personal Development Program is formulated for the individual based on the protégé’s and the company’s requirements. A two year detailed program will lead to appointment to the next level of operation and this will be based on agreed upon performance being met.

The following is the Emang Mmogo Mentorship/Talent Management levels:





In this process, priority is given to Historically Disadvantaged South Africans with emphasis on the advancement of Woman and literacy training Emang Mine subscribes to the same job grading system and major emphasis is placed on implementing a comprehensive mentorship programme and plan on the mine which is aligned to the Emang Mmogo mentorship and talent management strategy and addresses the objectives of the Skills Development Act and Mining Charter.

The training needs analysis at the Emang Mine will continuously assessed; reviewed and refined following the granting of the new order mining right in order to ensure training programmes address core competencies requirements and that career progression plans are enhanced and implemented address all levels of employees. Particular attention will be placed on identifying HDSA individuals who have the potential to progress to higher levels within the company.

The entry level in the Skills Development Plan is functional literacy and numeracy and it is this aspect that the Mining Charter is particularly concerned with. Emang Mine and its main contractors prioritise the offering to all employees who are functionally illiterate opportunities of attending ABET classes and achieving the prescribed levels of functional literacy and numeracy. All ABET level assessments and examinations undergo quality assurance and are in line with the requirements of the MQA.

The company is in the process of developing a standard assessment tool to identify employees that are not functionally literate and numerate, to assess the current status of literacy and numeracy at the mine more accurately and to monitor and track the levels of literacy and numeracy. This will allow the company and its contractors to implement a coherent and measurable programme over the life of the mine.

All those employees who are identified as being below ABET level 4 will be offered opportunities of attending ABET classes on a part-time basis. As per the projections on the skills profile and education levels of the Emang employees about 15% will fall under the category of functionally illiterate and innumerate. The ABET targets would thus be designed to ensure that all these employees would be functionally literate and numerate within a short space of time following the start of mining operations.

Table 2.6: Implementation Plan for Career Progression Programme (2015 to 2019)

Action	Responsible	Timeframe
Update personnel files following completion of RPL exercise and aptitude to learning/training assessment.	Mine Manager	15 November 2016
Schedule Career Development Interviews (CDIs) with workforce to discuss each employee's training requirements/mentoring assistance and issue employee with an updated personal development plan and an assigned mentor as required.	Mine Manager	End November 2017
Ensure annual Career Path Planning exercises with employees to identify potential candidates for subsequent annual enrolments within all HRD Programmes in line with skill needs on the mine as well as interests and career requirements of employees.	Mine Manager	Annually
Report annually on enrolments and progress in respect of HRD Programmes in the mine's Annual SLP Report.	Mine Manager	Annually

2.4 MENTORSHIP PROGRAMME

Emang Mmogo defines mentoring as the transfer of experience and attributes from a mentor (an experienced, more senior and wiser employee) to a protégé (junior employee with less experience in the relevant field of expertise) with the intention of improving the competencies of the protégé to meet the current and future job requirements. Coaching is however, a more hands-on and interactive transfer of experience geared towards developing the less experienced individual during the course of implementing actions whilst on the job.

Each employee is required to have an annual skills development interview with his/her supervisor during which his/her Career Development Plan (CDP) is discussed and reviewed. As part of the skills development process, supervisors are responsible for mentoring individual employees. A suitable mentorship programme will be developed and implemented within the company to ensure formal mentoring of identified employees within the company takes place (refer to Table 2.2) and is aligned to the commitments made within Table 2.8.

2.5 INTERNSHIP & BURSARY PROGRAMME

Emang Mmogo currently plans to offer bursaries to employees or community members in various fields that will be intensified over the next 5 years. With the expansion of the mine, bursaries to be offered by Emang Mmogo will be reviewed and appropriate targets will be set wherein appropriate individuals identified from the local community will be supported within the company's bursary programme. The bursary programme will focus in the fields of study which will aid the mine in minimising its hard-to-fill vacancies as determined at the time. Emang Mmogo encourages HDSA incumbents from within the mine community to participate in the Company's internship and bursary application programmes by means of offering opportunities for vocational students.

2.5.1 Bursary (Scholarship) Fund

To realise the abovemention ambitions, the Company will establish a bursary scheme orientated towards the development of suitably qualified and competent people who, upon graduation will be afforded professional career paths in the company. Through this comprehensive and attractive bursary scheme, the company intends to develop its own young professionals. The emphasis in this scheme will be to identify young HDSA candidates with high potential who are from the Northern Cape Province. A Chairman's Scholarship Trust will be created by the end of 2016 with the aim of facilitating Emang's contribution to addressing the critical skills shortage in South Africa, particularly in the Northern Cape. Through the Trust, the company aims at ensuring that the Province would begin to develop a calibre of technical skills which would address this shortage by supporting promising students in science and engineering. This area is regarded by Emang Mining as one of the company's strategic priorities, particularly in light of the chronic skills shortage in the South Africa's mining industry.

Below is a table that indicates the programme as planned. The numbers shown are cumulative year-on-year depending on the success and availability of suitably qualified students.

Table 2.7: Action Plan for Bursary Programmes- Emang Manganese Mine

Strategy	Description	Timeframes	Persons (s) Responsible
Bursary Policy	<ul style="list-style-type: none">The HRD incumbent will finalise the company bursary policy which will include principles and policies relating to internal and external bursary	By March 2017	HR Manager

	and internship provisions by Emang Mine. The policy will take cognisance of the mine's expected hard to fill vacancies as well as possible collaborations with various educational institutions to meet these needs.		
Establishment & Operation of Scholarship Trust	Emang Mine will contribute R1 million to get the Scholarship Trust Fund started Once the mine is in production it will maintain an annual contribution of R3 million. The focal disciplines will be: - Mining Engineers; - Electrical & Mechanical Engineers - Processing Engineers; - Geological Sciences - Surveyors; Environmental professionals; and - Other related science degrees Candidates who do not wish to undertake full-time tertiary studies, but who meet the necessary academic requirements, may be offered more practically orientated bursaries.	From 2018	Mine Manager & HR Manager
Training Strategy	<ul style="list-style-type: none"> Advertising for potential bursary candidates will commence from 2016 with a view of placing initial candidates from 2017. Programmes will initially assess all new bursary applicants if readiness for full-time tertiary study and their suitability for the chosen career. Based on the outcome of the assessment, they will either be routed to undertake the Bridging Programme or commence with full-time tertiary study. This is intended to equip the young professionals with all that they will require to translate their previous development into top class performance in the workplace. 	From 2016	HR Manager
Reporting	<ul style="list-style-type: none"> Emang Mine will report on the development, implementation and progress of these targets within the bursary programme within one (1) year of the mine being fully operational (2013) Reporting on the progress achieved within the Bursary programme will be included within the Annual SLP Report to be submitted to DMR 	From 2016 and annually thereafter	HR Manager at Emang Mine

Table 2.8: Targets for Bursary Programmes- Emang Mine

Targets	2015	2016	2017	2018	2019
• External Bursaries	0	0	4	3	2
• Internal Bursaries	0	0	2	3	5

Table 2.9: Internship Targets for Emang Mmogo (2015 to 2019)

		2015	2016	2017	2018	2019
Programme	Duration of Programme	New Intake	New Intake	New Intake	New Intake	New Intake
Internships	1 Year	2	2	2	2	2

TOTAL		2	2	2	2	2
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2.6 EMPLOYMENT EQUITY PROGRAMME

Emang Mmogo will have an employment policy as an integral part of the company’s strategy to build and effective and representative workforce and to ensuring equality for all employees. The company will enhance its employment equity programme through attracting HDSA candidates with high calibre staff, fostering development through targeted education programmes and incentives and incentives for retention of talent.

The Employment Equity Plans for the mine will be drafted in accordance with the requirements of the Employment Equity Act and will be published and submitted to the Department of Labour on an annual basis for the remaining life of the mine. The objectives of the Employment Equity Plan are to ensure the maintenance of the principle of equity throughout the mine and to develop strategies to promote affirmative action amongst designated groups.

2.6.1 Strategic Plan for Achieving HDSAs in Management

It is the company’s intention to increase the level of HDSA representation in management levels, with a particular focus on Paterson Levels D and above. To ensure that its Employment Equity targets are realistic and achievable, any plans related to achieving HDSAs in Management will primarily be focused, but not limited ti the following:

- Developing and fast-tracking employees with potential into senior management positions;
- Recruiting externally for qualified staff, trainees and bursars.

Of crucial operational importance is that HDSA candidates are suitably qualified for the positions into which they will be appointed. The scarcity of skills in the miing industry means that employment equity targets for Emang Mine will be achievable through dedicated programmes, such as (but not limited to) the implementation of learnerships and mentorship programmes.

The main objective of the mine’s HDSA in Management strategies are to ensure tha Emang Mine will have at least 40% of available management positions filled by HDSA employees at steady state i.e on full employment. The table below outlines the action plan for achieving this undertaking whilst the one below this indicates preliminary targets for HDSAs in management based on expected workforce requirements aligned to the mine’s business plan.

Table 2.10: Action Plan for HDSAs in Management- Emang Manganese Mine

Strategy	Description	Timeframe	Person(s) Responsible
Identify HDSA Candidates during Recruitment and Induction	<ul style="list-style-type: none"> ▪ Candidates for training will be recruited with a minimum literacy and numeracy level at least to ABET Level 4. From this process, candidates will be identified as potential artisans, Foreman/Section Leaders and plant operators; ▪ While undergoing the role-specific training with potential will also be identified for future development and where appropriate, switched from one programme to another; ▪ Communicating with recruitment agencies offering mining-related positions; ▪ Liaising with organisations that cater for mining programmes; 	During Construction and commisioning (2015-2016)	HR Manager

	<ul style="list-style-type: none"> ▪ Sending all new recruits in C Band and above through a rigorous assessment process as part of their screening, including Verbal Critical Reasoning, OPQ Personality Profiling and career path assessment; ▪ Selection procedures will be focused on ensuring that candidates with an internal locus of control and adequate self discipline are given the opportunity for accelerated development; and ▪ Consulting with unions and associations on the process and ensuring selection procedures are fair. 		
Training and Development Initiatives (Short and Medium Term)	<ul style="list-style-type: none"> ▪ Training and development initiatives will be implemented at the mine for those employees who desire career progression, but who may not be suitable candidates for the talent pool. This intervention will be addressed through: <ul style="list-style-type: none"> • Providing experiential training through coaching and mentoring; • Developing a focused bursary programme; • Consulting with the MQA and training service providers to accelerate and enhance training programmes for HDSAs; and • Appointing HDSA candidates to vacancies on a contract or temporary basis so that they can gain experience until such time as they or other suitably qualified candidates are competent to be permanently appointed to the positions in question. 	From 2016 onwards and reviewed annually thereafter	HR Manager
Additional Training Initiatives (Long Term)	<ul style="list-style-type: none"> ▪ A number of training initiatives are planned at Postmasburg ▪ Pre-employment training ▪ In-service training will be provided ▪ Artisans will be provided with familiarisation training ▪ Learnerships (previously apprenticeship) will be registered ▪ Candidates will also be identified for the Management Development Programme (MDP) and the Business Acumen for small Business Entrepreneurs; and ▪ Supervisory development, life skills development and behavioural safety training courses 	From 2016 onwards and review annually thereafter	HR Manager

Table 11 :Targets for HDSAs in Management:

Position/Parteson Level	2015	2016	2017	2018	2019
Top Management (F)	0	0	0	1	2
Senior Management (E)	2	2	2	4	5
Professionally Qualified Middle Management	2	2	3	3	3

(D)					
TOTAL	4	4	4	8	11
EXPECTED HDSA WORKFORCE	6	6	8	8	8
AS % OF PERMANENT WORKFORCE	5%	5%	5%	11%	55%

The Emang Manganese Mine is owned by 100% broad based BEE Company. Its Chairperson is a Black Woman, Mrs Virginia Mongwaketsi who will actively take full management of the running of the company. The board of directors of Emang Mmogo is composed of 100% Historically Disadvantaged South Africans and includes women. Emang has established a policy which will see both mining and production contractors appointed on the basis that they meet all Empowerment criteria and that they fully comply with all the pillars of the Mining Charter.

Although Emang is aware of the challenges faced by the industry in achieving the prescribed 40% HDSA in management, the mine has established and adopted policies which will eradicate the existing barriers in achieving these targets. To achieve this Emang will identify certain positions within the mine which will be suitable for HDSA candidates. Emang will also identify those positions and occupations which were previously deemed accessible to HDSA's by creating a situation where they will be accessible to any qualifying candidate.

2.6.2 Strategic Plan for Women in Mining

Emang Mmogo has adopted a strategy which is aimed at eradicating barriers to the attraction and employment of women in the mining industry. The targets used in table.. are based on the expected output by various learning institutions in South Africa and the achievability of targets such as the Mining Qualifications Authority. The Mine can only achieve its projected targets to the extent that the economy produces appropriately qualified and skilled pool of professionals from which Emang will recruit. Emang will also endeavour to train women as part of its skills development and human resources development programme. Finally, Emang will also encourage its contractors to commit in the policies and strategies of promoting women in mining and the elimination of discriminatory practices based on gender.

Table 2.12a: Form S – Employment Equity Statistics for Emang Manganese Mine Workforce as anticipated.

OCCUPATIONAL LEVELS	DESIGNATED							NON-DESIGNATED		TOTAL	
	Male			Female				Male	Foreign Nationals	Female	
	African	Coloured	Indian	African	Coloured	Indian	White	White	Male		
Top management (Paterson Level F)	1			1							2
Senior management (Paterson Level E)	1						2				3
Professionally qualified and experienced specialists and mid-management (Paterson Level D)	7	1		2			1	4			15
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Paterson Level C)	18	3		5	2		3	5			36
Semi-skilled and discretionary decision making (Paterson Level B)	2	1		1				1			5
Unskilled and defined decision making (Paterson Level A)											-
TOTAL PERMANENT	29	5	0	9	2	0	6	10	0	0	61

Table 2.12b: Employment Equity Targets for Emang Mogo's Emang Manganese Mine (2015 to 2019)

	Prescribed Target	Current Status			2015			2016			2017			2018			2019		
		No.	Total No.	%	No.	Total No.	%	No.	Total No.	%	No.	Total No.	%	No.	Total No.	%	No.	Total No.	%
HDSAs in Senior Management Levels (Paterson F Level)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HDSAs in Middle Management Levels (Paterson E Level)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HDSAs in Lower Management Levels (Paterson D Level)																			
Total HDSAs participation in Management	40%	1	3	33%	1	3	33%	2	4	50%	2	4	50%	2	4	50%	2	4	50%
Total Workforce at Mine		15			15			15			15			15					
Total Number of Disabled People (all races/genders)		3			3			3			3			3					
Total Women at the Mine		5			8			8			8			8					
Total Number of People (all races/genders) in Mining Occupations		49			52			52			52			52					
Total Women in Mining Occupations	10%	2	49	8%	5	52	10%	5	52	10%	5	52	10%	5	52	10%	5	52	10%

SECTION 3: LOCAL ECONOMIC DEVELOPMENT PROGRAMMES

3.1 SOCIO-ECONOMIC BACKGROUND AND KEY ECONOMIC ACTIVITIES IN THE AREA OF OPERATION

Northern Cape Province is located in the western section of South Africa with spectacular scenic beauty and an abundance of wildlife. The province is bordered by the countries of Namibia and Botswana to the North. It is also bordered by the North West, Free State, Eastern Cape and Western Cape provinces whilst the cold Atlantic Ocean forms the western boundary. With a total area of 372,889 square kilometres (km²) the Northern Cape is South Africa's largest province, and distances between towns are enormous due to its sparse population. Its size is just shy of the size of the American state of Montana and slightly larger than that of Germany. It is by far the largest province in the country, taking up 30, 5% of South Africa's land area and with a mid-2009 population of 1.1 million people. About 68% of the population are first-language Afrikaans speakers, other primary languages being Setswana, Xhosa and English. To the extent that apartheid-era population classification persists, the majority of the Northern Cape population is characterised as Coloured. Most famous for the diamond mines around Kimberley the Northern Cape also has a substantial agricultural area around the Orange River including most of South Africa's sultana vineyards. Some Wine of Origin areas has been demarcated. The Orange River also attracts visitors who enjoy rafting tours around Vioolsdrift. Extensive sheep raising is the basis of the economy in the southern Karoo areas of the province.

The following section will provide an overview of the social and economic area within which the Emang Manganese Mine operates, its labour force resides and/or emanates from, as well as the communities which exist in close proximity to the mining operation and to varying degrees depend on and/or are impacted by the mine's existence. Further, the key developmental priorities for the region will be summarised in order to enhance the understanding of the social and economic environment in which the Emang Manganese Mine will operate during its life. Cognisance of this background and in line with discussions with the key stakeholders within the region of operation, appropriate Local Economic Development (LED) projects will be presented. The LED projects presented in this section provide an indication of the extent to which Emang Mmogo intends to assist the socio-economic development within the region, with a particular focus on infrastructural development, job creation and poverty alleviation.

Table 3.1a: Socio-Economic Profile of Surrounding Region – Population

Socio-Economic Indicators	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Kgatelopele Local Municipality	Kheis Local Municipality	Mier Municipality	Khara Hais Local Municipality
Total number of people	1 101 685	221 951	34 251	18 478	16 232	6 660	90 800
Total number of households	301 406	61 097	9 839	5 381	4 146	1 784	23 245
Average size of households	3,7	3,6	3,5	3,4	3,9	3,7	3,9

Brief Analysis	It is evident from the above statistics that the average household size within the region consists of three (3) household members. The statistics captured for Mier Local Municipality did however show an on average lower household count of three (3) household members per household surveyed during the 2001 National Census. Khara Hais Local Municipality showed an above average household member count of four (4) household members per household surveyed during the same period. The towns of Postmasburg and Danielskuil shown only two (2) household members per household which clearly only accounted for the households residing within the towns and not those residing on nearby farms or informal settlements.	
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Table 3.1b: Socio-Economic Profile of Surrounding Region – Housing

Socio Economic Indicators	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Khara Hais Local Municipality	Kgatelopele	Mier Municipality	Kai Garib Municipality	Kheis
Brick dwelling on separate stand	248 313	48 487	7 601	17 481	4 826	1 604	14 765	2 750
Traditional dwellings	9 505	748	92	136	28	62	388	42
Informal settlements (separate stands and backyard dwellings)	39 604	10 832	2 536	5 348	509	71	1 051	1 317
Flush toilet with sewerage system	200 573	44 338	6 895	17 390	5 053	924	12 045	2 031
Pit Latrine (Without ventilation)	59 939	6 505	455	2 069	79	592	2 447	864
No access to any toilet facilities	24 218	6 281	1 804	1 153	126	202	1 980	1 026
Piped water in dwelling/yard	235 195	52 652	7 801	21 005	5 302	1 619	13 849	3 076
Piped water on communal land	58 261	5 793	1 711	1 679	45	51	1 726	582
Water further than 200 metres	7 950	2 652	326	561	35	114	1 129	488
Waste removed by local municipality at least once a week	199 714	44 527	5 768	20 734	4 961	1 172	9 634	2 258
Own refuse dump	79 370	12 132	3 127	5 459	341	418	5 459	1 116
No rubbish disposal	16 358	3 533	820	560	65	181	1 253	655
Electricity used for cooking	235 275	50 048	7 784	20 214	4 782	1 192	13 787	2 291
Electricity used for	187 404	41 658	6 801	16 746	4 247	753	11 055	2 055

Socio Economic Indicators	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Khara Hais Local Municipality	Kgatelopele	Mier Municipality	Kai Garib Municipality	Kheis
heat								
Electricity used for cooking	1.9%	2.1%	1.5%	1.2%	1.9%	1.8%		
Electricity used for lighting	257 255	52 910	8 211	21 186	4 932	1 325	14 601	2 655
Brief Analysis	<p>The majority of households (54%) surveyed across the various geographical areas stayed in formal housing structures during the time the National 2011 Census was conducted. Only 17% of households within the areas surveyed during 2001 were housed in informal settlements.</p> <p>Basic services infrastructure have also showed the level of normality with over 51% of households residing within the surveyed area noted to have access to flush toilets, less than half of the households (49%) had access to piped water either within their homes or yards and 40% had access to electricity for either heating or cooking purposes. Half of the households (50%) in the area were still utilizing their own refuse dumps to discard their household waste.</p>							

Table 3.1c: Socio-Economic Profile of Surrounding Region – Education

Educational profile of adults ¹	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Khara Hais Local Municipality	Kgatelopele Local Municipality	Kai Garib Municipality	Mier Local Municipality	Kheis Local Municipality
No or limited primary education	21%	21%	13.7%	53.6%	22.3%	29%	9%	48.0%
Completed primary education	9%	9%	6.9%	4.7%	5.5%	15%	15%	7.0%
Completed some secondary education	11%	31%	29.4%	23.3%	34.6%	15.5%	35%	28.1%
Completed secondary education	11%	11%	18.5%	12.3%	27.0%	15.5%	13%	13.8%
Completed tertiary education	5%	5.8%	6.1%	6.0%	10.6%	3.9%	3.6%	8.0%
Brief Analysis	<p>Almost half of the population (43%) on average were recorded as having no or limited primary education. Only a mere 25% of the residents across the various geographical levels were recorded as having completed Grade 12 or to have a higher qualification. Extension of finance towards ABET and skills development programmes will aid in reducing the high illiteracy levels within the local area.</p>							

Table 3.1d: Socio-Economic Profile of Surrounding Region – Employment

Socio-Economic Indicators	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Khara Hais Local Municipality	Kgatelopele Local Municipality	Kheis Local Municipality	Mier Local Municipality	Kai Garib Local Municipality
Working age (15 to 64 years)	374 305	83 009	14345	31 784	6848	5557	1861	22 616
Unemployment rate	28.1%	21.0%	26.2%	22.1%	22.4%	28.1%	31.1%	13.3%

Socio-Economic Indicators	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Khara Hais Local Municipality	Kgatelopele Local Municipality	Kheis Local Municipality	Mier Local Municipality	Kai Garib Local Municipality
Economically not active	35.1%	41.9%	.5%	62.1%	25.6%			23.1%
Brief Analysis	More than half of the population (60.1%) within the surveyed area fell within the Stats SA category as of Working Age which indicates a high dependency level within households on those within this category. The average employment rate across the various geographical levels within the working age population was 40.4%. The contributing factors to the low employment rate can be assumed to be high illiteracy levels and job scarcities within the various geographical areas.							

Table 3.1e: Socio-Economic Profile of Surrounding Region – Household Income

Income Category	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Khara Hais Local Municipality	Kgatelopele Local Municipality	Kheis Local Municipality
No income	71.9%	2.0%	58.0%	81.7%	3.2%	0.4%
R1 to R1,600 per month	21.1%	69.8%	32.8%	15.2%	61.2%	76.7%
R1,601 to R6,400 per month	5.4%	22.7%	7.2%	2.7%	25.3%	21.7%
R6,401 to R51,200 per month	1.4%	5.2%	1.9%	0.3%	9.3%	0.9%
R51,201 and above	0.1%	0.3%	0.2%	0.1%	1.0%	0.3%
Brief Analysis	The annual household income did also not reflect favourably in respect of the economic status of the region. On average 82.3% households surveyed during 2001 received no or minimal combined household monthly incomes (between 0 and R1, 600 monthly). Improved literacy levels and job creation projects will assist in alleviating these poverty stricken areas.					

Table 3.1f: Sectoral Employment within the Surrounding Region

Sectoral Employers	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Khara Hais Local Municipality	Kgatelopele Local Municipality	Kheis Local Municipality
Agriculture	17.1%	23.1%	13.2%	1.1%	5.6%	25.9%
Community services	16.5%	18.6%	6.2%	4.7%	17.1%	11.0%
Construction	6.2%	6.1%	2.0%	0.9%	4.3%	17.2%
Financial & business services	5.4%	5.6%	1.9%	0.7%	7.9%	7.2%
Manufacturing	10.8%	10.4%	10.4%	0.8%	15.7%	9.3%
Mining	7.4%	1.6%	1.4%	0.2%	3.0%	0.3%
Private households	10.7%	9.0%	4.0%	1.3%	8.8%	2.4%
Transport & communication	3.7%	3.5%	1.0%	0.7%	5.7%	1.8%
Undetermined	6.2%	0.9%	1.8%	1.2%	6.7%	1.8%
Utility supplies	1.9%	15.2%	1.9%	0.7%	0.7%	1.7%
Wholesale &	14.4%	5.8%	8.6%	2.3%	24.6%	21.4%

Sectoral Employers	Northern Cape Province	Siyanda District Municipality	Tsantsabane Local Municipality	Khara Hais Local Municipality	Kgatelopele Local Municipality	Kheis Local Municipality
Brief Analysis	The mining sector was not a dominant industry in the region in 2001. The employment rate by the mining sector is below the average in comparison with the other sectoral employers, particularly agriculture, community services and manufacturing. The highest industry employer within the Postmasburg area was wholesale and retail trade with 24.6% of the employed residents in the town employed.					

3.2 INTEGRATED DEVELOPMENT PLANNING

Since the Emang Manganese Mine exists within the jurisdictions of two municipalities; one which is a District and one which is locally based, it is important to profile both municipalities. In the preceding discussion we profile the Integrated Development Plans (IDP) of the Siyanda District Municipality and Tsantsabane Local Municipality to take into consideration the needs within both these municipalities and surrounding communities in respect of the mine's Local Economic Development Programme.

3.2.1 Siyanda District Municipality Integrated Development Plan (IDP)

The information regarding the integrated development planning for Siyanda District Municipality was sourced from their Integrated Development Plan (IDP) (2012/13-2017). The Siyanda District Municipality is situated in Northern Cape Province bordered by the countries of Namibia and Botswana to the North. It is also bordered by the North West, Free State, Eastern Cape and Western Cape provinces whilst the cold Atlantic Ocean forms the western border. The district municipality comprises of six (6) local municipalities namely Tsantsabane, Khara Hais, Kgatelopele, Kheis, Mier and Kai Garib.

The vision of the municipality is the provision of socio-economic infrastructure in order to enable a participatory client utilization of development opportunities, thereby ensuring a basic service for all. The municipality has concluded that this vision is still relevant and appropriate to the current situation thus the municipality will retain this vision for the next five (5) years. The municipality has aligned their IDP with the Provincial Growth and Development Strategy (PGDS) for Northern Cape and the National Spatial Development (NSD) perspectives.

The Siyanda District Municipality have identified the Strategic Goals and Priorities outline hereinunder for the region to be implemented for the next (5) years, namely: Basic Services, Local Economic Development and Social Development. In line with the MPRDA and the mine's strategic planning in local economic development, analysis of the Local Economic Development key performance area has been profiled.

In the Local Economic Development key performance area, several key priority issues have been listed and outlined in Table 3.2 below.

Table 3.2: Siyanda District Municipality's Local Economic Development Key Performance Area's Key Performance Issues

Key Performance Issue	Focus Area	Key Priorities
Tourism	The Kgalagadi Transfrontier Park is found in the district and attracts thousands of the tourists on an annual basis. The Spitskop Nature Reserve and Augrabies National Park though not managed by the	<ul style="list-style-type: none"> Northern Cape 's high biodiversity making it a favourable destination for tourism; 2014 strategy for growth and development; Improved branding; Good transport routes, Improve safety and intergovernmental

Key Performance Issue	Focus Area	Key Priorities
	SDM have an important influence on tourism in the region. Also, the Reimvasmaak eco-tourism which currently forms an important	<ul style="list-style-type: none"> corporation; Growth in Film and Television as well as craft industries; and Growth in financial services, communications, transport, hotel and accommodation.
Agriculture	The areas of Upington, Groblershoop, Mypaal and Keimoes along the Orange River, produces the largest table grape production. More than 90% of Africa's total dried fruit production is produced from Northern Cape from the sultana grapes. Large part of that product is exported primarily to Europe and other Eastern countries. Siyanda DM is also known for large livestock farming as well as large variety of game farming.	<ul style="list-style-type: none"> Grape Dried vine fruit Livestock Game Farming
Forestry	Dominates land use in district municipality and important contributor to economy.	
Mining	Most of province's mining activities occur in the SDM with all 6(six) municipalities being active in the mining of various minerals. Minerals like diamonds, manganese, iron, copper and zinc has been found to occur within the SDM.	<ul style="list-style-type: none"> Enable an environment for business establishment Global demand of minerals such as (manganese, diamonds and iron ore); Beneficiation of minerals; New entrants to mainstream for Black Economic Empowerment; Small Scale Mining; and Strategic alliances for share acquisition through Broad Based Black Economic Empowerment.
Provision of Service, Transport, Finance and Construction	Forms part of the economic drivers of the district municipality. Transport sector links the Maputo Harbour and Gauteng province for transportation of goods.	

3.2.2 Tsantsabane Local Municipality Integrated Development Plan (IDP)

The information regarding the integrated development planning for the Tsantsabane Local Municipality was sourced from their IDP (2011/2016). The municipal area is situated in the Siyanda The municipality is bordered by Ga-Segonyana in the north, Siyancuma in the south, Kgatelopele in the east and Gamagara to the west. The major routes running through Postmasburg include the R385 from Kimberley that runs through Beeshoek, the R309 and the R325 to Khathu. It is characterised by a mixture of land uses of which agriculture and mining is dominant land use within which there are rural areas. The residential areas vary from the relatively large town of Postmasburg to small scattered rural communities. Some of these communities are the remains of railway stations. Tsantsabane Local Municipality produces 55% (mainly from mining) of the Siyanda District Municipality's GGP. The rest of the Tsantsabane Municipality area comprises of Boichoko, Postdene, Newtown, Stasie, Groenwater, Skyfontein, Jean Heaven and the newly established settlement brought about by the land redistribution called Merane and Lohatla Army battle School. Economically Tsantsabane is known for being rich in minerals, and mining for its mining, agriculture, manufacturing and farming sectors. Tsantsabane has reinvented itself over the years as on of the leading investment hotspot in the Northern Cape. The contribution of agriculture (33%), manufacturing (22%), and community services (16%) and trade and catering (11%) to the Tsantsabane Local Municipality's GGP provides the economic base for future development.

Mining activities have been rapidly on the increase in the last few years. Agriculture has never been a key feature of the Local Economy whilst manufacturing has been on a decline across board. The Retail and services sector has been growing but its potential is limited by the smallest of the market and by the competitive proximity of Kimberley, which has taken a lot of business away from the City. Some useful investments have been made and are being made in Tourism, but the volume is simply not sufficient to act as a driver of the economy.

Opportunities that exist within mining are as follows:

- Growing demand on the global market for commodities (manganese, iron ore and);
- Establishment of a permanent working group between the Municipality and the mine managers responsible for developing S&L Plans;
- Encourage local SMME's and entrepreneurs to take advantage of procurement;
- Develop a database of available labour and skills to encourage the employment of local people;
- Provide skills training and support programmes;
- Instigate mining procurement opportunities in consultation with the mines, develop a database of such opportunities and ensure that this information is made available to local businesses and communities;
- Develop a small scale Mining Strategy.

For these to be achievable, investment and skills development, technology and infrastructure, as well as broadening of the supplier base, will need to be addressed. Due to the increased mechanisation of mining activities, there has been an overall jobless growth within this sector. Rand volatility of late has not made things easier. The lack of diversification within the industry has led to a mainly commodity export driven industry.

A. Constraints for Economic Development

- The shortage of appropriate labour skills in the area is a central constraint to investment and development;
- The economic and cash flow situation of the Municipality is under pressure at present. The necessary steps and precautionary measurements should be identified and implemented;
- The poor payment culture by some Residents contributes to the problem and was analyzed during this phase;
- More than 70% of local businesses procure their stock / inputs from elsewhere and from a supplier located in Tsantsabane. The LED Unit in the Municipality has only one official, reporting to the Municipal Manager;
- The LED Unit has only an operational budget available for travelling and accommodation but has not budget for programmes. Main source of LED project funding is the Social and Labour Plans of the Mining houses. Secondly through MIG and EPWP funding is also secured;
- The LED Forum was temporarily put on hold in order to solve functional challenges such as the non-participation of the private sector and government. The Forum also needs to reconfigure in order to function along the recommendations of the Provincial LED Strategy;
- Municipality developed an LED Policy to ensure that council takes a principle position on how it commits to LED;
- Tsantsabane need to customize relevant by-laws that have an economic impact; i.e. hawkers, waste management etc;
- The possibility of an Investment and Incentive Policy need to be explored;
- Skills Development Policy should be developed, looking at the Municipality's response to the big skills challenge they face;

- Affirmative Procurement Policy should be reviewed in order to ensure that the standards are biased for locally based SMME's in an effort to accelerate local economic development and stimulating the local economy;
- Municipality also need to look at other current LED stimulating policies such as the Property Rates Policy and Land Policy

Human resource development programmes to improve the skills of the labour force and population in general is critical for economic growth in Tsantsabane. While there is a trained, qualified and skilled unemployed workforce, Tsantsabane Local Municipality should promote entrepreneurship development in order to stimulate job creation through self start-up enterprises by the unemployed.

The following are the identified threats and opportunities have been identified by Thaba Chweu Local Municipality:

Reviewed Opportunities 2009	Reviewed Threats 2009
Future Mining Developments and subsequent infrastructure development	Social issues in communities i.e unemployment, Drug and alcohol abuse, crime, HIV/AIDS etc
Tourism sector can be promoted especially mining tourism	Constraints that directly impacts on the growth of the economic sector i.e poor infrastructure
Existing infrastructure i.e basic services and roads	Kimberley attract economic activities and developers hesitate to develop in surrounding areas
Youth i.e economically, socially	Low levels of skills development
Apprenticeship & existing skills	Infrastructure development and environmental impact on environment
Churches and social organisations	No By-Law enforcement
Informal business and SMME's booming	
Bursary scheme to address scarce skills	
Enforcement of By-Laws	

3.3 ECONOMIC IMPACT OF EMANG MOGO'S EMANG MANGANESE MINE

IDENTIFIED SOCIO-ECONOMIC IMPACT	2015	2016	2017	2018	2019	TOTAL (2015 to 2019)
Estimated no. of people to be employed at the mine	61	61	61	61	61	61
Estimated annual payroll	11 279 796	12 915 367	14 788 095	16 932 369	19 387 562	75 303 189
Estimated procurement to be spent with local companies (Tsanstabane Local Municipality)	3 606	4 129	4 727	5 413	6 198	17 875
Estimated procurement to be spent with district	N/A	N/A	N/A	N/A	N/A	

IDENTIFIED SOCIO-ECONOMIC IMPACT	2015	2016	2017	2018	2019	TOTAL (2015 to 2019)
companies (Siyanda District Municipality)						
Estimated procurement to be spent with regional companies (Northern Cape Province)	N/A	N/A	N/A	N/A	N/A	
Estimated procurement to be spent with national companies (within RSA)	N/A	N/A	N/A	N/A	N/A	
Estimated procurement spend with external companies (outside of RSA)	N/A	N/A	N/A	N/A	N/A	

3.4 LOCAL ECONOMIC DEVELOPMENT AND POVERTY ERADICATION PROJECTS

Since the dawn of Democracy, the South African Public Sector has been undergoing transformation of its internal functions, organisation, management and broader purpose to enable it to focus on service delivery and performance. The pressure for such change is due to the political, economic and social situation within South Africa. There is, contained in many municipalities, the desire to begin the task of redefining their institutional existence and primary service delivery responsibilities within the context of accountability, cost-effectiveness, transparency and service provision. It is a recognisable fact that mining contributes to a large extent to the Gross Domestic Product of South Africa. Also, it is a well known fact that whilst mining occupies a large part of land and with its operations leaves indelible damage both social and environment aspects, whilst mining is occurring it is known to create a lot of activity in the areas in which they operate. Hence mining is of strategic importance to the Siyanda District Municipality.

In line with the objectives of the MPRDA and the company's objectives of improving the welfare of their employees and to sustainably develop local communities the mine has held discussions with the local municipality in respect of potential LED projects. The purpose of these discussions is to identify infrastructure development projects are in line with the legislative requirements of the MPRDA whilst they fall within the budget of the company. In this regard the Emang Manganese Mine Mines Work Programme has indicated an estimated R 5 million budget earmarked for the LED Projects within the Social and labour Plan for the first five (5) years of the mine operation. This budget is aimed envisaged to have a positive effect on the socio-economic environment of the communities directly affected by the Mine as well as the surrounding areas.

Upon finalisation of the discussions with the LED department of the Tsantsabane Local Municipality and having identified the suitable infrastructure development project, Emang will conduct a preliminary planning for such projects. Following the preliminary planning of the projects Emang Mine will profile and submit the said project to the DMR prior to the issuing of the mining right. Emang is committed to adopting a project that will be in line with the requirements of the MPRDA. Although meetings have taken place between Emang and the municipality and agreements have been reached, no formal agreements have been signed.

3.4.1 LED PROJECTS AND PROGRAMMES

Emang Manganese Mine LED programme will focus on the mine community from which the operation will draw its labour and especially on communities where there will be a high concentration of resident employees. The mine will also consider other surrounding communities which may be affected in any way by the mine's operations. The mine have realised that there are expectations of stakeholders and communities which are often unrealistic when livelihood project investigations are undertaken. People often develop an expectation that the company will pay for or sponsor development projects and basic services indefinitely. There may also be expectations by employees and local communities that they will receive substantial benefits from the mine and outside stakeholders may also try to capitalise on projects, to the disadvantage of local stakeholders. It is therefore the role of all stakeholders in the establishment of the mine to clearly articulate the role of the mine and its S&LP commitments to the key stakeholders, communities and local government. This could be achieved through the implementation of a clear and comprehensive communication strategy.

Table 3.3: Local Economic Development Project Plan – Profile – Emang Manganese Mine(2015-2019)

	Project Category	Project Description	Focus Area	Locality	No. of Jobs	Beneficiaries	Identified Market	Date	Financial provision
1.	Economic Development	Annual Business Summit	Tourism, empowerment, capacity building	Tsantsabane	5	Youth	Youth	2015	R2 649 900.00
2.	Community Development	Establishment and Feasibility study for a Youth Centre	Youth, Talent, drugs and substance abuse, mentoring	Tsantsabane	15		Community members	2016	R923 162.00
3.	Infrastructure Development	Low Water Bridge-Skeifontein	Job creation, sustainability,	Tsantsabane	15		SMME's	2016	R 1 426 938.00
Total						R5 000 000.00			

IMPORTANT NOTE: At the time of finishing the draft of this document Emang Mining Resources was still engaged in consultation with the Tsantsabane Local Municipality with a purpose of identifying and finalizing the projects. Once the projects have been identified and agreed upon with the Municipality, they will undergo an feasibility studies to ensure viability and confirm the financial investments required. Currently the Company has set aside an amount of two rands (R2.00) per ton of saleable ore towards financing the LED Projects. Attached herewith is the trail of consultation with the LED office including the Municipal Manager of the Tsantsabane Local Municipality.

3.3.1 Incoming Generating Projects

1.	Project Name	Tsantsabane Annual Business Summit
2.	Background to Project	To establish and develop a premier event for small businesses that brings together major business stakeholders and role players from across the country to share their experiences and impart wisdom in growing small businesses. It is believed that the event will strongly activate, encourage and promote the engagement in new business activities and will be of benefit to the small businesses in the Tsantsabane Municipality.
3	Identity of the partners	For this event to be successful a number of role players will be invited to take part. The main Host of the event will be Tsantsabane Municipality whilst Emang will play the role of a Platinum Sponsor. Emang will partner with Tsantsabane Municipality to plan the event through workshops to identify other players. During the project planning stage of the event other sponsors will be profiled and categorized in Gold, Silver and Bronze categories. The sponsors in this category still have to be identified, profiled and invited. Other role players to the event will be the general community of Northern Cape, exhibitors, and other service providers.
4	Outputs	The concept of the Annual Business Summit as an idea could bear a number of tangible and indelible benefits to the Tsantsabane Municipality. These benefits include but not limited to business education, youth participation in business, increase in the business profile of the municipality.

5	Implementation	The implementation plan of this project will take place in three phases. In Phases 1, the project team will be involved in the adoption of the business theme, venue identification, confirming and invitation of sponsors and speakers, preparation of marketing collaterals and the actual marketing of the Summit. Phase 2 will be for completion of the floor plan designs, registration and confirmation of all role players like sponsors, etc and arrangement of travelling and registration logistics. In Phase 3 the organisers will be involved in organizing the Summit venue and setting it up by installing all branding material. Delegates will be registered to ensure proper accreditation. The Summit will commence with the official launch and the opening gala. All the preparation of the Business Summit is expected to take duration of 8 months with the intense involvement of all role players and service providers.
6.	Exit Strategy	The aim of Emang in participating in the Business Summit is to assist the Municipality in launching a project which will be able to generate income and eventually sustain itself for many years. Emang will be involved in the project for a period of five years during which the mine will ensure that enough capacity and framework is developed. The framework that Emang will ensure is in place before handing total control of the project is: <ul style="list-style-type: none"> • Identity of SMME's to Manage the Event with the Municipality • Long tem identity of Sponsorship • Phased out Participation Plan
7.	Cost Estimate	Total costs estimates of implementing the project is R2 649 900.00 spread over a period of five years.

3.3.2 Community Development Project

1.	Project Name	Establishment and Feasibility Study for a Youth Centre
2.	Background to Project	Youth development is at the centre of socio-economic cohesion and it is one of the top priority areas of the Development plans of the Tsantsabane municipality. The establishment of the community Center which will be utilized for the hosting of youth art and cultural projects and interventions. The establishment of the Center is intended to engage youth in the surrounding communities and proactively discourage them from drugs and substance abuse.
3	Identity of the partners	For a successful feasibility study for the development of Youth Centre the following role players would have to be engaged: Tsantsabane Municipality, Community Interest Groups, South African Police Services (Postmasburg), Organised youth groups, Community Religious Groups and local educational establishments.
4	Outputs	The purpose of the feasibility study is to ascertain the viability for the establishment of the Youth Centre within Tsantsabane Municipality. The primary output of this project will be a comprehensive business case that would have been compiled fter the completion of the feasibility study. The elements of the business case will be the following: <ul style="list-style-type: none"> • Objective for the establishment of Youth Centre • Alternatives on the construction of Youth Center • Possible Risks for the construction of Youth Centre Cost estimation

		<p>for the construction of the Youth Centre</p> <ul style="list-style-type: none"> • Sources of funds for the construction of Youth Centre • Stakeholders involved on the construction of Youth Centre
5	Implementation	The feasibility study should be conducted by an experienced service provider whose appointment will be based on merit. The outcome of the feasibility study will determine what the Youth Centre will be used for; the concept design, estimated budget, estimated time frame for the construction of the Youth Centre. The implementation will be done in two phases over a period of four months. Phase 1 will entail confirmation of the scope, compilation of the plan, team identification and finalisation of the budget. In phase we will conduct the feasibility study, prepare an estimated bill of quantities, compile the project estimated schedule and timelines, compile the project estimated budget, compile the business case and present the business case for review and approval.
6.	Exit Strategy	Emang's main focus will be to assist the Municipality in ensuring that enough capacity and framework is developed to ensure construction of the Youth Centre. The decision to provide the financial and/or on financial support in the actual construction for the Youth Centre will be determined after the business case has been reviewed and analyses. At most the participation of Emang will go as far as the handing over of Youth Centre to the rightful beneficiaries. Emang will therefore not be part in the operating and overseeing the running of the day-to-day activities and interventions in the Youth Centre.
7.	Costs Estimate	Total cost estimated to finance the project is to the amount of R923 162.80

3.3.2 Community Infrastructure Project

1.	Project Name	Tsantsabane Annual Business Summit
2.	Background to Project	To establish and develop a premier event for small businesses that brings together major business stakeholders and role players from across the country to share their experiences and impart wisdom in growing small businesses. It is believed that the event will strongly activate, encourage and promote the engagement in new business activities and will be of benefit to the small businesses in the Tsantsabane Municipality.
3	Identity of the partners	For this event to be successful a number of role players will be invited to take part. The main Host of the event will be Tsanstabane Municipality whilst Emang will play the role of a Platinum Sponsor. Emang will partner with Tsantsabane Municipality to plan the event through workshops to identify other players. During the project planning stage of the event other sponsors will be profiled and categorized in Gold, Silver and Bronze categories. The sponsors in this category still have to be identified, profiled and invited. Other role players to the event will be the general community of Northern Cape, exhibitors, and other service providers.
4	Outputs	The concept of the Annual Business Summit as an idea could bear a number of tangible and indelible benefits to the Tsantsabane Municipality. These benefits include but not limited to business education, youth participation in business, increase in the business profile of the municipality.
5	Implementation	The implementation plan of this project will take place in three phases. In Phases 1, the project team will be involved in the adoption of the business theme, venue identification, confirming and invitation of sponsors and speakers, preparation of marketing collaterals and the actual marketing of the Summit. Phase 2 will be for completion of the floor plan designs, registration and confirmation of all role players like sponsors, etc and

		arrangement of travelling and registration logistics. In Phase 3 the organisers will be involved in organizing the Summit venue and setting it up by installing all branding material. Delegates will be registered to ensure proper accreditation. The Summit will commence with the official launch and the opening gala. All the preparation of the Business Summit is expected to take duration of 8 months with the intense involvement of all role players and service providers.
6.	Exit Strategy	<p>The aim of Emang in participating in the Business Summit is to assist the Municipality in launching a project which will be able to generate income and eventually sustain itself for many years. Emang will be involved in the project for a period of five years during which the mine will ensure that enough capacity and framework is developed. The framework that Emang will ensure is in place before handing total control of the project is:</p> <ul style="list-style-type: none"> • Identity of SMME's to Manage the Event with the Municipality • Long term identity of Sponsorship • Phased out Participation Plan
7.	Cost Estimate	Total costs estimates of implementing the project is R2 649 900.00 spread over a period of five years.

3.3.3 Community Infrastructural Development

Project Name	Construction of Skeifontein Low Water Bridge – Definitive Feasibility				FY of Project Sheet	2016
Background to project	<p>The Company has been tentatively allocated an infrastructural development project within the Postmasburg area to participate in the construction of the Low Water Bridge in the Skeifontein area. The Skeifontein area falls within the Tsantsabane Local Municipality. Skeifontein is one of the worse undeveloped areas within the Local Municipality. Construction of the Low Water bridge has been identified as one of the Priority issues to be addressed. Emang has agreed with the Municipality to investigate the manner in which it can play part in the project. Since the agreement, Emang has been in constant contact with the TLM Engineering Department for assistance with the planning, design and scoping of the low water bridge. Emang is still waiting for the said information from the Municipality which has not been received at the time of submission of this document. However, Emang is committed to this project and will furnish the complete information once received.</p>				Project start date	March 2016
					Project End Date	March 2016
Project Incorporated into which IDP	Tsanstabane Local Municipality				IDP Project Reference Number	Pending Notification from Municipal Manager
Project Partners	Emang Mmogo Mining Resources Mine, Tsantsabane Local Municipality (TLM), TLM Engineering Department, DWAF, Dept of Roads,			Beneficiaries (Community Specific)	Primarily Skeifontein but subsequently TLM	
	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Geographical Location of Project
		35	10	0	0	
	Spin Off Employment Opportunities	Male	Female	Youth	Disabled	Skeifontein-Posmasburg
		-	-	-	-	

Output	Responsible Entity	Activity		Timeframe				FY2016 – 2020
		KPA	KPI	Year 1	Year 2	Year 3	Year 4	Budget Allocation
				X				
Detailed engineering designs.	Emang Mine and Tsantsabane LM Engineers		Acceptance of design by all stakeholders		X			
Detailed structural assessments	Emang	Detailed structural assessment to be completed by the Mine Experts.	Acceptance of structural assessment by all stakeholders		X			
An amendment to the Record of Decision (ROD), including a new EIA	EmagMine	Conduct updated EIA on the project	Updated EIA in place and amended ROD			X		
Assessment and evaluation of appropriate financing methodologies	Emang Mine	Detailed information gathering about financing options	Suitable financing option identified			X		
Detailed project planning and costing, inclusive of the BEE procurement requirements	Emang Mine	Project planning, costing and all related requirements considered and plan compiled.	Detailed Definitive Feasibility in place			X		
Total:								
Exit Strategy:	Following the completion of the Bankable Feasibility study the mine will exit the project. The Mine intends to handover the management of the maintenance of bridge to the Tsanstabane Local Municipality following an appropriately negotiated SLA.							

3.5 MEASURES TO ADDRESS HOUSING AND LIVING CONDITIONS OF MINE EMPLOYEES

In the mining industry it is widely acknowledged that housing and living conditions for the majority of mine workers have been historically been substandard. This situation has a negative impact on productivity, health and well-being of the mineworkers. The plan for this section seeks to reverse the historical problem and to provide decent accommodation to all employees.

As far as formal employee housing is concerned, mines in South Africa have typically provided housing of some form or another to their employees. Emang Mine has decided to adopt a forward-looking approach to address the current problems. The approach takes into consideration factors such as proximity of the mine, housing requirements of informal settlement communities located near the mine and various accommodation options.

3.5.1 Emang Mmogo Housing Plan

The Emang Manganese Mine aims to enhance the quality of life of all employees through facilitation of access to decent housing, infrastructure and basic services. Emang will not house employees in hostels. The mine and its contractors will provide transport for employees to and from work on daily basis. This together with the company's policy to encourage home ownership and adequate housing will provide employees wider choices on accommodation.

Table 3.4: Action Plan for Housing and Living Conditions of Mine Employees

Strategy	Description	Timeframe	Person(s) Responsible
Housing During Construction	<ul style="list-style-type: none"> ▪ Temporary and contractor workers will be housed on the mine during the construction phase. The locally sourced employees will already be living in their own accommodation, and will not require any additional housing arrangements. Employees with special skills will be recruited from outside of the area, and are expected to make use of available housing stock for rental in Postmasburg. ▪ A contractor's camp will be developed on the mine footprint, with sufficient capacity to house all contractors, this approach will be used to eliminate the formation of squatter camps due to the focused local recruitment. 	During construction of the mine	General Manager or Appointed Senior Manager
Housing Policy	<ul style="list-style-type: none"> ▪ A Housing policy will be developed with reference to the recruitment policy. Key underlying principles to this policy will include: <ul style="list-style-type: none"> ✚ Ensuring that all its employees have access to reasonable accommodation with cognisance of the limitations in place by the National Credit Act; ✚ The mine will facilitate access for its employees, through a variety of mechanisms, to a range of accommodation options; ✚ The mine will promote home ownership through various mine-sponsored initiatives; ✚ Emang, will engage with local, provincial and national government to improve the quality and effectiveness of housing and associated infrastructure provision through local IDP's. 	To be completed by 2015	General Manager or Appointed Senior Manager

<p>Housing Study and Housing Strategy</p>	<ul style="list-style-type: none"> ▪ The Mine will undertake a housing study to inform the housing strategy for mine employees. This study will take into account factors such as the proximity of the mine to the nearest town (formaland informal settlements), the economic sustainability of that town, variuos accommodaton ptiins, and housing requirements associated with workforce numbers and salary scales. ▪ Further issues to be considered in the housing study include current infrastructure constraints, land availability, informal settlements, housing demands and the housing markets, ▪ Following the completion of the Housing Study, an appropriately tuned to Housing Strategy for the mine will be drawn up. Key elements of the strategy are likely to include: <ul style="list-style-type: none"> -Housing Allowance as part of the Remuneration Package; -Home ownership support Programme; -Mines involvement in Housing Oprovision through IDP infrastructure at relevant municipal levels; and -Ongoing communication programme on Housing 	<p>From 2017 onwards</p>	<p>General Manager or Appointed Senior Manager</p>
<p>Housing Strategy – Housing Allowance</p>	<ul style="list-style-type: none"> ▪ Employees will have a total remuneration package arrangement which will include a housing allowance component in line with current practice,and ▪ Employees will be encouraged to take maximum advantage of this salary package to become home owners.The mine will pay employees, who want to become home owners a living out allowance per month, which forms part of their annual remuneration package. 	<p>From 2017 onwards</p>	<p>General Manager or Appointed Senior Manager</p>
<p>Home ownership Support Programme</p>	<ul style="list-style-type: none"> ▪ Emang will encourage employees, through dedicate communication mechanisms at the mine(at induction and during career development interviews) to effectively utilise their all inclusive remuneration packages to cover bond repayments on the privately owned houses; ▪ The mine will work with commercial banks to 	<p>From 2017 onwards</p>	<p>General Manager or Appointed Senior Manager</p>

	<p>establish an effective financial homeownership support programme; and</p> <ul style="list-style-type: none"> ▪ Consult with the Department of Housing to apply for government subsidies to assist employees with obtaining the necessary funds to enable them to purchase their own houses. 		
Communication and advise	<ul style="list-style-type: none"> ▪ Offer advise to employees during induction, career development interviews and in dedicated communication sessions, in respect of the various options open to them regarding their accommodation; and ▪ Facilitate and appropriate communication programme at the mine on the various strategies in respect of housing. The requisite strategies will be discussed with key stakeholder groups within a established Joint Forum structure in Postmasburg. 	From 2017 onwards	General Manager or Appointed Senior Manager
Monitoring, Evaluation and Reporting Mechanisms	<ul style="list-style-type: none"> ▪ Ensuring that there is continuous monitoring and evaluation of progress on accommodation related issues. The information will be used by Mine Management and the Joint Forum to become involved by ensuring that living conditions of the mine employees are of an acceptable standard. Reporting will focus on the following: <ul style="list-style-type: none"> ✚ To determine improvements in the housing and living conditions; ✚ To determine the number of employees purchasing and occupying houses. 	From 2017 onwards and thereafter	General Manager or Appointed Senior Manager

3.6 MEASURES TO ADDRESS NUTRITION

Emang Mine does not plan to house employees in hostels and therefore will not directly provide nutrition to its employees. However, as part of promoting healthy life styles the company will continually assess employee's nutritional needs. This involves an induction and awareness training on healthy lifestyles, which includes information on sleeping patterns, nutrition and hygiene. Good nutrition has been identified as important part of employee's wellness particularly in light of the HIV/AIDS epidemic. Part of this programme will involve advising employees on access nutritional supplements and fortified food with mineral, multivitamins, etc. in particular to enhance the HIV/ AIDS affected and infected workers health status.

3.7 PROCUREMENT PROGRESSION PROGRAMME

Procurement at the Emang Mine will occur primarily through the main contractors. The company will and become a member of South African Mining Preferential Procurement Forum. Through this process the company will ensure a coordinated procurement system that advances enterprise development and supports BEE and SMME's with other companies in he area. Internally the company is developing its preferential procurement framework that would form a comprehensive guide which includes the procurement programme of the contractors. Central to this framework is advancement of Black Economic Empowerment, enterprise development and achievement of own business objectives. The company and its main contractors will use this formative framework for the procurement of capital goods, services and consumables.

The following tables show the reporting format of procurement at Emang Mine by the main contractors and in particular the basis upon which progress with advancement of BEE and small business will be measured and monitored.

Group Split	BEE Target 2015	BEE Target 2016	BEE Target 2017
Capital Goods (Capex)	26%	26%	26%
Services	26%	51%	51%
Consumables	26%	51%	51%
Grand Total	26%	51%	51%

SECTION 4: CLOSURE & RETRENCHMENT MANAGEMENT PROGRAMME

4.1 PROCESSES PERTAINING TO THE MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

The main objective of downscaling and retrenchment management is to make sure that there are no other viable options to achieve operational requirement before considering downscaling of workers. It is clear that all economic exigencies need to be considered and a plan needs to be put in place should unforeseen circumstances occur that may lead to a downscaling and subsequent retrenchment exercise at Emang Mmogo's Emang Manganese Mine.

A fundamental principle behind both its HRD Programme (guiding the Portable Skills Training, ABET, Learnership programmes) and LED Programme (informing the sustainable development interventions, housing policies) is job creation and transferable skills within Emang Manganese Mine's SLP. Clearly however, at mine closure, be it inevitable or unexpected, the main outcome is the loss of employment opportunities. Consequently, a key element of the SLP is to develop mechanisms and strategies to prevent job losses or, where these cannot be avoided, to implement appropriate plans to ameliorate the social and economic impact that downscaling of the operations and/or closure may have on employees, communities and the economy.

The fundamental objectives of the plan to be in place for the life of the Emang Manganese Mine are in line with the ethos of the Department of Labour's "Social Plan" as well as the Act and include:

- The prevention of job losses as set out below;
- Where job losses are unavoidable to minimize the extent of the job losses resulting from major restructuring or retrenchment exercises;
- To facilitate, as far as practically possible, access to alternative employment opportunities within the company;
- To facilitate through on-going core business training and the non-mining related portable skills training plan access to suitable training programmes to enable affected employees to remain economically active either within or outside the company or industry;
- To avoid, mitigate or minimise any possible negative social and economic impacts on employees, communities, local and regional economics and labour-sending areas should retrenchment or closure be required through local economic development programmes as outlined in the Plan;
- To ensure the relevant processes for effective closure management are in place some four (4) or five (5) years prior to planned mine closure;
- To effectively communicate and consult as well as discuss and develop joint strategies and plans with key stakeholders, through the mechanism of the Emang Manganese Mine Future Forum, throughout the life of the mine on the issues outlined above.

4.1.1 Establishment of Emang Manganese Mine Future Forum

Emang Manganese Mine will establish a future forum in line with the regulatory requirements once mining operations commences. The company is still in the process of finalising the forum's operation rules and procedures. The mine will have one coordinated future forum and contractors may as per their recognised employee representative structures establish their own structures. The future for a will be fully operational within six (6) months from the date upon which the mine achieves full production.

It is envisaged that the Future Forum will be constituted as follows:

- Representatives from all recognised trade unions or associations;
- Senior management representatives as determined by the Mine Manager;
- Representatives of local councils and Department of Labour (Tsantsabane Local Municipality); and
- Representatives of Community Groups with established communication channels with the mine.

The Emang Manganese Mine Future Forum will meet on a regular basis, either quarterly or as agreed on throughout the life of the operations, to develop, implement and communicate strategies and plans to prevent or otherwise deal with major downscaling or closure of the operations. The frequency of meetings will be increased if there are critical issues that need to be addressed urgently.

The agenda for the Emang Manganese Mine Future Forum will include but not be limited to:

- Disclosure of all relevant information to enable the representatives of the forum to engage in effective consultation and discussion, and make decisions. This will include global and local economic and financial indicators, factors impacting on the mining industry as a whole and the platinum mining sector in particular, financial information, annual business and labour plans, lifespan of the operations, envisaged expansions or downscaling/closures and the possible impact therefore on employees, communities and the economy;
- Identification and analysis of problems and challenges facing the operations particularly where these may lead to downscaling and/or closure of the operations;
- Development of strategies and plans to deal with identified problems and challenges;
- Development of strategies and plans to prevent job losses if possible;
- Development of strategies and plans to minimise job losses and mitigate the adverse effects that downscaling and closure may have on employees, communities and the economy;
- Implementation of agreed strategies and action plans;
- Review of portable skills training programmes and local economic development programmes;
- Communication strategies to ensure that all employees and other stakeholders are regularly updated on forum decisions, strategies and action plans; and
- Assessment of and reporting on, through Emang Manganese Mine's Annual SLP Reports, the success and progress of all job loss management and retrenchment management programmes planned for and implemented during the times of downscaling, closure or for an appropriate post-closure period.

4.1.2 Communication with the Authorities

In compliance with Section 52 (1) of the MPRD Act, on identifying the need to reduce mining operations, should the profit revenue ratio of the relevant operation be less than 6% on average for a continuous period of twelve (12) months or should 10% or more of the workforce (or more than five hundred (500) employees) have to be retrenched, a comprehensive consultation process with the relevant trade union structures or affected employees will commence in compliance with Sections 189 and 189(a) of the Labour Relations Act of 1995 (as amended) through the established Emang Manganese Mine Future Forum structure.

As planning for the Social Plan and its associated job loss and retrenchment management programmes commences, the Department of Labour and the Department of Mineral Resources (specifically the Minerals and Mining Development Board in accordance with Section 52(1) (a) of the Act) will be notified. The government authorities will be given notice of the timeframe for the closure process as well as the ongoing consultation and Social Plan through the Future Forum structure. Regular progress reports will subsequently be distributed to the necessary departments, including the Social Plan and Productivity Advisory Council and the Department of Provincial and Local Government. Compliance to the Board's directive will be adhered to in order to meet the corrective measures as stipulated by the Board.

4.2 MECHANISMS TO SAVE JOBS AND AVOID JOBS LOSSES AND A DECLINE IN EMPLOYMENT

In compliance with Section 52 (1) of the Act, on identifying the need to curtail mining operations at Emang Manganese Mine should the profit revenue ratio of the relevant operation be less than 6% on average for a continuous period of twelve (12) months or should 10% or more of the workforce (or more than five hundred (500) employees) have to be retrenched, a comprehensive consultation process will be undertaken with the Emang Manganese Mine Future Forum, and Section 189 of the Labour Relations Act will be implemented, The Minerals and Mining Development Board will be notified and any Ministerial Directive will be complied with.

Should Emang Manganese Mine be required to commence with a downscaling or closure process (in line with the undertaking above), the following plan will be implemented:

4.2.1 Communication and Planning through the Emang Manganese Mine Future Forum

- It is envisaged that any potential downscaling or closure requirement will be identified during the ongoing consultations, discussions and deliberations at the regular Emang Manganese Mine Future Forum meetings;
- All strategic plans identified by the Emang Manganese Mine Future Forum will be implemented with a view to avoid job losses;
- Plans and strategies will be continuously assessed to ensure that they are relevant to the prevailing conditions at the time that closure or downscaling is envisaged;
- The Emang Manganese Mine Future Forum will assess the economic conditions and the number of employees that are likely to be affected by the downscaling or closure; and
- The Emang Manganese Mine Future Forum will discuss and agree on strategies and actions plans that will be implemented to avoid job losses.

4.2.2 Communication and Planning through the Emang Manganese Mine Future Forum

Job loss strategies and plans will include but not be limited to:

- Voluntary early retirement for employees who qualify in terms of relevant provident funds etc;
- Cease recruitment of new employees until Emang Manganese Mine has attempted to fill vacant positions from internal sources;
- Where relevant and viable cease the employment of temporary employees and/or contractors;
- Where closure or downscaling is envisaged every position that becomes vacant through resignation, retirement, death or dismissal, in the period leading up to the downscaling or

closure will be critically reviewed before the position is filled to allow for natural attrition of employees thereby avoiding unnecessary job losses and retrenchment;

- During the life of the Emang Manganese Mine there will be ongoing accredited mining related training and non mining portable skills training programmes to equip employees with alternate skills to remain economically active in the event of retrenchment;
- During the life of the Emang Manganese Mine will continually seek to ensure its sustainability through the constant revision of its business plans and capital project investments in line with the economic environment and market-related dimensions in which it operates. The ongoing business development process will directly assist job security for the workforce at the operation;
- In addition, Emang Manganese Mine's on-going support of sustainable development projects, through its local economic development programmes, (Section 3) within the labour source communities will further assist in both the creation of job opportunities and securing their long-term sustainability; and
- Efforts to procure locally where possible (Section 3.8) combined with the associated business training and provision of alternative skills for local entrepreneurs will further lessen the insecurity within employment in the local workforce.

4.2.3 Implementing Section 189 of the Labour Relations Act 1995 (As Amended)

The implementation of Section 189 and 189 (A) of the Labour Relations Act will be come relevant if the Emang Manganese Mine Future Forum consultation, strategies and plans have been exhausted, job losses cannot be avoided and retrenchment is contemplated.

There will be full compliance with the provisions of Sections 189 and 189(A) of the Labour Relations Act or where there are existing collective agreements between the trade unions and management that override the provisions of the Labour Relations Act, the processes outlined in these collective agreements will be followed. The following issues are relevant to the consultation process that will be undertaken with the relevant trade unions/employee representatives:

- Ensure subscription to the universally accepted principles of fair retrenchment, incorporating consultation and negotiations with the elected worker representatives at the mine;
- Compliance with collective agreements between organised labour and the company;
- Disclosure of all relevant information; and
- Measures to avoid or minimise dismissals as set out in the collective agreement.

4.2.4 Notification to the Board

After consultations through the Emang Manganese Mine Future Forum and with recognised trade unions and where it becomes apparent that strategies and plans are not successful in avoiding job losses, the company will notify the Minerals and Mining Development Board in accordance with Section 52(1) (a) of the MPRD Act) of the need for downscaling/closure as and when required during the life of the mine and some four (4) to five (5) years prior to the end of the life of the mine. The government authorities will be given notice of the time-frame for the closure and/or downscaling process, ongoing consultation, strategic initiatives and plans as discussed through the Emang Manganese Mine Future Forum. Regular progress reports will subsequently be distributed to the necessary departments, including the Social Plan and Productivity Advisory Council and the Department of Provincial and Local Government. Compliance to the Board's directive will be adhered to in order to meet the corrective measures as stipulated by the Board.

4.2.5 Compliance with Ministerial Directive

Emang Mmogo will comply with any corrective measures and terms and conditions as the Minister may determine. Emang Mmogo will confirm in writing that it has complied with the directive and has undertaken the corrective measures determined by the Minister. Regular progress reports on compliance will be provided.

4.3 MECHANISMS TO PROVIDE ALTERNATIVE SOLUTIONS AND PROCEDURES FOR CREATING JOB SECURITY WHERE JOB LOSSES CANNOT BE AVOIDED

In compliance with Section 52 (1) of the Act, should the profit revenue ratio of the relevant operation be less than 6% on average for a continuous period of twelve (12) months or should 10% or more of the workforce (or more than five hundred (500) employees) have to be retrenched, on identifying the need to scale down or cease mining operations at Emang Manganese Mine and where job losses are likely to result from these processes a comprehensive consultation process will be undertaken at the Emang Manganese Mine Future Forum, Section 189 and 189(A) will be complied with to deal with retrenchment details, the Minerals and Mining Development Board will be notified and any corrective measures and directives as determined by the Minister will be complied with.

4.3.1 Communication and Planning through the Emang Manganese Mine Future Forum

An extensive consultation process will be undertaken through the Emang Manganese Mine Future Forum structures where strategic initiatives and plans implemented by the Forum are not successful in avoiding job losses. Where job losses can not be avoided the Emang Manganese Mine Future Forum will discuss and implement strategic plans to examine and implement alternatives solutions and to create job security for affected employees.

- The Emang Manganese Mine Future Forum will assess the economic and other conditions that could result in job losses and determine a number of employees that are likely to be affected by the downscaling or closure; and
- The Emang Manganese Mine Future Forum will discuss and agree on strategies and action plans that will be implemented to create security for employees likely to be affected by job losses.

4.3.2 Alternative Solutions and Strategies to Create Job Security

Potential alternative solutions and strategies to create job security to be considered by the Emang Manganese Mine Future Forum may include but not limited to:

- Ways to minimise the number of employees who are likely to be affected by the contemplated retrenchment;
- The numbers of employees to be trained will increase in line with the number of employees who are likely retrenched. The content of the training will be determined after extensive analysis of skills needed within operational area, labour sending areas as well as the country as whole (with particular reference to the JIPSA Initiative). This will ensure that employees receive training in areas where they are likely to secure employment if retrenched. The fundamental objective is to ensure that retrenched employees are provided with the necessary training to remain economically active if retrenched;
- Where closure or downscaling is envisaged every position that becomes vacant through resignation, retirement, death or dismissal, in the period leading up to the downscaling or closure will be critically reviewed before the position is filled to allow for natural attrition of employees thereby minimising job losses and retrenchment;

- The Local Economic Development programmes which are to be implemented as part of the SLP (Section 3) are designed to create long term and sustainable businesses and economic activities which are not reliant on mining activities. These LED initiatives may therefore create employment opportunities for employees who are likely to be retrenched. Employees who are likely to be retrenched will be given first priority for employment opportunities that arise through the LED programmes initiated by the company;
- The company will liaise with the Department of Labour, other employers in the operational area and labour sending areas to identify all possible employment opportunities and vacancies. Affected employees will be provided with updated information on a regular basis and will be provided with the necessary assistance to apply for vacant positions;
- Provide assistance for entrepreneurs and SME development through established small business centres, other appropriate service providers in the relevant region as well as the LED programmes; and
- The Human Resources Development Programme will ensure that employees receive accredited and certified skills and training. Such accredited skills and training may be utilized elsewhere within the mining sector or, alternatively, within different industry sectors or through the pursuit of entrepreneurial ventures (SMMEs or BEEs).

4.3.3 Implementing Section 189 of the Labour Relations Act 1995 (as amended)

If discussions within the Emang Manganese Mine Future Forum have been exhausted and job losses cannot be avoided the provisions of Section 189 and 189(A) of the Labour Relations Act as well as the provisions of the existing collective agreement will be implemented. A consultation process will be initiated with the relevant employee representative organisations and will encompass all areas identified in the LRA and the collective agreements. Issues such as ways to minimise retrenchment, the timing of the retrenchments and severance pay will be discussed by the company and the employee representations. All plans and other issues agreed on during this consultation process will be implemented.

4.3.4 Notification to the Board

After consultation through the Emang Manganese Mine Future Forum and with recognised trade unions and where it becomes apparent that strategies and plans are not successful in avoiding job losses, the company will notify the Minerals and Mining Development Board in accordance with Section 52(1) of the MPRDA if the profit revenue ratio of the relevant operation is less than 6% on average for a continuous period of twelve (12) months or should 10% or more of the workforce (or more than five hundred (500) employees) have to be retrenched. Such notifications will be provided as and when required during the life of the mine and some four (4) or five (5) years prior to the end of the life of the mine. The government authorities will be given notice of the time-frame for the closure and/or downscaling process, ongoing consultation, strategic initiatives and plans as discussed through the Emang Manganese Mine Future Forum. Regular progress reports will subsequently be distributed to the necessary departments, including the Social Plan and Productivity Advisory Council and the Department of Provincial and Local Government. Compliance to the Board's directive will be adhered to in order to meet the corrective measures as stipulated by the Board.

4.3.5 Communicating Possible Retrenchments

Where all avenues to avoid job losses have been exhausted and it is contemplated that retrenchments are likely to take place an extensive communication strategy and plan will be implemented after discussion and agreement at the Emang Manganese Mine Future Forum. Communication of issues discussed at the Emang Manganese Mine Future Forum, strategic plans and the implementation thereof will form part of the Agenda for regular Future Forum meetings. After

each Future Forum meeting all employees will be briefed on issues discussed and the strategic plans that will be implemented by the Emang Manganese Mine Future Forum.

Where retrenchments are inevitable the following channels will be used to ensure effective communication to all employees: management briefs, e-mail & intranet, billboards, communication boards (notice boards), joint union and management meetings, communication forums and workshops.

The trade union representatives will also communicate issues arising from the Emang Manganese Mine Future Forum discussions during their own Branch and Committee meetings as well as mass meetings with employees. Issues to be communicated where possible retrenchments are contemplated will include but not be limited to:

- The reasons for the contemplated retrenchment;
- Strategic plans implemented by the Emang Manganese Mine Future Forum to avoid and minimise job losses;
- The number of employees likely to be affected by the retrenchments;
- Details of the expanded portable skills training programmes and how these can be accessed;
- LED programmes and the opportunities available to employees who may be retrenched;
- Alternate employment opportunities available to employees who may be retrenched;
- The timing of the retrenchment and the severance packages that will be paid to employees;
- Assistance that will be provided to employees and their families to deal with the emotional impact of retrenchment; and
- Any additional assistance that will be provided to employees.

It is envisaged that the local councils (Tsantsabane Local Municipality) will be represented on and participate in the Emang Manganese Mine Future Forum structures and will therefore be fully briefed about all retrenchments that are likely to take place.

Communication sessions will be held with parties that do not form part of the Emang Manganese Mine Future Forum i.e. local government representatives from the operational areas and labour sending areas, national government departments, other businesses that are reliant on the mining industry as well as any other parties who are likely to have an interest in or be affected by the contemplated retrenchments. Face to face communication will be conducted so that issues may be clarified and discussed. In addition, written notification will be given to all the parties listed above as well as any other party identified by the Emang Manganese Mine Future Forum.

Emang Mmogo will issue press statements and/or hold press conferences where necessary to brief the media so that they have access to accurate and reliable information regarding the retrenchments. Regular media updates will be given.

4.4 MECHANISMS TO AMELIORATE THE SOCIAL AND ECONOMIC IMPACT ON INDIVIDUALS, REGIONS AND ECONOMIES WHERE RETRENCHMENT OR CLOSURE OF THE OPERATION IS CERTAIN

Whilst the Human Resources Development (Section 2) and Local Economic Development (Section 3) programmes outlined in previous sections have been developed and planned to be implemented in order to facilitate sustainable social and economic growth in local communities throughout the life of operation, measures for managing the impact on the local community and labour source communities at times of downscaling and closure will still be required.

This section outlines the mechanisms that will be utilised to mitigate, as far as possible, the social and economic impact of closure and retrenchment on individuals, regions and economies. The detailed planning that will take place in conjunction with the affected stakeholders and the relevant government departments will be required some four (4) or five (5) years prior to mine closure. As such, this section can not provide the ultimate closure or post-closure plan for the operations in terms of the socio-economic impact. The very nature of rural and low-income communities, dependent on the operations for a substantial period of time necessitates flexible and appropriate closure planning utilising those community structures that exist at the time of closure. Knowledge of the socio-economic circumstances in the area at the time of closure is therefore currently impossible to predict.

4.4.1 Socio-Economic Impact Study of Closure

As with any substantial development programme, a socio-economic impact analysis (SEIA) will be carried out by specialist consultants prior to commencing detailed closure planning. The SEIA will commence four (4) or five (5) years prior to closure and be supported by interaction with community structures and the Emang Manganese Mine Future Forum.

4.4.2 Communication with Stakeholders

The development of the closure plan will place great emphasis on comprehensive and sensitive consultation with all stakeholders. Objection management is likely among stakeholders, such as local business, who have understandable fears and concerns with regards to closure. Consultation and communication with stakeholder groups from local source communities, relevant government departments and local business forums will also be carried out. These stakeholders may participate on the established Emang Manganese Mine Future Forum or sub-committees thereof and facilitate discussions on priorities for local economic development within the closure planning framework and ensure community interventions are sustainable during closure and post-closure.

4.4.3 Strategic Plans for Managing the Social and Economic Impact

As with the HRD Programme at Emang Manganese Mine, the LED Programme will be implemented throughout the life of the operations with a key objective of ensuring any corporate social intervention and LED assistance provided, will be sustainable, and will benefit the target communities long past closure. The same is true for involvement with local service and goods providers through the Procurement Progression Plan. Every effort will be made, during the life of the Emang Manganese Mine, to facilitate training amongst local entrepreneurs who supply goods or services to ensure they are equipped with the appropriate business management skills to run effective small business which can procure both to other local mining operations but may also diversify their service or product range and potentially procure to other non-mining industries.

Notwithstanding these strategies throughout the life of Emang Manganese Mine, the knowledge of closure and the potential loss of business or channels of assistance may come as a shock to local community members and assistance may be required timeously to aid their transition into a non Emang Manganese Mine environment and mind-set. Such communication will be effected through the Emang Manganese Mine Future Forum, and other established communication channels as outlined above. It is through these channels that specific needs and/or training requirements will be identified which Emang Manganese Mine may be of some assistance with during the period of downscaling. The exact assistance required can not be planned for in depth prior to the period of downscaling as community needs and training requirements will evolve and fluctuate regularly. However, such assistance may include the following:

- Assistance for local entrepreneurs through established networks, government agencies in this regard and experienced NGO structures;
- The facilitation of public-private partnerships geared at meeting specific needs within the community, be they infrastructural, capacity raising or skills development;
- Assist in the growth of capacity within the established community structures, in terms of leadership skills, financial management, project management and communication;
- Consideration of the potential use for obsolete/unused mine infrastructure following the complete downscaling and closure of the mine (training centres, office buildings etc);
- A portable skills training programme designed to ensure that employees can have job security and remain economically active after mine closure;
- Counselling Services for employees and if necessary their families or the relevant labour source community;
- Assistance with registering as a job-seeker (with the relevant Department of Labour, employment agency or other local mines), job-hunting and job application processes;
- Ensuring all skills and/or experience obtained whilst in the employ of Emang Manganese Mine have the appropriate accreditation and certification;
- Provide assistance in the employee's claiming of UIF and other state assistance if required; and
- Provision of financial planning assistance with regards to retrenchment packages, pensions and/or provident funds etc to ensure the appropriate utilization and/or preservation of finance following retrenchment.

4.5 POST CLOSURE PLANNING

Management strategies for the post-closure period will also be developed with local stakeholders within the closure planning process. Strategies that avoid dependency amongst the social intervention beneficiaries and promote independence amongst individuals and businesses in the community will be developed to ensure post-closure sustainability. On-going consultation and advisory roles potentially facilitated through the Future Forum structures or its relevant sub-committees will be utilised to ensure that the programmes and plans continue to deliver sustainable and effective benefits. The continued contribution and on-going management role of local government in this respect will be essential in this post-closure management process.

SECTION 5: FINANCIAL PROVISION FOR SOCIAL AND LABOUR PLAN

5.1 OVERVIEW

In terms of Section 23(1) (e) "The Minister must grant a mining right if the applicant has provided financially and otherwise for the prescribed social and labour plan". This section intends to outline the manner in which Emang Mmogo aims to provide financially for each component of the Emang Manganese Mine SLP for the life of the mine. However, it should be noted that these assumptions are based on current business plans at Emang Manganese Mine and the associated market and economic conditions surrounding the operations. Where changes in these assumptions are required, they will be reported on in the Annual SLP Report. Table 5.1 summarises the financial provisions for Emang Manganese Mine's SLP for the next five (5) years in respect of each section of the plan based on the five (5) year business plan 2015 to 2019.

	2015	2016	2017	2018	2019	Total Financial Provision (2015 to 2019)
Total Financial Provision for Human Resource Development Programmes	R 352,00	R 403,000	R 462,000	R 528,000	R 605,000	R 2,350,000
Financial Provision for Local Economic Development Programmes	R 140,000	R160,000	R 184,000	R210,000	R240,000	R5 000,000,00
Financial Provision for the Management of Downscaling and Retrenchment Programmes	R250,000	R 286,000	R 328,000	R375,000	R430,000	R1,669,000
Total Financial Provision for SLP	R742,000	R850 000	R973,000	R1,114,000	R1,275,000	R9,019,000

SECTION 6: STATEMENT OF UNDERTAKING

I, **Xolani Mzwakhe Gamede**, the undersigned and duly authorized thereto by **Emang Mmogo Mining Resources (Pty) Ltd** undertake to adhere to the information, requirements, commitments and conditions as set out in the SLP, and to communicate the SLP once it has been accepted by the DMR to all relevant stakeholders and to further report on progress achieved on an annual basis to DMR and these stakeholders.

Signed at _____ on this _____ day of _____ 2014.

Signature of responsible person _____

Designation _____

Approved

Signed at _____ on this _____ day of _____ 2014

Signature of responsible person _____

Designation _____

APPENDIX A: TSANTSABANE LOCAL MUNICIPALITY'S CONSULTATION TRAILS -