

INDEPENDENT COMPETENT PERSONS' REPORT ON THE PLATINUM GROUP METALS ASSETS OF BAUBA PLATINUM LIMITED (BAUBA) SR1.1A(I)



AN CLAY
MSc (Geol), MSc (MinEng), DipBusMan, PrSciNat, MSAIMM,
FAusIMM, FGSSA, MAIMA, MSPE, IoD
Managing Director

TC ORFORD
BSc Hons (Geol), GDE (MinEng), MGSSA, MGASA, MMINSA
Mineral Project Analyst

S DYKE
MSc (EnvSci), CandSciNat, MIAIASA, MGSSA, MIAIASA
Environmental Industry Adviser

JA MYBURGH
BSc (Mathematics), MIASSA, MGASA
Mineral Project Analyst

K MPHABLELE
BSc Hons (Geol), PrSciNat, MGSSA
Mineral Industry Adviser

Reference No.: VMD1585R V6

Effective date: 1 March 2014 SR1.1A(ii); JSE12.9(a)

Final report date: 12 August 2014

INTRODUCTION

Bauba Platinum Limited (Bauba) is a platinum group metals (PGMs) exploration and evaluation company with PGM assets located in the Bushveld Complex (BC) of South Africa. These assets are situated in Eastern Limb of the BC, as illustrated in the locality plan that follows. Bauba's PGM assets include prospecting licences for three early exploration projects, namely the Northern Cluster, Central Cluster and Southern Cluster. Bauba A Hlabirwa Mining Investments Proprietary Limited holds 100% of the PGM Prospecting Right.

The directors of Bauba requested that Venmyn Deloitte Proprietary Limited (Venmyn Deloitte) prepare a Competent Person's Report (CPR) on their material PGM assets in South Africa. Bauba A Hlabirwa Mining Investments Proprietary Limited (Hlabirwa) holds 100% of the PGM Prospecting Right. Bauba's combined shareholding in Hlabirwa is 60%. Bauba is listed on the main board of the Johannesburg Stock Exchange (JSE).

Venmyn Deloitte has undertaken an independent technical review of the material mineral assets of Bauba, in order to identify all the factors of a technical nature that would influence the future viability of the projects. Venmyn Deloitte considered the strategic merits of each asset on an open and transparent basis. This CPR has been compiled in order to incorporate all currently available and material information that will enable potential investors to make a reasoned and balanced judgement regarding the economic merits of the platinum group metal assets reviewed.

Venmyn Deloitte has based its review of Bauba's material platinum group metal assets on information provided by Bauba together with technical reports and other relevant published data.

This CPR has been prepared in compliance with the 2009 South African Code for Reporting of Mineral Resources and Mineral Reserves Code (SAMREC Code) and the 2008 South African Code for Reporting of Mineral Asset Valuation (SAMVAL) published under the joint auspices of the Southern African Institute of Mining and Metallurgy and the Geological Society of South Africa.

Venmyn Deloitte's professional advisors are Competent Persons as defined by the SAMREC Codes and the SAMVAL Codes, respectively and the Competent Persons involved in the preparation of this CPR are members in good standing with their respective professional institutions. The CPR and valuation was prepared and authored by Mr A Clay who has the relevant and appropriate experience and independence to appraise the assets. Mr A Clay is considered a Competent Person (CP), having more than five years' relevant experience in the assessment and evaluation of the types of exploration and mining properties discussed in this report and Competent Persons' Certificates are presented in Appendix 5.

The following table summarises the mineral assets held by Bauba and the effective shareholdings of Bauba in the various assets. The corporate structure illustrates the companies in which each of the mineral assets is currently held.

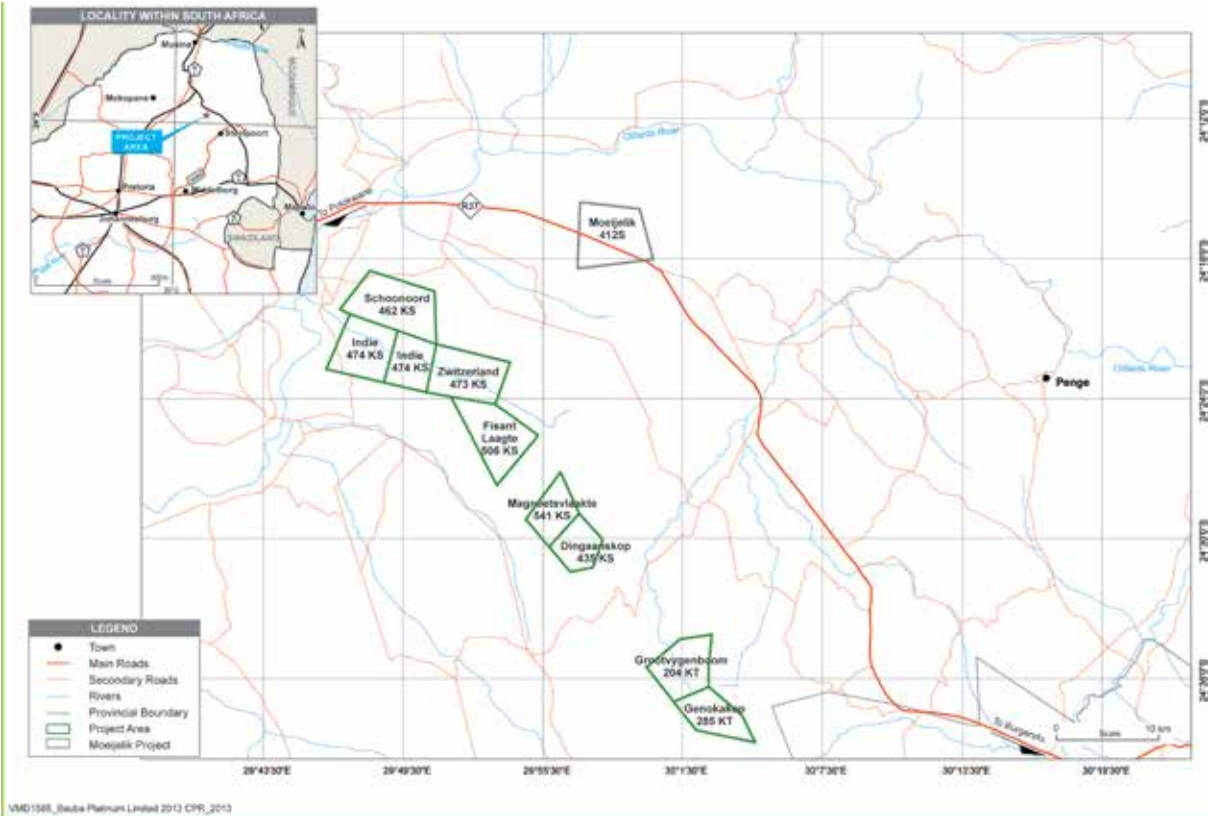
Summary of mineral assets discussed in CPR

Project	Farm name and number	Total licence area (ha)	Company holding rights	Development status	Prospecting right number	Mineral	Expiry date	Bauba's share holding	SAMREC exploration results	SAMREC mineral resource
Northern Cluster	Schoonoord 462KS	22 221,49	Bauba A Hlabirwa Mining Investments Proprietary Limited*	Advanced exploration	LP30/5/1/1/2/330PR	Unspecified minerals with emphasis on PGM, Vanadium ore, Titanium ore, Chrome ore, Iron ore, and associated minerals and metals	17 July 2015	60%	✓	✓
	Indie 474KS	30 440,43							✓	✓
	Zwitzerland 473KS	19 612,51							✓	✓
	Fisant Laagte 506KS	20 211,92							✓	✓
	Total	92 486,35								
Central Cluster	Magneetsvlaakte 541KS	1 128,90	Bauba A Hlabirwa Mining Investments Proprietary Limited	Exploration	LP30/5/1/1/2/390PRR		17 July 2015		✓	–
	Dingaanskop 435KS	10 403,28	Bauba A Hlabirwa Mining Investments Proprietary Limited*		LP30/5/1/1/2/330PR		17 July 2015		✓	–
	Total	11 532,18								
Southern Cluster	Grootvygenboom 204KT	16 170,35	Bauba A Hlabirwa Mining Investments Proprietary Limited*	Advanced exploration	LP30/5/1/1/2/330PR		17 July 2015		✓	✓
	Genokakop 285KT	13 099,13							✓	✓
	Houtbosch 323KT**	1 712		N/A	256/2006PR		**		–	–
	Total	29 269,48								

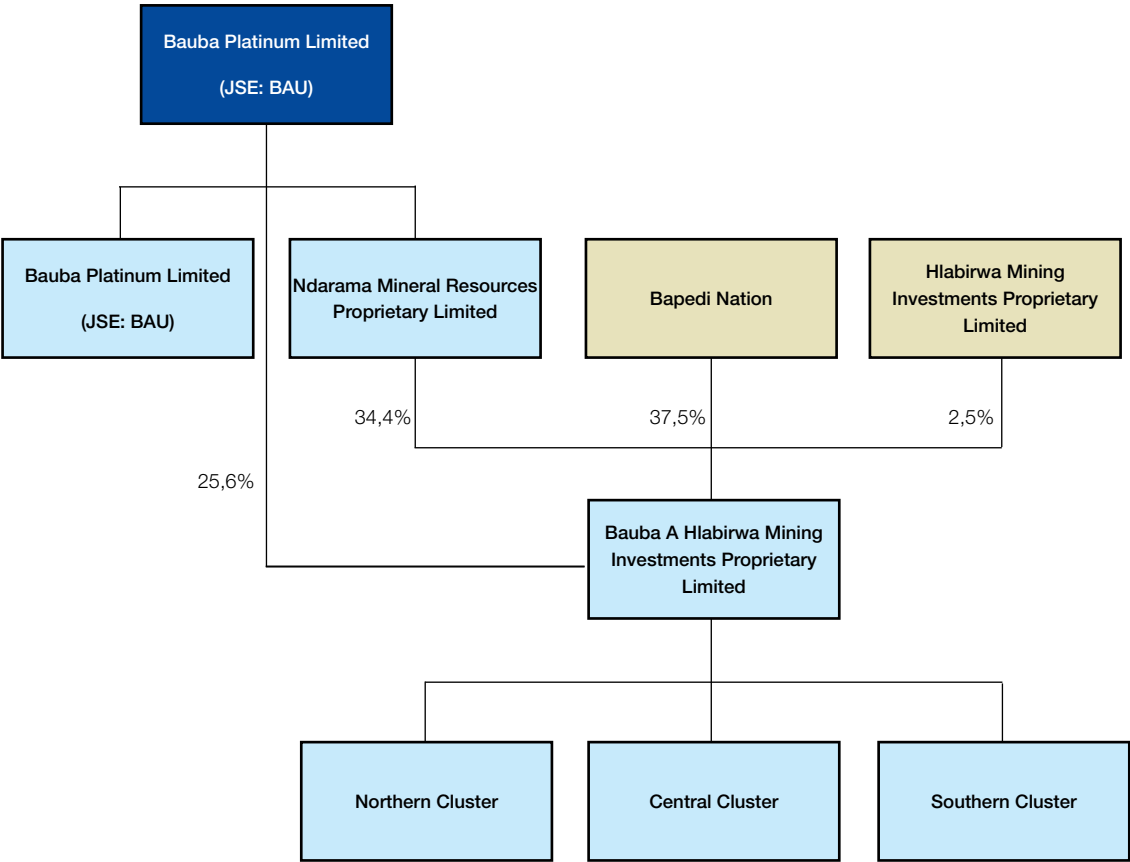
* Originally awarded to Bapedi Nation. Renewed in 2012 by Bauba A Hlabirwa Mining Investments Proprietary Limited.

** The Houtbosch farm was granted as part of the original prospecting right application 256/2006PR on the 3 July 2006. This farm was not granted upon application for renewal and was excluded from LP30/5/1/1/2/330PR. The Houtbosch farm has been reapplied for and granted but not notarially executed as at the effective date of this report.

Locality map showing the location of Bauba’s projects



Bauba’s corporate structure



Note: Combined shareholding of Bauba Platinum Limited in Bauba A Hlabirwa Mining Investments Proprietary Limited = 60%

The historic and recent exploration data available for each asset is detailed in the CPR and provides a basis for evaluating the technical and economic merits of the projects. The relative development stage of the assets is graphically portrayed in a mineral asset portfolio triangle.

NORTHERN CLUSTER

The Northern Cluster is an advanced exploration project situated in the North-Eastern Limb of the BC in South Africa, approximately 40km northwest of the town of Steelpoort in the Limpopo province.

Location

The Northern Cluster is situated on the farms Schoonoord 462KS, Indie 474KS, Zwitserland 473KS and Fisant Laagte 506KS and covers an area of 7 693ha, over which a Prospecting Right has been granted. The Northern Cluster is bordered to the north by platinum producing mines of Lesego Platinum and Bokoni Mine. To the east of the cluster are Eastern Chrome Mines Chrometco and Mecklenburg operations.

Ownership

The Northern Cluster is 100% held by Hlabirwa in which Bauba has a 60% attributable share.

Geology

The Bauba Clusters are located on the eastern limb of the BC. The limb forms a single unit of three layered mafic-ultramafic bodies, defined as the northern, western and eastern limbs, which together form an ellipse in plan, some 200km by 370km in extent with granites and felsic volcanic rocks in the central and southern regions. The target horizon on the Northern Cluster is the PGM bearing Merensky Reef and Upper Group 2 (UG2) Reefs, which are intersected at greater than 2 000m depth from surface.

Exploration

Three new drillholes, with up to eight deflections in each drillhole, were completed in the Northern Cluster in 2013. The drilling programme was completed in order to upgrade a portion of the Exploration Results declared in 2012 to Inferred Mineral Resources for the UG2 and Merensky Reef

Mining

Due to the stage of development of the Northern Cluster, no studies relating to mine planning or mine design have been carried out. However, in considering the depth from surface of the economic targets, any future mining is expected to utilise underground mining methods.

Processing

No details are currently available on the envisaged processing route for this project due to its early stage of exploration.

Resources

The classification of Inferred Mineral Resources for the recently drilled Northern Cluster Project is considered appropriate for the level of investigation and for low-confidence resources.

Environmental and social

Baubas has an approved Environmental Management Programme, closure plan and financial provision, with associated compliance reporting conditions contained within the Prospecting Licence. Bauba is currently in the process of submitting an amended EMP, with an updated closure provision and associated rehabilitation plan. Surface water from a non-perennial stream is utilised by the diamond core drilling programme. Venmyn Deloitte is not aware of any directives issued by any competent authorities regarding environmental and social compliance. However, Venmyn Deloitte recommends that an assessment be conducted to ascertain whether an Integrated Water Use Licence (IWULA) is required in terms of Section 21 of the National Water Act (NWA).

Conclusions

The Merensky Reef and Upper Group 2 (UG2) Reefs are intersected at greater than 2 000m depth from surface which is considered deep for mines in the region. No neighbouring underground mines exploit the reefs at such a depth and the Northern Cluster project will be focused on long-term deep mine development planning.

CENTRAL CLUSTER

The Central Cluster is an early stage exploration project, situated in the North-Eastern Limb of the BC in South Africa, located between the Northern and Southern Clusters.

Location

The Central Cluster is situated approximately 4,5km southeast of the Northern Cluster, directly west of Anglo Platinum's Twickenham Mine and the Jubilee Platinum Project. The project is located 43km northwest of Burgersfort and 79km northwest of Lydenburg. The cluster is situated on the Magneetsvlaakte 541KS and Dingaanskop 543KS farms, which cover an area of 2 165ha, over which a Prospecting Right has been granted.

Ownership

The Central Cluster is 100% held by Hlabirwa, which is 60% held by Bauba.

Geology

The geology of the Central Cluster is similar to that in the Northern Cluster. The first intersections of the Merensky are expected to be between 1 400m and 2 400m below surface under the Central Cluster and the parting between the Merensky Reef and UG2 is expected to be 400m.

Exploration

Three exploration drillholes were drilled within the Central Cluster which have provided information for the definition of Exploration Targets for the UG2 and the Merensky Reef.

Mining

No mine design, mine plan or costing have been undertaken considering the stage of development of the project. Nonetheless, on consideration of the depth from surface of the economic targets, any future mining is expected to be underground mining methods.

Processing

The project is in the exploration phase and a processing route has not been developed to date.

Resources

No Mineral Resources have been declared for the Central Cluster, which remains an Exploration Result.

Environmental and social

Bauba has an approved EMP, closure plan and financial provision, with associated compliance reporting conditions contained within the Prospecting Licence. Bauba is currently in the process of submitting an amended EMP, with an updated closure provision and associated rehabilitation plan. Surface water from a non-perennial stream is utilised by the diamond core drilling programme. Venmyn Deloitte is not aware of any directives issued by any competent authorities regarding environmental and social compliance. However, Venmyn Deloitte recommends that an assessment be conducted to ascertain whether an IWULA is required in terms of Section 21 of the NWA.

Conclusions

The Central Cluster is an exploration project with deep mineralised target horizons, similar to that of the Northern Cluster. The Central Cluster is currently undergoing early stage investigation and will focus on a long-term development in terms of a deep mining strategy.

SOUTHERN CLUSTER

The Southern Cluster is an early stage exploration project, situated in the BC in South Africa. The Southern Cluster is located in the North-Eastern limb of the BC, south of the Northern and Central Clusters.

Location

The project is situated 9km southeast of the Central Cluster project in the Limpopo province, approximately 23km northwest of Steelpoort and 245km southeast of Johannesburg. The Southern Cluster is located on the farms Grootvygenboom 204KT, Genokakop 285KT and Houtbosch 323KT which cover an area of 4 626,55ha, over which a Prospecting Right has been granted. The Cluster is bordered to the east by Nkwe Platinum.

Ownership

The Southern Cluster is 100% held by Hlabirwa in which Bauba has a 60% attributable share.

Geology

The geology of the project is similar to the geology of the adjacent Central Cluster Project area. The limited historical drilling undertaken on the Southern Cluster Project area, intersected the Merensky Reef and UG2 chromitite layer in the Critical Zone at approximately 2 000m below surface over the portion of the project area to the west of the BC Eastern Limb. The Main Zone of the BC dominates the surface geology of the Southern Clusters properties and forms a thick overburden in the area. The Merensky layer is expected to be at least 1 050m to 2 150m below surface in the Southern Cluster and the parting between the Merensky and UG2 is expected to be between 350 and 365m. Of the three Clusters, mineralisation should be closest to surface under the Southern Cluster.

Exploration

The drilling programme undertaken on the Southern Cluster and the data has resulted in the definition of an Inferred Mineral Resource for Merensky Reef and the UG2. The Southern Cluster can be classified as an advanced exploration project .

Mining

Due to the stage of development of the Southern Cluster, no investigations have been carried out on the mining of the deposit. However, considering the depth from surface of the reefs, any future mining is expected to be underground.

Processing

No details are currently available on the envisaged processing route for this project due to its early stage of exploration.

Resources

The Southern Cluster has estimated an Exploration Result.

Environmental and social

Bauba has an approved EMP, closure plan and financial provision, with associated compliance reporting conditions contained within the Prospecting Licence. Bauba is currently in the process of submitting an amended EMP, with an updated closure provision and associated rehabilitation plan. Surface water from a non-perennial stream is utilised by the diamond core drilling programme. Venmyn Deloitte is not aware of any directives issued by any competent authorities regarding environmental and social compliance. However, Venmyn Deloitte recommends that an assessment be conducted to ascertain whether an IWULA is required in terms of Section 21 of the NWA.

Conclusions

Recent drilling undertaken on the property shows a deep prospect with similar strategy to the Northern Cluster. The depth of the intersected reefs indicates a long-term development prospect with deep mining strategy.

OVERALL EXPLORATION RESULTS AND MINERAL RESOURCE ESTIMATE

The total Exploration Results and the total Mineral Resource estimates per project are summarised in the tables which follow. The current Mineral Resources and Mineral Reserves for the Bauba Clusters were independently estimated, classified and signed off by Andrew Clay of Venmyn Deloitte (Pr.Sci Nat 400105/88, FGSSA). The Mineral Resource estimate was estimated with an effective date of 30 August 2013 and there has been no material change since that date and the effective date of this report, 1 March 2014.

Bauba's PGM Merensky Reef exploration result estimate as at 30 August 2013

Cluster	Farm name	Plan area ha	Reef area* ha	Geological loss %	RD	Width m	Gross tonnes Mt	4PGE grade g/t	4PGE ounces Moz
Northern	Schoonoord 462KS	1 333	1 394	19,0	3,3 – 3,6	0,94 – 1,04	34,7 – 42,4	3,9 – 4,7	4,3 – 6,4
	Indie (portion RE) 474KS	1 515	1 585	19,0	3,3 – 3,6	0,94 – 1,04	39,5 – 48,2	3,9 – 4,7	4,9 – 7,3
	Indie (portion 1) 474KS	1 516	1 586	19,0	3,3 – 3,6	0,94 – 1,04	39,5 – 48,2	3,9 – 4,7	4,9 – 7,3
	Zwitzerland 473KS	1 953	2 042	19,0	3,3 – 3,6	0,94 – 1,04	50,8 – 62,1	3,9 – 4,7	6,3 – 9,4
	Fisant Laagte 506KS	2 013	2 105	19,0	3,3 – 3,6	0,94 – 1,04	52,4 – 64,0	3,9 – 4,7	6,5 – 9,7
Northern total		8 330	8 712	19,0	3,3 – 3,6	0,94 – 1,04	216,9 – 265,0	3,9 – 4,7	26,9 – 40,2
Northern Bauba attributable**		4 998	5 227	19,0	3,3 – 3,6	0,94 – 1,04	130,1 – 159,0	3,9 – 4,7	16,2 – 24,1
Central	Magnets Vlake 541KS	1 129	1 180	25,0	3,2 – 3,6	0,96 – 1,06	27,3 – 33,4	4,1 – 5,0	3,6 – 5,3
	Dingaanskop 543KS	1 036	1 083	25,0	3,2 – 3,6	0,96 – 1,06	25,1 – 30,7	4,1 – 5,0	3,3 – 4,9
Central total		2 165	2 263	25,0	3,2 – 3,6	0,96 – 1,06	52,4 – 64,1	4,1 – 5,0	6,9 – 10,2
Central Bauba attributable**		1 299	1 358	25,0	3,2 – 3,6	0,96 – 1,06	31,5 – 38,4	4,1 – 5,0	4,1 – 6,1
Southern	Groot Vygenboom 284KS	810	847	17,0	3,2 – 3,5	0,95 – 1,05	21,3 – 26,0	4,1 – 5,0	2,8 – 4,2
	Genokakop 285KS	1 154	1 206	17,0	3,2 – 3,5	0,95 – 1,05	30,3 – 37,0	4,1 – 5,0	4,0 – 6,0
Southern total		1 964	2 053	17,0	3,2 – 3,5	0,95 – 1,05	51,5 – 62,9	4,1 – 5,0	6,8 – 10,2
Southern Bauba attributable**		1 178	1 232	17,0	3,2 – 3,5	0,95 – 1,05	30,9 – 37,8	4,1 – 5,0	4,1 – 6,1
Total exploration results		12 459	13 028	19,7	3,2 – 3,6	0,95 – 1,04	320,9 – 392,0	3,9 – 4,8	40,6 – 60,7
Total Bauba attributable**							192,5 – 235,2	3,9 – 4,8	24,4 – 36,4

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Note that the potential quantity, quality and content as expressed above are conceptual in nature.

Please note that the exploration results are quoted in-situ.

Exploration targets are quoted exclusive of Inferred Mineral Resources.

Bauba's PGM UG2 Reef Exploration result estimate as at 30th August 2013

Cluster	Farm name	Plan area ha	Reef area* ha	Geological loss %	RD	Width m	Gross tonnes Mt	4PGE grade g/t	4PGE ounces Moz
Northern	Schoonoord 462KS	1 130	1 181	23,0	3,8 – 4,2	0,78 – 0,86	26,9 – 32,9	5,0 – 6,1	4,3 – 6,5
	Indie (portion RE) 474KS	1 515	1 585	23,0	3,8 – 4,2	0,78 – 0,86	36,1 – 44,1	5,0 – 6,1	5,8 – 8,7
	Indie (portion 1) 474KS	1 516	1 586	23,0	3,8 – 4,2	0,78 – 0,86	36,2 – 44,2	5,0 – 6,1	5,8 – 8,7
	Zwitserland 473KS	1 953	2 042	23,0	3,8 – 4,2	0,78 – 0,86	46,5 – 56,9	5,0 – 6,1	7,5 – 11,2
	Fisant Laagte 506KS	2 013	2 105	23,0	3,8 – 4,2	0,78 – 0,86	48,0 – 58,6	5,0 – 6,1	7,7 – 11,5
Northern total		8 127	8 499	23,0	3,8 – 4,2	0,78 – 0,86	193,7 – 236,7	5,0 – 6,1	31,1 – 46,5
Northern Bauba attributable**		4 876	5 099	23,0	3,8 – 4,2	0,78 – 0,86	116,2 – 142,0	5,0 – 6,1	18,7 – 27,9
Central	Magnets Vlake 541KS	1 129	1 180	30,0	3,7 – 4,0	0,93 – 1,03	28,1 – 34,4	5,3 – 6,5	4,8 – 7,2
	Dingaanskop 543KS	1 036	1 083	30,0	3,7 – 4,0	0,93 – 1,03	25,8 – 31,5	5,3 – 6,5	4,4 – 6,6
Central total		2 165	2 263	30,0	3,7 – 4,0	0,93 – 1,03	53,9 – 65,9	5,3 – 6,5	9,2 – 13,7
Central Bauba attributable**		1 299	1 358	30,0	3,7 – 4,0	0,93 – 1,03	32,4 – 39,5	5,3 – 6,5	5,5 – 8,2
Southern	Groot Vygenboom 284KS	867	907	24,0	3,6 – 3,9	0,85 – 0,93	20,7 – 25,3	5,1 – 6,3	3,4 – 5,1
	Genokakop 285KS	1 300	1 359	24,0	3,6 – 3,9	0,85 – 0,93	31,0 – 37,9	5,1 – 6,3	5,1 – 7,7
Southern total		2 167	2 266	24,0	3,6 – 3,9	0,85 – 0,93	51,7 – 63,2	5,1 – 6,3	8,5 – 12,8
Southern Bauba attributable**		1 300	1 360	24,0	3,6 – 3,9	0,85 – 0,93	31,0 – 37,9	5,1 – 6,3	5,1 – 7,7
Total exploration results		12 459	13 028	24,4	3,7 – 4,1	0,82 – 0,90	299,4 – 365,7	5,1 – 6,2	48,9 – 72,9
Total Bauba attributable**							179,6 – 219,4	5,1 – 6,2	29,3 – 43,8

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Note that the potential quantity, quality and content as expressed above are conceptual in nature.

Please note that the exploration results are quoted in-situ.

Exploration results are quoted exclusive of Inferred Mineral Resources.

Bauba's PGM Merensky Reef Mineral Resource estimate as at 30 August 2013

Cluster	Plan area ha	Reef area* ha	Geological loss %	RD	Width m	Gross tonnes Mt	4PGE grade g/t	4PGME ounces Moz
Northern total	880	920	19,00	3,24	1,21	29,17	4,17	3,91
Southern total	951	995	17,00	3,25	1,02	27,38	3,92	3,45
Total Inferred Resources	1 831	1 915	17,96	3,24	1,12	56,55	4,05	7,36
Bauba attributable**						33,93	4,05	4,41

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Bauba's PGM UG2 Reef Mineral Resource estimate as at 30 August 2013

Cluster	Plan area ha	Reef area* ha	Geological loss %	RD	Width m	Gross tonnes Mt	4PGE grade g/t	4PGE ounces Moz
Northern total	1 083	1 133	23,00	3,46	1,35	40,74	4,47	5,85
Southern total	748	782	24,00	3,50	1,35	28,08	4,43	4,00
Total Inferred Resources	1 831	1 915	23,41	3,48	1,35	68,82	4,45	9,85
Bauba attributable**	1 099	1 149	23,41	3,48	1,35	41,29	4,45	5,91

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Note that the potential quantity, quality and content as expressed above are conceptual in nature.

Please note that the exploration results are quoted in-situ.

Exploration targets are quoted exclusive of Inferred Mineral Resources.

Venmyn Deloitte has conducted a valuation of the mineral assets in compliance with SAMVAL Code, published under the joint auspices of the Southern African Institute of Mining and Metallurgy and the Geological Society of South Africa. The valuation is required in fulfilment of the JSE Limited's listings requirements Section 12(f).

The valuation aims to identify the attributable value on an asset-by-asset basis as a means of identifying the value contribution of each individual asset to the total asset value of Bauba as at the effective date of this report. Each asset has been valued according to its respective development stage by applying various valuation methods.

The valuation of the Bauba assets was conducted using the historic cost approach and the comparative market approach valuation methodologies. The mineral asset valuations have been based on exploration information available up to and including 31 January 2014 and are based on the declared Inferred Mineral Resources as well as the Exploration Results for each cluster. A summary of the results of these valuations is provided in the table to follow.

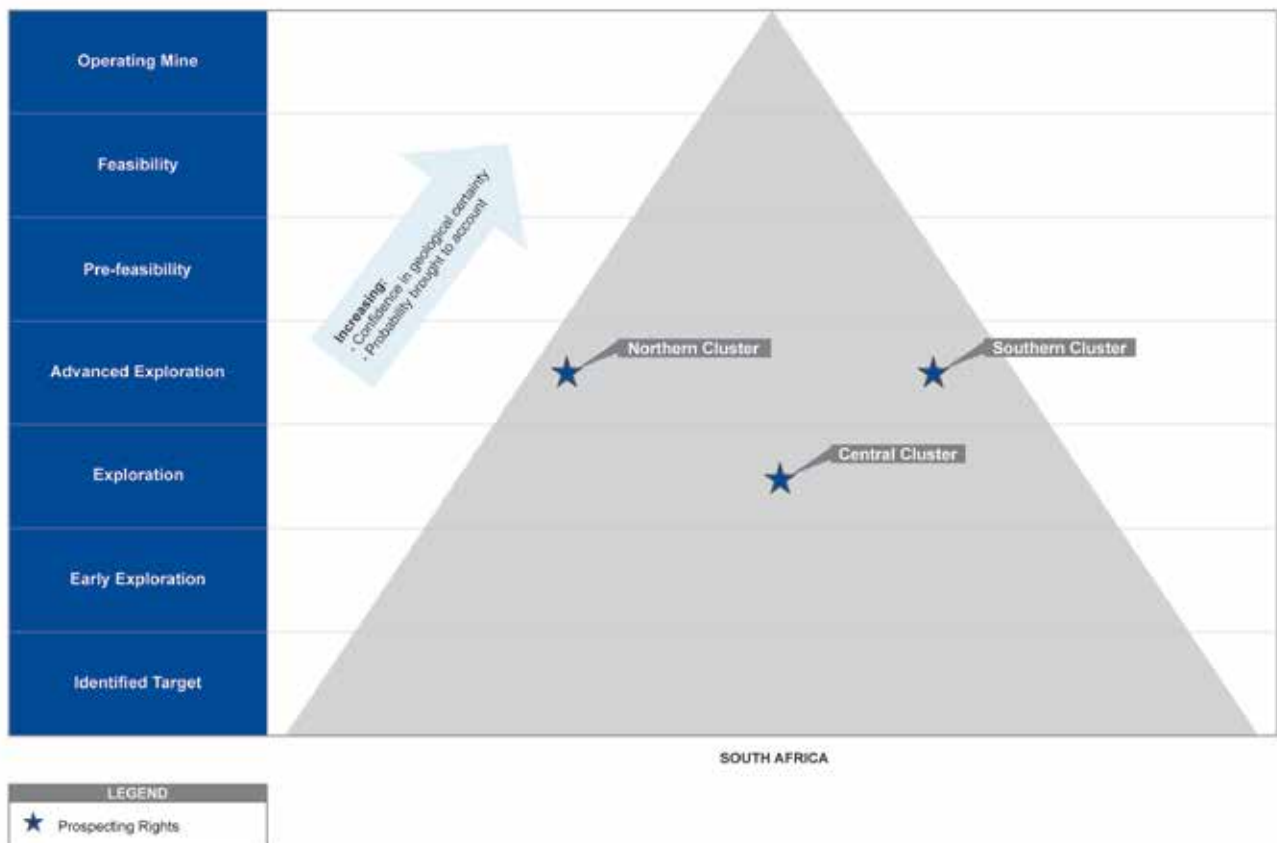
Valuation method	Project value			Bauba attributable value*		
	Lower ZARm	Upper ZARm	Preferred ZARm	Lower ZARm	Upper ZARm	Preferred ZARm
Cost approach	61,10	152,75	122,20	36,66	91,65	73,32
Market approach	54,03	184,07	119,05	32,42	110,44	71,43

* Bauba holds 60%

Note: This valuation includes exploration results.

Venmyn Deloitte prefers the market valuation approach in valuing early exploration assets with a declared mineral resource estimate. Therefore, on an attributable basis, the value of the assets for Bauba's 60% shareholding ranges between ZAR32,42 million and ZAR110,44 million with a fair value of ZAR71,43 million.

Mineral asset portfolio triangle indicating the relative status and location of Bauba's assets



DISCLAIMER AND RISKS

Venmyn Deloitte has prepared this CPR and, in so doing, has utilised information provided by Bauba and its contractors as to its operational methods and forecasts. Where possible, this information has been verified from independent sources with due enquiry in terms of all material issues that are a prerequisite to comply with the SAMREC and SAMVAL Codes. Venmyn Deloitte and its directors accept no liability for any losses arising from reliance upon the information presented in this report.

The authors of this CPR are not qualified to provide extensive commentary on legal issues associated with Bauba's right to the mineral properties. Bauba has provided certain information, reports and data to Venmyn Deloitte in preparing this CPR which, to the best of Bauba's knowledge and understanding, are complete, accurate and true and Bauba acknowledges that Venmyn Deloitte has relied on such information, reports and data in preparing this CPR. No warranty or guarantee, be it express or implied, is made by the authors with respect to the completeness or accuracy of the legal aspects of this document.

OPERATIONAL RISKS

The businesses of mining and mineral exploration, development and production by their natures contain significant operational risks. The businesses depend upon, amongst other things, successful prospecting programmes and competent management. Profitability and asset values can be affected by unforeseen changes in operating circumstances and technical issues.

POLITICAL AND ECONOMIC RISKS

Factors such as political and industrial disruption, currency fluctuation, increased competition from other prospecting and mining rights holders and interest rates could have an impact on Bauba's future operations, and potential revenue streams can also be affected by these factors. The majority of these factors are, and will be, beyond the control of Bauba or any other operating entity.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements. These forward-looking statements are based on the opinions and estimates of Venmyn Deloitte and Bauba at the date the statements were made. The statements are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those forward-looking statements anticipated by Venmyn Deloitte and Bauba. Factors that could cause such differences include changes in world PGM markets, equity markets, costs and supply of materials, and regulatory changes. Although Venmyn Deloitte believes the expectations reflected in the forward-looking statements to be reasonable, Venmyn Deloitte does not guarantee future results, levels of activity, performance or achievements.

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1. INTRODUCTION SR1.1A(ii); SR1.1A(iii); SV2.2; JSE12.9(a)(e)

Venmyn Deloitte Proprietary Limited (Venmyn Deloitte) prepared this updated Competent Person's Report (CPR) on Bauba Platinum Limited's (Bauba's) material platinum group metal (PGM) assets in the Bushveld Complex (BC) in South Africa. Bauba is a junior PGM exploration company that holds two prospecting rights, namely 248/2006PR and 256/2006PR. The rights cover eight farms encompassing an area of 12 700ha, prospective for PGMs in the North Eastern Limb of the BC.

The CPR describes each mineral asset in terms of the +historical▼▼ and recent exploration data which would have a bearing on the recent resource and reserve estimation of the assets. This CPR has been prepared in compliance with, and to the extent required by the SAMREC Code for the reporting of exploration results, Mineral Resource and Mineral Reserves. Venmyn Deloitte has undertaken an independent technical review of the material mineral assets of Bauba, in order to identify all the factors of a technical nature that would influence the future viability of the projects. Venmyn Deloitte considered the strategic merits of each asset on an open and transparent basis. The CPR has been compiled in order to incorporate all currently available and material information that will enable potential investors to make a reasoned and balanced judgement regarding the economic merits of the PGM assets reviewed. The CPR was compiled to illustrate the current development stage of the assets and the additional exploration to be conducted by Bauba is discussed in Section 28.

Venmyn Deloitte's professional advisers are Competent Persons as defined by the SAMREC Codes and the SAMVAL Codes, respectively. Venmyn Deloitte's advisers are internationally accredited. The Competent Person (CP) involved in the preparation of this CPR is a member in good standing with the respective professional institutions.

2. SCOPE OF OPINION SR1.1A(ii); SR1.1A(iii); SR1.2A(i) SV2.2

Venmyn Deloitte has prepared an independent CPR of the material mineral assets of Bauba, in order to identify all the factors of a technical nature that would influence the future viability of the projects. Venmyn Deloitte considered the strategic merits of each asset on an open and transparent basis. This SAMREC and SAMVAL compliant CPR has been compiled in order to incorporate all currently available and material information that will enable potential investors to make a reasoned and balanced judgement regarding the economic merits of the PGM assets reviewed.

The SAMREC and SAMVAL Codes are considered by Venmyn Deloitte to be a concise recognition of the best-practice due-diligence methods for these types of mineral projects and accord with the principles of open and transparent disclosure that are embodied in internationally accepted Codes for Corporate Governance.

This work has been based upon technical information which has been supplied by Bauba and has been independently due diligenced by Venmyn Deloitte, where possible.

Venmyn Deloitte reserves the right to, but will not be obliged to, revise this report or sections therein, and conclusions thereto, if additional information becomes known to Venmyn Deloitte subsequent to the date of this report. It must be noted that this CPR does not form an assurance report in accordance with the International Auditing and Assurance Standards Board (IAASB) standards.

3. PERSONAL INSPECTION SV2.14

Several site visits have been conducted by CP Mr A Clay, Miss T Orford and Bauba's project geologists on 25 February 2010 and 4 November 2011. During the site visits, the CP viewed the site, a sample of borehole locations and drill rigs, the core shed and the sampling and QA/QC procedures. All site infrastructure and workings were inspected. These site visits have substantiated the existence of Bauba's PGM resources which are supported by the exploration results detailed in the relevant sections to follow.

Nevertheless, Venmyn Deloitte is fully familiar with the general geological and operational setting of these projects, having worked on similar projects, located in the area.

4. STATEMENT OF INDEPENDENCE SR11A(ii); SV2.2; SV2.11; SV2.14; JSE12.9(c); JSE12.9(e)

This CPR has been prepared by Venmyn Deloitte, which is an independent advisory company. Its consultants have extensive experience in preparing Competent Persons', Technical Advisors' and Valuation Reports for mining and exploration companies. Venmyn Deloitte's advisers writing this report have, collectively, more than 70 years of experience in the assessment and evaluation of PGM mining and exploration projects worldwide and are members in good standing of appropriate professional institutions.

Neither Venmyn Deloitte nor its staff or subcontractors have, or have had, any interest in these projects capable of affecting their ability to give an unbiased opinion and, have not received, and will not receive, any pecuniary or other benefits in connection with this assignment, other than normal consulting fees. Neither Venmyn Deloitte nor any of its personnel involved in the preparation of this CPR have any material interest in either Bauba or in any of the properties described herein.

Venmyn Deloitte was remunerated a fixed fee amount for the preparation of this report, with no part of the fee contingent on the conclusions reached or the content of this report. Except for these fees, Venmyn Deloitte has not received and will not receive any pecuniary or other benefit whether direct or indirect for or in connection with the preparation of this report.

This CPR was prepared by Mr A Clay who has the relevant and appropriate experience and independence to appraise the assets. Mr A Clay is considered a CP, having more than five years' relevant experience in the assessment and evaluation of the types of exploration and mining properties discussed in this report. Mr A Clay has also contributed to the preparation of valuation included in this report and can be considered a Competent Valuator as defined by the SAMVAL Code, by way of relevant education, qualifications and experience. Competent Persons' Certificates are presented in Appendix 5.

Venmyn Deloitte reserves the right to, but will not be obliged to, revise this report or sections therein, and conclusions thereto, if additional information becomes known to Venmyn Deloitte subsequent to the date of this report. It must be noted that this review does not form an assurance report in accordance with the International Auditing and Assurance Standards Board (IAASB) standards.

5. RELIANCE ON OTHER EXPERTS SV2.13

Venmyn Deloitte has based its review of Bauba's material PGM assets, for the purposes of this CPR, on information provided by Bauba and its subsidiary companies, along with technical reports by its contractors and associates and other relevant published data. Drafts of this CPR have been provided to Bauba, in order to identify and address any factual errors or omissions prior to finalisation.

The authors of this report are not qualified to provide extensive commentary on the legal issues associated with Bauba's and/or its subsidiaries' right to the mineral properties. Venmyn Deloitte has obtained copies of the relevant mining and prospecting licences/authorisations, and these have been reviewed to the satisfaction of Venmyn Deloitte. No warranty or guarantee, be it express or implied, is made by the authors with respect to the completeness or accuracy of the legal aspects of this document.

The authors of this report are all currently in the employ of Venmyn Deloitte. Venmyn Deloitte has not relied on any other experts.

6. SOURCES OF INFORMATION SR1.3A(ii); SV2.11

Venmyn Deloitte has based its review of Bauba's material PGM assets on information provided by Bauba and its subsidiary companies, along with technical reports by its contractors and associates, exploration data and other relevant published data. The information and conclusions within this report are based on information made available to Venmyn Deloitte by Bauba and its contractors at the time of the preparation of this report. Bauba will review draft copies of this report for factual errors. Any changes made as a result of these reviews is not expected to involve any alteration to the conclusions made. Venmyn Deloitte has relied upon general information contained within the reports, articles and databases detailed in Appendix 1.

7. BAUBA'S CORPORATE STRUCTURE SR1.7A(i-IV)

In terms of the legal tenure sections of this report, specific reference is made to the associated subsidiary companies holding the various rights, as appropriate, and their relationship to Bauba as set out in the corporate structure. However, for ease of reference, and throughout the remainder of the CPR, references to Bauba should be understood to mean Bauba Platinum Limited and not Bauba A Hlabirwa Mining Investments, which is a subsidiary of Bauba Platinum Limited. Bauba's corporate structure, with respect to the mineral assets to be discussed in this report, is presented in Figure 1.

8. MINERAL ASSETS SR1.2A(i); SR1.7A(i-iv); SV2.3

Bauba holds three PGM assets located within the Eastern Limb of the BC in South Africa (Figure 2). Bauba's assets include two prospecting rights, divided into three projects that are at various stages of exploration. The assets are also graphically portrayed in a mineral-asset portfolio triangle in Figure 3 in order for the reader to obtain an understanding of the relative development of the various projects.

The Houtbosch farm was granted as part of the original prospecting right application 256/2006PR on 3 July 2006. This farm was not granted upon application for renewal and was excluded from LP30/5/1/1/2/330PR. The Houtbosch farm has been reapplied for and granted but has not notarially executed as at the effective date of this report. Houtbosch is considered a part of the Southern Cluster Project.

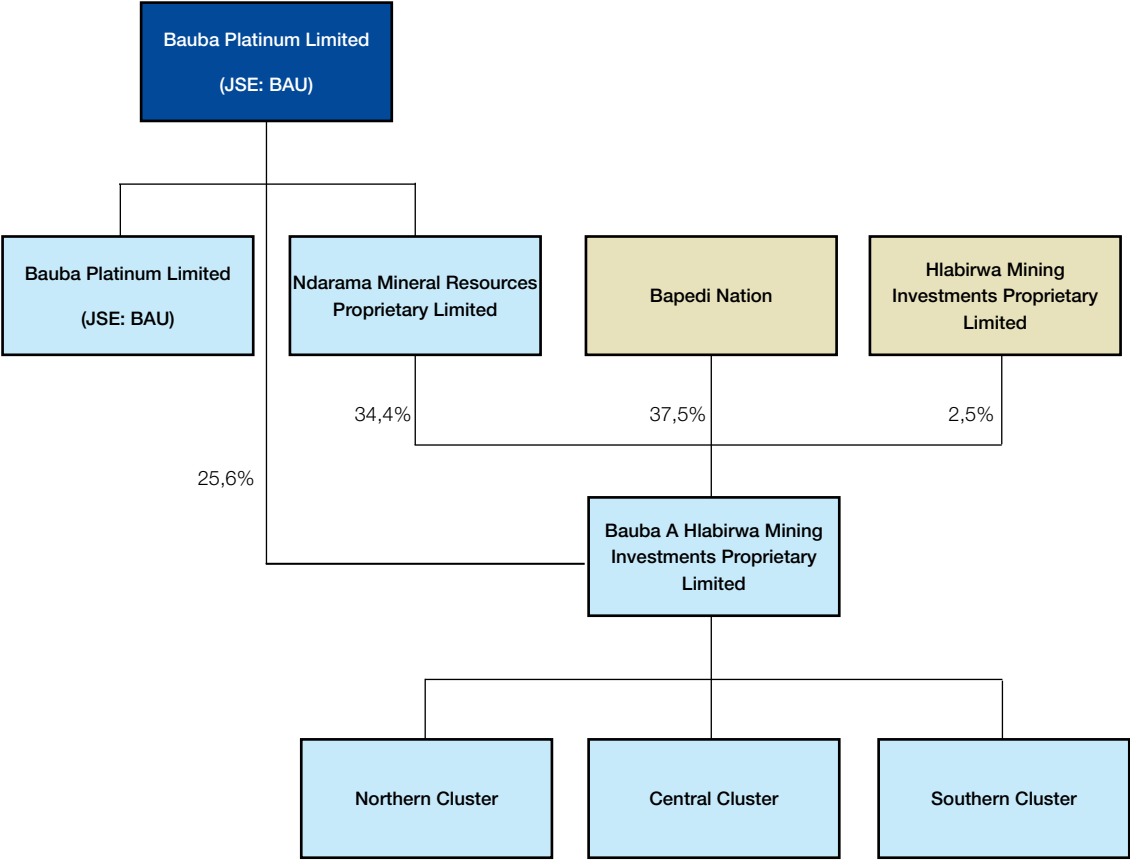
The PGM assets are located within the Limpopo province of South Africa and are between approximately 95km and 110km southeast of Polokwane. The BC is a stratiform platinum deposit, hosting platinum deposits within the Merensky and Upper Group 2 Reefs (Table 1).

9. TOPOGRAPHY AND CLIMATE SR1.6A(I), SR1.6A(II), SR1.6B(I), SR1.6B(II)

The Bauba Projects lie along the Leolo mountain range in the Limpopo province, with elevations varying between 800m and 1 886m above sea level. The elevation differences within the Northern, Central and Southern Clusters are about 470m, 220m and 400m respectively. There are some inter-mountain flat lying valleys and this is where dirt access roads are generally situated.

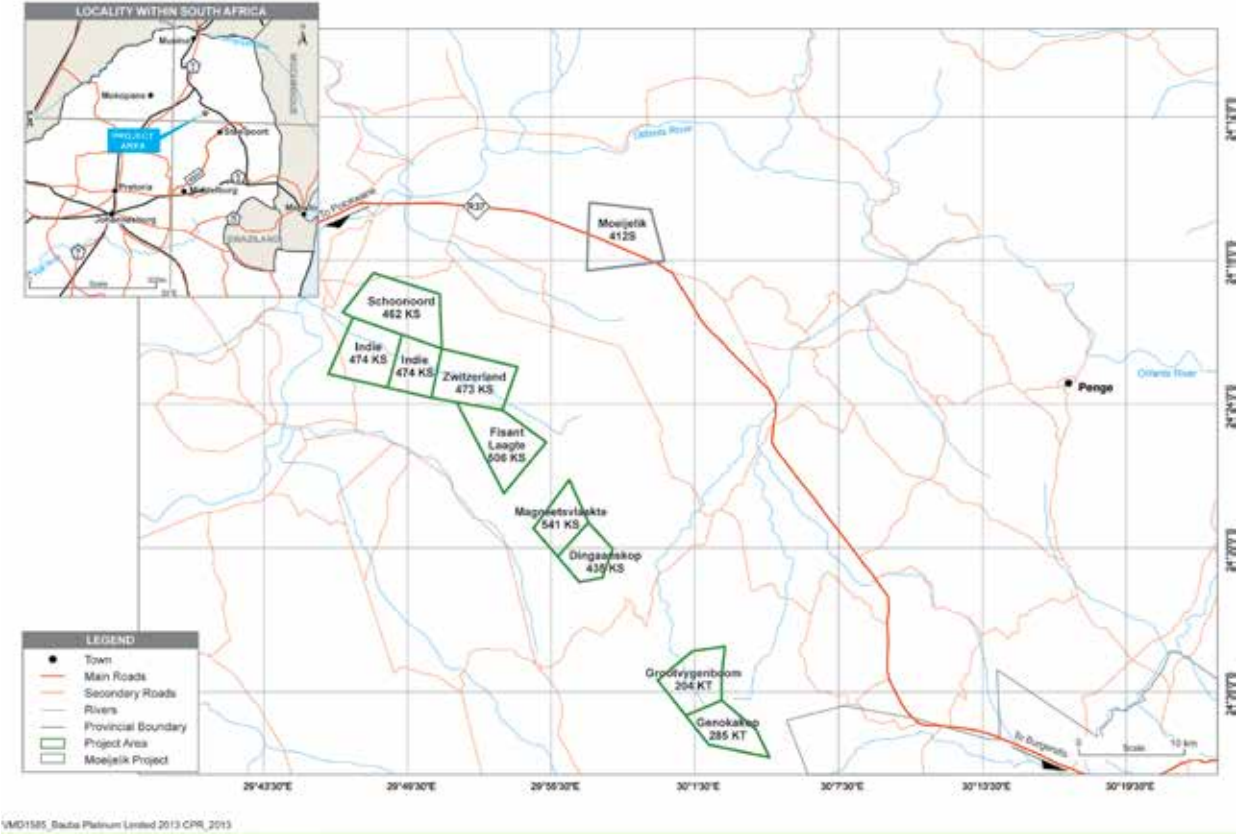
The climate of the area is typical sub-tropical Highveld weather, with warm humid summers and cool dry winters. The rainfall on escarpments is higher at annual averages of 700mm compared to about 500mm in the valleys. Precipitation is usually in the form of thunderstorms during summer. The sudden downpours pose some risk of flooding in low-lying areas. Temperatures recorded at nearby town Steelpoort vary between 30° and 17,6°C in January and 21,6° to 3,8°C in July. Extremes of 40° and -2,3°C have also been recorded. The mostly moderate climate means that exploration and mining operations can be undertaken throughout the year, with no extraordinary measures required.

Figure 1: Bauba's corporate structure



Note: Combined shareholding of Bauba Platinum Limited in Bauba A Hlabirwa Mining Investments Proprietary Limited = 60%

Figure 2: Locality map showing the location of Bauba's projects



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Figure 3: Mineral asset portfolio triangle indicating the relative status and location of Bauba's assets

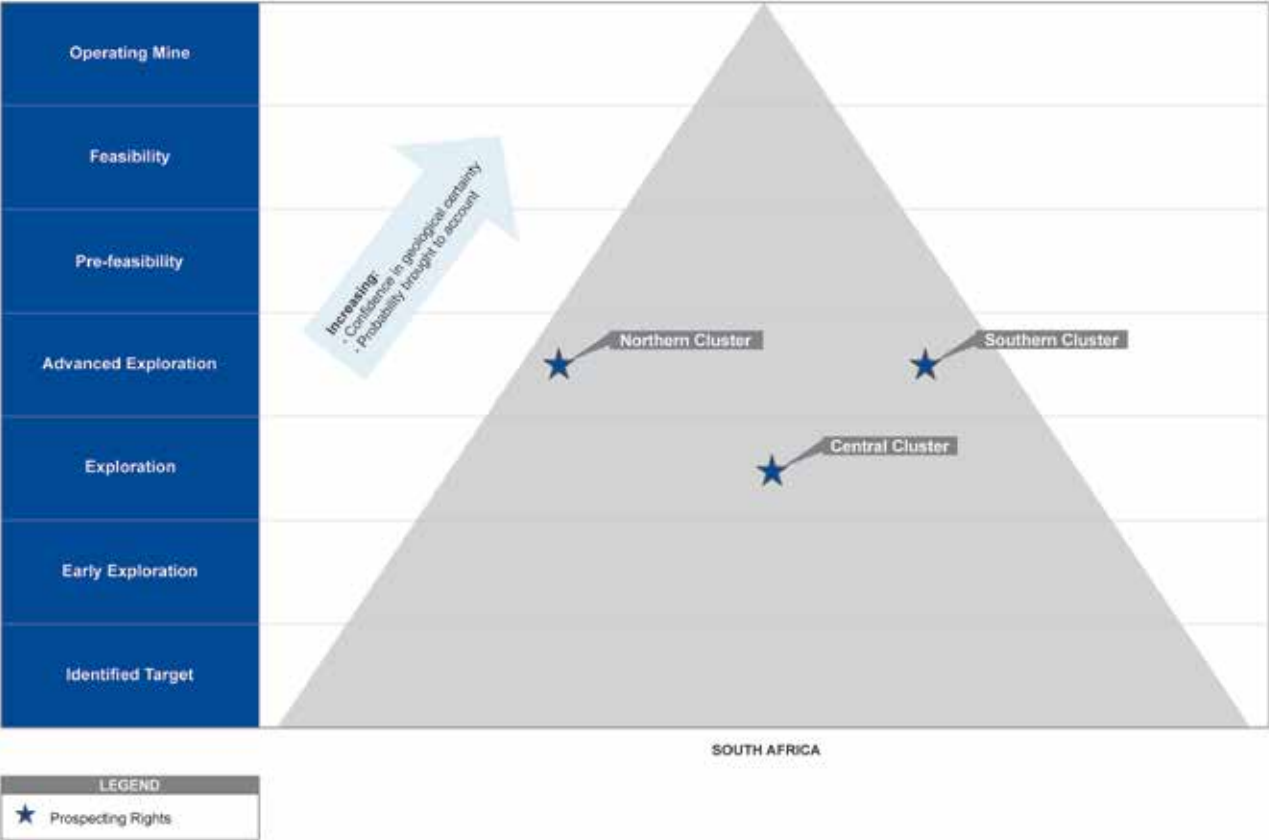


Table 1: Summary of the Bauba's mineral assets and their development stage

Project	Farm name and number	Total licence area ha	Company holding rights	Develop-ment status	Licence type	Prospecting right number	Mineral	Date issued	Date of last renewal	Expiry date	Notes	Bauba's share-holding
Northern Cluster	Schoonoord 462KS	22 221,49	Bauba A Hlabirwa Mining Investments Proprietary Limited*	Advanced exploration	Prospecting	LP30/5/1/1/2/330PR	Unspecified minerals with emphasis on PGM, vanadium ore, titanium ore, chrome ore, iron ore, and associated minerals and metals.	28 April 2010	18 July 2012	17 July 2015	Amendment/ Variation to include farms in Zwitserland, Genokakop, Grootvygenboom and Schoonoord on 28 April 2010	60%
	Indie 474KS	30 440,43						7 June 2006				
	Zwitserland 473KS	19 612,51						28 April 2010				
	Fisant Laagte 506KS	20 211,92						7 June 2006				
	Total	92 486,35										
Central Cluster	Magneetsvlaakte 541KS	1 128,90	Bauba A Hlabirwa Mining Investments Proprietary Limited	Exploration	Prospecting	LP30/5/1/1/2/390PRR	LP30/5/1/1/2/330PR	7 June 2006	18 July 2012	17 July 2015		60%
		10 403,28	Bauba A Hlabirwa Mining Investments Proprietary Limited*									
	Dingaanskop 435KS											
	Total	11 532,18										
Southern Cluster	Grootvygenboom 204KT	16 170,35	Bauba A Hlabirwa Mining Investments Proprietary Limited*	Advanced exploration	Prospecting	LP30/5/1/1/2/330PR		28 April 2010	18 July 2012	17 July 2015		60%
	Genokakop 285KT	13 099,13						28 April 2010				
	Houtbosch 323KT**	1 712		N/A	**	256/2006PR		3 July 2006	Was not renewed	2 July 2011		This right was not renewed.
	Total	29 269,48										

The Houtbosch farm was granted as part of the original prospecting right application 256/2006PR on 3r July 2006. This farm was not granted upon application for renewal and was excluded from LP30/5/1/1/2/330PR. The Houtbosch farm has been reapplied for and granted but not notarially executed as at the effective date of this report.

Vennyn Deloitte is of the opinion that neither the topography of the project areas nor the climate experienced in the region, offer any risk to the continued exploration and potential development of the projects.

10. VEGETATION

Vegetation is typically bushveld grassland with numerous small bushes and thorn trees. The project areas are typically disturbed grazing lands for cattle and goats. Small communities inhabit the mountainous areas. The flat-lying, intermountain areas are used for farming maize and corn.

11. HISTORY

Bauba A Hlabirwa Mining Investments Proprietary Limited and Highland Trading Investments Proprietary Limited acquired Absolute Holdings Limited on the 21 July 2010.

11.1. Historical ownership SR1.3A(i); SR1.3B(ii); SV2.4

The Northern, Central and Southern Clusters have not been historically targeted as a mineral project and no historical owners are documented. The area is well known for PGM exploration and numerous mining and exploration projects are located adjacent to and in the vicinity of the Bauba operations. A more detailed review of adjacent projects is detailed in Section 0▼▼.

11.2. Historical exploration and mining SR1.3A(i); SV2.4

Historical exploration and mining refers to all activities undertaken prior to Bauba's involvement and acquisition of the Northern Cluster Project. No historical mining or exploration activities have been documented on Bauba's mineral assets prior to Bauba.

12. LOCAL RESOURCES SR5.6

The BC hosts some of the world's largest reserves of PGMs along with vast quantities of iron, tin, chromium, titanium and vanadium. Numerous mines are currently mining these commodities; therefore, both skilled and unskilled labour is readily available from the surrounding towns of Lydenburg, Steelpoort and Mokopane. The Bauba Project area will be well serviced due to good infrastructure, services and the available labour force in the surrounding mines and towns (Figure 4).

13. REGIONAL GEOLOGICAL SETTING SR4.1A(i); SV2.5

The Bauba Clusters are located on the eastern limb of the BC (Figure 5). The BC consists of three layered mafic-ultramafic bodies, named the northern, western and eastern limbs. These form an ellipse in plan, approximated 200km by 370km in extent with granites and felsic volcanic rocks in the central and southern regions. The BC exhibits remarkably consistent layering that can be correlated extensively throughout the geologic expression of the whole complex. The BC comprises the mafic layered suite known as the Rustenburg Layered Suite (RLS). The RLS sequence is divided into five stratigraphic zones that exhibit varying thicknesses. The descriptions of the various zones are summarised in Table 2 below.

Economic platinum deposits are found within the Critical Zone of the BC, which is subdivided into the Upper Critical Zone and the Lower Critical Zone. All stratiform platinum deposits (such as the Merensky Reef and the UG2 Reef), discovered up to this juncture, are concentrated within the Upper Critical Zone of the Critical Zone. The chromitite layers of the Lower Critical Zone also contain PGMs but these are found in sub-economic concentrations, commonly associated with chromitite layers (Figure 6). The Merensky Reef and the UG2 dip constantly at angles varying from 6 – 8°W.

13.1. The genesis of the PGM sulphide mineralisation

The origin of the PGM mineralisation in the BC has been investigated since its discovery and remains a matter of debate. A possibility exists that PGMs are concentrated in primary basaltic to komatiitic composition magma when a high degree of partial melting (30%) of the upper mantle occurs. Within this primary melt, some mechanism to induce sulphide saturation was active to produce a sulphide liquid which segregates from the primary magma. Magma mixing, crustal contamination and fractional crystallisation are the most important processes known to induce sulphide saturation in magma during intrusion.

Table 2: Stratigraphic zones of the Rustenburg Layered Suite of the BC

Unit	Group	Thickness m	Dominant lithology	Description
Upper Zone		Varies	Gabbros, gabbro-norite, and anorthosite containing minor magnetite layers	No chilled contact with the hanging wall rocks, which consist of rhyolites and granophyres
Main Zone		3 900	Norite, gabbro-norite, anorthosite and minor pyroxenite	Comprises half of the RLS. Banding and layering not well developed
Upper Critical Zone	Upper Group	1 400	Layered pyroxenite, norite, anorthosite and chromitite, including the UG2, UG1 and Merensky Reef, MG4, MG3, MG2 and MG1	The Upper Critical Zone (UCZ) is marked by the presence of cumulus plagioclase. Norites dominate the UCZ, with subordinate pyroxenite and anorthosite present at intervals through the sequence. The Middle Group (MG) of layers straddle the contact between the Lower and Upper Critical Zone, whereas the upper group (UG) layers occur within the UCZ. Economic PGM mineralisation is hosted in the Merensky Reef and UG2 chromitite layer
	Middle Group			
Lower Critical Zone	Lower Group		Pyroxenite dominant inter-layered with minor harzburgite and chromitite layers	The Lower Group (LG), consisting of the LG5, LG6 and LG7, occurs exclusively in the lower Critical Zone. The LG5, LG6, and LG7 are laterally persistent and contain base metal sulphide mineralisation
Lower Zone		Varies, reaches a maximum of 1 700	Cyclically layered units of orthopyroxenite, dunite and harzburgite	Thickness varies and thins over basement highs. The most complete exposure is in the northeastern part of the Eastern Limb of the RLS which occurs as a series of dunite-harzburgite cyclically layered units
Marginal Zone		Several metres to hundreds of metres	Unlayered, heterogeneous ultramafic rocks mostly norites	Contamination of the basic magmas by the enclosing host rocks. Sedimentary rock fragments are contained as xenoliths in the lower portions. Exposures of this zone are poor

Once sulphide saturation of magma was reached, a sulphide liquid segregated from the primary magma and strong partitioning of PGMs, Ni and Cu into this segregated liquid took place. It has been suggested that these sulphide droplets act as a scavenging medium for the PGMs and the droplets collect on the floor of the magma chamber where the ore-bearing layers form (Eales, 2001).

Figure 4: Bauba Clusters locality plan in relation to regional infrastructure

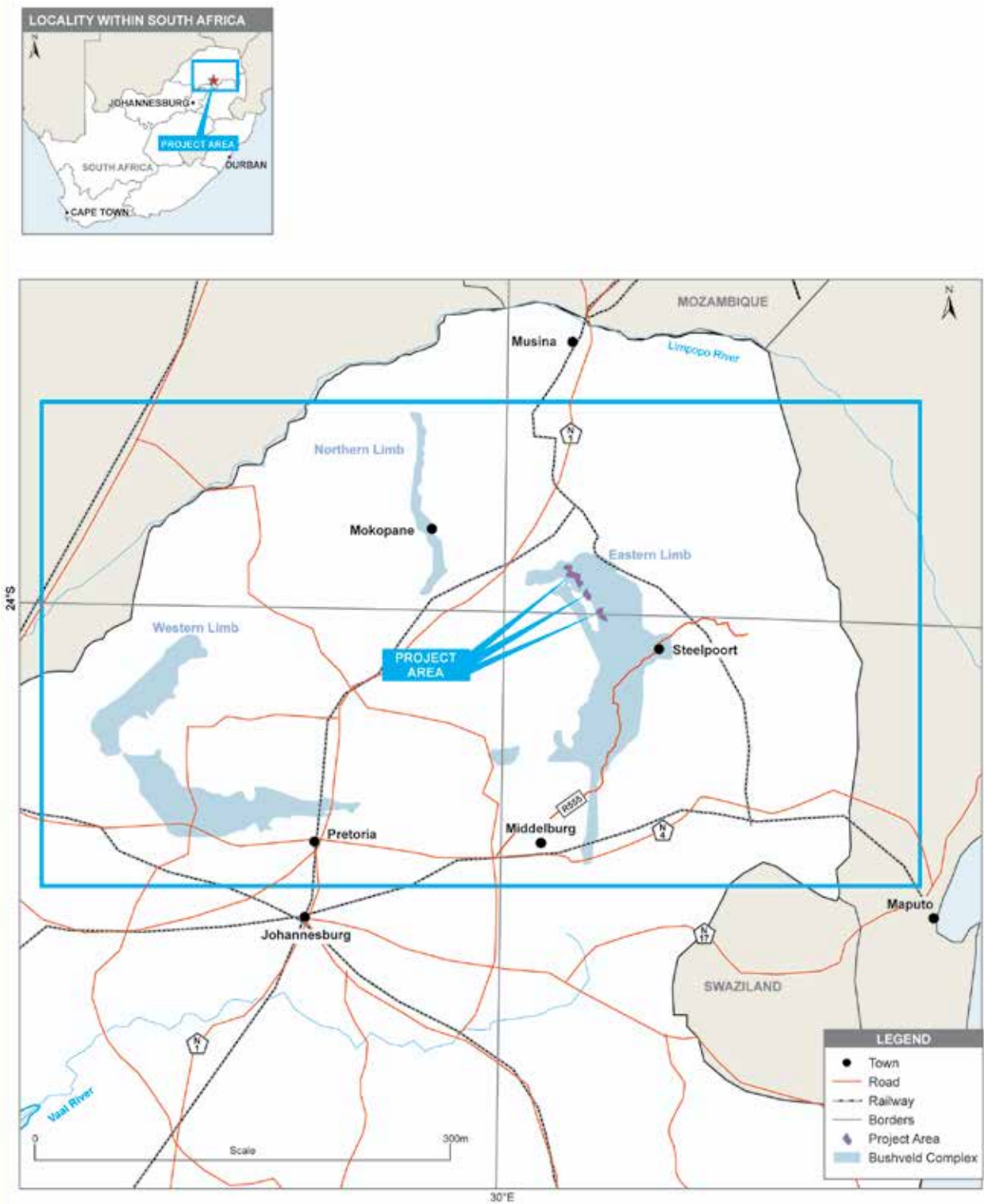


Figure 5: Regional geology of the BC

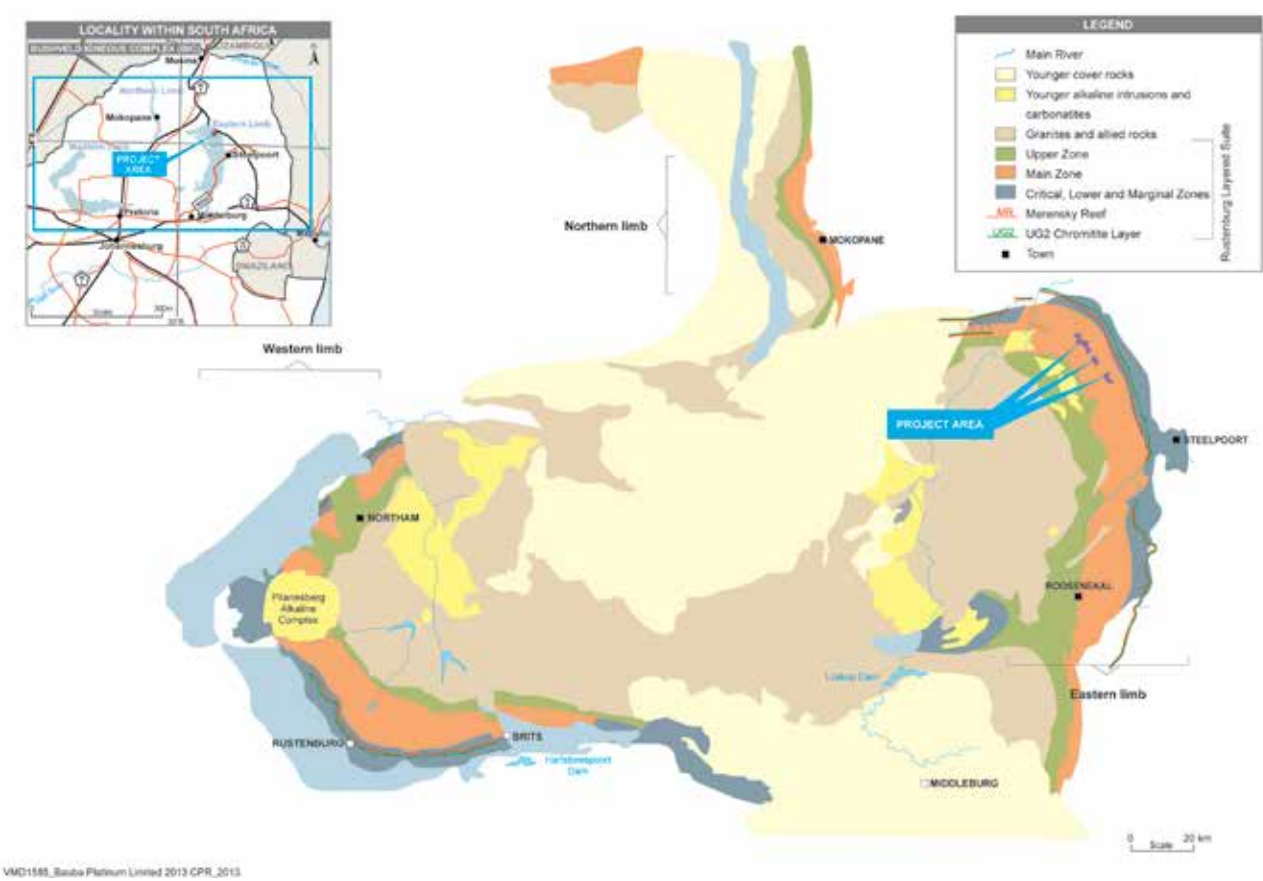
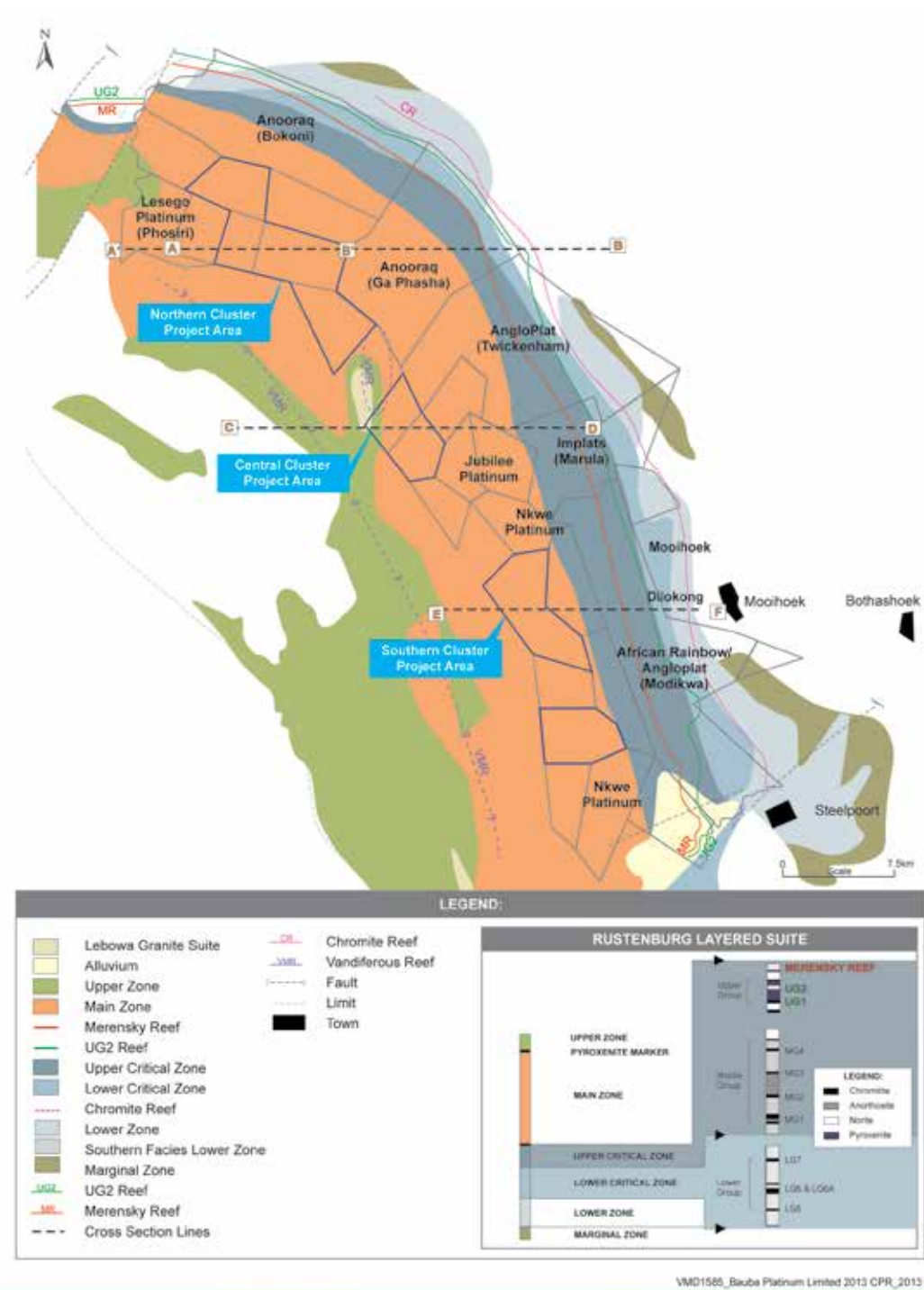


Figure 6: Local geological map



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14. SOUTH AFRICA COUNTRY PROFILE SR1.5

14.1. Political and economic climate

South Africa gained independence from Britain on 31 May 1910, and was declared a republic in 1961. From 1948 until 1990, the South African political and legal systems were based upon the concept of apartheid, a philosophy of separate racial development, enforced by a white minority government. The first multiracial elections in 1994 brought an end to apartheid and ushered in black majority rule under the African National Congress (ANC), with a number of different political parties participating in the elections. The country continues to hold democratic, peaceful, free and fair elections, the last of which was won by the ANC in 2014, under the leadership of President Jacob Zuma.

South Africa is the most advanced economy in Africa and provides the gateway to sub-Saharan Africa. It is classified as a middle-income emerging market, with well-developed financial, legal and judicial systems and modern infrastructure.

Between 2004 and 2008 South Africa grew economically as a result of macroeconomic stability and a global commodities boom, but growth slowed in the second half of 2008 and 2009 due to poor global economic conditions, which influenced commodity prices and demand. Gross domestic product (GDP) fell almost 2% in 2009, but has recovered since then, albeit slowly with 2014 growth projected at about 2%. Unemployment, poverty and inequality still remain a challenge. However, in 2010, 2011 and 2012, the country again reflected a positive economic growth rate, with 2.8%, 3.4% and 2.6% real GDP growth rates, respectively (CIA, 2013).

South African economic policy is fiscally conservative but pragmatic. The country attempts to control inflation by keeping it within an acceptable range (3% – 6%), maintains a budget surplus, uses State-owned enterprises to deliver basic services to low-income areas and provides social grants to a quarter of the population. Currency and inflation volatility, poverty, income disparities, and poor availability of public services continue to characterise the country. However, there has been an improvement in many of these areas.

The country, for instance, returned to its target inflation range in 2010, 2011 and 2012, since inflation stood at an estimated 4.1%, 5% and 5.2%, respectively, in these years compared to an estimated 7.2% inflation rate in 2009 (CIA, 2013). A dent was also made in the South Africa's high unemployment rate, as unemployment levels also fell from an estimated 24.9% in 2011 to an estimated 24.4% in 2012 (CIA, 2013).

14.2. Minerals industry

The minerals industry contributed 8.8% of South Africa's GDP in 2011, but this contribution is more significant if multiplier and induced effects of mining are taken into account (COM, 2012).

South Africa has a mature minerals industry developed from gold and diamond discoveries in the late 1800s. The country is the world's largest producer of platinum, chrome and vanadium and ranks highly in the production of diamonds, coal, iron ore and base metals. South Africa hosts a number of large orebodies such as the Bushveld Complex and the Witwatersrand Basin, as well as rich diamond fields and extensive coalfields.

One of the greatest challenges associated with the minerals and mining industry in South Africa is rising costs of labour, electricity, diesel and steel, among other costs.

Another challenge, which has gained headline attention in 2012, is that of labour and community unrest caused by low wages particularly among contract workers and under-resourced communities – a phenomenon that has been worsened by municipalities' inability to provide adequate infrastructure to communities and an apartheid-era homeland system that has workers from labour-sending areas being impoverished by supporting two households.

Other important concerns for the mining industry are the effect of HIV/Aids on the workforce, as well as uncertainty related to resource nationalism, including requirements for beneficiation, limitations on the export of "strategic minerals", the introduction of a State mining company and calls for the nationalisation of mines.

14.3. Legislative framework

The South African Government has an extensive legal framework within which mining, environmental and social aspects are managed. Inclusive within the framework are international treaties and protocols, and national acts, regulations, standards, and guidelines which address international, national, provincial and local management areas. South African statutory legislation and requirements relevant to the projects and considered as part of this assessment included:

- Mineral and Petroleum Resources Development Act (Act 28 of 2002) (MPRDA);
- Mineral and Petroleum Resources Development Amendment Act 49 of 2008;
- Mineral and Petroleum Resources Development Draft Amendment Bill (2013);
- Broad-Based Socio-Economic Charter (and associated amendments, 2010);
- Promotion of Beneficiation Bill;
- Mineral and Petroleum Resources Royalty Act (Act 28 of 2008) (MPRRA);
- National Environmental Management Act (Act 107 of 1998) (NEMA);
- National Environmental Management: Air Quality Act (Act 39 of 2004) (NEM:AQA);
- National Environmental Management: Waste Act (Act 59 of 2008) (NEM:WA);
- National Environmental Management: Protected Areas Act (Act 57 of 2003) (NEM:PAA);
- Environment Conservation Act (Act 73 of 1989) (ECA) (Section 25 – Noise Regulations);
- National Heritage Resources Act (Act 25 of 1999) (NHRA);
- National Forests Act (Act 30 of 1998) (NFA);
- National Water Act (Act 36 of 1998) (NWA);
- Hazardous Substances Act (Act 15 of 1973) (HAS); and
- Mine Health and Safety Act (Act 29 of 1996) and amendments (MHSA).

The most important of these are summarised in the subsections to follow.

14.3.1. Mineral and Petroleum Resources Development Act (Act 28 of 2002) (MPRDA)

Types of rights and permits applicable to the mining industry in South Africa, as provided for in the MPRDA and amendments, are detailed in Table 3.

Table 3: Types of Rights applicable in South Africa

Licence type	Purpose	Duration	Requirements	Conditions
Reconnaissance permission	Exploration at the reconnaissance stage	One year (non-renewable)	Financial ability; technical ability and work programme	Holder does not have the exclusive right to apply for a New Order Prospecting Right (NOPR)
New Order Prospecting Right (NOPR)	Exploration at target definition stage	Up to five years initially. renewable once for three years	Financial ability; technical ability; economic programme; work programme and environmental plan	Payment of prospecting fees. Holder has the exclusive right to apply for NOMR
Retention permit	Hold onto legal rights between prospecting and mining stages	Three years initially. Renewable once for two years	Prospecting stage complete; feasibility study complete and Environmental Management Plan (EMP) complete. Project not currently feasible	May not result in exclusion of competition, unfair competition or hoarding of rights. May not be transferred, ceded, leased, sold, mortgaged or encumbered in any way
New Order Mining Right (NOMR)	Development and production stage	30 years initially. Renewable for further periods of 30 years. Effective for life of mine (LOM)	Financial ability; technical ability; prospecting complete; economic programme; work programme; social plan; labour plan and completed EMP	Payment of royalties (from 2010). Compliance with Mining Charter and Codes of Good Practice on broad based BEE
Mining permit	Small-scale mining	Two years initially. Renewable for three further periods of one year at a time	Life of project must be <2 years; areas must be <5ha and completed EMP	Payment of royalties (from 2010). May not be leased or sold

The South African government enacted the MPRDA on 1 May 2004. It defines the State's legislation on mineral rights and mineral transactions in South Africa. The Act emphasises that the government did not accept the existence of the historic dual State and private ownership of mineral rights in South Africa and, as such, the Act legislated that all mineral and petroleum resources in South Africa now vest in the State. Additional objectives of the Act include the promotion of economic growth, the development of resources to expand opportunities for the historically disadvantaged, and the socio-economic development of the areas in which mining and prospecting companies are operating. It also provides for security of tenure relating to prospecting, exploration, mining and production.

A further objective of the Act was to advance BEE within South Africa's minerals industry, by encouraging mineral exploration and mining companies to enter into equity partnerships with BEE companies. The Act also makes provision for the implementation of social responsibility procedures and programmes by coal resource companies.

The Act incorporated a "use-it or lose-it" principle, that has been applied to companies or individuals who held mineral rights or the rights to prospect and mine prior to 2004 (Old Order Rights). These Old Order Rights were required to be transferred within specified timeframes, under the provisions of the Act, into New Order Rights to prospect and mine.

Once the State has granted the conversion of the Old Order Rights to New Order Rights, or has granted a New Order Right for new applications submitted after the implementation of the MPRDA, a Notarial Agreement between the State and the holder of the New Order Right is entered into. This Agreement sets out all the conditions associated with the New Order Right. New Order Rights can be suspended or cancelled by the Minister if, upon notice of a breach from the Minister of its obligations to comply with the MPRDA, or the conditions prescribed as part of its New Order Right, a breaching entity fails to rectify such a breach.

In addition, in terms of the MPRDA, mining and exploration companies have to comply with additional responsibilities relating to environmental management and to environmental damage, degradation or pollution, resulting from their prospecting or exploration activities.

Section 37 of the MPRDA establishes the framework for the inclusion of environmental management principles, with Section 39 establishing environmental management programme and EMP requirements. Requirements for the contents of exploration, scoping, Environmental Impact Assessment (EIA), EMPs and EMP reports are provided in Government Notice Regulations (GNRs) 49, 50, 51 and 52.

Sections 41 to 47 of the MPRDA address legislative closure requirements. GNR 527 of the MPRDA addresses the financial provision for mine rehabilitation and closure and requires that the quantum of financial provision, to be approved by the Minister, must be based on the requirements of the approved EMP and include a detailed itemisation of all actual costs required for:

- premature closure regarding:
 - the rehabilitation of the surface of the area;
 - the prevention and management of pollution of the atmosphere;
 - the prevention and management of pollution of water and the soil; and
 - the prevention of leakage of water and minerals between subsurface formations and the surface;
- decommissioning and final closure of the operation; and
- post closure management of residual and latent environmental impacts.

GNR 527 establishes the requirements for the social and labour plan (SLP).

Amongst other aims, the MPRDA strives to transform the mining and production industries. The Act requires the submission of the SLP as a prerequisite for the granting of mining or production rights. The SLP requires applicants for mining and production rights to develop and implement comprehensive human resources development programmes including employment equity plans, local economic development programmes and processes to protect jobs and manage downscaling and/or closure (DMR).

Monitoring and performance assessments, and waste management principles inclusive of pollution control and waste management, and the management of mine residue stockpiles and deposits are also included within the scope of GNR 527.

Blasting permits are required for any blasting activities as defined within the MPRDA

14.3.2. Mineral and Petroleum Resources Development Amendment Act 49 of 2008

In 2008, an Amendment Bill proposed to make significant changes to the MPRDA. The Bill was signed by the President in 2009 but did not come into force at that time (Webber Wentzel, 2009). The 31 May 2013 Government Gazette noted the Act would come into force on 7 June 2013, but this announcement was followed by a further announcement in the 6 June 2013 Government Gazette that some of the amendments, including those relating to the transferability of MPRDA rights (which required ministerial approval) and the prohibition of the amendment of rights to include additional areas or minerals, would not come into effect. Van der Want (2013) suggests that the proclamation of this Act was an error. While not an exhaustive list, the Amendment Act is noteworthy because it addresses the following issues:

- It requires the prior written consent for disposal in various forms of a prospecting or mining right or an interest in such a right;
- It changes the duration of the reconnaissance permission from two years to one and allows a Regional Manager to reject a defective application with reasons within 14 days of receipt;
- It requires that the Minister refuse a prospecting right if there is a concentration of rights by the applicant and associated companies;
- It allows the Minister to impose further conditions on an applicant for mining rights to include participation by the community;
- It increases the area for which a mining permit can be issued to 5ha, but does not allow an applicant to have more than one mining permit on the same or adjacent land;
- It allows for the cancellation or suspension of mineral rights if there is non-compliance with the MPRDA;
- It discusses transitional arrangements for mineral rights, including documentary proof that holders of Old Order Mining Rights are in compliance with the BEE and socio-economic objectives of the MPRDA;
- It attempts to promote the development of input and downstream industries;
- It encourages the entry of HDSAs, including women and communities with interests or rights to land, into the industry; and
- It has various forward-looking environmental provisions that were to come into effect 18 months after the promulgation of the Act. These include:
 - making the Minister of Mineral Resources responsible for environmental matters that relate to mining;
 - requiring the simultaneous application for environmental authorisation with mineral tenure applications; and
 - requiring a report on compliance with environmental authorisation with renewal applications (Legalbrief Today, 2013; Webber Wentzel, 2013).

14.3.3. Mineral and Petroleum Resources Development Draft Amendment Bill (2012)

An explanatory summary of the 2013 Amendment Bill was published in the same Government Gazette that announced that the 2008 Amendment Act was to come into force. The 2013 Amendment Bill proposes amendments to the 2008 Amendment Act and is seen as an important indicator of likely future mineral policy in South Africa (Legalbrief Today, 2013). The Bill has seen a significant amount of comment from industry players who suggest that irregularities and ambiguities are contained within.

While not an exhaustive list, some of the key changes that in the Bill are the following:

- The Minister is given the right to initiate beneficiation, including setting the level required for beneficiation, the price required for beneficiation, and the percentage of raw material inputs that are set aside for local beneficiaries;
- Persons who intend to export “designated minerals” are required to obtain written approval for this from the Minister. The term is not defined, but is thought to refer to what was known as “strategic minerals”, or minerals defined periodically by the State to be of strategic importance to the country;
- Historic tailings, the ownership of which was contested by a high-profile De Beers court case, are now held in custody by the State rather than the historic producer of those tailings;
- Associated minerals, discovered in mining, can be mined by the primary mineral rights holder. Third parties are also permitted to apply for rights over associated minerals, but will have to notify the primary rights holder of the application;
- The right to a mineral deposit is sub-divisible, but consent as to the transfer of any interest is required from the Minister;
- Environmental requirements will be implemented under NEMA, and rights holders will be responsible for environmental liabilities even after a closure certificate has been issued by the Minister;
- Penalties for non-compliance with various mining-related legislation and requirements are set as a percentage of annual turnover and exports;
- The Minister is prohibited from granting a right where this would result in anti-competitive conduct and dominance by the applicant in a particular sector of the mining industry;
- The State has a right to a share in the annual profits derived from exploration or production from all new petroleum exploration and production rights;
- BEE objectives are required to be complied with in prospecting rights, where they were required to be complied with in only mining rights in the past;
- In the case of liquidation, mineral rights held fall within the insolvent estate but ministerial approval is required when they are transferred to a new owner; and
- Historically disadvantaged persons are redefined to exclude white women (Tucker and Sibisi, 2013; Leon, 2013).

The MPRDA Amendment Bill was approved by Parliament in 2014.

14.3.4. Broad-Based Socio-Economic Charter

Promulgation of the Broad-based Socio-Economic Charter for the South African Mining Industry (also known as the Mining Charter) marked the end of protracted debates and varying interpretations of the legislation’s requirements, paving the way for the full implementation of the MPRDA.

All mining and prospecting companies are required to comply with the provisions of the Mining Charter. The objectives of the Mining Charter are to:

- promote equitable access to the State’s resources by all the people of South Africa. It required that every mining company achieved a 15% level of ownership of its mining assets by historically disadvantaged South Africans (HDSAs) by 1 May 2009, and a level of 26% ownership by 1 May 2014;
- substantially and meaningfully expand opportunities for HDSAs, including women, to enter the mining and minerals industry and to benefit from the exploitation of the nation’s resources. In terms of this requirement, 40% of management roles were to be held by HDSAs by 2010;
- expand the skills base of HDSAs to serve the community;
- promote employment and advance the social and economic welfare of mining communities, and the major areas from which labour is drawn to carry out exploration or mining; and
- promote the beneficiation of South Africa’s mineral commodities, whereby the companies which have facilitated downstream, value-adding activities for products they mine, could achieve an “offset” against the HDSA equity participation requirement.

Most mining companies are already implementing their own empowerment strategies. These strategies demonstrate their best endeavours to consider the issues and a willingness to accommodate the requirements when they are finally defined. Compliance with the Mining Charter is measured using a designated scorecard, which provides a practical framework against which the Minister can assess whether a company actually measures up to what was intended in the MPRDA and the Mining Charter.

14.3.5. Amendment of the Broad-Based Socio-Economic Empowerment Charter (2010)

The Amendment of the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (the Charter Amendment) was released in September 2010. It was unsurprising that it retained the minimum target of 26% HDSA ownership of mining assets by 2014. However, an offsetting of HDSA ownership by as much as 11% is now possible depending on the extent of a company's beneficiation strategies. BEE procurement targets in the Amendment are as follows:

- A minimum of 40% of capital goods will have to be sourced from BEE entities by 2014; and
- 70% of services and 50% of consumer goods will have to be purchased from BEE entities by 2014.

In addition, multinational suppliers of capital goods will have to contribute 0,5% a year of their annual income from South African mining firms towards a socio-economic development fund.

HDSA targets for employment equity are also further refined and a minimum of 40% HDSA demographic representation is stipulated for executive management, senior management, core and critical skills, middle management and junior management by 2014.

Specific annual targets are noted for human resources development, since a percentage of the annual payroll (excluding the mandatory skills levy) will have to be spent on skills development activities and be reflective of South Africa's demographics. Skills expenditure, as a percentage of payroll, increases by 0,5% each year, with an initial target of 3% of payroll in 2010, rising to 5% by 2014.

The expenditure is intended to support South African-based research and development initiatives focused on solutions in sectors such as exploration, mining, processing, technology efficiency in the use of water and energy in mining, beneficiation and environmental conservation and rehabilitation.

The Charter Amendment also supports SLPs by insisting on:

- an ethnographic community consultative and collaborative process prior to the start of a mining project; and
- a community development needs analysis, together with mining communities, of projects to be implemented in support of integrated development plans, the spend of which should be proportionate to the size of the mining investment.

The Charter Amendment also calls for an upgrade of hostels to family units, a one-person-per-room occupancy rate, and support for home ownership options – all of which should be implemented by 2014.

Environmental management and an improvement in the industry's health and safety performance are also highlighted, and best-practices in these areas are specifically mentioned.

The Charter Amendment also calls for annual reporting by mining companies on their levels of compliance with the Mining Charter, and notes that non-compliance with the Charter and the MPRDA will result in mining companies being in breach of the MPRDA.

14.3.6. Promotion of Beneficiation Bill

This is still being prepared, and is expected to provide incentives for upstream companies that facilitate downstream investments, in order to reduce the exporting of unprocessed mineral products and to promote local value addition.

14.3.7. Mineral and Petroleum Resources Royalty Act (Act 28 of 2008) (MPRRA)

This piece of legislation incorporates the government's intention to impose royalties on revenues derived from mineral production in South Africa. Enacted in 2008, the MPRRA was initially set to be implemented in May 2009. However, in an effort to mitigate job losses in the mining sector during the global financial crisis, the government decided to postpone the implementation of the new mineral and mining royalty regime until 31 March 2010.

The main purpose of the Act was to provide legislation for the collection of royalties from mines, developed and operated in terms of the New Order Mining Right (NOMR), granted through the MPRDA process.

The Act distinguishes between refined and unrefined resources, where refined minerals have been refined beyond a condition specified by the Act, and unrefined minerals have undergone limited beneficiation as specified by the Act.

The royalty is determined by multiplying the gross sales value of the extractor, in respect of that mineral resource, in a specified year, by the percentage determined by the royalty formula. Both direct operating expenditure (Opex) and capital expenditure (Capex) incurred is deductible for the determination of earnings before interest and tax (EBIT). The quantum of the revenue royalty on all minerals is dependent on the profitability of the company based on the following formula.

For refined mineral resources the formula is:-

$$\text{Royalty rate} = 0,5 + \frac{\text{EBIT}}{\text{Gross sales (refined)}} \times 100$$

The maximum percentage for refined mineral resources is 5%.

For unrefined mineral resources the formula is:

$$\text{Royalty rate} = 0,5 + \frac{\text{EBIT}}{\text{Gross sales (refined)}} \times 9$$

The maximum percentage for unrefined mineral resources is 7%.

14.3.8. Institutional and administrative environmental and social regulatory structures

The government of South Africa is divided into national, provincial and local spheres which address environmental and social regulatory elements within the country. These spheres are distinct, but are closely interdependent and interrelated. The South African Constitution allocates legislative and administrative functions to all three spheres of government, providing for a broad and diverse platform from which government agencies can responsibly manage environmental and social aspects.

The national elections, held in 2009, resulted in the allocation of environmental responsibility at national level to the Department of Water and Environmental Affairs (DWEA). Within this new ministerial function, there are two autonomous departments, namely, the Department of Water Affairs (DWA) and the Department of Environmental Affairs (DEA) (Patel, 2011). The National Environmental Advisory Forum and the Committee for Environmental Coordination are advisory bodies established by NEMA. The former has been established to advise the Minister on any matter concerning environmental management and governance, with the latter mandated to promote the integration and coordination of environmental functions by the relevant organs of state (Patel, 2011). The latter committee has not yet been constituted.

14.3.9. Environment Conservation Act (Act 73 of 1989) (ECA) (Section 25 – Noise Regulations)

ECA served as the national legislative environmental framework prior to the promulgation of NEMA in 1998. The majority of ECA has been repealed by NEMA, its subsidiary legislation and other Acts. Section 25 of ECA, which addresses noise and the associated regulations (GNR 154 of 1992), are still in effect. The Act and associated regulations control noise and regulate procedures relating to noise impact and nuisance.

Section 4 of the regulations prohibits the generation of noise, or the allowance of noise produced or caused by any person, machine, device or apparatus or any combination thereof (ECA, 1989). Section 5 of GNR 154 of 1992 regulates the creation of a noise nuisance.

14.3.10. National Environmental Management Act (Act 107 of 1998) (NEMA)

NEMA was promulgated in 1998 to replace ECA as the overarching national environmental legislative framework. NEMA was promulgated to give effect to the Environmental Management Policy (published in 2007), and has been subsequently amended, including the National Environmental Management Amendment Act of 2003, and the National Environmental Management Second Amendment Act, Act 8 of 2004.

The EIA Regulations made in terms of ECA were replaced in 2006 by new EIA Regulations made in terms of Chapter 5 of NEMA. These Regulations have subsequently been revised and gazetted in GNR 543 on 18 June 2010. Regulations 543, 544, 545 and 546 establish the processes to be followed to obtain an environmental authorisation and the listed activities requiring authorisation.

It should be noted that previously, mining authorisations, including environmental authorisations for mining, were issued under the MPRDA and the DEA was involved, through cooperative governance mechanisms, as a commenting agency. However, this process is currently undergoing a three-stage process of change in terms of the new provisions in the National Environmental Management Amendment Act (Act 62 of 2008) (Patel, 2011).

Phase 1 details that the status quo will remain until the MPRDA amendments come into effect, with Phase 2 then coming into effect for an 18-month period. In this time, all new mining, exploration and production rights applications and renewals thereof will have to comply with the NEMA EIA Regulations, but the competent authority will remain the Minister of Mineral Regulation. However, the Minister for Water and Environmental Affairs would hear any appeals.

Thereafter, in Phase 3, it is envisioned that the DEA becomes the competent authority. As such, the future potential exists for the transfer of responsibility for environmental permitting from the DMR to the DWEA. Changes relevant to Bauba's assets at the time of transition will consist of the inclusion of mining as a listed activity and integrated environmental licensing.

The principles set out in Section 2 of Chapter 1 of NEMA underpins all other related Acts and policies and form the basis of sustainable development in the country. These principles are also applicable to all organisations wishing to obtain an environmental authorisation and operate within the South African legislative framework.

Chapter 5 of NEMA establishes the regulatory framework for integrated environmental management. Section 24 of NEMA establishes the requirements for obtaining environmental authorisations for listed activities, with the inclusion of undertaking impact assessment studies activities listed in terms of R544, R545 and R546. Section 24 also outlines the minimum conditions attached to environmental authorisations, monitoring and performance assessment requirements, and the procedure for mine closure on environmental authorisation.

Chapter 7 of NEMA establishes compliance and enforcement, with Part 1, Section 28, detailing the duty of care principle (encompassing the remediation of environmental damage).

14.3.11. National Environmental Management: Waste Act (Act 59 of 2008) (NEM:WA)

Chapter 5 of NEM:WA states that a licence is required to establish and operate a waste disposal site. Chapter 5 establishes the procedures and requirements (in terms of footprint, volume, and waste type) for the licensing of waste management activities, inclusive of the storage, transfer, recycling, treatment and/or disposal of waste. Waste that has been excluded from the Act and its associated regulations includes radioactive waste and mine waste residue.

Regulations to manage contaminated land are currently being drafted, which may have future potential implications for Bauba in terms of greater licensing and management requirements.

Section 19 of the Act establishes activities which require a waste management licence. The activities listed include the following categories:

- Storage of waste;
- Reuse, recycling and recovery;
- Treatment of waste;
- Disposal of waste;
- Storage, treatment and processing of animal waste; and
- Construction, expansion or decommissioning of facilities and associated structures and infrastructure.

Each of the listed activities has a threshold which would trigger the need for a waste management licence (various parameters are defined, inclusive of such thresholds as volumes, time, and throughputs).

The Act provides considerations for all holders of any waste type. A holder of waste, must, within the holder's power, take all reasonable measures to:

- avoid the generation of waste and where such generation cannot be avoided, to minimise the toxicity and amounts of waste that are generated;
- reduce, reuse, recycle and recover waste;
- where waste must be disposed of, ensure that the waste is treated and disposed of in an environmentally sound manner;
- manage the waste in such a manner that it does not endanger health or the environment or cause a nuisance through noise, odour, or visual impacts;
- prevent any employee or any person under his or her supervision from contravening the Act; and
- prevent the waste from being used for unauthorised purposes.

Regulations to manage contaminated land are currently being drafted, which may have future potential implications for Bauba in terms of greater licensing and management requirements.

14.3.12. National Water Act (Act 36 of 1998) (NWA)

The NWA stipulates that a Water Use Licence (WUL) is required for the abstraction, storage, use, diversion, flow reduction and disposal of water and effluent in terms of Section 21 of the Act.

Use of water for mining and related activities is also regulated through regulations that were updated after the promulgation of the NWA in 1999 – Government Notice (GN) 704. GN 704 addresses the regulations on use of water for mining and related activities aimed at the protection of water resources (DWAf, 2007). Inclusive within GN 704 are the control measures for activities and its regulation of the sizing, control and monitoring of water management measures.

14.3.13. National Environmental Management: Air Quality Act (Act 39 of 2004) (NEM:AQA)

The National Environmental Management: Air Quality Act (NEM:AQA, Act 39 of 2004) results from the promulgation of the NEMA. The Act serves as the dominant legislative tool for the management of air pollution and related activities, and defines listed emission activities which require licensing. The overall objectives of the Act are to protect the environment by providing reasonable measures for:

- protection and enhancement of the quality of air in the Republic;
- prevention of air pollution and ecological degradation;
- securing ecologically sustainable development while promoting justifiable economic and social development; and
- giving effect to Section 24(b) of the Constitution to enhance the quality of ambient air for the sake of securing an environment that is not harmful to the health and wellbeing of people.

The South African government has established National Ambient Air Quality Standards in Government Notice 1210. The standard provides for various emission limits, inclusive of particulate matter (PM₁₀), ozone (O₃), carbon monoxide (CO), sulphur dioxide (SO₂), and nitrogen dioxide (NO₂).

14.3.14. National Heritage Resources Act (Act 25 of 1999) (NHRA)

The South African Heritage Resources Agency (SAHRA) of 1999 (Act 25 of 1999 - NHRA) provides for the protection of all recognised heritage resources of South Africa that have been identified as culturally significant, or are of other special value. The Act provides an integrated system for the management of national heritage resources.

Section 38 of the NHRA states that any person who intends to undertake a development must at the earliest stages of the development, notify the responsible Heritage Resources Authority and furnish it with details regarding the location, nature, and extent of the proposed development.

Categories of heritage resources are recognised as part of the National Estate in Section 3 of the NHRA, and include:

- geological sites of scientific or cultural importance;
- objects recovered from the soil or waters of South Africa, including archaeological and paleontological objects and material, meteorites and rare geological specimens; and
- objects with the potential to yield information that will contribute to an understanding of South Africa's natural or cultural heritage.

14.3.15. National Environmental Management Biodiversity Act (Act 10 of 2004) (NEMBA)

The State promulgated NEMBA to provide for:

- the management and conservation of South Africa's biodiversity within the framework of the NEMA;
- the protection of species and ecosystems that warrant national protection;
- the sustainable use of indigenous biological resources; the fair and equitable sharing of benefits arising from bio-prospecting involving indigenous biological resources;
- the establishment and functions of a South African National Biodiversity Institute; and
- for matters conducted therewith.

Specifically, NEMBA has the following goals:

- Manage, conserve, and sustain South Africa's biodiversity and its components and genetic resources; and
- Progressive realisation of the objectives identified through the implementation of the Act.

The piece of legislation is underpinned by various objectives described below.

NEMBA provides for the management and conservation of biological diversity within the Republic and of the components of such biological diversity, and promotes the use of indigenous biological resources in a sustainable manner, in conjunction with the fair and equitable sharing among stakeholders of benefits arising from bio prospecting involving indigenous biological resources.

NEMBA aims to give effect to ratified international agreements relating to biodiversity which are binding in the Republic to provide for co-operative governance in biodiversity management and conservation, and to provide for a South African National Biodiversity Institute (SANBI) to assist in achieving the objectives of this Act.

15. GLOBAL PLATINUM GROUP METALS MARKET REVIEW SR5.8A(i); SV2.18

15.1. Supply

South African PGM reserves are the most significant globally, followed by the reserves of the US, Canada and other countries (Table 4). South African production of platinum also dominates global production, followed by the platinum production of Russia, Zimbabwe, Canada and others (Table 5). Russia, meanwhile, dominates in the production of palladium, with South Africa producing the next largest volume of palladium (Table 5).

Table 4: Estimated global PGM reserves in 2012

Country	PGM reserves (kg)
South Africa	63 000 000
Russia	1 100 000
United States	900 000
Canada	310 000
Other countries	800 000
Total	66 110 000

Source: Loferski (2013)

Table 5: Estimated global PGM production for 2011 and 2012

Country	Mine production (kg)			
	Platinum		Palladium	
	2011	2012 ^e	2011	2012 ^e
South Africa	145 000	128 000	82 000	72 000
Russia	25 000	26 000	86 000	82 000
Zimbabwe	10 600	11 500	8 200	8 900
Canada	7 000	6 500	14 000	13 000
United States	3 700	3 700	12 400	12 200
Colombia	1 230	660	NA	NA
Other countries	2 500	2 500	12 200	12 000
Total	195 030	178 860	214 800	200 100

Source: Loferski (2013).

e = Estimated.

NA = Not available.

South Africa's production of platinum and palladium fell between 2011 and 2012, and this has been attributed to strikes and safety stoppages (Table 6). Total South African PGM production for the first half of 2013 represented ~46% of the South African PGM production for 2012. However, Johnson Matthey suggests that South African platinum production will rise by 1% in 2013.

Table 6: South African PGM production (2012 and H1 2013)

Element	Production	Local sales		Export sales		Total sales	
	Mass (kg)	Mass (kg)	Value (ZAR)	Mass (kg)	Value (ZAR)	Mass (kg)	Value (ZAR)
Iridium	5 663	*	*	3 607	978 651 074	*	*
Osmium	*	*	*	*	*	*	*
Palladium	74 739	*	2 652 445 301	57 206	9 133 126 335	*	11 785 571 636
Platinum	128 591	*	5 113 302 713	114 992	45 003 445 684	*	50 116 748 397
Rhodium	17 810	*	403 470 632	16 694	5 346 524 381	*	5 749 995 013
Ruthenium	27 534	*	*	18 344	457 191 283	*	*
Total 2012	248 674	*	8 169 218 646	207 236	59 940 287 683	*	67 652 315 046
Iridium	2 579	160	46 708 148	2 586	715 617 112	2 746	762 325 260
Osmium	0	0	0	0	0	0	0
Palladium	32 243	8 589	1 833 622 170	24 659	5 040 628 749	33 248	6 874 250 919
Platinum	58 891	5 918	2 703 739 611	55 028	24 939 451 034	60 946	27 643 190 645
Rhodium	8 355	718	239 103 536	7 732	2 516 974 608	8 450	2 756 078 144
Ruthenium	12 852	97	2 151 469	22 057	459 990 997	22 154	462 142 466
Total H1 2013	114 920	15 482	4 825 324 934	112 062	33 672 662 500	127 544	38 497 987 434

Source: DMR(2013).

* = classified.

Recycling also continues to be an important source of PGM supply.

15.2. Demand

Demand for PGMs comes from various applications, including the autocatalyst and jewellery sectors, which consume the largest volume of PGMs (Table 7). Both of these showed a year-on-year decrease in demand between 2012 and 2013. Demand for PGMs as a whole, however, grew from ~8.0Moz to ~8.4Moz between 2012 and 2013.

Table 7: Supply and demand for PGMs (2009-2013)

Country	2009	2010	2011	2012	2013
Supply ('000oz)					
South Africa	4 635	4 635	4 860	4 090	4 120
Russia ²	785	825	835	800	780
North America	260	200	350	310	315
Zimbabwe ³	230	280	340	340	400
Others ³	115	110	100	110	125
Total supply	6 025	6 050	6 485	5 650	5 740
Gross demand by application⁴ ('000oz)					
Autocatalyst ⁴	2 185	3 075	3 185	3 190	3 125
Chemical	290	440	470	450	540
Electrical ⁴	190	230	230	165	205
Glass	10	385	515	160	235
Investment	660	655	460	455	765
Jewellery ⁴	2 810	2 420	2 475	2 780	2 740
Medical and biomedical ⁵	250	230	230	235	235
Petroleum	210	170	210	205	155
Other	190	300	320	390	420
Total gross demand	6 795	7 905	8 095	8 030	8 420
Recycling⁶ ('000oz)					
Autocatalyst	830	1 085	1 240	1 130	1 275
Electrical	10	10	10	20	25
Jewellery	565	735	810	890	775
Total recycling	1 405	1 830	2 060	2 040	2 075
Total net demand⁷	5 390	6 075	6 035	5 990	6 345
Movements in stocks⁸	635	25	450	340	605

Source: Cowley (2013), Notes provided by Cowley (2013)

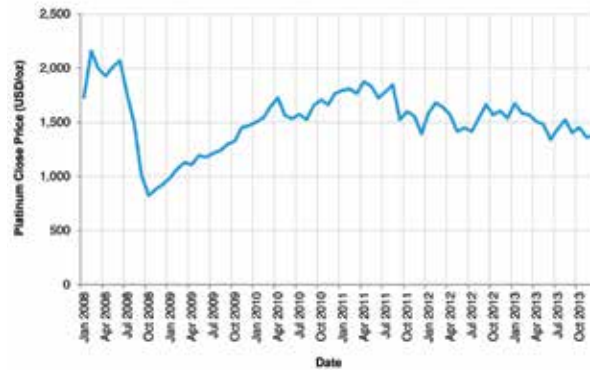
- Supply figures represent estimates of sales by the mines of primary PGM and are allocated to where the initial mining took place rather than the location of refining. Additionally, Johnson Matthey continues to report sales of metal which the company believes have not previously been priced, principally sales of Russian state stocks, as supplies.
- Johnson Matthey's Russian supply figures represent the total PGM sold in all regions, including Russia and the ex-CIS. Demand in Russia and the ex-CIS states is included in the Rest of the World region. Russian supply figures for palladium have been split into sales from primary mining and sales of stocks.
- Supplies from Zimbabwe have been split from Others' supplies. PGM mined in Zimbabwe are currently refined in South Africa, and Johnson Matthey's supply figures represent shipments of PGM in concentrate or matte, adjusted for typical refining recoveries.
- Gross demand figures for any given application represent the sum of manufacturer demand for metal in that application and any changes in unrefined metal stocks in that sector. Increases in unrefined stocks lead to additional demand, reductions in stock lead to a lower demand figure.
- Johnson Matthey's Medical and biomedical category represents combined metal demand in the medical, biomedical and dental sectors.
- Recycling figures represent estimates of the quantity of metal recovered from open loop recycling (i.e. where the original purchaser does not retain control of the metal throughout). For instance, autocatalyst recycling represents the weight of metal recovered from end-of-life vehicles and aftermarket scrap in an individual region, allocated to where the car is scrapped rather than where the metal is finally recovered. These figures do not include warranty or production scrap. Where no recycling figures are given, open loop recycling is negligible. In Johnson Matthey's recycling charts, Johnson Matthey label's recovery of electrical scrap as 'industrial' recycling.
- Net demand figures are equivalent to the sum of gross demand in an application less any metal recovery from open loop scrap in that application, whether the recycled metal is reused in that industry or sold into another application. Where no recycling figure is given for an application, gross and net demand are identical.
- Movements in stocks in any given year reflect changes in stocks held by fabricators, dealers, banks and depositories but excluding stocks held by primary refiners and final consumers. A positive figure (sometimes referred to as a 'surplus') reflects an increase in market stocks. A negative value (or 'deficit') indicates a decrease in market stocks.
- Average price figures for platinum and palladium are the mean of all daily fixing values in a given year except for 2013 which covers the period January to September inclusive. Average price figures for rhodium, ruthenium and iridium are based on Johnson Matthey European Base Prices.

15.3. Price

PGM prices have historically been affected by workers' strike actions in South Africa, since prices have become elevated historically through concerns that supply of PGMs are going to be affected (Loferski, 2013). However, 2013 platinum and palladium markets reacted more to monetary policy, particularly in the US, than to supply-demand fundamentals (Johnson Matthey, 2013). The anticipated price rises, as a result of industrial relations tensions and reduced production, did not occur.

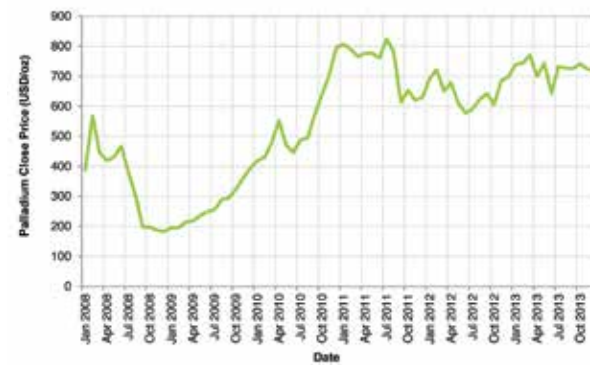
The platinum, palladium and rhodium prices over a five year period are shown in Figure 7, Figure 8 and Figure 9. The recent price history for PGMs shows a declining trend over the last 12 months in USD terms, although this is somewhat offset by the weakening ZAR.

Figure 7 : Platinum price graph



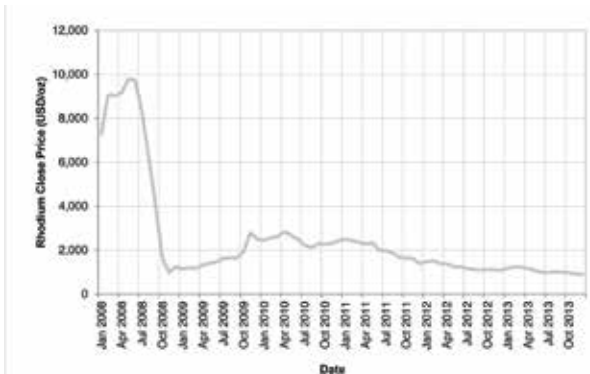
Source: INet Bridge (2012)

Figure 8: Palladium price graph



Source: INet Bridge (2012)

Figure 9: Rhodium price graph



Source: INet Bridge (2012)

15.4. Outlook

Johnson Matthey's Platinum Today outlines that primary supplies of platinum and palladium are unlikely to grow significantly in 2014. There will continue to be production capacity constraints as there will be a reduction in platinum production capacity at key South African producer Anglo American Platinum Limited as well as a reduction in primary palladium supplies due to the lack of Russian stock sales (Cowley, 2013).

As far as autocatalysts go, new European diesel emissions limits will boost platinum sales to Europe. Palladium demand stemming from the automotive sector is expected to remain strong as a result of double digit car sales growth coming from China (Cowley, 2013).

There is expected to be lower palladium demand from the jewellery sector meanwhile, but there is believed to be strong potential for platinum jewellery demand growth from China and India (Cowley, 2013).

16. NORTHERN CLUSTER

The Northern Cluster is in an early stage exploration project and is situated in the North-Eastern Limb of the BC in South Africa.

16.1. Location and access SR1.2A(i); SR1.5A(i); SV2.3

The Northern Cluster is located approximately 96km southeast of Polokwane, the capital of the Limpopo province of South Africa. The project is situated approximately 40km southwest of Steelpoort and 91km southeast of Mokopane. The project can be accessed via a sand road off the R37 between Lydenburg and Polokwane (Figure 2 and Figure 4). The Northern Cluster is situated on the farms Schoonoord 462KS, Indie 474KS, Zwitserland 473KS and Fisant Laagte 506KS over which a PR has been granted to Hlabirwa, extending over an area of 7 693ha.

16.2. Topography SR1.6A(i); SR1.6A(ii), SR1.6B(i)

The Northern Cluster has an elevation difference of approximately 470m across the project, varying from 800 mamsl to 1 270mamsl. The area is rugged and mountainous and consists of both peaks and valleys. Venmyn Deloitte is of the opinion that neither the topography of the project area nor the climate experienced in the region, offer any risk to the continued exploration and potential development of the project.

16.3. Legal aspects and tenure SR1.7A(i-iv); SR5.1A(i); SR5.2B(i-ii); SV2.3

16.3.1. Ownership

The Northern Cluster is 100% held by Hlabirwa through a Prospecting Right, of which Bauba has a 60% shareholding, therefore Bauba has a 60% shareholding in the Northern Cluster.

16.3.2. Mineral tenure SR1.2A(i); SR1.7A(i)

The Prospecting Right was issued in June 2006 to King Moruthane Ben Sekhukhune and Motubatse Ben Bokgobela, as representatives of Sekhukhune Rhyne Thulare for and on behalf of the Bapedi Nation. The Prospecting Right was ceded to Hlabirwa on 9 April 2007. This was due to expire on 6 July 2011 but was renewed on 18 July 2012. The Prospecting Right expires on 17 July 2015. Hlabirwa has now entered into a binding agreement with Bauba where Bauba will hold a 60% direct and indirect share in Hlabirwa (Table 1). Full Prospecting Right details have been summarised in Table 1.

16.3.3. Surface rights SR1.7A(i); SR1.7A(ii)

Baubu does not hold surface rights to the Northern Cluster. Access to the farm has been negotiated with the farm owners.

16.3.4. Royalties SR1.7A(ii)

There are no private royalties payable for the Northern Cluster. State royalties, as per the MPRDA (Section 14.3.7), are payable.

16.3.5. Material contracts SR1.7A(ii)

Venmyn Deloitte is not aware of any material contracts pertaining to the Bauba Northern Cluster.

16.3.6. Other legal issues SR1.7A(iii); SR1.7A(iv)

Venmyn Deloitte has not been made aware of any land claims, litigation or competing rights associated with the Bauba project areas. To the best of Venmyn Deloitte's knowledge and understanding, Bauba is in possession of all the permits and state authorisations that are required for the the current status of exploration.

16.4. Local geological setting SR2.3A(i); SR2.3A(ii); SR4.1A(i-iv); SV2.5

The geological setting of the Bauba Platinum Project is broadly understood. Reconnaissance mapping carried out by S Gain has confirmed that the farms lie in the Main and Upper Zones of the BC. The Critical Zone, which is known to host both PGM targets, the Merensky Reef and the UG2, lies directly below the Main Zone. This can be seen in Figure 10 and Figure 11.

Throughout the BC the PGM and other mineral layers are tabular bodies extending laterally over hundreds of square kilometres, resulting in extensive mineral resources whose continuity has been established over years of exploration and mining. Using exploration information from public domain of the companies surrounding the Bauba clusters, a series of reef contours was constructed by S Gain and used to predict the behaviour of the mineralisation on the farms.

The two PGM layers are expected to have dips ranging between 18° west in the south-east and 30° south-west in the north-west under the Northern Cluster farms.

Two diapiric structures, the Paradys and the Phoshiri domes are thought to have deformed the Critical Zone rocks close to the outer edges of the Northern and Central Clusters, providing an uplift of the host rocks closer to surface than the norm for the area. The effect of the dome is illustrated in Figure 10.

The precise extent of the structural complexity of the area will be a focus of the technical assessment of the area by Bauba.

16.4.1. Deposit type and mineralisation

The mineralised Merensky Reef and UG2 are magmatic and layered, segregation deposits containing economic quantities of PGMs and base metals. The PGMs are associated with chromite and base metal sulphides.

16.4.2. Depth of mineralisation

The Merensky layer is expected to be between 1 600 to 2 500m below surface in the Northern Cluster and the parting between the Merensky Reef and the UG2 is expected to be about 390m.

A schematic cross section of the Eastern BC including the Bauba Northern Cluster PGE prospects is shown in Figure 11. The section is important to illustrate the disposition of the chrome, Merensky and UG2 mines in the area and the extent to which Bauba's strategy to explore the deeper extension of the existing operation is technically feasible. The figure also illustrates how the reefs outcrop on surface on the adjacent Ga-Pasha property.

17. CENTRAL CLUSTER

The Central Cluster is an early exploration project, situated in the North-Eastern Limb of the BC in South Africa, located between the Northern and Southern Clusters.

17.1. Location and access SR1.2A(i); SR1.5A(i)

The Central Cluster is situated approximately 4.5km southeast of the Northern Cluster, 43km northwest of Burgersfort and 79km northwest of Lydenburg. The Southern Cluster is located 9km southeast of the Central Cluster and 23km northwest of Steelpoort (Figure 2 and Figure 4).

17.2. Topography SR1.6A(i), SR1.6A(ii), SR1.6B(i)

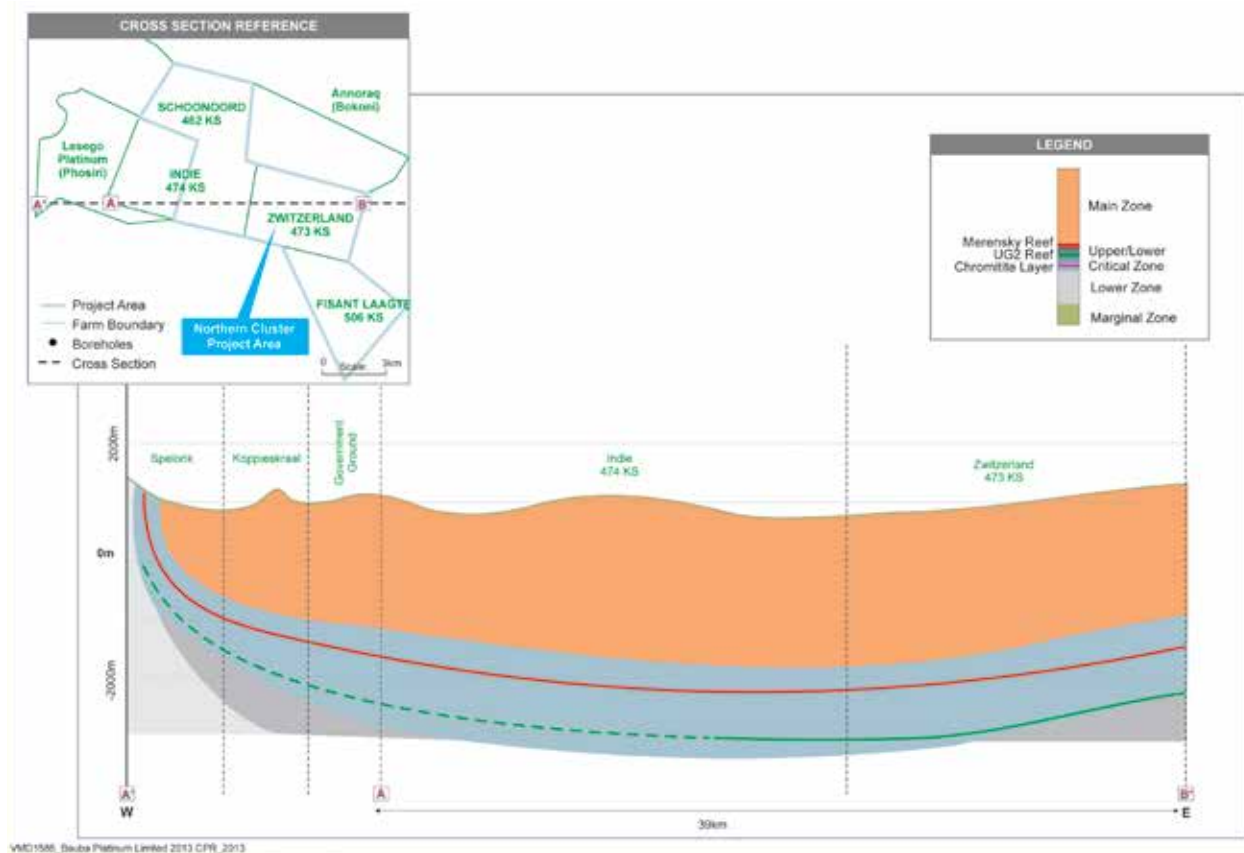
The Central Cluster has an elevation difference of approximately 220m across the project, varying from 980 to 1,200mamsl. The area is generally rugged terrain. Venmyn Deloitte is of the opinion that neither the topography of the project area nor the climate experienced in the region, offer any risk to the continued exploration and potential development of the project.

17.3. Legal aspects and tenure SR1.7A(i-iv); SR5.1A(i); SR5.2B(i-ii) SV2.3

17.3.1. Ownership

The Central Cluster is 100% held by Hlabirwa, which is 60% held by Bauba.

Figure 10: East-West section illustrating the effect of the Phoshiri Dome on the stratigraphy



17.3.2. Mineral tenure SR1.2A(i); SR1.7A(i)

The Prospecting Rights, 248/2006PR and 256/2006PR were issued in June 2006 to King Moruthane Ben Sekhukhune and Motubatse Ben Bokgobela, as representatives of Sekhukhune Rhyne Thulare for and on behalf of the Bapedi Nation. The two Prospecting Rights were ceded to Bauba on 9 April 2007. These were due to expire on 6 July 2011 but were renewed on 18 July 2012. The Prospecting Right expires on 17 July 2015. Hlabirwa has now entered into a binding agreement with Bauba where Bauba will hold a 60% direct and indirect share in Hlabirwa (Table 1). Full Prospecting Right details have been summarised in Table 1.

17.3.2. Surface rights SR1.7A(i); SR1.7A(ii)

Bauba does not hold surface rights to the Central Cluster.

17.3.3. Royalties SR1.7A(ii)

There are no private royalties payable for the Central Cluster. State royalties, as per the MPRRA (section 11.3.7), are payable.

17.3.4. Material contracts SR1.7A(ii)

Venmyn Deloitte is not aware of any material contracts pertaining to the Bauba Central Cluster.

17.3.5. Other legal issues SR1.7A(iii); SR1.7A(iv)

See section 16.3.6. To the best of Venmyn Deloitte's knowledge and understanding, Bauba is in possession of all the permits and state authorisations that are required for the current status of exploration.

17.4. Local geological setting SR4.1A(i-iv); SV2.5

As mentioned earlier, the farms lie in the Main and Upper Zones of the BC and the Merensky Reef and UG2 PGE targets lie directly below the Main Zone (Figure 10 and Figure 11). Using exploration information from public domain of companies surrounding the Bauba properties, a series of reef contours were constructed by S Gain and used to predict the behaviour of the mineralisation on the Central Cluster. These showed that the reefs should have shallowed to dips of about 11° to 12° to the west compared to the Northern Cluster.

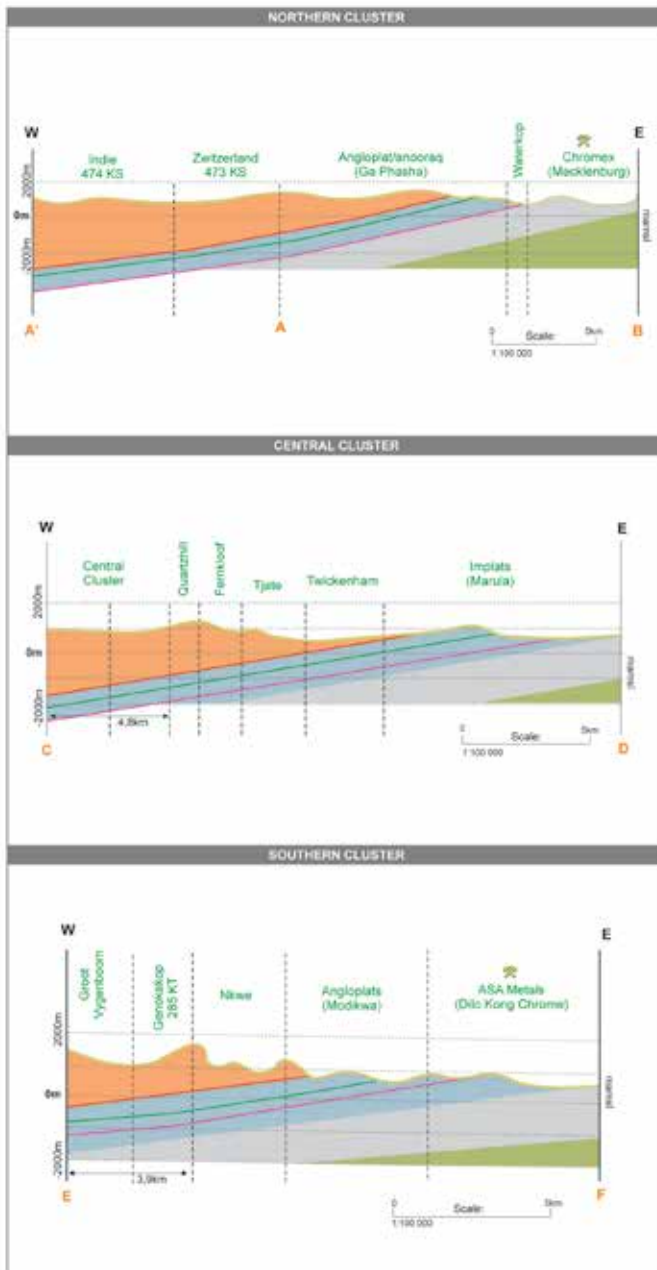
The Central Cluster area is traversed by faults and dykes and has a known presence of unconformable pegmatoids on adjacent properties. Destructive intrusions in the form of IRUP (iron rich replacement pegmatites) are recorded on the adjacent Marula Platinum property. These together with potholes have been known to disturb the Critical Zone on the Eastern Limb.

However, the two diapiric structures, the Paradys and the Phoshiri domes are thought to have deformed the Critical, Main and Upper Zone rocks close to their outer edges, providing an uplift of the host rocks closer to surface than the norm for the area. S Gain predicts that this could influence the continuity of the mineralization through structural influences, especially closer to the western sides of the Central Cluster. Bauba will assess this area through their exploration programme.

17.4.1. Deposit type and mineralisation

See section 18.3.1.

Figure 11: East-West sections over the Bauba project areas



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17.4.2. Depth of mineralisation

The first intersections of the Merensky are expected to be between 1 400m and 2 400m below surface under the Central Cluster and the parting between the Merensky Reef and UG2 is expected to be 400m. A schematic cross section of the Eastern BC including the Bauba Central Cluster PGE prospects is shown in Figure 11. The section through line C-D is important to illustrate the disposition of the chrome, Merensky and UG2 mines in the area and the extent to which Bauba's strategy to explore the deeper extension of the existing operation is technically feasible.

18. SOUTHERN CLUSTER

The Southern Cluster is an exploration project, situated in the BC in South Africa. The Southern Cluster is located in the North-Eastern Limb of the BC, south of the Northern and Central Clusters.

18.1. Location and access SR1.2A(i); SR1.5A(i)

The project is situated 9km southeast of the Central Cluster project, approximately 23km northwest of Steelpoort and 245km northeast of Johannesburg. The Southern Cluster is located on the farms Grootvygenboom 204KT, Genokakop 285KT and Houtbosch 323KT which cover an area of 4 626,55ha. Please note that the Houtbosch Farm is not included in the current Prospecting Right. The Prospecting Right for Houtbosch has been granted but not executed and as such no work has been completed on the farm Houtbosch. The Cluster is bordered to the east by Nkwe Platinum (Figure 2 and Figure 4).

18.2. Topography SR1.6A(i), SR1.6A(ii), SR1.6B(i)

The Southern Cluster has an elevation difference of approximately 400m across the project, varying from 1 487mamsl to 1 886mamsl. The area consists of rugged terrain interspaced with flat lying valleys. Venmyn Deloitte is of the opinion that neither the topography of the project area nor the climate experienced in the region, offer any risk to the continued exploration and potential development of the project.

18.3. Legal aspects and tenure SR1.7A(i-iv); SR5.1A(i); SR5.2B(i-ii) SV2.3; JSE12.9(h)(iv)

18.3.1. Ownership

The Southern Cluster is 100% held by Hlabirwa in which Bauba has a 60% attributable share.

18.3.2. Mineral tenure SR1.2A(i); SR1.7A(i)

The Prospecting Right 256/2006PR was issued in June 2006 to King Moruthane Ben Sekhukhune and Motubatse Ben Bokgobela, as representatives of Sekhukhune Rhyne Thulare for and on behalf of the Bapedi Nation. This was due to expire on 6 July 2011 but was renewed on 18 July 2012. The Prospecting Right expires on 17 July 2015. Hlabirwa has now entered into a binding agreement with Bauba where Bauba will hold a 60% direct and indirect share in Hlabirwa (Table 1). Full Prospecting Right details have been summarised in Table 1.

In 2010 there was a review application in the High Court brought by Rustenburg Platinum Mines Limited (RPM) and ARM Mining Consortium Limited against a decision of the DMR and citing certain other Parties in respect of the refusal of the DMR of an application to grant prospecting rights in respect of certain farms. Some of these farms form part of the Southern Cluster in respect of which the DMR has, since the refusal to grant the applications for prospecting rights by RPM and ARM, granted prospecting rights to Bauba (the Southern Rights). Those prospecting rights have been notarially executed and have been registered in the Mining Title Office in the name of Bauba. Bauba is not a party to, nor has it been cited in the High Court application. Accordingly, the parties have no reason not to proceed with the transaction recorded in the acquisition agreement on the terms and conditions stipulated.

18.3.3. Surface rights SR1.7A(i); SR1.7A(ii)

Bauba does not hold surface rights to the Southern Cluster.

18.3.4. Royalties SR1.7A(ii)

There are no private royalties payable for the Southern Cluster. State royalties, as per the MPRRA (Section 15.3.7), are payable.

18.3.5. Material contracts SR1.7A(ii)

Venmyn Deloitte is not aware of any material contracts pertaining to the Bauba Southern Cluster.

18.3.6. Other legal issues SR1.7A(iii); SR1.7A(iv)

See Section 18.2.7.

18.4. Local geological setting SR2.3A(i); SR2.3A(ii); SR4.1A(i-iv); SV2.5

Using exploration information from public domain of companies surrounding the Southern Cluster, a series of reef contours was constructed by S Gain and used to predict the behaviour of the mineralisation on the farms. These showed that both the Merensky Reef and the UG2 layer should have shallowed to dips of about 70 to 80 west under the Southern Cluster farms.

The southern area of the Eastern BC is traversed by faults and dykes and has a known presence of unconformable pegmatoids on adjacent properties. These together with potholes have been known to disturb the Critical Zone on the Eastern Limb. The precise extent of the structural complexity of the area will be a focus of the technical assessment of the area.

18.4.1. Deposit type and mineralisation

See Section 17.4.

18.4.2. Depth of mineralisation

The Merensky layer is expected to be at least 1 050m to 2 150m below surface in the Southern Cluster and the parting between the Merensky and UG2 is expected to be between 350 and 365m. Of the three Clusters, mineralisation should be closest to surface under the Southern Cluster.

A schematic cross section of the Eastern BC including the Bauba Southern Cluster PGE prospect is shown in Figure 11. The section is important to illustrate the disposition of the chrome, Merensky and UG2 mines in the area and the extent to which Bauba's strategy to explore the deeper extension of the existing operation is technically feasible. The figure also illustrates how the reefs outcrop on surface on the adjacent Nkwe and Modikwa properties

19. EXPLORATION

19.1. Recent exploration SR2.1A(i); SR2.1B(i); SR2.3A(i); 2.3A(ii) SR2.3B(i); SR2.5A(i-ii); SR 2.5B; SR3.2A(i-vi)

Recent exploration refers to all exploration carried out since the project was acquired by Bauba in 2010. A total of ten boreholes have been completed on the three Clusters. Due to the depth of the deposit at the projects and the lack of outcrop, no significant mapping has been completed. Initial work included the acquisition and interpretation of all available data and the compilation of a Geographic Information Systems (GIS) database.

This information comprised:

- 1:250 000 geological mapping by the Council for Geoscience;
- LandSat images;
- Government aeromagnetic data and their interpretation;
- line results from a ground magnetic survey over the farm Genokakop; and
- 1:10 000 aerial photographs and their interpretation.

Large-scale structures were delineated through interpretation of LandSat and aeromagnetic imagery. This highlighted a series of dykes and fault structures. The topography in the project areas has proven to be an important factor influencing the location of and access to borehole drilling sites. Preliminary diamond drilling in areas of good access was planned to achieve an inter-hole spacing of approximately 2 000m.

Three boreholes (BAU040, BAU041 and BAU042), each with a mother hole and a total of eight deflections, were completed on the Northern Cluster in 2013. These results have been used to upgrade a portion of the Exploration Results declared in 2012 to Inferred Mineral Resources. A total of three boreholes (BAU021, BAU022 and BAU026) were completed on the Central Cluster and a total of four boreholes (BAU002, BAU004, BAU006 and BAU012) were completed on the Southern Cluster in 2010. The Mineral Resources for the Southern Cluster UG2 have been reduced following the review of the resource extent. The location of the boreholes completed is indicated on Figure 12.

The first phase of exploration was carried out by and managed by S Gain, commencing in 2010. The aim of the programme was to increase the geological knowledge of the property. Each drilling site was mapped and a magnetometer survey was carried out using a GPS for orientation.

Geological data was acquired whilst the diamond drilling was underway. The most recent aerial photography was acquired by S Gain, as stereoscopic pairs, and enlarged to a scale of 1:10 000. A digital reconnaissance geological map of the total project area was produced based on mapping, using the aerial photography as a base map.

Field traverses using a portable magnetometer were conducted to better define the positions of dykes, faults and ultra-mafic pegmatoids are to be conducted as part of the ongoing exploration. The results obtained were plotted onto 1:10,000 maps.

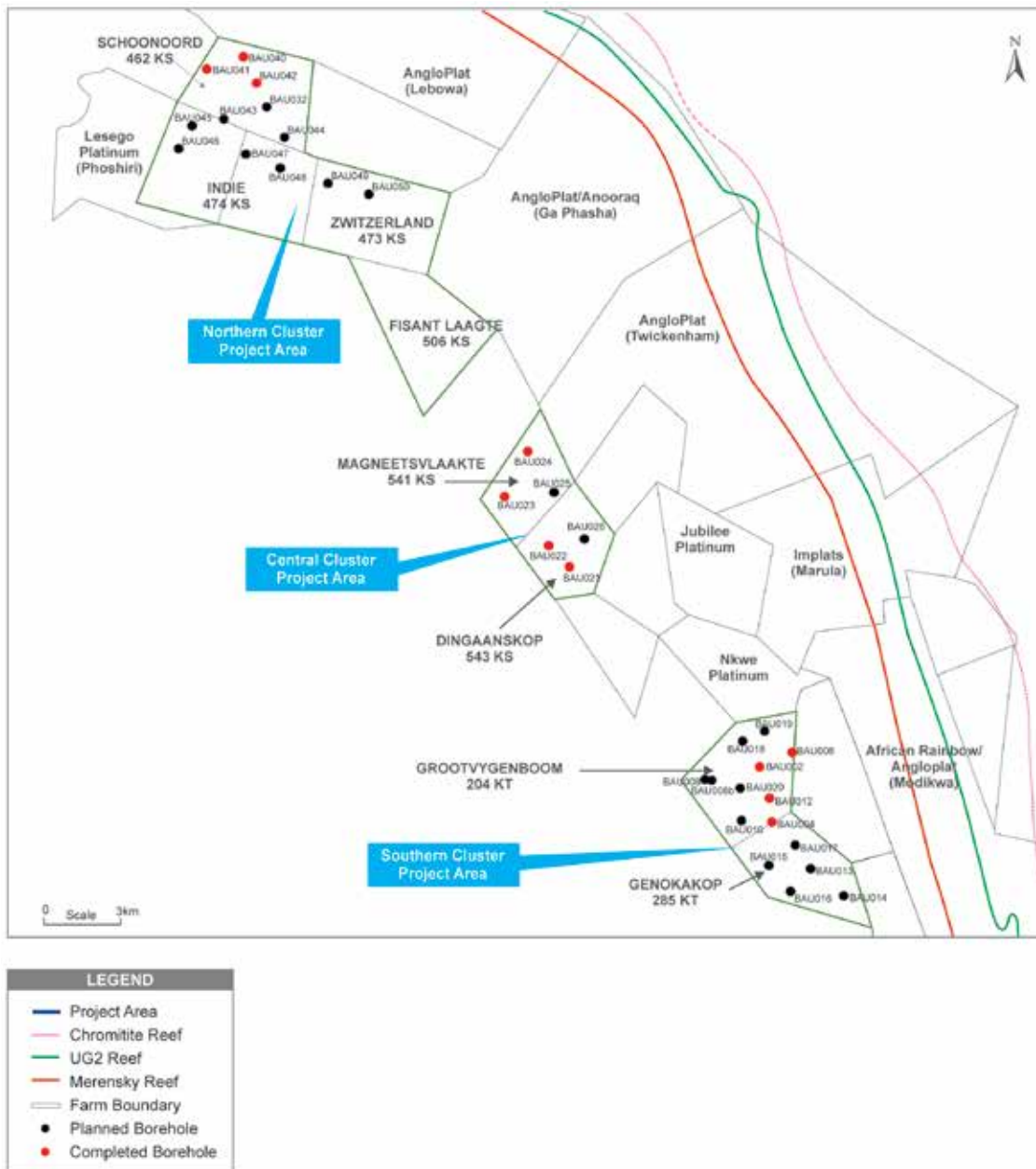
19.1.1. Remote exploration

A detailed aeromagnetic survey, under the supervision of GAP Geophysics, was conducted on the Garatau farm during 2007. Garatau is up-dip of Bauba's Southern Cluster. This detail has been included for completeness, as the dykes and faults may extend down-dip into the project area. Their continuity can be estimated with a low confidence but this assists in determining specific geological features of interest and key features to expect in the region.

Line spacing of the aeromagnetic survey was 50m and the ground clearance was 20 to 30m. This work, together with diamond drilling, has allowed for the production of a map in which the general structural setting is defined. This work has determined the following:

- The dip for both the Merensky Reef and the UG2 increases with depth. The measurements on Maandagshoek showed an average dip of 9 to 10°W;
- The airborne magnetic information, combined with SPOT and conventional airborne photography and ground mapping, show the strike of the deposit to be NNW-SSE;
- Dykes of a Karoo to post-Karoo age occur in the region. Two prominent dykes on Garatau trend N-S and show a positive magnetic polarity. The dykes are vertical to sub-vertical. If there is a dip, it is towards the east;
- The dolerite dykes intrude along fault lines and structural zones of weakness. Displacements (faulting) are generally minimal, although one dyke on Garatau shows a 65m normal throw; and
- Various ultramafic pipes occur on Maandagshoek and Garatau. There is no information on their composition and whether they have been tested for their PGM content.

Figure 12: Location of boreholes



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19.1.2. Surveying methods SR2.2A(i)

Drill-hole collar positions were surveyed by a professional surveyor, whilst down-hole surveys of the drill-hole path were performed by BCR Surveys Limited. The accuracy and quality of the drill-hole collar and down-hole surveys was thus considered acceptable.

19.1.3. Diamond drilling

In 2010 a phased diamond drilling programme commenced, with a total of 15 boreholes amounting to 30 800m expected to be drilled initially. The borehole plan for the fifteen boreholes is shown in Figure 12. Only 10 of the 15 holes have been completed to date and the end of hole depths and intersection widths are shown in ▼▼. Diamond drilling campaign was undertaken by Discovery Drilling Proprietary Limited under the supervision of Hennie Coetzee. The average core recovery ranged between 98,5% and 100% and the campaign has yielded to date:

- 4 diamond drill-holes drilled within the Southern Cluster project area;
- 1 diamond drill-hole within the Central Cluster project area, with 2 further boreholes in progress;
- 2 assayed and validated UG2 boreholes (total intersections including deflections: 6)
- 4 assayed and validated Merensky boreholes (total intersections including deflections: 10);
- 14.6km of diamond drill core; and
- 440 samples collected from the reef intersections.

The Southern Cluster drilling programme was managed by Bauba. A secure core-handling facility was established on the Central Cluster.

The cable diamond drill was equipped with an NQ3 drillcrown that produced a 45mm diameter drillcore. The requirements for the drilling company were as follows:

- Geologist pegged out the borehole positions in the field using planned positions and GARMIN 60CSxGPS instrument;
- Pegs were clearly marked with the specific borehole number;
- Geologist produced borehole startnote from Micromine;
- Geologist signed startnote and made sure that all responsible persons signed;
- Geologist supplied the contractor with borehole startnote;
- On receipt of startnote, the contractor moved the drill into position, rigged the drill and started drilling;
- Percussion drilling: contractor collected percussion chip samples from every metre and stacked them in rows: from left to right, top to bottom, ten in a row;
- Geologist logged chip samples in the field;
- Diamond drilling: contractor marked core boxes on the left end of the box, with the borehole number left and the box number right;
- Core was stacked in the boxes from left to right and top to bottom, so that the shallower depth was in the top left corner of the box and the deeper depth in the bottom left corner of the box;
- Core blocks with pickup depths were inserted after every run;
- Core was transported to designated core yard;
- Geologist stopped borehole; and
- Contractor rehabilitated the drill site.

On completion of the drill hole and the four deflections for the Merensky Reef and the UG2 chromitite layer the hole was sealed and covered with a substantial cement beacon containing a survey point.

To the west of the Northern to Central Clusters, along the Paradys Dome, a vibroseis survey was recommended to determine the influence of the Paradys Dome on the Reefs as they approach the dome. The 1:50,000 topo-cadastral map was used for this work. The survey was carried out along well established roads in Dingaanskop farm to determine the depth of the target layers after the effect of the Paradys diapiiric intrusion.

The drilling was supervised by project geologist that ensured that all the geological data, especially the core management, was conducted with the utmost professionalism to ensure that the information acquired from the geological mapping, core logging and analysis of samples was true and correct.

19.1.3.1. Core handling

At the drilling site the geologist checked the core at the drill rig for the following:

- The core was clean (i.e. grease free). Core trays were marked correctly showing borehole and deflection number, from and to depths, and box number; using a permanent paint marker;
- The core was fitted properly, a short line in permanent marker was drawn across a natural break and a cross drawn across an unnatural break from one piece of core to the other, indicating a proper fit and to ensure easy refitting at any later stage;
- The core fitting was checked between adjacent rows;
- The core rows ran from left to right;
- There was a core block between drilling runs and that the core blocks were marked correctly, showing the correct; depth, core recovered and core loss/gain. Current depth verification was done by requesting a live stick-up measurement. The geologist performed an overall core recovery assessment. Once the overall core recovery data was understood, i.e. all core loss and gains were justifiable, metre intervals were marked; and
- The total core drilled per day was calculated and recorded in a daily drilling report.

19.1.3.2. Logging

The core was logged as follows:

- The logging was performed on site or at the core yard using a hard copy logging sheet;
- Descriptive logging was performed using predefined parameters from a series of standardised codes in order to ensure consistent logging codes and correlations that enable stratigraphic correlation;
- Lithological contacts were marked using one consistent china marker colour;
- The Main Zone is over 1 500m in this area; hence Main Zone logging was basic, only recording the start of the Giant Mottled Anorthosite and the Main Zone base; and
- Detailed logging was conducted on the Critical Zone portion. The handwritten log was then captured in Microsoft Excel spreadsheet.

The guideline for logging of the section of core through the Main Zone is that it should comprise gabbro, norite, and gabbro-norite with occasional anorthosite layers. The latter layers are reasonably persistent and by careful stratigraphic mapping should allow for long range prediction of the expected depth of mineralisation. Careful logging of the stratigraphic sequence would allow for the placement of the position of faults, if these are present. Details to be recorded include the following, where relevant:

- All plutonic rock types are classified according to the methodology suggested by Streckeissen (1976) and used by most Bushveld geologists. Anticipated rock types include leucogabbro, gabbro, melagabbro, leuconorite, norite, melanorite, gabbro-norite, feldspathic orthopyroxenite, orthopyroxenite, harzburgite, dunite, websterite, lherzelite, troctolite, speckled and mottled anorthosite, anorthosite, dolerite, quartz-feldspar veins, granitic veins and chromitite;
- Each rock is designated a grain size; fine, medium, coarse and pegmatitic. In the case of thin dolerite dykes, very fine grained is applicable. Care is taken to recognise the possibility of cyclic layering;
- Textural features such as pegmatitic, porphyritic and poikilitic are described as these have an important stratigraphic significance;
- All sharp and gradational contacts are recorded or described. Care is taken to record possible cyclicity within the layering. This is especially applicable within the Critical Zone;
- Care is taken to record the position of each chromitite layer, whether the contacts are sharp or gradational, the distribution and type of sulphides and the presence of olivine. The presence and modal proportion of disseminated chromite and magnetite is carefully noted in all rocks;
- Structural features including jointing, alteration, the presence of veins and dykes is recorded, together with attitude of the feature. Possible faulting is carefully recorded;
- The presence of unconformable ultramafic rocks, their petrology, contact relationships, presence of sulphide is noted;
- All contacts and their dips are recorded. Note is made of any radical changes in the dip of the layers. All contacts are carefully marked on the core in preparation for possible sampling. This is especially important with regard to the core covering the Merensky Reef Unit and UG2 chromitite layer; and
- A procedure is employed to measure features applicable to structural engineering such as RBQ etc. This methodology needs to be designed and it is suggested that rock engineers log and appraise this core as soon as possible after the completion of the mother hole.

19.1.3.3. Sampling method SR3.1A(i); SR3.1A(ii); SR3.1B, SR3.3A(iii)

The following sampling procedure was adhered to:

- Half cylindrical core samples were taken to preserve core reef intersection;
- The laboratory minimum mass requirement for the analyses of PGMs (+Au, Cu, Ni) is 150g. To achieve this, allowing for pulp re-assay and/or repeats, core length of 15cm was adopted as the standard Bauba sample length;
- Top and base of samples were marked together with the respective sample ID with a china marker;
- The top and the bottom contact reef samples were marked such that 5cm of hangingwall and/or 5cm of footwall are included, to ensure that contacts are fully represented in sampling;
- A straight reference line was drawn parallel to the length of the core;
- Pre-splitting digital photographs of marked core were taken;
- Photos were labelled by borehole identity, deflection number and reef. Photos were stored electronically in the specific borehole file;
- A triplicate sample ticket booklet was used to label and identify samples. The sample number is alphanumeric having one letter and four numbers, i.e. A1234;
- Samples were bagged in clear plastic sample bags; inside each bag is the sample and the first ticket, the second ticket is stapled and secured when the bag is sealed and the third one remains in the booklet;
- Samples are numbered from top to bottom, the first sample being No.1 of the sequence;
- Once the sample numbering was established across the sample channel and written on the core using a paint marker, the unique sample number as per the booklet ticket was written on the plastic sample bag and the first corresponding ticket was inserted inside the bag;

- The borehole number, sampling intervals, lithology and total code were then recorded on the respective sample ticket inside the sample booklet;
- The core to be sampled was placed on a 1.5m wooden core holder; this was done to stabilise/secure the core to be worked on and have most of the core to be sampled laid out in one single line;
- The core was orientated in the core holder such that the upper reef contact was aligned orthogonal to the line i.e. when viewed from above; the contact forms a straight line across the core perpendicular to the long axis of the core;
- A straight reference line was drawn parallel to the length of the core; and orthogonal to the alpha angle of the upper contact, using a ruler and a china marker;
- This reference line was carried over all the pieces of the core in the sample channel, having fitted all the pieces;
- The marked core was then handed over to technical staff for cutting the core in half along the reference straight line, using a rotary diamond saw under the supervision of the geologist.
- Core was split/halved along the straight reference line using a core splitter;
- Only one half of the two halves was sampled, which was then broken into individual samples using a chisel and 4 pound hammer (to avoid sample losses) at individual sample boundary markings;
- A cable tie was also used to close and secure each sample bag;
- Sample intervals were marked using a paint marker on the remaining half core's cut surface such that it corresponds with the pre-splitting sample marks on the core's circumference;
- Post-splitting digital photographs of the marked core were taken using a stepladder;
- A run of sample bags was boxed for dispatch to the laboratory;
- The sample boxes were transported to the laboratory by the geologist;
- Samples were submitted with an assay request form and a receipt of samples was signed off by the laboratory;
- The sample booklet and sample sheet were retained by the geologist. This bears the following information:
 - Sample number (A1234);
 - Borehole Identity and deflection number (BAU001-D1);
 - Sample interval, from and to depth (1234.45-1234.60m); and
 - Total code, lithology and Reef (26C, CHR, UG2).
- Sample details were captured electronically on a sample record sheet; and
- All data sheets are retained in the specific borehole file.

The sampling is conducted at the core shed by MTC and Richmond. The following stepped process is applicable to sample both the Merensky Reef and the UG2, but both will be handled separately for the sake of clarity

The Merensky unit:

- The complete intersection of the Merensky Unit is oriented so that the direction of dip is vertical to the tray. The core is marked along its long axis and then cut in half with a diamond saw at right angles to the dip;
- The positions of the LRC and BRC (Chromitite stringers) are located on the core and their position marked on the flat face of both halves of the core;
- Digital photographs of the wet core, representative of the complete Merensky Unit, are made prior to sampling;
- Using the LRC and the BRC as reference planes, sampling should proceed inwards from 0,02m above and below these contacts at 0,10m intervals. The (floating) sample from the middle of the mineralisation is arranged so that it is not less than 0,10m thick. The overlying mineralised orthopyroxenite is sampled at 0,20m intervals until the overlying leuconorite is reached. The last sample, located against the overlying contact is no less than 0,20m thick. Below the LRC samples should proceed at 0,20m until the base of the Merensky pyroxenite;
- Non-generic sample numbers are used and the duplicate numbers recorded on both pieces of core. A digital photograph of the sample numbers and position is taken prior to bagging;
- These photographs are stored on a computer and prints appended to each borehole log for reference; and
- it is anticipated that 30 to 40 samples will be taken through each intersection of the Merensky Unit.

UG2 chromitite layer:

- The complete intersection of the UG2 chromitite layer is oriented so that the direction of dip is vertical to the tray. The core is marked along its long axis and then cut in half with a diamond saw at right angles to the dip;
- The important markers to define are the upper and lower contacts of the main chromitite layer (0,45 to 0,70m thick), the position of the overlying chromitite stringers (one to three) and the underlying pegmatoid. All these layers are located on the core and their position marked on the flat face of both halves of the core;
- Digital photographs of the wet core, representative of the complete UG2 chromitite layer, are made prior to sampling. These photographs are stored on a computer and prints appended to each borehole log for reference;

- Using the upper and lower contacts of the main chromitite layer as reference planes, sampling should proceed inwards from 0,02m above and below these contacts at 0,10m intervals. The (floating) sample from the middle of the mineralisation is arranged so that it is not less than 0,10m thick. Sampling, at 0,10m intervals should proceed upwards through the stringers (probably one sample). Samples within the underlying pegmatoid are at 0,10m intervals;
- Non-generic sample numbers are used and the duplicate numbers recorded on both pieces of core. A digital photograph of the sample numbers and position is taken prior to bagging; and
- It is anticipated that 8 to 10 samples will be taken through the UG2 chromitite layer.

19.1.4. Percussion or open hole drilling

No percussion drilling was completed for the Bauba Clusters.

19.1.5. Down the hole geophysics/wireline logging

No down the hole geophysics or wireline logging was completed on the Bauba Clusters.

19.1.6. Bulk sampling and specific gravity SR2.4A(i); SR2.4A(ii); SR2.4A(iii)SR2.4B(i-iii); SR2.4C(i)

No bulk sampling has been undertaken on the Bauba Clusters.

The specific gravity determinations were undertaken in the assay laboratory utilising the gas pycnometer method which is essentially a density determination based on gas displacement volume. Specific gravity determinations were made on every sample submitted to the laboratory and the results are contained in assay return and channel grade calculation sheets for each borehole (see Appendix 4). A total of 440 determinations were undertaken from the reef intersections.

19.1.7. Laboratory analyses SR3.3A(i-iv); SR3.4A(i)

The analytical work was conducted by accredited ISO laboratories, SetPoint (ISO/IEC 17025:2005) and Genalysis' (ISO/IEC 17025:2005), Johannesburg and Perth. The former laboratory is registered with the South African National Accreditation Service (SANAS) and the latter with the National Association of Testing Authorities Australia (NATA).

Genalysis' laboratory analysis for the Meresky Reef pulp sample utilised the FA25/MS and the NS25/MS methods to analyse for the following elements; Au, Ir, Os, Pd, Pt, Rh, and Ru. The FA25/MS method uses a 25g of lead collection fire assay in new pots and analyses by inductively coupled plasma mass spectrometry. The NS25/MS method utilises a fire assay nickel sulphide collection and analyses by inductively coupling plasma mass spectrometry.

SetPoint's laboratory analysis for the Merensky Reef pulp sample, analysed for Cu, Ni, Co, Cr, Ni, Au, Pt, Pd, Rh, Ir, Ru, and Os, using various techniques such as the Fire assay and ICP; the NiS collection and ICP; and the XRF pressed disc.

The sampling results for drillholes BAU040, BAU041 and BAU042 are summarised as follows:

- **BAU040:** the October 2012 SetPoint analysis showed a <5ppm composition of the PGM elements as well as gold, copper, nickel, cobalt and chrome are present in the sample;
- **BAU041:** the May 2013 SetPoint sampling results indicate an average PGM content of 0,26ppm, 452ppm for copper, 623ppm for nickel, 90ppm cobalt and 14 617ppm chromium; and
- **BAU042:** the June 2013 SetPoint sampling results show an overall average of 0,6ppm for PGMs and 171ppm for copper, 1 117ppm for nickel, 123ppm cobalt and 73 379ppm chromium.

19.1.7.1. Sample preparation and analysis SR2.4B(i-iii); SR3.3A(i-ii); SR3.4A(i,iii)

SetPoint Laboratories is ISO 17025 accredited and this accreditation specifies the general requirements for the competence to carry out tests and/or calibrations, including sampling. It covers the following aspects:

- The testing and calibration performed using standard methods, non-standard methods, and laboratory-developed methods;
- Is applicable to all organisations performing tests and/or calibrations, including, first-, second- and third-party laboratories, and laboratories where testing and/or calibration forms part of inspection and product certification;
- Is applicable to all laboratories regardless of the number of personnel or the extent of the scope of testing and/or calibration activities.

When a laboratory does not undertake one or more of the activities covered by ISO/IEC 17025:2005, such as sampling and the design/development of new methods, the requirements of those clauses do not apply; and

- is for use by laboratories in developing their management system for quality, administrative and technical operations. Laboratory customers, regulatory authorities and accreditation bodies may also use it in confirming or recognising the competence of laboratories.

However, it is important to note that the ISO/IEC 17025:2005 is not intended to be used as the basis for certification of laboratories, and compliance with regulatory and safety requirements on the operation of laboratories is not covered by ISO/IEC 17025:2005.

SetPoint offers various techniques depending on the testing requirements. The Classic Fire Assay – Lead collection is used to accurately determine platinum, palladium rhodium and determines all PGM elements (6E).

Genalysis is also ISO/IEC 17025 accredited, which includes the management requirements of ISO 9001: 2000. The facility is accredited in the field of Chemical Testing for the tests shown in the Scope of Accreditation issued by NATA.

19.1.7.2. Security

The samples are stored in a secure core handling facility located on the Central Cluster. Core logging, sample marking, sample collection, transport and submission to lab were performed by project geologist. All samples are sealed after bagging at the drill site and delivered to the laboratory as soon as practically possible. Receipt of the samples is signed off by the laboratory where the laboratory accepts responsibility for them. Assays are returned to the project geologist.

19.1.7.3. QA/QC SR3.1A(i-ii); SR3.3A(iv-v); SR3.4A(iii,iv); SR3.4B(i-iv); SR9

Laboratories are required to calibrate their analytical equipment daily and are also required to partake in round robin proficiency tests to ensure a high standard of results. All result reports were verified by the laboratory manager and any inconsistencies or variations about the laboratory's specifications are reanalysed.

The following describes the analytical QA/QC followed:

- The QA/QC procedures were undertaken on an on going basis to certify that assay results from the exploration programme can be confidently relied upon;
- These procedures included the use of Certified Reference Material (CRM), material containing known quantities of the element being assayed for (Standard) and material that has been prepared and tested for no contained trace material (Blank). Also included in the procedures are the use of sample checks by the same laboratory (Duplicates) and the use of a second laboratory as a referee for samples pulps which have been previously analysed by another laboratory (Repeats);
- Every 10th sample and the last sample of the batch is either a Standard or a Blank or a Duplicate or a Repeat. This means QA/QC material represents greater than 10% of the total samples assayed;
- At least three Amis standards per reef type, described in Table 8 and Table 9, representing high, medium and low grade were introduced to test the accuracy and reliability of analyses across the range of possible sample grade. These QA/QC samples were submitted as part of the batch, using sequential sample numbers;
- A complete register was kept, indicating the sample number and its corresponding reference number;
- In addition to all Bauba QA/QC procedures, SetPoint and Genalysis also performed their own internal QA/QC.

Table 8: Summary of QA/QC samples used in lead collection fire assay and ICP-OES finish

Sample type	Bauba		Genalysis		SetPoint	
	No	ID	No	ID	No	ID
Standard	6	AMIS013	1	AMIS056	5	AMIS067
	4	AMIS067				
	2	AMIS074				
	3	AMIS075			4	AMIS075
	4	AMIS107			2	AMIS107
	3	AMIS122				
Blank	6	AMIS166	1	Blank	5	Blank
Duplicate	22 to Genalysis		22	–	0	–

Table 9: Summary of QA/QC samples used in nickel sulphide collection

Sample type	Bauba		Genalysis		SetPoint	
	No	ID	No	ID	No	ID
Standard	2	AMIS008	4	AMIS013 AMIS014 AMIS034 AMIS056	2 3 1	AMIS067 AMIS075 AMIS107
	1	AMIS013				
	2	AMIS053				
	2	AMIS064				
	4	AMIS067				
	1	AMIS074				
	2	AMIS075				
	2	AMIS107				
	2	AMIS122				
Blank	7	AMIS166	7	Blank	6	Blank
Duplicate	34 to Genalysis		34	–		

Bauba runs an internal audit of the laboratory results on a regular basis, including a comparison to the referee laboratory, to check for any deficiencies or errors. This is completed on each set of data returned to Bauba. To date, no significant errors or bias have been recorded. A summary of the variance of the CRM including all standards, blanks and duplicates is summarised in Table 10 and Table 11.

No independent audits or reviews of the sampling methodologies or QA/QC procedures have been undertaken to the knowledge of Venmyn Deloitte. Venmyn Deloitte considers on the basis of a high level review, that no sampling bias is likely and the sample recoveries and results have been acceptably recorded.

Table 10: Summary of the CRM bias statistics in lead collection fire assay and ICP-OES finish

Range	AU	PT	PD	Total
Number of CRM with variance of 10% to -10%	5	0	0	5
Number of CRM with variance of 10% to 0%	2	12	9	23
Number of CRM with variance of 0% to -10%	13	16	17	46
Number of CRM with variance of 0%	11	3	5	19
Total CRM	31	31	31	93
% CRM within 10% variance	83,87%	100	100	94,62
Bias	0	(0,59)	0,33	(0,09)

Table 11: Summary of the CRM bias statistics in nickel sulphide collection (SetPoint)

Range	AU	PT	PD	RH	IR	RU	Total
Number of CRM with variance of 10% to -10%	5	0	0	2	6	1	14
Number of CRM with variance of 10% to 0%	6	3	10	5	5	10	39
Number of CRM with variance of 0% to -10%	4	11	5	8	2	4	34
Number of CRM with variance of 0%	0	1	0	0	2	0	3
Total CRM	15	15	15	15	15	15	90
% CRM within 10% variance	66,67	93,33	100	86,67	60	93,33	84,44
Bias	(0,19)	(4,17)	2,14	0,07	(0,33)	1,15	(0,22)

19.1.7.4. Assay results

A selection of the assay results and weighted averages are presented in Appendix 3.

20. DATA MANAGEMENT SR2.1A(i); SR2.1B(i)**20.1. Data acquisition and validation SR2.3A(i); SR3.2A(i-vi)**

The hard copy borehole logs and drilling reports are captured digitally into an Excel database by the project geologist. Geological and statistical analyses are then undertaken based on the database. Data is verified by the project geologist to ensure that no capturing errors, overlapping sample intersections or other errors occur.

20.2. Database management

An Excel database is used to compile the drilling lithological and sampling results. All entries are audited and verified before entry by the project geologist. Backups are stored at head office in Johannesburg.

21. MINERAL RESOURCE ESTIMATE**21.1. Previous Resource statement SR1.3A(i); SR1.3B(i); SR1.3B(ii)**

The historical Exploration Results and Mineral Resource Statements as estimated by Bauba and reviewed by Venmyn Deloitte in April 2013 are summarised for the Merensky Reef in Table 12 and Table 13 and for the UG2 Reef in Table 14 and Table 15, respectively. The resource statement was presented in the report titled *"Mineral Resource Update for Bauba Platinum Limited's Northern, Central and Southern Cluster PGM Projects"* by Venmyn Deloitte. The Competent Person responsible for signing off the PGM Resource Statement was AN Clay, Managing Director of Venmyn Deloitte.

The previous exploration results are quoted without a range and are therefore not SAMREC compliant.

It is important to note that during the course of the August 2013 Mineral Resource update, a computational error was identified in the disclosure of the Southern Cluster UG2 Inferred Mineral Resources declared for April 2012. This error related to the previously disclosed in-situ tonnage of 47,05Mt for the Inferred Resources. The correct in-situ tonnage for the Southern Cluster UG2 Inferred Resources is 36,95Mt. This change in tonnage constitutes a 12,6% decrease in total in-situ Inferred Resources for the 2012 Resource disclosure and a 6,0% decrease in total for in-situ Inferred Resources for the 2013 disclosure.

The change in Mineral Resources as a result of this computational error is considered immaterial to justify a separate Mineral Resource update letter and as such the corrected figures are presented herein without additional commentary. It is important to note that the historical exploration results do not have a range for the grades represented in the tables.

21.2. Current Resource statement SR1.2B(i); SR2.3B(i); SR2.5; SR4.1B(i-iv); SR4.2A(i); SR4.2B(i-vi); SR7B(i-iv); SR8A(i-iii); SR10A(i); SR8B(i-iv); SV2.6

Three new boreholes (with a mother hole and up to eight deflections from each) have been completed on the Northern Cluster and incorporated into the Mineral Resource Statement. These results have been used to upgrade a portion of the Exploration Results declared in 2012 to Inferred Mineral Resources. The Mineral Resources for the Central Cluster remains unchanged from the 2012 Resource update, but is included in this report for holistic reasons, whilst the Mineral Resources for the Southern Cluster UG2 have been reduced following the review of the resource extent. The Exploration Results and Mineral Resources for each Cluster are shown in Figure 13, Figure 14 and Figure 15.

Mineral Resources are presented as in-situ tonnes before and after geological losses have been applied. Geological losses were determined using public domain information from adjacent projects. It must be noted that for the Exploration Results, the potential quantity, quality and content as expressed in this letter are conceptual in nature.

No cut-off grade has been used during Mineral Resource estimation. The Mineral Resources are constrained by a minimum reef width due to underground mining constraints. A conservative minimum mining width of 0,8m is used. All data used in the resource estimation process is validated against the original sample data each time the estimation is updated. Any errors are corrected and verified prior to updating the model.

The 2013 Mineral Resources have been based on the results of a drilling programme that is undergoing iterative improvement through the use of statistical analysis using public domain information to determine the drill spacing required to improve confidence in the results. Reef width estimations for the Inferred Resource category in the Northern Cluster are based primarily on the regional geology, neighbouring operations and the recent drilling results. The recently updated Exploration Results and Inferred Mineral Resources for the Merensky Reef at August 2013 are summarised in Table 16 and Table 17, while the August 2013 UG2 Reef results are summarised in Table 18 and Table 19, respectively. A simplified representation of the recently drilled Northern Clusters reef profiles is presented in Figure 16.

The Mineral Resources were calculated from first principles using the average width of the reef multiplied by the reef area and relative density. The geological loss is then applied to estimate the tonnages.

The reef area is calculated based on the expected dip for each farm. All average values are calculated based on the results of drilling and assaying.

The Inferred Resource category is predicated upon geological and statistical confidence. The current Item 26 of the SAMVAL Code specifically excludes Inferred Mineral Resources being used in mine design, planning or economic studies. The reasonable expectation of eventual economic extraction is based upon existing PGM mines in South Africa that mine in excess of 1 000m. The Bushveld Complex's continuous geology is well known and justification for economic extraction in excess of 1 000m is evident from not only surrounding mines but PGM mines in general throughout the Bushveld Complex. As South African experts working on PGM deposits within the Bushveld Complex, we are aware of deeper exploration assets that are currently not tangible in the current market. However, it is expected that there are reasonable prospects for eventual extraction over the next thirty years.

21.2.1. Statistical analysis

Venmyn Deloitte has completed a high-level, preliminary analysis of the Northern Cluster drilling programme using the proprietary Venmyn Deloitte Variance Towers in order to determine if the current drill spacing meets requirements to determine the various confidence levels congruent with Inferred, Indicated and Measured Resources. This analysis is being used by Bauba as a method to continually and iteratively review and improve the drilling plan based on information available from the adjacent properties and from the Northern Cluster Project itself. The process is iterative and is reviewed as drillholes are completed and the information becomes available and in doing so, refines the estimates made.

The towers are used to estimate the number of boreholes required to obtain the Inferred, Indicated and/or Measured Resource Categories based on the variance of the parameter considered around the mean within a certain confidence limit. Parameters include grade, accumulation, reef width etc. The number of boreholes required and project size determine what influence the results of each borehole will have on the project, i.e. the Circles of Influence.

In determining the Circles of Influence for each borehole in the Northern Cluster Project, Venmyn Deloitte performed the statistical analysis using their Venmyn Variance Tower. The variance analysis was completed on the available public domain borehole information from the adjacent properties, which are also targeting PGMs within the BC. The various resource parameters information was available for both the UG2 and Merensky Reef for 73 boreholes.

The Venmyn Variance Tower plots the number of boreholes (or reef intercepts) required to constrain the true mean of a parameter of the deposit within an interval, at the 99% confidence limit. To construct the Venmyn Variance Tower, the distribution of a parameter is estimated from the sample data using @Risk™ simulation software. Confidence intervals for each parameter are then constructed for different sample sizes and plotted on the graph. The narrowing of the graph indicates the increase in confidence as the number of boreholes increases.

Figure 13: Merensky and UG2 Reef Resource for the Northern Cluster

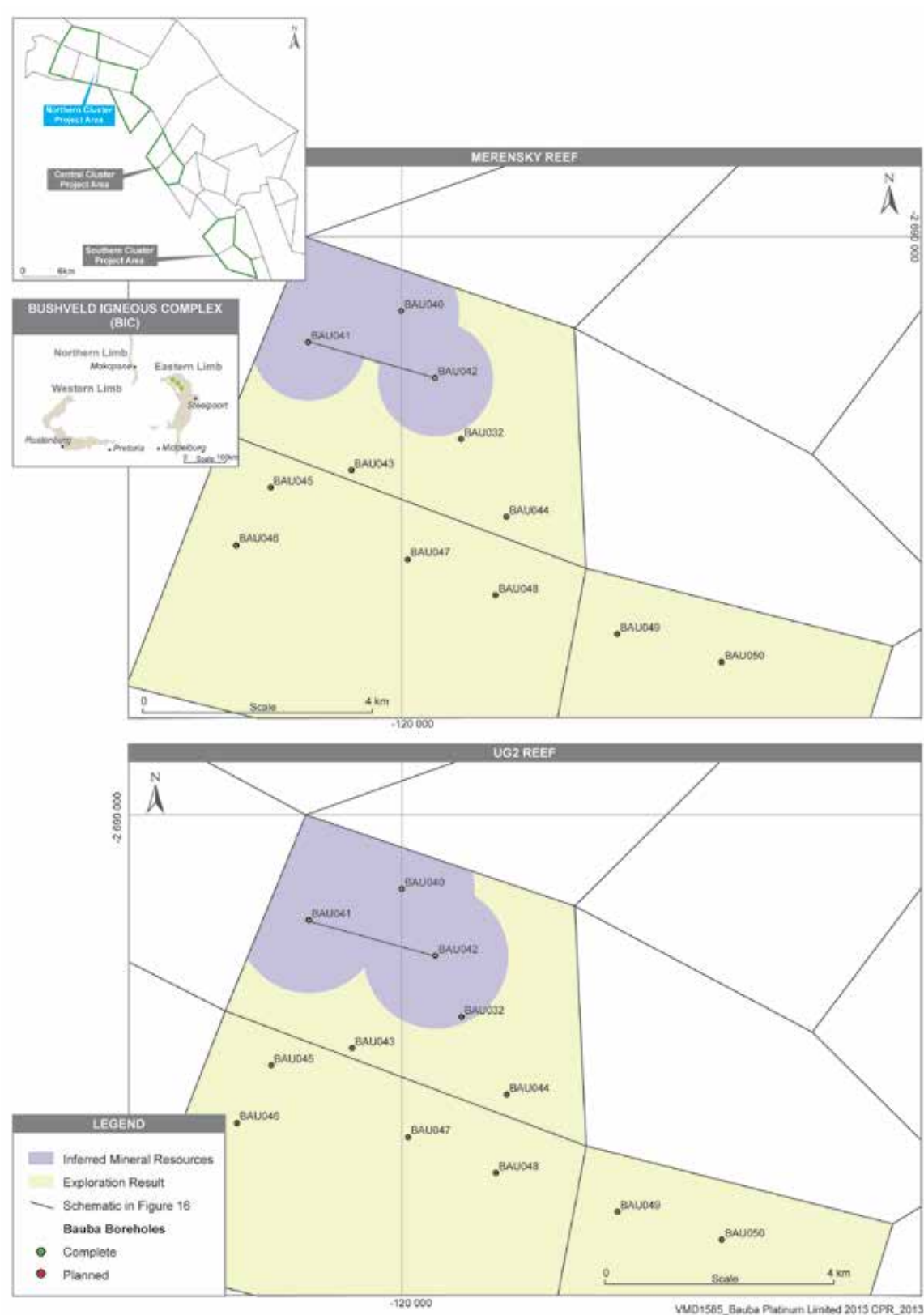


Figure 14: Merensky and UG2 Reef Resource for the Central Cluster

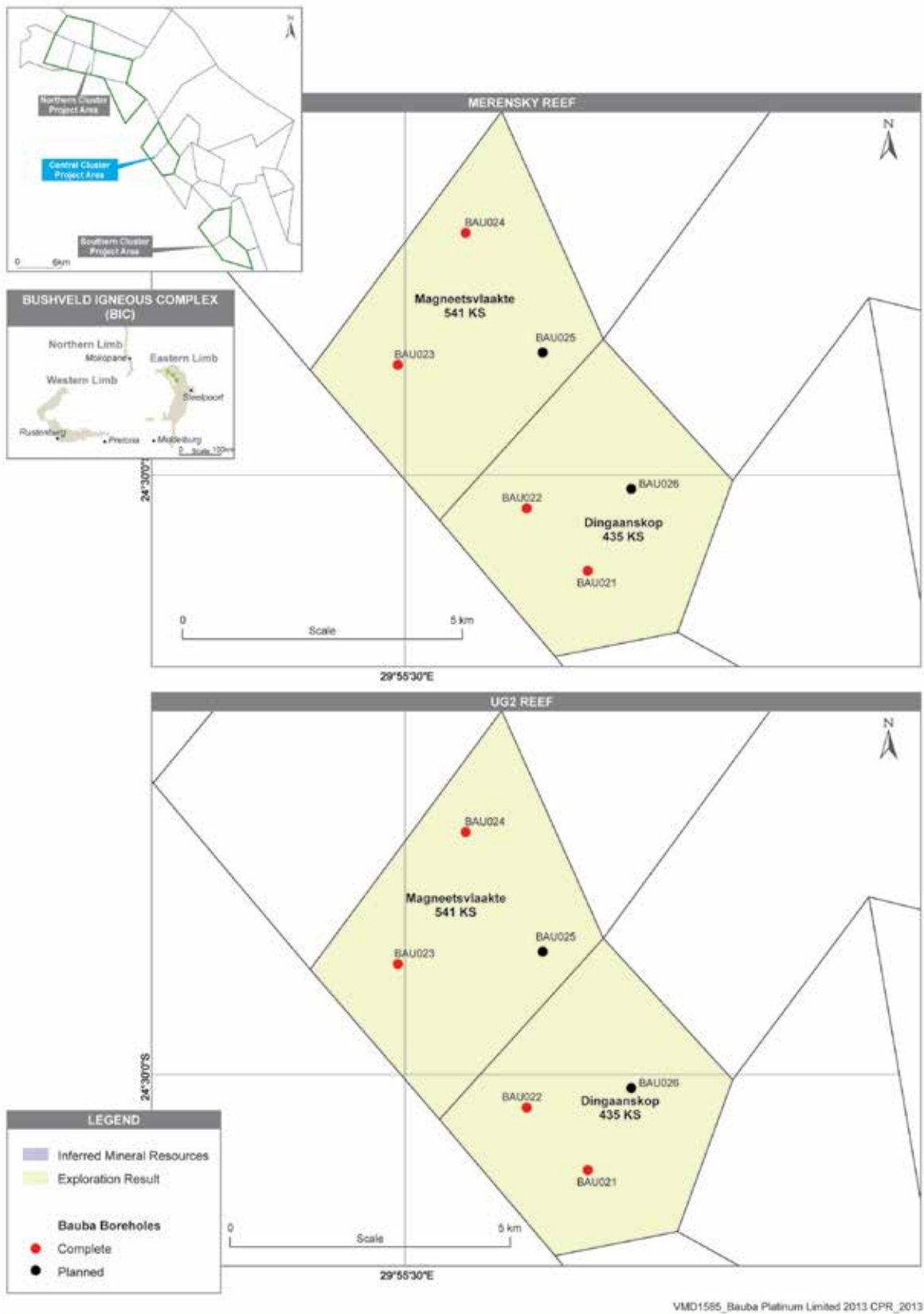


Figure 15: Merensky and UG2 Reef Resource for the Southern Cluster

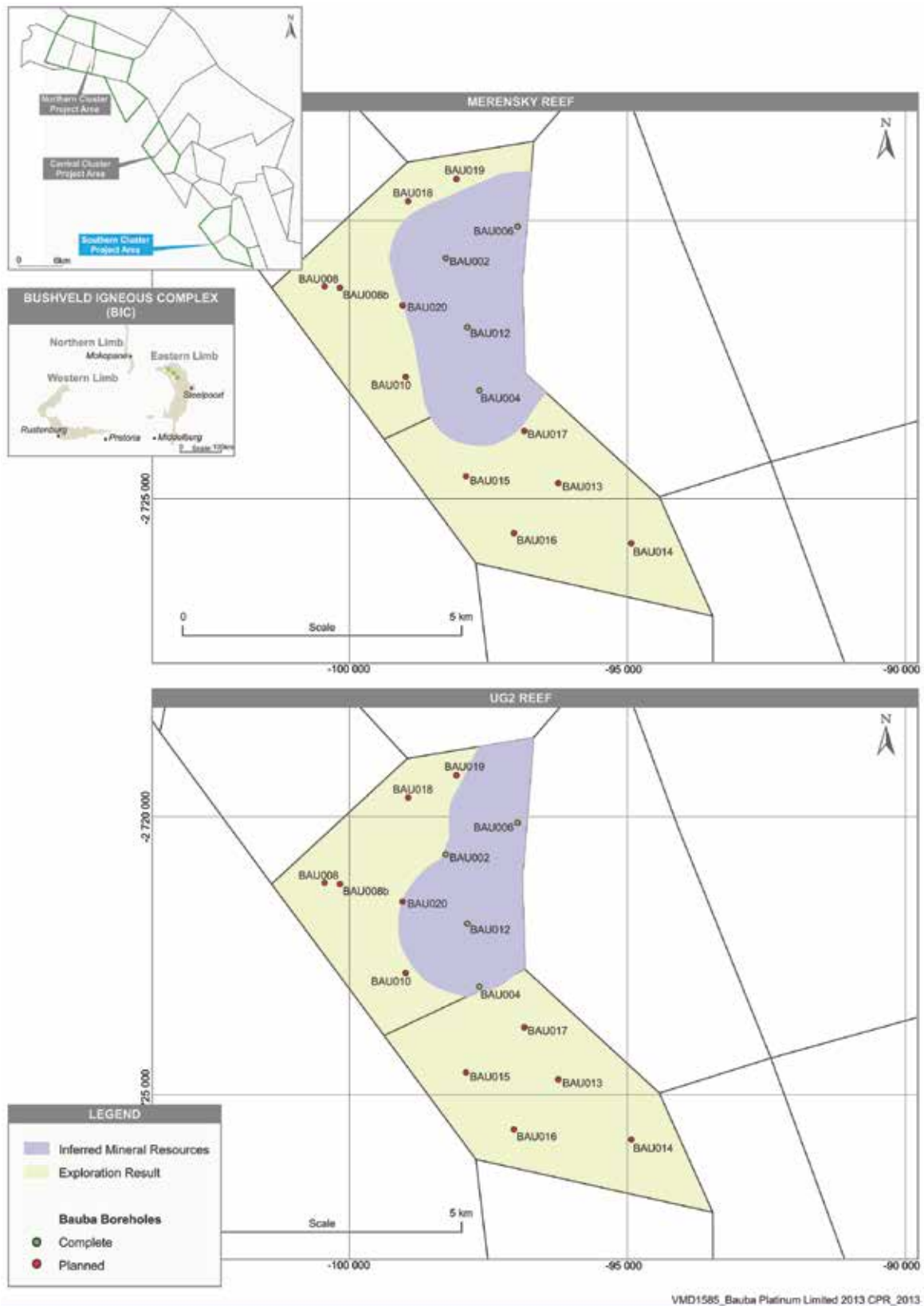


Figure 16: Simplified schematic representation of intersections

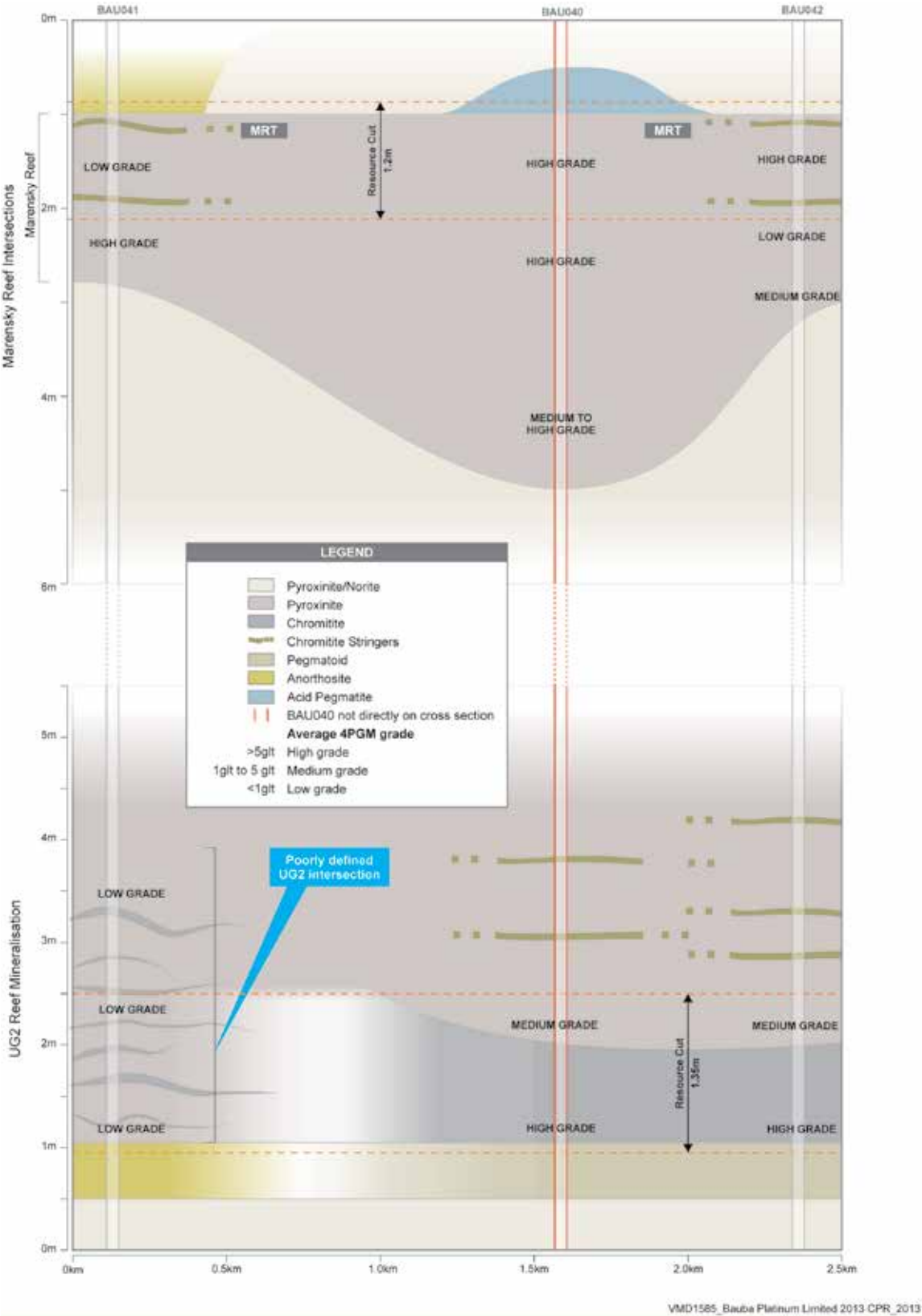


Table 12: Previous exploration results for the Merensky Reef (April 2012) (not SAMREC compliant)

Unit	Cluster	Farm name	Resource category	Plan area ha	Reef area* ha	RD	Width m	4PGM grade g/t	Gross tonnes	4PGM ounces Moz	Geological loss %	4PGM grade g/t	Tonnes	4PGM ounces Moz
Merensky Reef	Northern	Schoonoord 462KS	Exploration results	2 213	2 314	3,44	0,99	4,29	78,41	10,81	19	4,29	63,51	8,76
		Indie (portion RE) 474KS	Exploration results	1 515	1 585	3,44	0,99	4,29	53,69	7,40	19	4,29	43,49	5,99
		Indie (portion 1) 474KS	Exploration results	1 516	1 586	3,44	0,99	4,29	53,72	7,41	19	4,29	43,52	6,00
		Zwitzerland 473KS	Exploration results	1 953	2 042	3,44	0,99	4,29	69,20	9,54	19	4,29	56,05	7,73
		Fisant Laagte 506KS	Exploration results	2 013	2 105	3,44	0,99	4,29	71,31	9,83	19	4,29	57,76	7,96
	Total Northern Cluster			9 210	9 631	3,44	0,99	4,29	326,34	44,98	19	4,29	264,34	36,44
	Bauba attributable**			5 526	5 779	3,44	0,99	4,29	195,80	26,99	19	4,29	158,6	21,86
	Central	Magnets Vlake 541KS	Exploration results	1 129	1 180	3,39	1,01	4,52	40,22	5,84	25	4,52	30,16	4,38
		Dingaanskop 543KS	Exploration results	1 036	1 083	3,39	1,01	4,52	36,89	5,36	25	4,52	27,67	4,02
	Total Central Cluster			2 164	2 263	3,39	1,01	4,52	77,11	11,21	25	4,52	57,83	8,40
	Bauba attributable**			1 299	1 358	3,39	1,01	4,52	46,27	6,72	25	4,52	34,70	5,04
Total Southern Cluster	Southern	Groot Vygenboom 284KS	Exploration results	810	847	3,35	1,00	4,59	28,38	4,18	17	4,59	23,55	3,47
		Genokakop 285KS	Exploration results	1 154	1 206	3,35	1,00	4,59	40,41	5,96	17	4,59	33,54	4,94
	Total Southern Cluster			1 964	2 053	3,35	1,00	4,59	68,79	10,14	17	4,59	57,09	8,42
	Bauba attributable**			1 178	1 232	3,35	1,00	4,59	41,27	6,08	17	4,59	34,26	5,05
	Total exploration results			13 338	13 948	3,42	0,99	4,37	472,24	66,33	20	4,37	379,26	53,26
Bauba attributable**				8 003	8 369	3,42	0,99	4,37	283,34	39,8	20	4,37	227,56	31,96

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Note that the potential quantity, quality and content as expressed above are conceptual in nature.

Please note that the exploration results are quoted in-situ.

Exploration results are quoted exclusive of Inferred Mineral Resources.

Table 13: Previous Inferred Mineral Resource for the Merensky Reef (April 2012)

Unit	Cluster	Plan area ha	Resource category	Reef area* (Ha)	RD	Width (m)	4PGM grade g/t	Gross tonnes	4PGM ounces Moz	Geological loss %	4PGM grade g/t	Tonnes	4PGM ounces Moz
Merensky Reef	Southern Cluster	951	Inferred	995	3,25	1,02	3,92	33,03	4,16	17	3,92	27,41	3,46
Total Southern Cluster		951		995	3,25	1,02	3,92	33,03	4,16	17	3,92	27,41	3,46
Bauba attributable**		571		597	3,25	1,02	3,92	19,82	2,50	17	3,92	16,45	2,07

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Please note that the Inferred Resources are quoted in-situ.

Table 14: Previous Exploration Results Resource for the UG2 (April 2012) (not SAMREC compliant)

Unit	Cluster	Farm name	Resource category	Plan area ha	Reef area* ha	RD	Width m	4PGM grade g/t	Gross tonnes Mt	4PGM ounces Moz	Geolo- gical loss %	4PGM grade g/t	Tonnes Mt	4PGM ounces Moz
UG2	Northern	Schoonoord 462KS	Exploration results	2 213	2 314	4,00	0,82	5,55	75,90	13,54	23	5,55	58,45	10,42
		Indie (portion RE) 474KS	Exploration results	1 515	1 585	4,00	0,82	5,55	51,97	9,27	23	5,55	40,02	7,14
		Indie (portion 1) 474KS	Exploration results	1 516	1 586	4,00	0,82	5,55	52,01	9,28	23	5,55	40,04	7,14
		Zwitzerland 473KS	Exploration results	1 953	2 042	4,00	0,82	5,55	66,99	11,95	23	5,55	51,58	9,20
		Fisant Laagte 506KS	Exploration results	2 013	2 105	4,00	0,82	5,55	69,03	12,31	23	5,55	53,15	9,48
	Total Northern Cluster			9 210	9 631	4,00	0,82	5,55	315,9	56,34	23	5,55	243,24	43,38
	Bauba attributable**			5 526	5 779	4,00	0,82	5,55	189,54	33,81	23	5,55	145,95	26,03
	Central	Magnets Vlake 541KS	Exploration results	1 129	1 180	3,85	0,98	5,89	44,54	8,43	30	5,89	31,18	5,90
		Dingaanskop 543KS	Exploration results	1 036	1 083	3,85	0,98	5,89	40,86	7,73	30	5,89	28,60	5,41
	Total Central Cluster			2 164	2 263	3,85	0,98	5,89	85,39	16,16	30	5,89	59,78	11,31
Total Southern Cluster	Bauba attributable**			1 299	1 358	3,85	0,98	5,89	51,24	9,69	30	5,89	35,87	6,79
	Southern	Groot Vygenboom 284KS	Exploration results	867	907	3,74	0,89	5,71	30,19	5,54	24	5,71	22,94	4,21
		Genokakop 285KS	Exploration results	1 300	1 359	3,74	0,89	5,71	45,23	8,30	24	5,71	34,38	6,31
	Total Southern Cluster			2 167	2 266	3,74	0,89	5,71	75,42	13,85	24	5,71	57,32	10,52
	Bauba attributable**			1 300	1 360	3,74	0,89	5,71	45,25	8,31	24	5,71	34,39	6,31
	Total exploration results			13 542	13 948	3,93	0,86	5,63	476,72	86,35	24	5,63	360,34	65,22
	Bauba attributable**			8 125	8 369	3,93	0,86	5,63	286,03	51,81	24	5,63	216,20	39,13

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Note that the potential quantity, quality and content as expressed above are conceptual in nature.

Please note that the exploration results are quoted in-situ.

Exploration results are quoted exclusive of Inferred Mineral Resources.

Table 15: Previous Inferred Mineral Resource for the UG2 (April 2012)

Unit	Cluster	Plan area ha	Resource category	Reef area* ha	RD	Width m)	4PGM grade g/t)	Gross tonnes Mt	4PGM ounces Moz	Geolo- gical loss %	4PGM grade g/t	Tonnes Mt	4PGM ounces Moz
Merensky Reef	Southern Cluster												
		748	Inferred	782	3,5	1,35	4,43	36,95	5,26	24	4,43	28,08	4,00
Total Southern Cluster		748		782	3,5	1,35	4,43	36,95	5,26	24	4,43	28,08	4,00
Bauba attributable**		449		469	3,5	1,35	4,43	22,17	3,16	24	4,43	16,85	2,40

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Please note that the Inferred Resources are quoted in-situ.

Table 16: Exploration results for the Merensky Reef (30 August 2013)

Cluster	Farm name	Plan area ha	Reef area* ha	Geological loss %	RD	Width m	Gross tonnes Mt	4PGE grade g/t	4PGE ounces Moz
Northern	Schoonoord 462KS	1 333	1 394	19,0	3,3 – 3,6	0,94 – 1,04	34,7 – 42,4	3,9 – 4,7	4,3 – 6,4
	Indie (portion RE) 474KS	1 515	1 585	19,0	3,3 – 3,6	0,94 – 1,04	39,5 – 48,2	3,9 – 4,7	4,9 – 7,3
	Indie (portion 1) 474KS	1 516	1 586	19,0	3,3 – 3,6	0,94 – 1,04	39,5 – 48,2	3,9 – 4,7	4,9 – 7,3
	Zwitserland 473KS	1 953	2 042	19,0	3,3 – 3,6	0,94 – 1,04	50,8 – 62,1	3,9 – 4,7	6,3 – 9,4
Northern total	Fisant Laagte 506KS	2 013	2 105	19,0	3,3 – 3,6	0,94 – 1,04	52,4 – 64,0	3,9 – 4,7	6,5 – 9,7
		8 330	8 712	19,0	3,3 – 3,6	0,94 – 1,04	216,9 – 265,0	3,9 – 4,7	26,9 – 40,2
Northern Bauba attributable**		4 998	5 227	19,0	3,3 – 3,6	0,94 – 1,04	130,1 – 159,0	3,9 – 4,7	16,2 – 24,1
Central	Magnets Vlakte 541KS	1 129	1 180	25,0	3,2 – 3,6	0,96 – 1,06	27,3 – 33,4	4,1 – 5,0	3,6 – 5,3
	Dingaanskop 543KS	1 036	1 083	25,0	3,2 – 3,6	0,96 – 1,06	25,1 – 30,7	4,1 – 5,0	3,3 – 4,9
Central total		2 165	2 263	25,0	3,2 – 3,6	0,96 – 1,06	52,4 – 64,1	4,1 – 5,0	6,9 – 10,2
Central Bauba attributable**		1 299	1 358	25,0	3,2 – 3,6	0,96 – 1,06	31,5 – 38,4	4,1 – 5,0	4,1 – 6,1
Southern	Groot Vygenboom 284KS	810	847	17,0	3,2 – 3,5	0,95 – 1,05	21,3 – 26,0	4,1 – 5,0	2,8 – 4,2
	Genokakop 285KS	1 154	1 206	17,0	3,2 – 3,5	0,95 – 1,05	30,3 – 37,0	4,1 – 5,0	4,0 – 6,0
Southern total		1 964	2 053	17,0	3,2 – 3,5	0,95 – 1,05	51,5 – 62,9	4,1 – 5,0	6,8 – 10,2
Southern Bauba attributable**		1 178	1 232	17,0	3,2 – 3,5	0,95 – 1,05	30,9 – 37,8	4,1 – 5,0	4,1 – 6,1
Total exploration results		12 459	13 028	19,7	3,2 – 3,6	0,95 – 1,04	320,9 – 392,0	3,9 – 4,8	40,6 – 60,7
Total Bauba attributable**							192,5 – 235,2	3,9 – 4,8	24,4 – 36,4

Table 17: Inferred Mineral Resource for the Merensky Reef (30 August 2013)

Cluster	Plan area ha	Reef area* ha	Geological loss %	RD	Width m	Gross tonnes Mt	4PGE grade g/t	4PGE ounces Moz
Northern total	880	920	19,00	3,24	1,21	29,17	4,17	3,91
Southern total	951	995	17,00	3,25	1,02	27,38	3,92	3,45
Total Inferred Resources	1 831	1 915	17,96	3,24	1,12	56,55	4,05	7,36
Bauba attributable**						33,93	4,05	4,41

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Table 18: Exploration results for the UG2 (30 August 2013)

Cluster	Farm name	Plan area ha	Reef area* ha	Geological loss %	RD	Width m	Gross tonnes Mt	4PGE grade g/t	4PGE ounces Moz
Northern	Schoonoord 462KS	1 130	1 181	23,0	3,8 – 4,2	0,78 – 0,86	26,9 – 32,9	5,0 – 6,1	4,3 – 6,5
	Indie (portion RE) 474KS	1 515	1 585	23,0	3,8 – 4,2	0,78 – 0,86	36,1 – 44,1	5,0 – 6,1	5,8 – 8,7
	Indie (portion 1) 474KS	1 516	1 586	23,0	3,8 – 4,2	0,78 – 0,86	36,2 – 44,2	5,0 – 6,1	5,8 – 8,7
	Zwiterland 473KS	1 953	2 042	23,0	3,8 – 4,2	0,78 – 0,86	46,5 – 56,9	5,0 – 6,1	7,5 – 11,2
	Fisant Laagte 506KS	2 013	2 105	23,0	3,8 – 4,2	0,78 – 0,86	48,0 – 58,6	5,0 – 6,1	7,7 – 11,5
Northern total		8 127	8 499	23,0	3,8 – 4,2	0,78 – 0,86	193,7 – 236,7	5,0 – 6,1	31,1 – 46,5
Northern Bauba attributable**									
Central	Magnets Vlakke 541KS	1 129	1 180	30,0	3,7 – 4,0	0,93 – 1,03	28,1 – 34,4	5,3 – 6,5	4,8 – 7,2
	Dingaanskop 543KS	1 036	1 083	30,0	3,7 – 4,0	0,93 – 1,03	25,8 – 31,5	5,3 – 6,5	4,4 – 6,6
Central total		2 165	2 263	30,0	3,7 – 4,0	0,93 – 1,03	53,9 – 65,9	5,3 – 6,5	9,2 – 13,7
Central Bauba attributable**									
Southern	Groot Vygenboom 284KS	867	907	24,0	3,6 – 3,9	0,85 – 0,93	20,7 – 25,3	5,1 – 6,3	3,4 – 5,1
	Genokakop 285KS	1 300	1 359	24,0	3,6 – 3,9	0,85 – 0,93	31,0 – 37,9	5,1 – 6,3	5,1 – 7,7
Southern total		2 167	2 266	24,0	3,6 – 3,9	0,85 – 0,93	51,7 – 63,2	5,1 – 6,3	8,5 – 12,8
Southern Bauba attributable**									
Total exploration results		1 300	1 360	24,0	3,6 – 3,9	0,85 – 0,93	31,0 – 37,9	5,1 – 6,3	5,1 – 7,7
Total Bauba attributable**									
		12 459	13 028	24,4	3,7 – 4,1	0,82 – 0,90	299,4 – 365,7	5,1 – 6,2	48,9 – 72,9
							179,6 – 219,4	5,1 – 6,2	29,3 – 43,8

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

Note that the potential quantity, quality and content as expressed above are conceptual in nature.

Please note that the exploration results are quoted in-situ.

Exploration are quoted exclusive of Inferred Mineral Resources.

Table 19: Inferred Mineral Resource for the UG2 (30 August 2013)

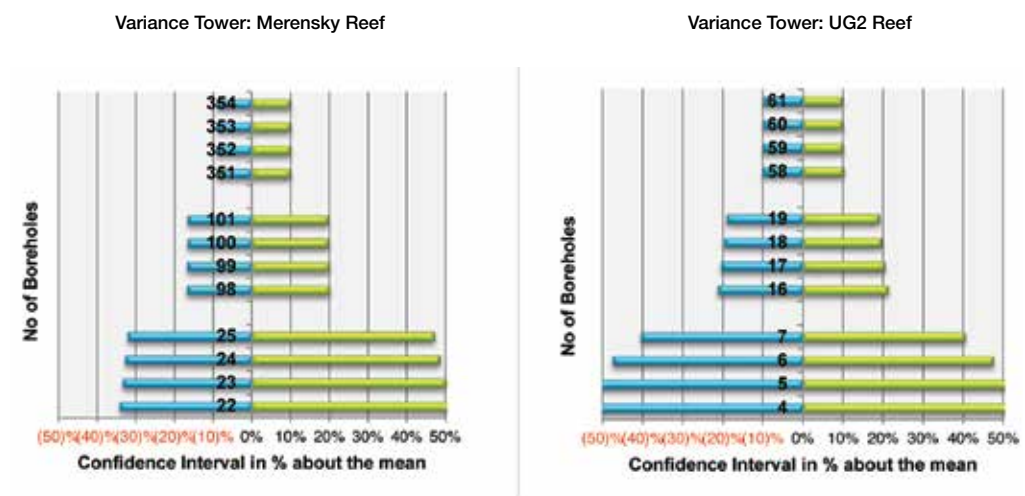
Cluster	Plan area ha	Reef area* ha	Geological loss %	RD	Width m	Gross tonnes Mt	4PGE grade g/t	4PGE ounces Moz
Northern total	1 083	1 133	23,00	3,46	1,35	40,74	4,47	5,85
Southern total	748	782	24,00	3,50	1,35	28,08	4,43	4,00
Total Inferred Resources	1 831	1 915	23,41	3,48	1,35	68,82	4,45	9,85
Bauba attributable**	1 099	1 149	23,41	3,48	1,35	41,29	4,45	5,91

* A regional dip of 17° west has been used to calculate the Reef area.

** Based on Bauba Platinum Limited's 60% attributable share.

To illustrate how this is done, the Variance Tower graphs for the cmg/t parameter in the Merensky Reef and for the UG2 are shown in Figure 17. For the cmg/t parameter, the number of boreholes required to constrain the confidence intervals to less than 50% variability about the mean within the 99% confidence limits was calculated. For this parameter, the analysis shows that to reduce the variability to less than 50% at the 99% confidence limit, one requires twenty-four boreholes on the Merensky Reef and six boreholes on the UG2.

Figure 17: Variance Towers for the Northern Cluster



Venmyn Deloitte sets the variability threshold to achieve specific levels of confidence which are defensible for the different levels of Resource classification. To achieve an Inferred Mineral Resource, less than 50% variability about the mean is required, an Indicated Mineral Resource requires between 10% and 50% variability, while a Measured Mineral Resource requires less than 10% variability about the mean. The results are shown in Figure 17 for the cmg/t parameter.

The analysis was conducted for all resource parameters with the final result being that one requires a minimum of nine boreholes on the Merensky Reef and six boreholes on the UG2 to constrain variability to an Inferred Mineral Resource Category. The reader is reminded that these deep boreholes are often drilled with deflection holes which are also taken into consideration in this analysis.

Based on this statistical analysis and the plan area of each cluster, the area of influence of each borehole has been calculated and the logic applied to determine the borehole spacing required to declare an Inferred Mineral Resource.

21.2.2. Resource/exploration results classification

Venmyn Deloitte uses a logic table to classify a mineral deposit into one or more of the resource categories. The logic table presents each of the SAMREC requirements in relation to the available information on the mineral deposit in order to identify the relative confidence in each of these parameters. Upon consideration of this logic table, the Competent Person is then able to determine its classification.

The classification of the Northern and Southern Clusters as an Inferred Resource is due to the additional drilling conducted in the clusters. The Central Cluster is classified as an exploration result due to the lack of accurate survey data available with which to estimate the surface extent of the pegmatite shapes delineated from historical mapping, and a project digital terrain model (DTM).

21.2.3. Differences between resource statements

The previous resource statement (2012) indicates a smaller Inferred Resource category to that of 2013, this is due to an increase in the Northern Clusters category level in the 2013 resource statement, which increased the Inferred Resources tonnes and grade from 16,65Mt and 3,92g/t in 2012 to 33,95Mt and 4,05g/t. This PGM resource statement is presented in Table 12, Table 13, Table 14 and Table 15.

22. ENVIRONMENTAL AND SOCIAL PRACTICES SR5.2; SR5.3

22.1. General disclosure

The following activities were undertaken in the commissioning of this CPR:

- A discussion with Bauba as to an overview of the current environmental and social compliance status (including management practices) for the Bauba Platinum assets; and
- A review of all relevant documentation, inclusive of licences, internal and external audits, where available.

22.2. Environmental and social permitting status SR5.1A(i); SR5.1B(i); SR5.2A(i); SR5.2B(i-ii); SR5.2C(iii) SR5.3

The environmental and social compliance status in relation to the South African legislative requirements for the Northern, Central and Southern Cluster are summarised in Table 20.

Table 20: Northern, Central and Southern Cluster – Environmental and social compliance status

Act, regulation or by-law	Requirements	Sectional requirements	Permitting requirements	Current compliance status
MPRDA, 2002 (Act 28 of 2002)	An EMP must be approved in terms of section 39(4) of the MPRDA as a prerequisite to the commencement of the mining/exploration permit.	Sections 39(1) and (2) of the MPRDA require that all applicants for a reconnaissance permissions, prospecting rights or mining permits must conduct an EIA and submit an EMP. Prescriptive details are provided in Section 39(3) a-d. Regulations 49, 50, 51 and 52 detail the requirements for the contents and processes for scoping, EIA, EMP and EMPRs	Approval of submissions subject to the conditions stipulated in section 39(4) of the MPRD.	Bauba has an approved EMP for the farms Schoonoord 462KS, Zwitserland 473KS, Indie 474KS, Fisantlaagte 506KS, Dingaanskop 543KS, Waterkop 113KT, Groovygenboom 284KT and Genokakop 285KT Bauba submits annual compliance audit findings in the prospecting report to the DMR
	Financial provision must be made to allow for closure and rehabilitation must be annually adjusted.	Sections 41 to 47 of the MPRDA address legislative closure requirements. GNR 527 of the MPRDA addresses the financial provision for mine rehabilitation and closure and requires that the quantum of financial provision, to be approved by the Minister, must be based on the requirements of the approved EMP and shall include a detailed itemisation of all actual costs required for: Premature closure regarding: - the rehabilitation of the surface of the area; - the prevention and management of pollution of the atmosphere.; - the prevention and management of pollution of water and the soil; - the prevention of leakage of water and minerals between subsurface formations and the surface; - decommissioning and final closure of the operation; and - post-closure management of residual and latent environmental impacts. Regulation 54(2) requires annual financial closure estimation and associated financial adjustment	Annual closure and rehabilitation estimation and associated financial provision	Bauba has made financial provision for both scheduled and unscheduled closure of the prospecting operations at the Northern, Central, and Southern clusters. This provision is adjusted annually and submitted to the DMR
	An approved SLP is required for permitting approval, with annual compliance reporting submission	Sections 40 - 46 of GNR 527 of 2004 and 39(1) and (2) of the MPRDA dictate the requirements of submission, approval and reporting of the SLP	Approval and annual reporting to the regional DMR office on compliance in compliance with S 200445 of GNR 527	Current operations which are being undertaken in accordance with prospecting activities do not, as yet, require an SLP. This will be a future requirement should the Prospecting Right be converted to a Mining Right
NEMA, 1998 (Act 107 of 1998)	EIAs and EMPs are required as defined by listed activities set out under Section 24 of NEMA, 1998	Section 14 details the contents of an EMP, with Regulations 543, 544, 545 and 546 establishing the processes to be followed to obtain an environmental authorisation and the listed activities requiring authorisation		Current operations which are being undertaken in accordance with prospecting activities do not, as yet, require an Environmental Authorisation from the DEA. This will be a future requirement should the Prospecting Right be converted to a Mining Right

Act, regulation or by-law	Requirements	Sectional requirements	Permitting requirements	Current compliance status
NEMA, 1998 (Act 107 of 1998)	Section 28 addresses the duty of care and remediation of environmental damage.	Section 28 details that all persons who cause, have caused or may cause significant pollution or degradation of the environment must take reasonable measures to prevent such pollution or degradation from occurring, continuing or recurring, or, in so far as such harm to the environment is authorised by law or cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment		Bauba Platinum currently undertakes concurrent rehabilitation, and is compliant with Section 28 of the NEMA The site manager undertakes bi-monthly performance compliance assessments
NEM:AQA, 2004 (Act 39 of 2004)	No listed activity in terms of the Act can take place without a licence	GN 1210 establishes national Ambient Air Quality Standards, and provides limits for SO ₂ , NO ₂ , PM ₁₀ , ozone, benzene, lead and CO	Atmospheric Emission Licence	Current operations which are being undertaken in accordance with prospecting activities do not, as yet, require an AEL. This may be a future requirement should the Prospecting Right be converted to a Mining Right.
NEM:WA Act, 2008 (Act 59 of 2008)	A licence is required to establish and operate a waste disposal site, as defined by the listed activities within the Act	Chapter 5 of the Act provides for the licensing of waste management activities, which include storage, transfer, recycling, treatment and/or disposal of waste. Radioactive waste and mine residues have been excluded from the Act	Waste Management Licence	Current operations which are being undertaken in accordance with prospecting activities do not, as yet, require an AEL. This may be a future requirement should the Prospecting Right be converted to a Mining Right
NWA, 1998 (Act 36 of 1998) as amended	A licence is required for the abstraction, storage, use, diversion, flow reduction and disposal of water and effluent	The NWA stipulates that a WUL is required for the abstraction, storage, use, diversion, flow reduction and disposal of water and effluent in terms of Section 21 of the Act	Water Use Licence	TT Venmyn Deloitte's knowledge, the water licence has not been identified as a necessity, and therefore no application has been made However, recent letters to the DMR do detail that surfacewater from a non-perennial stream is utilised by the diamond core drilling programme. Venmyn Deloitte recommend that an assessment be conducted to assess whether an IWULA is required in terms of Section 21 of the NWA Bauba has applied to the Department of Waters Affairs to participate in the Olifants River Water Resource Development Project (ORWRDP)

22.2.1. Operational environmental management SR5.2A(i); SR5.2B(ii); SR5.3

Exploration activities currently include mapping, sampling and reverse circulation core drilling. Bauba undertakes concurrent rehabilitation management practices for all exploration and drill holes.

Bauba has submitted an amended EMP to the DMR in April 2014 for the following farms:

- Houtbosch 323KT;
- Genokakop 285KT;
- Grootvygenboom 284KT;
- Dingaanskop 543KS;
- Fisantlaagte 506KS;
- Zwitserland 473KS;
- Schoonoord 462KS; and
- Indie 474KS.

Within its recent EMP submission, Bauba has made various EMP commitments to ensure compliance with Section 28 of the NEMA, including dust and noise management, waste management, soil pollution and erosion control, and water pollution management. No significant impacts have been identified for the operations associated with prospecting activities.

Bauba has made the following commitments in its environmental policy:

- Comply with relevant state and national legislation as a minimum;
- Ensure that management and reduction of environmental risks is an integral part of operations planning and long-term strategy;
- Develop, implement and monitor environmental management plans to achieve environmental targets;
- Set and meet environmental objectives and targets based on the prevention of pollution;
- Recognise and protect areas of special heritage and cultural value;
- Support and participate in community based environmental projects;
- Maintain a close working relationship with government and other related industries to continually improve environmental management and performance; and
- Regularly review and report on the environmental performance of the Company and ensure that this policy remains relevant to achieving its target of minimal impact to the environment.

Surface water from a non-perennial stream is utilised by the diamond core drilling programme. Venmyn Deloitte recommends that an assessment be conducted to assess whether an IWULA is required in terms of Section 21 of the NWA.

22.2.2. Operational social management SR5.3C(i)

Bauba does not have a Social Labour Plan for the Central Complex prospecting operations. This is not a requirement for prospecting operations.

22.3. Mine closure provision, closure planning and rehabilitation SR5.2C(iv)

Financial provision and closure planning, informed by both an approved EMP and GNR 527 of the MPRDA, is a statutory legislative requirement when holding a prospecting licence.

Sections 41 to 47 of the MPRDA address current legislative closure requirements.

Section 41(1) requires that an applicant for a prospecting right, mining right or mining permit must, before the Minister approves the environmental management plan or environmental management programme (EMP) in terms of Section 39(4), make the prescribed "financial provision" for the rehabilitation or management of negative environmental impacts.

Bauba has made provision for both scheduled and unscheduled closure of the prospecting operations. Closure and rehabilitation operations allow for the two borehole drill sites. The provision also accounts for closure and rehabilitation operations being performed according to the requirements of the EMP. Unscheduled closure provision makes allowance for the four borehole drill sites, with scheduled closure accounting for the rehabilitation of eight borehole sites and 400m of access road.

The environment affected by the mining or prospecting operations will be rehabilitated by Bauba, as far as is practicable, to its natural state or to a pre-determined and agreed standard or land use – grazing ground for the resident community grazing cattle and goat herds. The affected environment will be maintained in a stable condition that will not be detrimental to the health and safety of humans and animals and that will not pollute the environment.

The 2013 provision submission to the DMR included a financial guarantee of ZAR 40 000,00. This provision has not included the financial estimate provided in the amended EMP.

Venmyn Deloitte has recommended that an assessment of the scheduled and unscheduled closure liability be undertaken, with the inclusion of the amended EMP considerations, in accordance with the MPRDA and associated Regulations.

23. MINING SR5.4

Bauba plans to mine the three clusters using underground mining methods. No mining parameter assumptions have been made at this conceptual level of study. The details of the mine plan and further mining assumptions will be finalised as part of the Mining Right application, which will follow successful completion of the planned exploration programme to determine the grade and volume of the deposit.

24. MINERAL PROCESSING SR5.6

No mineral processing activities are being carried out at Bauba due to the exploration phase nature of the projects. Metallurgical testwork will form part of the advanced exploration programme. The results of the testwork programme will inform the selection of the preferred process route and plant description. No assumptions based on metallurgical processes and parameters have been made at this conceptual level of study.

25. SITE INFRASTRUCTURE SR5.5

The Bauba Projects are exploration projects and therefore there is no permanent infrastructure associated with PGM mining present on the property. Temporary field camps are set up for the drilling crew and geologists as and when required. No servitudes run through any of the properties under consideration in this report.

25.1. Water

Water for drilling has to be transported to site, when required.

25.2. Power

Power is supplied on site using generators, when required.

25.3. Roads

The Southern and Central Clusters can be accessed by car using dirt roads. Well maintained gravel farm roads pass through the Northern Cluster, as well as to the north and east of the Central and Southern Cluster. The R37 runs from the east to the north of the Bauba Project areas (Figure 2).

25.4. Railway siding

No railway access is required at this early stage of the project.

26. GENERAL MINERAL ASSET VALUATION APPROACH SR5.7; SV2.2; SV2.8; SV2.9; JSE12.9(f)

This section describes the general mineral asset valuation approach which has been used by Venmyn Deloitte in this CPR to value the mineral assets of Bauba.

At the early exploration phase, mineral projects are valued dependent upon prospects for eventual economic extraction. A seller's view may not necessarily match a potential buyer's view and as such the eventual transaction price is usually a compromise. International mineral asset valuation codes set out clear methodologies for the valuation of mineral assets, with confidence in the mineral resource estimates being the primary value driver.

The SAMREC Code guide mineral resource and mineral reserve classifications based upon geological confidence in the estimates through the exploration process.

With respect to the contributing properties of Bauba, the PGM resources have been classified by Venmyn Deloitte in compliance with the SAMREC Codes. Consistent with this approach, Venmyn Deloitte has valued the contributing properties of Bauba in compliance with the reporting and assessment criteria stipulated for mineral asset valuations in the SAMVAL codes.

The selection of an appropriate valuation method depends on such factors as, *inter alia*:

- the nature of the valuation;
- the development status of the mineral asset; and
- the extent and reliability of available information.

A mineral asset is defined, according to the International Financial Reporting Standards (IFRS) as "a resource controlled by the enterprise as a result of past events and from which future economic benefits are expected to flow to the enterprise". The selection of an appropriate valuation method depends on such factors as the nature of the valuation, the development status of the mineral asset, and the extent and reliability of available information.

In conducting mineral asset valuations, Venmyn Deloitte considers the following categories of mineral assets:

- **Exploration property** – A Mineral Asset that is being actively explored for mineral deposits but for which economic viability has not been demonstrated. Exploration properties have asset values derived from their potential for the discovery of economically viable mineral deposits. Exploration property interests are bought and sold in the market. Many of these transactions involve partial-interest arrangements, such as farm-in, option or joint-venture arrangements;
- **Development projects** – A Mineral Asset that is being prepared for mineral production and for which economic viability has been demonstrated by a feasibility study or pre-feasibility study and includes a mineral asset which may not be financed or under construction;
- **Production property** – A Mineral Asset that is in production;
- **Defunct property** – A Mineral Asset on which the Mineral Resources and Mineral Reserves have been exhausted and exploitation has ceased, and that may or may not have residual assets and liabilities; and
- **Dormant property** – A Mineral Asset that is not being actively explored or exploited, in which the Mineral Resources and Mineral Reserves have not been exhausted, and that may or may not be economically viable.

Any decision to apply a valuation technique depends principally on the stage at which the project has been developed, the geological confidence and the potential of the asset to demonstrate reasonable and realistic prospects for eventual economic extraction. Changes in the value of a mineral asset are associated with increasing confidence through increased knowledge, as well as the greater degree of probability of it being brought to account. An appropriate valuation recognises these possibilities.

As the confidence in a mineral resource estimate is increased, i.e. from an exploration result to an Inferred Mineral Resource through Indicated Mineral Resource to a Measured Mineral Resource, so the veracity of the valuation increases. Figure 18 illustrates the link between a mineral asset project's development status and the most appropriate valuation methodology that should be utilised.

26.1. Mineral asset valuation methodologies SV2.8; SV2.9

Where insufficient confidence exists in the technical parameters of a mineral deposit, or mineral asset, to classify resources, valuation methods mainly rely on the principle of historical cost. This implies that a mineral asset's value is related to the money spent on its acquisition, plus a multiple of the exploration expenditure, depending upon the degree to which its prospectivity has been enhanced by exploration.

Once resources have been classified, then market comparisons can be made on a monetary value per unit of mineralisation (eg. USD/oz).

After technical studies establishing the basis for future economic exploitation have been carried out, discounted cash flow (DCF, or cash flow) methods are applicable and all the methods used to identify a reasonable transaction value. The Bauba mineral assets are at early levels of project development with SAMREC Code compliant resources. In performing the valuation of the Bauba mineral assets, Venmyn Deloitte has relied on the cost, and market approaches. Below, we briefly describe each of the appropriate methodologies employed.

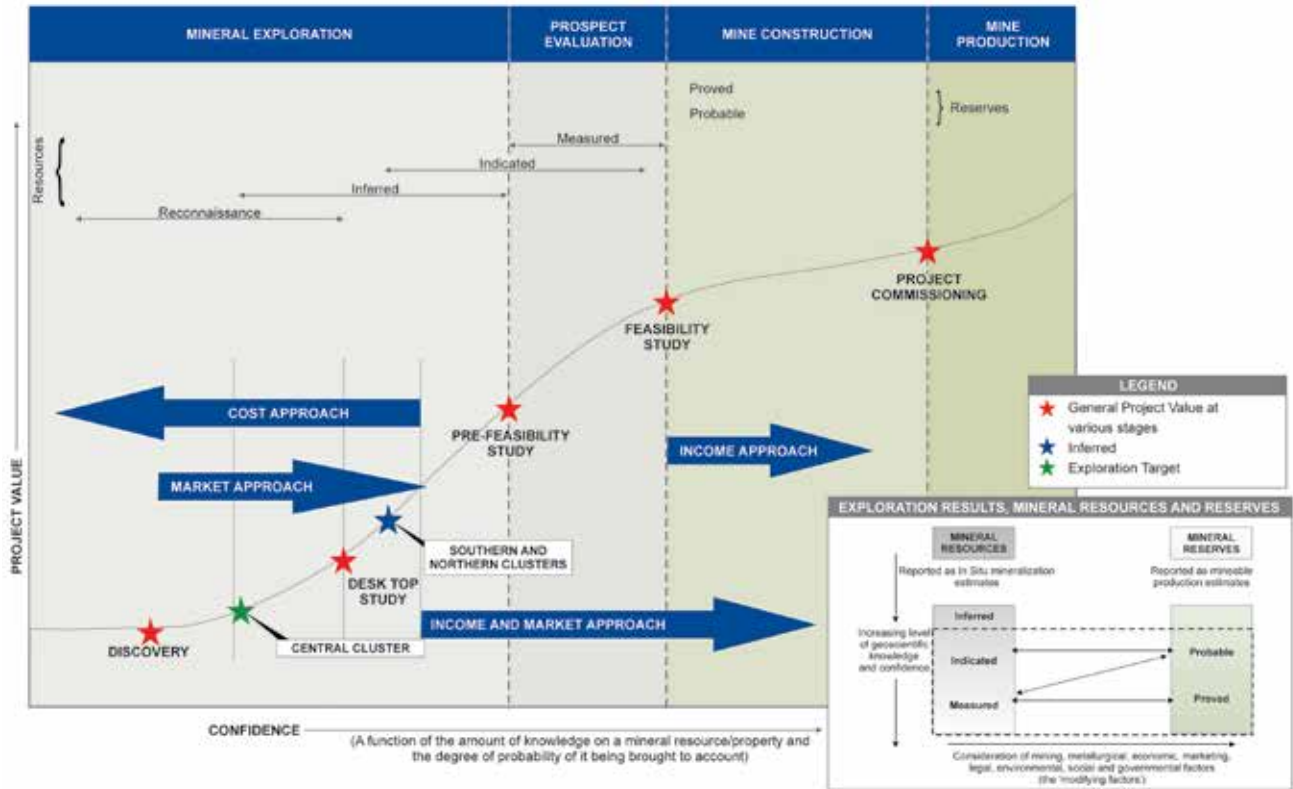
The effective date of this valuation is 31 January 2014.

26.1.1. Cost approach

The Cost Approach relies on historical amounts spent on the Mineral Asset. Reference to historical costs, implies that a mineral asset's value is related to the money spent on its acquisition, plus a multiple of the exploration expenditure, depending upon the degree to which its prospectivity has been enhanced by exploration. Through the introduction of a prospectivity enhancement multiplier (PEM), a premium (or discount) multiplier can be applied to the total cost of exploration to date, depending on whether the exploration expense being considered has relatively enhanced the prospectivity of the target or not.

The subjectivity of the method is reduced by addressing specific expenditures with reference to the relevance of the type of mineralisation being considered and the effectiveness of the exploration. A measure of the effectiveness of a historical exploration programme is the confidence that can be ascribed to the resultant mineral resource estimate.

Figure 18: Project lifetime value and valuation methodology curve for Mineral Resource projects



(MO1585_Baube Platinum Limited 2013 CPR, 2013)

In conducting the mineral asset valuation, using this method, Venmyn Deloitte considered the prospectivity of PGM properties taking cognisance of the classification of exploration phases illustrated in Table 21. Figure 18 shows the project lifetime value and valuation methodology. This table represents Venmyn Deloitte's standard PEM schedule for PGM deposits. The magnitude of the PEM is determined by the level of sophistication of the exploration for which positive exploration results, applying the concept of successful efforts, have been obtained.

Table 21: Prospect exploration phase classification and the corresponding PEM

Phase completed	Exploration phase	PEM			Exploration activity
		Fair	Upper	Lower	
0	Exploration concept	0,0	0,2	0,0	Project about which nothing is known, but which has potential on a conceptual basis
1	Desktop study	0,0	0,5	0,2	Historical and literature study, records or evidence of PGM findings in the area. Historical artisanal mining data
2	Reconnaissance	0,8	1,0	0,5	Geological mapping if terrain suitable. Palaeo topographical mapping. Historical drilling with intercept data, no laboratory assay
3	Ground follow-up	1,0	1,0	0,8	Detailed outcrop mapping, identification of PGM hosting strata, PGM seam outcrop mapping. Sampling of exposed PGM seams where available. Historical drilling data with intercept and analyses, but of questionable authenticity
4	Ground follow-up	2,0	2,0	1,0	Ground geophysics, remote sensing techniques (e.g. seismics). Reliable historical drilling, but correlations difficult due to density of drilling
5	First-phase drilling	4,0	5,0	2,0	Large diameter core drilling, widely spaced grid with preliminary PGM analysis. First-pass tonnage estimate. Inferred Mineral Resource
6	Resource drilling and laboratory testwork	8,0	11,0	5,0	In-fill drilling, detailed PGM analyses and metallurgical testwork. Establish market potential, detailed resource tonnage estimation. Advanced Inferred and Indicated Mineral Resource classification
7	Historic mining	16,0	20,0	11,0	Previous commercial production, establishing reliable and well documented quality, tonnage, metallurgy etc. Measured Mineral Resource
8	Reserve classification	20,0	>20	20,0	Complete feasibility assessment, establish economics, and design a mine of an appropriate nature. Classification of Mineral Reserves

In Venmyn Deloitte's opinion, these PEM values reflect fair and reasonable multipliers based upon the amount of work associated with and/or development status of any particular project.

In order to establish an appropriate PEM, a property valued using this method was classified taking cognisance of Table 21, with appropriate adjustments, knowing that each new exploration phase was carried out contingent upon the successful outcome of the preceding phase. In addition, the PEM selected, was reviewed taking into consideration proximity to well understood resource areas, drillhole density and a qualitative assessment of the prospects for eventual extraction.

Venmyn Deloitte has analysed and rated the contributing properties according to the results achieved from historical and recent exploration activities as well as the success these activities have had in the classification of PGM resources over the various properties, and the prospects for development

26.1.2. Market approach

The market approach (or sales comparative approach) relies on the principle of 'willing buyer, willing seller' and requires that the amount obtainable from the sale of the mineral asset is determined as if in an arm's-length transaction.

The market approach is based upon other, preferably recent, arm's length transactions of a similar nature that determines a monetary value per unit of resource (USD/oz). To this end, Venmyn Deloitte has compiled an extensive PGM transaction and valuation database in order to undertake the necessary comparisons.

For projects for which PGM resources have been classified, Venmyn Deloitte was able to carry out a comparable transaction (market approach) valuation on the basis that recent market valuations of a similar nature provide the proxy for value.

In order to arrive at a reasonable market value with which to compare the respective projects, appropriate recent and historical transactions must form the basis.

The comparable transaction value range selected for the valuation of the contributing projects has considered the nature of this valuation and the associated risk factors.

Venmyn Deloitte's database of recent unit market valuations within the context of the South African PGM market with reference to the respective PGM resource classifications is summarised in Figure 19.

The comparable transaction value range selected for the valuation of the contributing projects has considered the nature of this valuation and the associated risk factors.

26.2. General mineral asset valuation assumptions SV2.10; SV2.14

The mineral assets of the contributing projects have been valued using appropriate methodologies as described in the relevant project sections to follow.

These valuations have been based on a number of specific assumptions as discussed in the relevant project sections, including the following general assumptions, as relevant:

- That all information provided to Venmyn Deloitte, by Bauba and its contractors can be relied upon;
- That the valuations are with respect to the face value of the mineral assets only;
- That the legal status of the mineral rights and statutory obligations were fairly stated;
- That the mineral licences will be kept valid and that they can be converted to Mining Rights in the future;
- That expired Prospecting Rights will be successfully renewed;
- That the Mining Rights will be kept valid;
- That all other regulatory approvals for exploration and mining will be timeously obtained;
- That the corporate structures and ongoing activities are fairly presented;
- That reliance can be placed on the exploration expenditures provided by Bauba;
- That reliance can be placed on the financial statements and management accounts provided by Bauba;
- That reliance can be placed on the current Mineral Resource statements;
- That Bauba and its subsidiaries would continue as going concerns and would continue to be fully funded; and
- That Bauba would be able to secure markets and offtake for any future operations.

Venmyn Deloitte made due enquiry into these issues to be satisfied of the potential impact on the mineral asset valuation.

We have relied upon and assumed the accuracy of the information provided to us in deriving our opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our valuation, whether in writing or obtained in discussion with management of Bauba, by reference to publicly available or independently obtained information.

Our valuations are based on current economic, regulatory, market as well as other conditions. Subsequent developments may affect these valuations, and we are under no obligation to update, review or re-affirm our valuation based on such developments.

26.3. Mineral asset valuation SV2.8; SV2.9; SV2.15; JSE12.9(f)

The contributing PGM assets of Bauba can be defined as an early stage exploration project with Inferred resources. Consequently, the contributing properties were valued using the cost approach and market approach.

26.3.1. Cost approach valuation

Bauba have provided Venmyn Deloitte with all available acquisition and exploration cost data for the project, and Venmyn Deloitte has assessed its relevance and effectiveness.

Venmyn Deloitte has considered the prospectivity of the respective PGM properties taking cognisance of the classification of exploration phases illustrated in Table 21.

To date, Bauba has incurred exploration costs on this project totalling ZAR30.55m as capitalised in the latest financial statements. Bauba has completed first phase drilling on the project, and based on Table 21, a Prospectively Enhancement Multiplier (PEM) of between 2 and 5 can be applied to the exploration costs. A summary of the results are presented in Table 22.

Table 22: Bauba – Cost approach valuation results

Exploration expenditure ZARm	Prospectivity enhancement multiplier			Project value			Bauba attributable value*		
	Lower PEM	Upper PEM	Preferred PEM	Lower ZARm	Upper ZARm	Preferred ZARm	Lower ZARm	Upper ZARm	Preferred ZARm
30,55	2,00	5,00	4,00	61,10	152,75	122,20	36,66	91,65	73,32

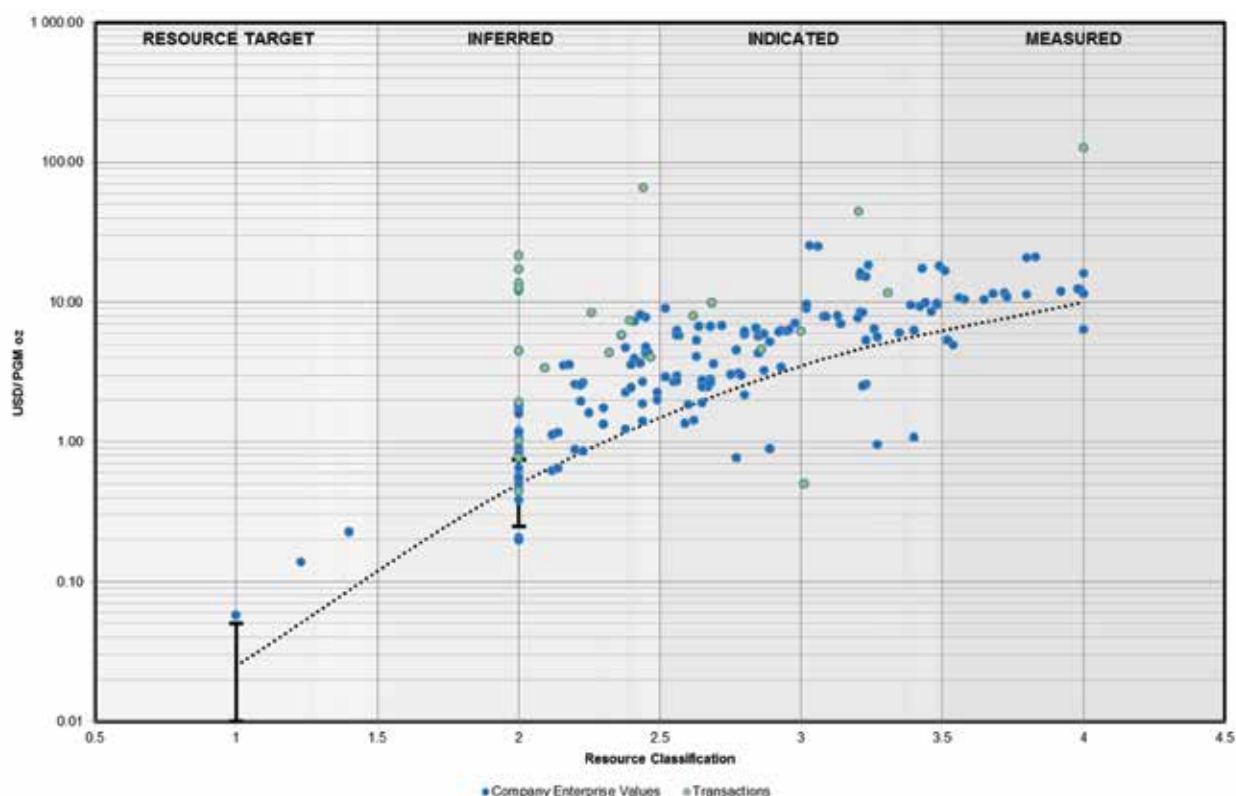
*Bauba owns 60% of the licences

The value range derived from the historic cost approach is between ZAR61,10 million (low valuation) and ZAR152,75 million (high valuation) on a 100% basis. This valuation range was calculated from the historic exploration expenditure on the project and the range of PEM values defined in Table 21. The value range reflects the level of value uplift based on the sophistication of the exploration for which positive exploration results, applying the concept of successful efforts, have been obtained.

Vennmyn Deloitte's preferred value is ZAR122,2 million.

On an attributable basis, the value of the assets for Bauba's 60% shareholding ranges between ZAR36,66 million and ZAR91,65 million with a fair value of ZAR73,32 million.

Figure 19: Market valuation



26.3.2. Market approach valuation

Since PGM resources have been classified for Bauba, Vennmyn Deloitte was able to carry out a comparable transaction (market approach) valuation on the basis that recent market valuations of a similar nature provide the proxy for value.

In order to arrive at a reasonable market value with which to compare the respective projects, appropriate recent and historical transactions must form the basis. Figure 19 summarises Vennmyn Deloitte's database of recent unit market valuations within the context of the PGM market with reference to the respective PGM resource classifications.

The comparable transaction value range selected for the valuation of Bauba has considered the nature of this valuation and the associated risk factors.

Vennmyn Deloitte is of the opinion that the ranges defined are reasonable in light of valuations/transactions of a similar nature and consideration of the following:

- The current pre-production status;
- The depth of the resources;
- The environmental sensitivities;
- The magnitude of the classified PGM resources; and
- Availability of infrastructure and logistics.

The range of values generated, based upon all Mineral Resources and exploration results quantified for Bauba, is summarised in Table 23 and illustrated in Figure 19. Venmyn Deloitte used the mid-point of the range of the exploration results PGM ounces to generate the value range.

The value range derived from the market approach is between ZAR54,03m (low valuation) and ZAR184,07m (high valuation) on a 100% basis. This valuation range was calculated from the range of unit values as defined by the market approach. The value range reflects the level of confidence attached to the respective PGM resources, as well as the depth of the PGM reefs and the environmental sensitivities. The population of historic market transactions and valuations provides an indication of reasonability.

Table 23: Bauba – market approach valuation results

Cluster	4PGE ounces Moz	In-situ PGE value			Cluster value*			Bauba attributable value**		
		Lower USD/oz	Upper USD/oz	Mean USD/oz	Lower ZARm	Upper ZARm	Mean ZARm	Lower ZARm	Upper ZARm	Mean ZARm
Exploration results										
Northern Cluster	71,24	0,01	0,05	0,03	7,12	35,62	21,37	4,27	21,37	12,82
Central Cluster	19,71	0,01	0,05	0,03	1,97	9,86	5,91	1,18	5,91	3,55
Southern Cluster	18,93	0,01	0,05	0,03	1,89	9,47	5,68	1,14	5,68	3,41
Sub total	109,88	0,01	0,05	0,03	10,99	54,94	32,96	6,59	32,96	19,78
Inferred Mineral Resources										
Northern Cluster	9,76	0,25	0,75	0,50	24,40	73,19	48,79	14,64	43,91	29,27
Southern Cluster	7,46	0,25	0,75	0,50	18,65	55,95	37,30	11,19	33,57	22,38
Sub total	17,22	0,25	0,75	0,50	43,04	129,13	86,09	25,83	77,48	51,65
Total	127,09	0,04	0,14	0,09	54,03	184,07	119,05	32,42	110,44	71,43

* At an exchange rate of ZAR10,00/USD

** Bauba owns 60% of the licences.

Venmyn Deloitte's preferred value is the mean value derived from the unit value ranges per category. This results in a preferred value, using the market approach, of ZAR119,05 million.

On an attributable basis, the value of the assets for Bauba's 60% shareholding ranges between ZAR32,42 million and ZAR110,44 million with a fair value of ZAR71,43 million.

26.3.3. Valuation summary

The results of the Bauba valuations carried out by Venmyn Deloitte are presented in Table 24.

Table 24: Bauba – Summary of valuation results

Valuation method	Project value			Bauba attributable value*		
	Lower ZARm	Upper ZARm	Preferred ZARm	Lower ZARm	Upper ZARm	Preferred ZARm
Cost approach	61,10	152,75	122,20	36,66	91,65	73,32
Market approach	54,03	184,07	119,05	32,42	110,44	71,43

*Bauba holds 60% interest in the licences.

The table above demonstrates that the results of the two valuation methodologies yield similar results. Venmyn Deloitte prefers the market valuation approach in valuing early exploration assets with a declared mineral resource estimate. Therefore, on an attributable basis, the value of the assets for Bauba's 60% shareholding ranges between ZAR32,42 million and ZAR110,44 million with a fair value of ZAR71,43 million.

26.3.4. Valuation assumptions SV2.10

The valuation opinion has been informed on the assumption that the specific technical and financial information specific to the project, detailed in the preceding section; is materially correct and can be relied upon.

26.3.5. Previous valuations SV2.11, SV2.12

Venmyn Deloitte is not aware of any other recent public valuations that have been done on Bauba within the past two years.

26.3.6. Audits, reviews and historic verification SV2.19; SV2.17

No audits or reviews of the mineral asset valuation have been conducted and no historic verification of the performance parameters on which the mineral asset valuation is based can be conducted

27. ADJACENT PROPERTIES

The Bauba Clusters are situated down-dip of a number of established mining operations. The geology of the Clusters is understood as they lie over the down-dip extension of the known and exploited deposit. The greater depth means that similar down-dip operations are not yet exploited. The neighbouring up-dip properties are discussed below. These adjacent mining operations are illustrated in Figure 20.

27.1. Bokoni Platinum Mine

The Northern Cluster is down-dip of the Bokoni Platinum Mine and the Ga-Pasha PGM Project.

Bokoni Platinum Mine has been in operation for over 30 years, lies due east and up dip of the Northern Cluster. Both the UG2 and Merensky Reefs are being mined from underground. The local geology is typical of that described for the Eastern Limb.

The geologic losses at Bokoni are estimated to be approximately 20% for the Merensky Reef and 15% for the UG2 chromitite layer. The losses are attributable to potholes (UG2-9% and Merensky-16%) and pegmatites, which replace the reef (<3% for both reefs), dykes (4% in both reefs), and structural and alteration features such as faults, shears, joints, veins and alteration zones, which cause minor complications in mining.

On a macro-scale dyke swarms cut the farms Zeekoegat, Middelpunt and Umkoanestad with a northeast predominant direction. They can vary in width up to 10m wide. The dykes do not present serious problems during mining and previous and current mining operations report insignificant displacements.

Bokoni Mine's equivalent refined platinum production is stated as 55,1koz as at December 2013. Bokoni's life-of-mine plan consists of a Mineral Resource (exclusive of Mineral Reserves) of 99 million 4E ounces and a Mineral Reserve of 10,1 million 4E ounces.

27.2. Twinkendam Platinum Project

The 100% Anglo Platinum underground mine lies due west of the Central Cluster. The mine is classified as a project in execution, producing only about 10 000t a month. The local geology is very typical as that described for the Eastern Limb. The average recorded true dip of the deposit is about 16°SW and stoping widths of about 0,90m.

27.3. Modikwa Platinum Mine

Modikwa's life-of-mine plan consists of a Mineral Resource (exclusive of Mineral Reserves) of 60.2Moz 4E ounces and a Mineral Reserve of 8.7 million 4E ounces.

Two expansion projects, the Middelpunt Hill UG2 expansion and the Brakfontein Merensky expansion are well advanced and will progressively increase the platinum production of Bokoni Mine. Stopping widths appear to be standardised to 0,95m for both reefs.

27.4. Effect of mineralisation depth to shaft depths

A study was carried out by Snowden to illustrate the depths of existing mine shafts and the expected shaft depths of future mines. The Northern Cluster could reach depths of 1 700m, while the Central Cluster shaft could go down to 1 400m, with the Southern Cluster reaching 1 100m. The various shaft depths are illustrated in Figure 20.

28. EXPLORATION PROGRAMME AND BUDGET SR10A; SR10B(i); JSE12.9e(iii); JSE 12.10h(vi)

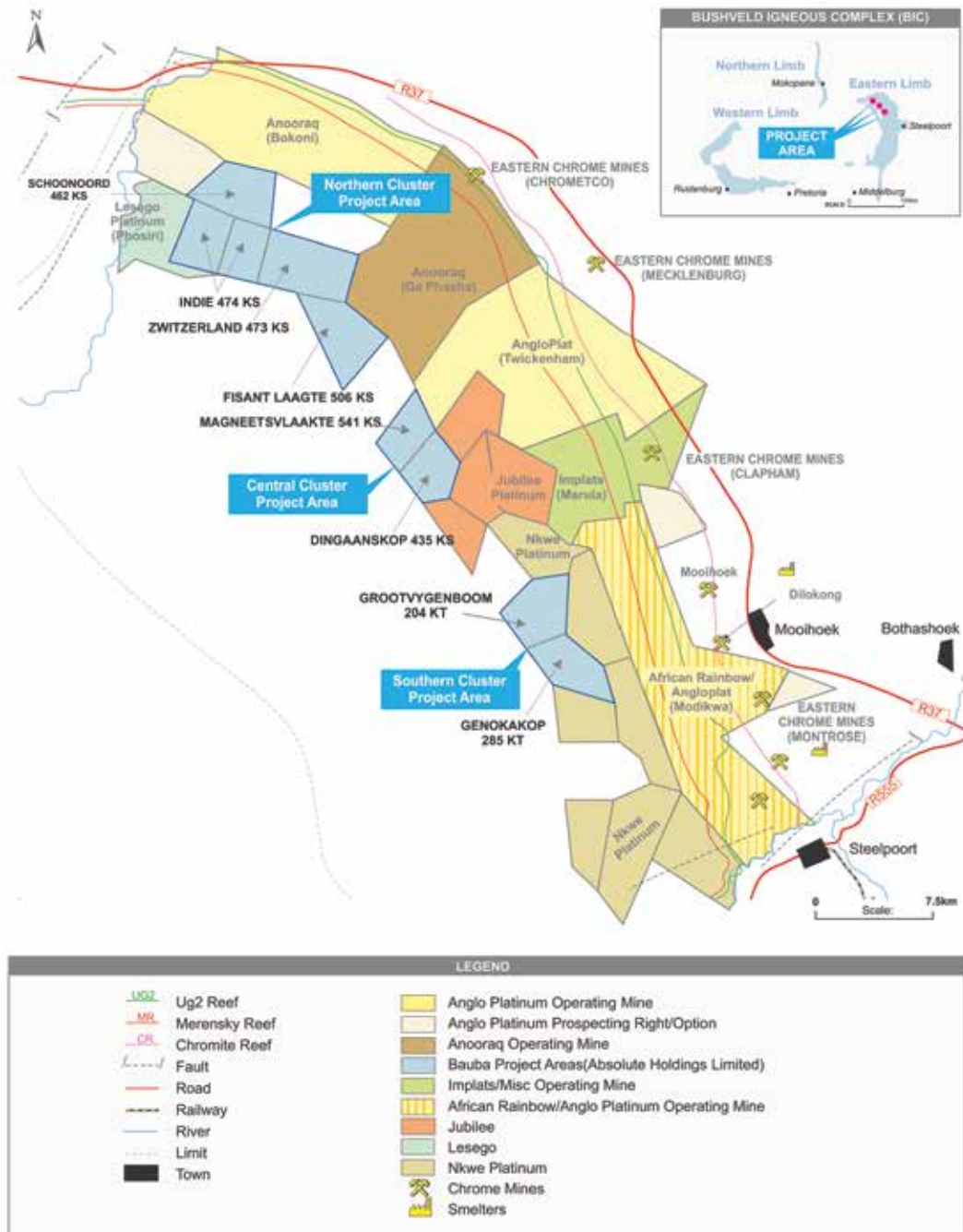
The Prospecting Right for the Bauba Clusters was extended for three years from 2012 to 2015. The planned exploration for this three year period included the following activities:

- Diamond drilling of 13 NQ diameter boreholes (seven on the Northern Cluster and six on the Southern Cluster). Of the planned boreholes, six were completed during this period due to drilling difficulties;
- Lithological logging of all boreholes;
- Sampling of the mother hole and two deflections for each reef per borehole;
- Assaying all samples taken for the 4PGM and related elements;
- Modelling of four 2D seismic geophysical lines;
- A data analysis and manipulation, ore body modelling, QA/QC;
- Work on an ongoing conceptual feasibility study; and
- Ongoing Mineral Resource estimations for all areas as work progresses.

The exploration plan and budget for 2014 to 2016 is presented in Table 25. These costs are anticipated to be incurred from 2014 extending over a period of three years. No portion of these estimated costs had been incurred at the effective date of this report. This cost estimate is part of an application to extend the Prospecting Right and approximately ZAR1,05m is expected to be incurred prior to lapse of the Prospecting Right. The exploration plan includes the following:

- Diamond drilling of a limited number of NQ diameter boreholes;
- Lithological logging of all boreholes;
- Sampling of the mother hole and two deflections for each reef per borehole;
- assaying all samples taken for the 4PGM and related elements;

Figure 20: Adjacent mining operations



VMD1585_Bauba Platinum Limited 2013 CPR_2013

- Mobilisation and acquisition of aeromagnetic data;
- Mobilisation and acquisition of seismic data;
- A data analysis and manipulation, ore body modelling, QA/QC;
- Work on an ongoing conceptual feasibility study; and
- Ongoing Mineral Resource estimations for all areas as work progresses.

Table 25: Exploration plan and budget

Activity	Amount (ZAR)
Permit cost	30 000
Remote sensing	20 000
Drilling and sampling	2 031 600
Excavation	20 800
Analysis	80 000
Geophysics	150 000
Rehabilitation	82 750
Admin and logistics	163 464
Labour	514 012
EMPR	76 000
Total	3 168 626

29. RISK ANALYSIS SR6B(i)

Many of the technical and infrastructural risks associated with the Bauba Projects have been minimised due to its favourable location to Steelpoort, an established mining region. The fact that the Bauba Projects are located in a very well understood geological setting that is currently supporting numerous mining operations, and therefore has a well understood geology over which mining claims have already been issued, means that the time to bring the project into production, if results are favourable, will be reduced as less exploration will be required.

The technical risks associated with the exploration results estimation are reduced given the low confidence in this resource category. Using this information, the early stage economic potential for the project can be assessed. The greatest risk to the project is associated with the depth below surface, which will impact on access to the deposit. As the deposit is located at a depth that is currently not exploited within the BC, this poses a risk to the time to development as well as increased operating and capital costs, relative to shallower operations. Risk is also associated with increased temperatures at depth based on the higher geothermal gradient associated with the BC.

The Bauba Projects represent a moderate project risk to Bauba.

30. CONCLUSIONS

The global mineral resources market is experiencing unusual and exceptional circumstances, with commodity prices reaching record levels. This is particularly relevant for PGMs and this led to a significant revival of interest in the exploration of deeper mineral resource in the BC.

Bauba has acquired deeper level PGM mineral resources in the Eastern BC and needs to spend exploration monies to move the value proposition up the value curve. Venmyn Deloitte will assist in assessing the levels of statistical confidence that new borehole results generate for both the Merensky Reef and the UG2 so that the move towards generating Indicated Resources and then Probable Reserves for commercial exploitation can be achieved.

This CPR includes the following conclusions:

- The Bauba Clusters are situated within a prime segment of the Eastern Limb of the BC, where numerous companies are prospecting and successfully mining PGMs from the Merensky Reef and UG2. In addition most of the Clusters lie in close proximity to well drilled and explored properties, whose information would expedite the understanding of the geology and mineralisation in this area;
- Geologically the Bauba Clusters project should be suitable for mining as the mineralised reefs are expected to be continuous along strike and down-dip, as deduced from the neighbouring properties;
- Prospecting rights are still valid and the companies should initiate exploration;
- Bauba is currently in the process of submitting an amended EMP, with an updated closure provision and associated rehabilitation plan. Venmyn Deloitte recommends that an assessment be conducted to assess whether an IWULA is required in terms of Section 21 of the NWA;
- The exploration approach for the project is systematic and appropriate for the style of mineralisation and the expected target resource would be of a sufficient quantity to support the exploration programme being suggested;
- The Bauba Clusters' reefs have partings in excess of 390m. This may have advantages in that the two reefs can be co-extracted with minimum effect on mining sequences and geotechnical properties between the reefs;
- As part of the second generation of mines on the Eastern BC that would soon come into production, the Bauba Clusters are considered averagely deep mines. There are currently PGM mine shafts operating profitably at the current PGM prices at deeper levels; and
- Some of the Clusters, especially the Southern and Central Clusters, have relatively flat and readily accessible potential drilling sites. This will enable exploration to start sooner.

The Mineral Resource and Exploration Results estimates depicted in Table 16, Table 17, Table 18 and Table 19 were based on both recent exploration results and published records collected from the project area and neighbouring operations. The classification of Inferred Mineral Resources for the recently drilled and assayed Northern Cluster Project is considered appropriate for the level of investigation and for low-confidence resources. The completion of additional drilling as well as the construction of a 3D Resource model would allow for more confidence being placed in the resource estimate and potentially higher levels of classification.

Total attributable Mineral Resources declared, accounting for geological losses, account for ~33,95Mt at a grade of ~4,05g/t and mineral content of ~4,42Moz on the Merensky Reef. Total attributable Mineral Resources declared, accounting for geological losses, account for ~41,29Mt at a grade of ~4,45g/t and mineral content of ~5,91Moz on the UG2 Reef.

Venmyn Deloitte is of the opinion that if the exploration programme as outlined in this report is adhered to, the work will progress the mineral target to a stage where a resource will meet the requirements of the SAMREC Code leading to a proper valuation of the property as per SAMVAL Code. Only then can scoping, pre-feasibility and feasibility studies be carried out.

31. DATE AND SIGNATURES SR11A(iii); SV2.13; SV2.14

Yours faithfully,



AN CLAY

MSc (Geol), MSc (MinEng), DipBusMan,
PrSciNat, MSAIMM, FAusIMM
FGSSA, MAIMA, MSPE, IoD
Competent Person/Valuator



J.A. MYBURGH

BSc (Mathematics)
MIASSA, MGASA
Mineral Project Analyst



TC ORFORD

BSc Hons (Geol), GDE (MinEng)
MGSSA, MGASA, MMINSA
Mineral Project Analyst



S DYKE

MSc (EnvSci),
IAIASA, MGSSA
Environmental Industry Adviser



K MPHABLELE

BSc Hons (Geol), PrSciNat
MGSSA
Mineral Industry Adviser

Effective date: 1 March 2014

Final report date: 12 August 2014

APPENDIX 1: REFERENCES SR1.3A(i); SV2.11

Author	Date	Title	Source
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Johnson, MR, Anhaeusser, CR and Thomas, RJ (eds)	2006	The Geology of South Africa, Geological Society of South Africa and Council for Geoscience, South Africa	
Martiens Van de Merwe, 9th	2010	Bauba Cost Schedule Hole 1 and 2	Bauba internal document
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Qinisele Resources (Unpublished)	2010	ABO-Bauba – Resource determination by QR_26_02_2010.docx	
SAMREC Code	2009	The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code) 2007 edition as amended July 2009	www.samcode.co.za
SAMVAL Code	2009	The South African Code for the Reporting of Mineral Asset Valuation (The SAMVAL Code) 2008 edition as amended July 2009.	www.samcode.co.za
S Gain (Unpublished)	2009	Proposed Drilling Exploration Programme For Bauba Platinum Project: Northern Province	Bauba internal document
S Gain (Unpublished)	2010	Bauba Platinum: Planning Notes And Sketches For The Planned Exploration Programme Bushveld Regional Geology Bauba Resource Determination by Steve Gain 15 February 2010. Doc	Bauba internal document
Snowden Mining Industry Consultants Proprietary Limited	2008	Bauba Mineral Properties Review and Exploration Strategies Eastern Limb, Bushveld Complex	Bauba internal document
Windeed	2010	http://www.Windeed.co.za	http://www.Windeed.co.za

APPENDIX 2: GLOSSARY AND ABBREVIATIONS SR10A(ii)

Abbreviation/term	Explanation
α	Specific company risk premium
3D	3 Dimensional
AIM	Alternative Investment Market
amsl	Above mean sea level
Analystica Holdings	Analytica Holdings Proprietary Limited
ANC	African National Congress
APPA	Atmospheric Pollution (Prevention) Act
ASX	Australian Stock Exchange
AusIMM	Australian Institute of Mining and Metallurgy
β	Beta value, is measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole
BBBEE	Broad-based black economic empowerment
BH	Borehole
BH/100ha	boreholes/100ha
BSc	Bachelor of Science degree
BSc (Hons)	Bachelor of Science Honours degree
Bt	Billion tonnes
Capex	Capital expenditure
CAPM	Capital Asset Pricing Model
CGS	Council for Geoscience
CPR	Competent Persons' Report
CRIRSCO	Committee for Mineral Reserves International Reporting Standards
DCF	Discounted cash flow
DEA	Department of Environmental Affairs (for South Africa/Botswana)
DEFR	Department of Forestry and Range Resources
Dip	Diploma
DMR	Department of Mineral Resources
DMS	Dense Media Separator
DTBO	Department of Tourism and the Botswana Tourism Organisation
DTM	Digital Terrain Model
DWA	Department of Water Affairs
DWMP	Department of Waste Management and Pollution Control
DWNP	Department of Wildlife and National Parks
D/V	Proportion of company funded by debt
EAA	Environmental Assessment Act
EAPs	Environmental Assessment Practitioners
EBIT	Earnings before interest and tax
ECA	Environment Conservation Act
ECSA	Engineering Council of South Africa
EDF	EDF Trading Limited
EIA	Environmental Impact Assessment/ Energy Information Administration
EIMS	Environmental Management Services Proprietary Limited
EISs	Environmental Impact Statements
EMP	Environmental Management Plan/Programme
EMPR	Environmental Management Programme Report
EMRP	Equity Market Risk Premium
EPA	EPA Technical Services Proprietary Limited
ESIA	Environmental and Social Impact Assessment

Abbreviation/term	Explanation
EU	European Union
E/V	Proportion of company funded by equity
FA	Forest Act
FGSSA	Fellow of the Geological Society of South Africa
FOB	Free on board
FOT	Free on truck
FR	Forest Regulations
Fraser Alexander	Fraser Alexander Proprietary Limited
FSAIMM	Fellow of the South African Institute for Mining and Metallurgy
GDP	Gross domestic product
GJ	Giga Joule
GN	Government Notice
GNR	Government Notice Regulations
GPS	Global Positioning System
GSSA	Geological Society of South Africa
GTIS	Gross Tons In situ
ha	Hectare
HAS	Hazardous Substances Act
HDP	High Density Polyethylene
HDSAs	Historically disadvantaged South Africans
Homeland	Homeland Energy Group Limited
IAASB	Internal Auditing and Assurance Standards Board
I&AP	Interested and Affected Parties
IDP2	Inverse Distance to the Power of 2
IFRS	International Financial Reporting Standards
Inspectorate M&L	Inspectorate M & L Proprietary Limited
IRR	Internal Rate of Return
ISO	International Organization for Standardization
IWUL	Integrated Water Use Licence
IWWMP	Integrated Waste and Water Management Plan
JORC	Joint Ore Reserves Committee
JSE	Johannesburg Stock Exchange Limited
Kd	Cost of Debt
Ke	Cost of Equity Capital
kg	Kilogram
km	Kilometre
kV	kilo Volt
LOM	Life of mine
LSE	London Stock Exchange
m	Metre/million
m ²	Square metres
m ³	Cubic metre
MA	Mining Area
MAusIMM	Member of the Australian Institute of Mining and Metallurgy
MDEDET	Mpumalanga Department of Economic Development Environment and Tourism
MEWA	Ministry of Environment, Wildlife and Tourism
MGSSA	Member of the Geological Society of South Africa
MHSA	Mine Health and Safety Act
MIA	Mine Infrastructure Area
Min Eng	Mining Engineer
Mining Charter	Broad-based Socio-Economic Charter for the South African Mining Industry
mm	Millimetre

Abbreviation/term	Explanation
Mm ³	Million cubic metres
MMA	Mines and Minerals Act
MMAO	Mines and Minerals Act Order
MOA	Memorandum of Understanding
MPRDA	South African Minerals and Petroleum Resources Development Act
MPRRA	Minerals and Petroleum Resources Royalty Act
MQWMA	Mines, Quarries, Works and Machinery Act
MR	Mining Right
MSAIMM	Member of the South African Institute for Mining and Metallurgy
MSc	Masters degree in Science
Mt	Million tonnes
Mtpa	Million tonnes per annum
N/A	Not applicable
NEMA	National Environmental Management Act
NEM:AQA	National Environmental Management: Air Quality Act
NEMBA	National Environmental Management Biodiversity Act
NEM:PAA	National Environmental Management: Protected Areas Act
NEM:WA	National Environmental Management: Waste Act
NFA	National Forests Act
NHRA	National Heritage Resources Act
NMRA	National Monuments and Relics Act
MR	Mining Right
PR	Prospecting Right
NPV	Net Present Value
NWA	National Water Act
Opex	Operating expenditure
PL	Prospecting Licence
PM ₁₀	Particulate Matter
PPP	Purchasing Power Parity
PrSciNat	Professional Natural Scientist
Ptn	Portion
Q	Quarter
R 186	South African government bond
RD	Relative density
RE	Remaining extent
ROM	Run of mine
ROPO	Recognised Overseas Professional Organisation
Rm	The expected return on the market portfolio
R/P Ratio	The reserves to production ratio. This ratio provides an indication of how long coal reserves in a particular country will last.
SABS	South African Bureau of Standards
SACU	Southern African Customs Union
SADC	Southern African Development Community
SAHRA	South African Heritage Resources Agency
SAIMM	South African Institute for Mining and Metallurgy
SAMREC	South African Code for Reporting of Mineral Resources and Mineral Reserves
SAMVAL	The South African Code for the Reporting of Mineral Asset Valuation
SANAS	South African National Accreditation System
SANBI	South African National Biodiversity Institute
SHE	Safety, Health and Environment
SIB	Stay in business
SLP	Social and Labour Plan
SWMP	Storm Water Management Plan
t	Tonnes

Abbreviation/term	Explanation
tc	Corporate Tax Rate
TCLEC	Transvaal Consolidated Land and Exploration Company Limited
ToR	Terms of Reference
TRC	Tactical Risk Control Proprietary Limited
TS	Total Sulphur
TFR	Transnet
TTIS	Total tonnes in situ
US	United States
USBM	US Bureau of Mines
USD	United States Dollar
$\mu 1$	Sensitivity towards a particular factor
VALMIN	The Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports 2005
Venmyn Deloitte	Venmyn Deloitte Proprietary Limited
WA	Water Act
WMA	Waste Management Act
WUL	Water Use Licence
WULA	Water Use Licence Application
WWA	Waterworks Act
x1	Maximum estimated contributor to α for the factor listed
ZAR	South African Rand
ZARm	Million South African Rands

APPENDIX 3: SUMMARY OF THE DRILLING CAMPAIGN

Cluster	BHID	Intersection depth (m)		Intersection width (m)		BH recovery %	EOH m
		MR reef	UG2 reef	MR reef	UG2 reef		
Northern	BAU040	1 792,30	2 172,85	3,93	1,35	99,67	2 216,52
	BAU041	2 141,30	2 514,50	1,22	1.33*	98,27	2 554,14
	BAU042	1 969,95	2 362,63	1,22	1,35		2 364,77
Central	BAU022	2 340,00	**	1,08	**		2 437,00
	BAU023	2 145,00	2 337,00	*	1,09		2 364,77
	BAU024	2 555,00	**	1,23	**		2 606,00
Southern	BAU002	1 578,50	**	2,60	**		1 583,70**
	BAU004	1 611,29	-	0,98	-		1 955,24
	BAU006	1 572,24	1 934,36	1,05	1,35	99,73	1 956,00
	BAU012	1 595,82	1 927,82	1,05	1,35	98,23	1 939,20

Poorly defined intersection

** Hole abandoned after UG2 Intersection

- No intersection

APPENDIX 4: SELECTION OF ASSAY RESULTS

Elements units	Drillhole	From	To	Thickness m	Au ppb	Co ppm	Cr ppm	Cu ppm	Ni ppm	Os ppb	Pd ppb	Pd-Rp1 ppb	Pt ppb	Pt-rp1 ppb	Rh ppb	Ru ppb	SG NONE
Detection limit	BAU 002 (mother)				5	1	5	1	1	2	2	1	2	1	1	2	0,01
Analysis method					NIS/MS	AT/OES	AT/OES	AT/OES	AT/OES	NIS/MS	NIS/MS	FA25/MS	NIS/MS	FA25/MS	NIS/MS	NIS/MS	/GPGON
Sample numbers																	
21143		1 577,7	1 577,8	0,1	16	12	61	132	187	X	4		12		X	4	2,62
21144		1 577,8	1 577,9	0,1	261	106	13 772	1 121	3 147	X	109		196		8	17	2,96
21145		1 577,9	1 578,0	0,1	265	167	3 038	1 605	4 631	4	136		252		14	27	2,9
21146		1 578,0	1 578,1	0,1	142	112	2 984	843	2 562	2	142		209		13	21	2,95
21147		1 578,1	1 578,2	0,1	98	81	2 507	702	1 538	4	153		369		66	36	2,94
21148		1 578,2	1 578,3	0,1	102	92	2 657	747	1 757	X	57		103		6	12	3
21149		1 578,3	1 578,4	0,1	126	111	2 317	837	2 063	6	220		358		20	43	3,16
21150		1 578,4	1 578,5	0,1	170	120	2 313	964	2 488	5	164		277		14	35	3,15
21151		1 578,5	1 578,6	0,1	136	106	1 642	942	2 200	4	93		183		11	27	3,15
21152		1 578,6	1 578,7	0,1	158	114	1 362	1 103	2 274	11	273		452		34	83	3,28
21153		1 578,7	1 578,8	0,1	311	120	14 144	1 368	2 542	78	1 210		6 185		310	587	3,26
21154		1 578,8	1 578,9	0,1	394	122	2 660	1 431	3 008	53	1 821		3 154		162	350	3,28
21155		1 578,9	1 578,0	0,1	1121	149	3 220	1 989	4 831	73	3 744	3 872	5 757	5 691	259	514	3,25
21156		1 579,0	1 579,1	0,1	753	141	3 778	1 529	4 142	69	2 893	2 925	4 376	4 082	217	477	3,25
21157		1 579,1	1 579,2	0,1	422	105	2 187	1 230	2 395	35	1 557		2 473		109	243	3,32
21158		1 579,2	1 579,3	0,1	360	118	2 206	1 086	2 551	47	1 710		2 328		137	322	3,32
21159		1 579,3	1 579,4	0,1	363	131	2 550	1 331	3 632	74	2 613		3 895		222	502	3,35
21160		1 579,4	1 579,5	0,1	166	90	1 644	241	1 032	6	258		355		20	51	3,32
21161		1 579,5	1 579,6	0,1	247	119	1 491	812	2 678	48	1 969		2 450		137	338	3,26
21162		1 579,6	1 579,7	0,1	803	131	1 660	1 242	3 217	51	2 903	2 955	4 207	4 282	162	339	3,31
21153 – 21162 average		1 578,7	1 579,7	1	494	123	3 554	1 226	3 003	53	2 068		3 518		174	372	3,29
21153 – 21162 g/ tonne		1 578,7	1 579,7	1	0,49					0,05	2,07		3,52		0,17	0,37	3,29

Elements units	Drillhole	From m	To m	Au ppb	Co ppm	Cr ppm	Ni ppm	Pd ppb	Pt ppb	Rh ppb	SG NONE	Au+Pd+Pt+Rh ppm
Detection limit	Bau 004 plus Deflection 1,2,3			5	1	5	1	2	2	1	0,01	
Method				NIS/MS	AT/OES	AT/OES	AT/OES	NIS/MS	NIS/MS	NIS/MS	/GPCN	
Sample numbers												
21041		1 611,1	1 611,2	0,1	46	688	753	21		2	2,99	X
21042		1 611,2	1 611,3	0,09	108	1 669	2 219	50		4	3,33	90,08
21043		1 611,3	1 611,4	0,1	113	1 677	2 665	68		6	3,30	98,07
21044		1 611,4	1 611,5	0,1	174	17 248	6 919	3 026		290	3,36	105,7
21045		1 611,5	1 611,6	0,1	128	4 999	3 756	1 047		101	3,28	87,96
21046		1 611,6	1 611,7	0,1	108	1 662	2 298	240		24	3,28	120,98
21047		1 611,7	1 611,8	0,1	118	2 722	3 612	1 588		146	3,22	103,16
21048		1 611,8	1 611,9	0,1	128	2 616	4 182	2 274		182	3,28	109,92
21049		1 611,9	1 612,0	0,1	114	2 313	3 599	2 800	3 701	168	3,17	116,02
21050		1 612,0	1 612,1	0,1	97	2 424	1 886	6 699	4 986	197	3,24	99,63
21051		1 612,1	1 612,2	0,1	132	1 680	3 416	3 704	8 778	305	3,33	123,92
21052		1 612,2	1 612,3	0,1	121	1 493	2 259	3 108		151	3,29	107,49
21053		1 612,3	1 612,4	0,1	83	1 593	785	132		11	3,25	112,17
Total (21043-53)				1,1	1316	40 427	35 377	24 686		1 581	42,32	
Average (ppm)					120	3 675	3 216	2		0	3,27	
Total (21044-53)				1,0	1203	38 750	32 712	24 618		1 575	32,70	
Average (ppm)					120	3 875	3 271	2		0	3,27	
Total (21044-52)				0,9	1120	37 157	31 927	24 486		1 564	29,45	
Average (ppm)					1244	4 129	3 547	3		0	3,27	
21054		1 612,4	1 612,5	0,1	78	2 153	681	92		8	3,25	86,62
21055		1 612,5	1 612,6	0,1	82	2 171	652	19		4	3,17	103,6
21056		1 612,6	1 612,7	0,1	78	2 194	614	15		3	3,24	113,02
21057		1 612,7	1 612,8	0,1	82	2 095	653	20		5	3,25	112,68
21058		1 612,8	1 612,9	0,1	79	1 830	613	14		6	3,24	106,18
21059		1 612,9	1 613,0	0,1	80	2 849	593	10		7	3,26	76,25
21060		1 613,0	1 613,1	0,1	77	2 520	591	19		6	3,14	79,31
21061		1 613,1	1 613,2	0,1	75	2 485	582	11		7	3,23	96,39
21062		1 613,2	1 613,3	0,1	76	1 979	576	15		8	3,24	66,66
21063		1 613,3	1 613,4	0,1	80	3 690	571	17		10	3,25	104,31
21064		1 613,4	1 613,5	0,1	86	4 835	610	23		15	3,29	102,54
21065		1 613,5	1 613,6	0,1	82	1 974	573	41		27	3,16	92,89

Elements units	Drillhole	From m	To m	Au ppb	Co ppm	Cr ppm	Ni ppm	Pd ppb	Pt ppb	Rh ppb	SG NONE	Au+Pd+Pt+Rh ppm
Detection limit	Bau 004 plus Deflection 1,2,3			5	1	5	1	2	2	1	0,01	
Method				NIS/MS	AT/OES	AT/OES	AT/OES	NIS/MS	NIS/MS	NIS/MS	/GPCN	
Sample numbers												
21066		1 613,6	1 613,7	0,1	72	3 527	551	770		439	3,18	85,92
21067		1 613,7	1 613,8	0,1	82	1 127	629	334		313	3,26	98,37
21068		1 613,8	1 614,0	0,2	80	978	591	29		8	3,28	402,02
21069		1 614,0	1 614,2	0,2	87	1 241	632	11		6	3,32	401,63
21070		1 614,2	1 614,4	0,2	86	1 010	628	8		1	3,16	410,19
21071		1 614,4	1 614,6	0,2	74	829	551	6		1	3,24	397,39
21072		1 614,6	1 614,8	0,2	80	714	591	5		X	3,27	397,13
21073		1 614,8	1 615,0	0,2	80	799	570	5		X	3,24	395,65
21074		1 615,0	1 615,2	0,2	78	936	565	4		X	3,26	373,62
21075		1 611,1	1 611,2	0,1	52	681	814	19		2	2,98	60,3
21076		1 611,2	1 611,3	0,1	110	1 836	2 192	52		5	3,28	102,75
21077		1 611,3	1 611,4	0,1	106	1 514	2 401	54		5	3,28	128,14
21078		1 611,4	1 611,5	0,1	105	1 523	2 223	82		10	3,29	84,53
21079		1 611,5	1 611,6	0,1	90	1 948	1 003	61		4	3,29	108,5
21080		1 611,6	1 611,7	0,1	108	12 171	2 540	907		174	3,19	89,68
21081		1 611,7	1 611,8	0,1	147	2 125	5 709	3 038		235	3,31	108,3
21082		1 611,8	1 611,9	0,1	142	1 877	5 315	2 970		216	3,29	95,52
21083		1 611,9	1 612,0	0,1	80	1 887	1 043	2 417		176	3,22	67,1
21084		1 612,0	1 612,1	0,1	87	1 740	897	147		21	3,27	95,22
21085		1 612,1	1 612,2	0,1	84	1 524	887	88		7	3,20	99,86
Total (21075-85)				1,10	1111	28 826	25 024	9 835		855	35,60	
Average (ppm)					101	2 621	2 275	1		0	3,24	
Total (21076-85)				1,00	1059	28 145	24 210	9 816		853	32,62	
Average (ppm)					106	2 815	2 421	1		0	3,26	
Total (21077-85)				0,90	949	26 309	22 018	9 764		848	29,34	
Average (ppm)					105	2 923	2 446	1		0	3,26	
Total (21077-84)				0,80	865	24 785	21 131	9 676		841	26,14	
Average (ppm)					108	3 098	2 641	1		0	3,27	
21086		1 612,2	1 612,3	0,1	83	1 936	717	21		3	3,29	66,87
21087		1 612,3	1 612,4	0,1	83	1 329	674	14		4	3,26	87,17
21088		1 612,4	1 612,5	0,1	75	1 292	603	7		3	3,22	81,59

Elements units	Drillhole	From m	To m	Au ppb	Co ppm	Cr ppm	Ni ppm	Pd ppb	Pt ppb	Rh ppb	SG NONE	Au+Pd+Pt+Rh ppm
Detection limit	Bau 004 plus Deflection 1,2,3			5	1	5	1	2	2	1	0,01	
Method				NIS/MS	AT/OES	AT/OES	AT/OES	NIS/MS	NIS/MS	NIS/MS	/GPCN	
Sample numbers												
21089		1 612,5	1 612,6	0,1	76	1 633	619	9		5	3,26	87,87
21090		1 612,6	1 612,7	0,1	77	1 516	606	7		4	3,13	85,82
21091		1 612,7	1 612,8	0,1	76	1 563	592	14		11	3,23	105,84
21092		1 612,8	1 612,9	0,1	75	2 474	580	9		6	3,24	103,1
21093		1 612,9	1 613,0	0,1	81	3 100	606	8		9	3,27	96,38
21094		1 613,0	1 613,1	0,1	76	2 855	597	33		10	3,24	82,13
21095		1 613,1	1 613,2	0,1	76	2 666	573	15		8	3,25	98,94
21096		1 613,2	1 613,3	0,1	86	3 474	642	18		8	3,32	110,88
21097		1 613,3	1 613,4	0,1	76	2 891	595	28		14	3,25	80,52
21098		1 613,4	1 613,5	0,1	76	1 725	618	26		15	3,22	77,04
21099		1 613,5	1 613,6	0,1	76	1 399	719	165		27	3,28	111,85
21100		1 613,6	1 613,7	0,1	120	1 929	2 285	2 513	8 361	748	3,27	85,63
21101		1 613,7	1 613,8	0,1	86	1 296	687	115		38	3,31	99,14
21102		1 613,8	1 614,0	0,2	86	1 012	653	44		10	3,29	386,19
21103		1 614,0	1 614,2	0,2	76	869	578	9		X	3,11	401,27
21104		1 614,2	1 614,4	0,2	75	843	560	9		2	3,24	400,34
21105		1 614,4	1 614,6	0,2	81	771	578	10		1	3,17	399,59
21106		1 614,6	1 614,8	0,2	79	480	562	8		X	3,26	398,21
21107		1 614,8	1 615,0	0,2	79	849	560	8		X	3,25	376,63
21108		1 615,0	1 615,2	0,2	79	661	557	6		X	3,23	359,1
21109		1 611,2	1 611,3	0,1	51	639	974	60			3,03	56,52
21110		1 611,3	1 611,4	0,115	112	1 505	2 376	177		6	3,20	132,57
21111		1 611,4	1 611,5	0,11	112	1 378	2 910	301		19	3,27	117,61
21112		1 611,5	1 611,6	0,1	110	1 569	2 843	428		28	3,26	81,98
21113		1 611,6	1 611,7	0,1	83	1 372	1 183	234		44	3,25	98,37
21114		1 611,7	1 611,8	0,1	112	10 778	2 938	1 281		24	3,31	106,28
21115		1 611,8	1 611,9	0,1	113	2 145	3 148	1 443		260	3,26	106,58
21116		1 611,9	1 612,0	0,1	110	1 684	2 805	1 532		136	3,29	102,02
21117		1 612,0	1 612,1	0,1	55	1 529	643	1 225	3 005	154	3,26	X

Elements units	Drillhole	From m	To m	Au ppb	Co ppm	Cr ppm	Ni ppm	Pd ppb	Pt ppb	Rh ppb	SG NONE	Au+Pd+Pt+Rh ppm
Detection limit	Bau.004 plus Deflection 1,2,3			5	1	5	1	2	2	1	0,01	
Method				NIS/MS	AT/OES	AT/OES	AT/OES	NIS/MS	NIS/MS	NIS/MS	/GPCN	
Sample numbers												
21118		1 612,1	1 612,2	0,1	78	2 059	928	483		14	3,28	100,43
21119		1 612,2	1 612,3	0,1	85	1 612	851	121		8	3,26	118,29
Total (21110-119)				1,025	970	64 833		7 225				
Average					0,09	6 325	20 625	1				
Total (21110-118)				0,925	885	24 019	0	7 104				
Average					0,10	2 597		1				
Total (21111-118)				0,81	773	22 514		6 927				
Average					0,10	2 780		1				
Total (21112-118)				0,7	661	21 136		6 626				
Average					0,09	3 019		1				
Total (21113-118)				0,6	551	19 567		6 198				
Average					0,09	3 261		1				
Total (21114-118)				0,5	468	18 195		5 964				
Average					0,09	3 639		1				
21120		1 612,32	1 612,42	0,1	88	1 840	847	82		0	3,29	88,34
21121		1 612,42	1 612,52	0,1	83	1 661	704	24		5	3,24	87,96
21122		1 612,52	1 612,62	0,1	84	2 012	697	17		4	3,30	101,09
21123		1 612,62	1 612,72	0,1	87	1 889	708	15		5	3,33	112,07
21124		1 612,72	1 612,82	0,1	78	1 617	661	25		7	3,24	93,96
21125		1 612,82	1 612,92	0,1	76	1 642	601	12		14	3,26	110,5
21126		1 612,92	1 613,02	0,1	76	1 338	623	17		6	3,17	83,53
21127		1 613,02	1 613,12	0,1	78	2 343	583	11		5	3,26	84,71
21128		1 613,12	1 613,22	0,1	81	1 907	639	14		6	3,25	87,14
21129		1 613,22	1 613,32	0,1	77	2 559	608	11		7	3,25	91,8
21130		1 613,32	1 613,42	0,1	77	2 326	601	9		8	3,23	90,15
21131		1 613,42	1 613,52	0,1	78	3 170	592	11		8	3,23	101,85
21132		1 613,52	1 613,62	0,1	78	2 003	626	28		10	3,23	95,26
21133		1 613,62	1 613,72	0,1	81	1 500	662	43		14	3,26	104,38
21134		1 613,72	1 613,82	0,1	92	2 609	1 556	1 872	7 957	20	3,26	103,65

Elements units	Drillhole	From m	To m	Au ppb	Co ppm	Cr ppm	Ni ppm	Pd ppb	Pt ppb	Rh ppb	SG NONE	Au+Pd+Pt+Rh ppm
Detection limit	Bau 004 plus Deflection 1,2,3			5	1	5	1	2	2	1	0,01	
Method				NIS/MS	AT/OES	AT/OES	AT/OES	NIS/MS	NIS/MS	NIS/MS	/GPYCN	
Sample numbers												
21135		1 613,82	1 613,92	0,1	100	1 450	1 824	1 547			3,30	117,01
21136		1 613,92	1 614,12	0,2	81	1 501	633	47			3,23	172,62
21137		1 614,12	1 614,32	0,2	86	1 328	653	29		9	3,31	148,99
21138		1 614,32	1 614,52	0,2	77	950	577	8		6	3,25	414,08
21139		1 614,52	1 614,72	0,2	74	769	553	7		X	3,25	408,97
21140		1 614,72	1 614,92	0,2	84	894	609	18		X	3,29	434,37
21141		1 614,92	1 615,12	0,2	75	858	552	6			3,23	402,35

APPENDIX 5: CERTIFICATES OF COMPETENT PERSONS SR11A(i); SV2.13; SV2.14

Name of staff: Andrew Neil Clay
Position: Managing Director, Minerals Industry Advisor, Competent Person and Competent Valuator
Name of firm: Venmyn Deloitte, a subsidiary of Deloitte Consulting South Africa Proprietary Limited
Address: 1st Floor, Building 33, The Woodlands Office Park, 20 Woodlands Drive, Woodmead
Profession: Geologist
Date of birth: 16 April 1955
Years with firm/entity: 27
Nationality: British

MEMBERSHIP IN PROFESSIONAL SOCIETIES

Class	Professional society	Year of registration
Member	Canadian Institute of Mining, Metallurgy and Petroleum	2006
Adviser	JSE Limited Listings Advisory Committee	2005
Adviser	JSE Issuer Services	2008
Member	JSE Issuer Mining Sub-committee	2009
Associate member	American Association of Petroleum Geologists	2005
Member	South African Institute of Directors	2004
Fellow	Geological Society of South Africa	2003
Member	American Institute of Mineral Appraisers	2002
Member	South African Institute of Mining and Metallurgy	1998
Fellow	Australasian Institute of Mining and Metallurgy	1994
Member	Natural Scientist Institute of South Africa	1988
Member	Investment Analysts Society of South Africa	1990
Member	Society of Petroleum Engineers	2009
Member	Project Management Institute	2011
Expert	Hong Kong Stock Exchange	2012

INVOLVEMENT IN CODE WRITING

Position	Professional code	Date of involvement
Chairman	South African Oil and Gas Committee (SSC)	2011 – present
Member	South African (SAICA) extractive industries deliberations	2003 – present
Member	International Minerals Valuation Code (IMVAL)	2012 – present
Representative	Investment Analysts Society on the SSC (IAS)	2009 – present
Initiator	SAMREC/AS Award	2002 – present
Adviser	JSE Listing Requirements (Section 3 Ongoing obligations)	2002 – present
Working Group member	SAMREC Code (Oil and Gas)	2005 – present
Working Group member	SAMVAL Code	2001 – present
Working Group member	SAMREC Code (Re-write Sections 1 – 5)	2005 – present
Working Group member	SAMREC Code (Re-write)	2003 – present
Working Group member	SAMREC Code (First version)	1996 – 2001

Mr Clay currently has a special interest in incorporating oil and gas reporting procedures into the general application of mineral asset valuation.

INVOLVEMENT IN FUND MANAGEMENT

Position	Fund	Date of involvement
Member of Investment and Audit Committee	New Africa Mining Fund (NAMF)	2007 – 2012
Director	Strategic African Mineral Investment Fund (SAMI)	2008 – 2012

FAIRNESS OPINIONS

Year	Client	Securities exchange jurisdiction	Transaction type	Implied value (USDm)	Description
2013	Platinum Australia	ASX	Scheme of arrangement	50	Independent Technical Expert Report
2011	Optimum Coal	JSE	The specific offer of ZAR38,00 in cash per ordinary share by an external party		Independent Professional Expert Report
2011	Chrometco	JSE	Acquisition of an Interest in Line-Chem	66,6	Independent Professional Expert Report
2011	Wesizwe	JSE	Financing Solution for the development of Wesizwe's Project 2	227	Independent Professional Expert Report
2010	Sylvania	ASX	Issuing new ordinary shares	34	Independent Professional Expert Report
2009	Chrometco	JSE	Acquisition of interest	8,3	Independent Professional Expert Report
2009	Metorex	JSE	Disposal of 6,3% interest	5,7	Independent Professional Expert Report
2009	Braemore Resources	JSE	Acquisition of interest	36,3	Independent Professional Expert Report
2007	Diamondcore/BRC	JSE	Acquisition	50	Independent F&R for Diamondcore
2006	LionOre International	TSX	Acquisition notification documentation	650	Independent Technical and Valuation Fatal Flaws Report and F&R opinion for the Board of LionOre. Not published as an F&R
2005	Diamond Core	JSE	Category I Merger	10,0	Independent CPR on the mineral assets of Samadi Resources SA Proprietary Limited and Diamond Core Resources Limited
2005	LionOre International	TSX	Acquisition notification documentation	110,0	Tati Nickel Review of Mineral Resources.
2005	Aquarius	JSE	26% BEE	150,0	Independent Techno-Economic Valuation and Fair and Reasonable Opinion on the PIC, IDC, DBSA 26% Empowerment Transaction. Documents waived for the secondary listing
2004	Barplats	JSE	Offer to Barplats minorities	60,0	Offer by Platinum Consortium to take out Implats. The SRP insisted our report be prepared in full. In the end Investec wrote the Fair and Reasonable but was fully reliant upon the Venmyn work as demonstrated in the circular
2004	Zimplats	ASX	Collapse of the Makwiro Structure for shares to Implats	38,0	Fair value calculation in a corporate restructure
2003	Amplats	JSE	Acquisition price calculation for Unki Platinum	Confidential	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document not used as the transaction became immaterial for reporting purposes
2003	Aquarius Platinum (South Africa) Proprietary Limited	ASX	Opinion on the value of a Refinery Agreement	10,0	Fair and Reasonable Opinions for Aquarius Platinum for the Impala Refinery Commitments
2002	Consolidated African Mines Limited.	JSE	CAM acquired 40% of the Letseng diamond mine for CAM shares	10,0	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document used in full
2002	Zimplats	ASX	Implats acquired a controlling interest in Zimplats by acquiring Aurion Gold shares	50,0	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document used in full
2002	Aquarius	ASX	Aquarius acquired 65% in ZCE Platinum Limited	50,0	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document used in full

Year	Client	Securities exchange jurisdiction	Transaction type	Implied value (USDm)	Description
2000	DiamondWorks	TSX	Lyndhurst a South African company takes control of Canadian junior Diamondworks	20,0	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document used in full and special representation required in Toronto to explain the transaction and the assets
1999	New Mining Corporation	JSE	Listing and acquisition documentation	50,0	Complicated transaction and full Independent Techno-Economic Valuation prepared with Fair and Reasonable Opinion included in our report. This satisfied the JSE and the SRP
1996	West Witwatersrand Gold Holdings Limited	JSE	Section 440k Offer	20,0	Independent Competent Persons Report on the Offer by Durban Deep to West Wits under Section 440k. Document included in circulars to both shareholders. Our Fair and Reasonable Opinion was specifically requested by the SRP

DETAILED TASKS ASSIGNED

Year	Client	Commodity	Documentation
2013	Busitema/Greenstone Mining	Gold	Resource Review
2013	Sylvania Grasvally	Chrome	Valuation
2013	Resource Generation	Coal	Technical Review
2013	Great Western Minerals Steenkampskraal	Rare earths	PFS
2013	Taung Gold/Ncondezi	Gold	Technical Review
2013	Xceed/Keaton Energy	Coal	Resource Review
2013	Rand Refinery/Deloitte Audit	Gold	Audit
2013	TRX Buckreef Remodelling	Gold	3D Model
2013	Bauba	Chrome	Valuation
2013	Memor	Chrome	Cash flow
2013	Forrest Oil	Oil and gas	Valuation
2013	Glencor Xstrata	Ferrochrome	Audit
2013	Eureka	Gold	Technical Statement
2013	Aura	Coal	Exploration
2013	Nkwe	PGE	Technical Review
2013	Lesego Broadtec Beijing	PGE	Due diligence
2013	Zyl Sentula	Coal	Valuation
2013	Samancor CITIC	Chrome	Valuation
2013	Jubilee Platinum	Platinum	Valuation
2013	Gold One Tulo Gold	Gold	Valuation
2013	Eureka Delta Gold	Gold	Technical Statement
2013	Exxaro	Iron	Valuation
2013	Deloitte Grindrod	Manganese	Audit
2013	Aquarius	PGE	Review
2012	Banro Lugushwa	Gold	Technical Review
2012	Araxa	Rare earths	NI 43 – 101
2012	Bauba	Platinum	Technical and Economic Assessment
2012	IFC Mining		Technical and Economic Assessment
2012	Central Rand Gold	Gold	CPR
2012	Lanxess	Chrome	Technical and Economic Assessment
2012	Loncor Ngayu	Gold	Mineral Resource Valuation
2012	Loncor Makapela/Mangajuripa	Gold	Mineral Resource Valuation
2012	Pering Listing Hong Kong	Zinc lead/base metals	CPR
2012	Stonebridge Hanieal Mozambique	Gold	Corporate advice and project setup

Year	Client	Commodity	Documentation
2012	Stonebridge Zim Gold	Gold	Corporate advice and project setup
2012	Terra Nova Manica Investment	Gold	Technical and Corporate Valuation
2012	PSIL Arbitration		Expert Witness
2012	AngloCoal	Coal	Valuation
2012	Virgil Mining	Gold	Technical Report
2012	Sikhuliso Harmony Dumps	Gold	Corporate Transaction Advice
2012	Smart Carbon Combrink Coal	Coal	Technical Report and Valuation
2012	Optimum Coal	Coal	Independent Opinion
2012	Wits Gold	Gold	CPR and Valuation
2012	Pan African Resources	Gold	CPR and Valuation
2012	Banro	Gold	Technical Report and Valuation
2012	Harmony Evander	Gold	Full CPR and Valuation
2012	Boynton	PGM	Pre-feasibility Study
2012	Sudor Coal	Coal	Valuation
2012	NMIC	Gold	Technical Report and Valuation
2011	SSC Mandarin	Gold	Independent Corporate and Technical Advisor
2011	Harmony	Gold	CPR
2011	Afrisam	Cement	Independent Valuation
2011	Chromex	Chrome	Hong Kong Listing
2011	Banro	Gold	Independent Technical Statement
2011	Xceed Capital	Coal	Independent Valuation Statement
2011	Chrometco	Chrome	Independent Valuation
2011	Scinta	Coal	Independent Technical Statement and Valuation
2011	Seque Manganese	Manganese	Prospectivity and Scoping Study
2011	Sable	PGE	Prospectivity and Drilling Density CP
2011	Taung	Gold	Hong Kong Listing
2011	Maghreb Minerals	Zinc	CPR
2011	Veremo	Iron	Updated Technical Statement on Veremo
2011	Smart Carbon	Coal	Strategic Advisor
2011	Sephaku	Cement	Technical and Economic Documentation
2011	Axmin	Gold	Technical and Economic Documentation
2011	Absa Vanadium	Vanadium	Vanadium Project Valuation
2011	BCL Dumps	Nickel	Scoping Study
2011	AMRT	Copper/Gold	Scoping Study
2011	Jindal Mining	Coal	Techno-Economic Statement on the Mbili Coal Project
2011	Essar RioZim	Various	Corporate Transaction
2011	SEW Trident	Coal	Transaction and Valuation Planning
2011	PSIL	Uranium	Strategic Valuation
2011	Kibo Mining	Gold/Various	Tanzanian Assets
2011	Moabsvelden Coal	Coal	Technical and Valuation Work
2011	Wesizwe	PGE	Fairness Opinion
2010	Namane	Coal	Technical Assessment
2010	Bauba Platinum	Platinum	Independent Strategic Technical Advisor
2010	Evraz Mapochs		Independent Valuation
2010	African Copper	Copper	Independent Mass Balance and Orebody Fatal Flaws Assessment
2010	Advanced Mineral Recovery Technologies	Gold	Independent Sampling and Mass Balance Report
2010	Xstrata Coal	Coal	Independent Valuation Certificate
2010	Sephaku	Cement	Independent Technical Review
2010	White Water Resources	Gold	Independent Competent Persons' Report
2010	White Water Resources	Gold	Independent Technical Statement
2010	Platmin	Platinum	Independent Techno-Economic Reports and Valuation

Year	Client	Commodity	Documentation
2010	West Wits Mining	Gold	Independent Prospectivity Review
2010	SSC Mandarin	Gold	Independent Corporate and Technical Review
2010	Ultra Tech	Cement	Independent Techno-Economic Statements
2010	Taung	Gold	Independent Technical Review
2010	Taung	Gold	Independent Valuation Statement
2010	Sylvania	PGMs	Independent Technical and Valuation Experts Report
2010	Mzuri Capital	Gold	Independent AIM Compliant Competent Person's Report
2010	Kalagadi	Manganese	Independent High Level Techno-Economic Review
2010	Lesego	Platinum	Independent Techno-Economic Valuation Report
2010	Lesego	Platinum	Independent Executive Summary
2010	G&B Resources	Li	Independent Prospectivity Review
2010	Miranda	Coal	Independent Technical Resource and Valuation Statement
2010	Loncor	Gold	Independent Techno-Economic Valuation Report
2010	Gentor Resources	Copper	Independent Techno-Economic Report
2010	ETA Star	Coal	Independent Valuation Report
2010	AfriSam	Cement	Independent Technical Review
2010	Buildmax	Cement	Independent Short-Form Competent Report
2010	Anglo Platinum	Platinum	Independent Valuation of the PGM Assets
2010	Nyota Minerals	Gold	Independent Inferred Resource Estimate
2010	Absolute Holdings	Platinum	Independent Competent Persons' Report
2010	AfriSam	Cement	Independent Technical Review
2010	African Copper	Copper	Mass Balance and Orebody Fatal Flaws Assessment
2010	Ruukki	Platinum	Short-Form Techno-Economic Statements
2010	Umbono Capital	PGMs	Independent Competent Persons' Report
2010	Anglo Platinum	PGMs	Independent Mineral Asset Valuation
2010	Zambia Copper Investments	Copper	Mineral Asset Valuation
2010	White Water Resources	Gold	Short-Form Valuation Statements
2010	Central African Gold	Gold	NI 43 – 101 Technical Report
2010	Platmin	Platinum	Updated NI 43 – 101 Technical Report
2009	G & B Resources	Uranium	Independent Competent Persons' Report
2009	Kalagadi	Manganese	Independent Techno-Economic Review
2009	Sephaku Cement	Cement	Independent Competent Persons' Report
2009	Metorex	Gold	Independent Fairness Opinion
2009	Kivu Resources	Pegmatites	Independent Prefeasibility Study
2009	Kalagadi Manganese	Manganese	Independent Techno-Economic Review
2009	Taung Gold	Gold	Independent Competent Person's Report
2009	Sylvania Resources	Platinum	Independent Technical and Valuation Expert's Report
2009	Ernst & Young Jordan	Gold	Independent Valuation Report on mineral assets of a Gold Mining Concession in Ethiopia
2009	Dwyka Resources	Gold	Independent Technical Statement on Tulu Kapi Gold Project
2009	G & B African Resources	Pot Ash	Independent Prospectivity Review
2009	Central African Gold	Gold	Information Memorandum in the form of NI 43 – 101 Compliant Technical Statement
2009	Braemore Resources	Platinum	Fairness Opinion
2009	New Dawn	Gold	Independent Technical Statement
2009	Investec	Cement	Independent Technical Review of CILU Cement assets
2009	IBI	Iron ore	Independent Technical Resource Statement
2009	Chrometco	Chrome	Fairness Opinion
2009	Rand Uranium	Uranium	Mineral Resource Review and Modelling
2008	Signet Mining	Coal	Independent Valuation of coal assets
2008	Lesego Platinum	PGMs	Independent Competent Person's Report for JSE Listing
2008	Norilsk Nickel	Nickel	Review of business strategy

Year	Client	Commodity	Documentation
2008	Minero Group	Zinc/Lead	Review of business strategy and Competent Person's Report
2008	Paramount Mining	Diamonds	Independent Technical Statements
2008	Anglo Platinum	PGMs	Independent Technical Report and valuation
2008	Demindex	Diamonds	Review of business strategy and Technical Advice
2008	Investec	Cement	Due Diligence and valuation of Cilu Cement
2008	DGI	Copper/Cobalt	Independent Technical Statements
2008	Abalengani	Platinum	Review of plant and valuation
2008	Absolute Holdings		Quarry valuation
2008	Metorex	Copper/Cobalt	Fairness Opinion
2008	Investec	Cement	Due diligence on Sephaku assets
2008	Kivu Resources	Tantalite	Tantalite strategic planning and valuation
2008	Tantalite Resources	Tantalite	Independent Technical Report
2008	DGI	Copper/Cobalt	Independent Technical Statement and valuation
2008	Uramin	Uranium,	Resource Review and Technical Statements
2008	Harmony Gold Mining	Au, Uranium	Independent Technical Statements and Strategic business plan
2008	Harmony Gold	Uranium	Cooke Dump Resource and Financial Valuation
2008	Harmony Gold	Au Uranium	Reserve and Resource Audit for the group
2008	Nkwe Platinum	PGMs	Independent Technical Statement and Competent Person's Report
2008	Highveld Steel & Vanadium Corporation	Steel, Vanadium	Independent Resource and Reserve planning
2008	African Minerals	Diamonds	Independent Technical Statements
2008	Continental Coal	Coal	Independent Technical Report
2008	Industrial Base Metals	Base Metals	Base Metal Refinery Audit
2007	Crushco	Industrial Minerals	Independent valuation
2007	Kimberley Consolidated Mining	Diamonds	Independent valuation
2007	LionOre Mining	Nickel, PGMs	Technical and economic valuation
2007	PBS Group	PGMs	Project review
2007	Western Areas	Au	Independent valuation
2007	Harmony Gold Mining	Au, Uranium	Independent scoping and valuation
2007	Great Basin Gold	Au	Independent valuation for BEE transaction
2007	BRC/Diamondcore Resources	Diamonds	Valuation and Opinion provider
2007	Urals Investors	Diamonds Au, PGMs and Oil and Gas	Independent Transaction Report
2007	Energem	Diamonds	Independent Technical Statement for Koidu
2007	Xstrata	Cr	Independent CGT and Valuation advice
2007	PWC Magnetite Mine Review	Magnetite	Independent Mineral Resource Review and Valuation for apportionment calculations
2007	Magnum Resources	Ta	Independent Mineral Resource Review
2007	Gaanahoek Coal Deposit	Coal	Prospectivity Review
2007	DRDGold	Au	Emperor Gold Mines independent forensic review
2007	Kimberley Diamonds Corporation	Diamonds	Independent Listings Documentation
2007	Rockwell	Diamonds	Transhex Transaction Documentation
2007	Rockwell	Diamonds	Independent Mineral Resource Review
2007	Caledonia Mining	Au	Independent Disposal Documentation Eersteling
2007	Caledonia Mining	Au	Independent Disposal Documentation Barbrook
2007	Adsani Tantalite Refinery	Ta	Independent Technical Report
2006	LionOre	Ni Base Metals	Independent Valuation of Falconbridge International and Nikkelverk Refinery
2006	LionOre/BCL	Ni Base Metals	Independent Technical and Economic Valuation
2006	Vanamin	V	Independent Report for disposal
2006	Kurils Islands	Au	Independent Technical Report NI43 – 101
2006	Mgart Armenia	Au	Independent Assessment and Valuation for AIM

Year	Client	Commodity	Documentation
2006	Zimbabwe Mining Bill	All	Preparation of industry submission to government
2006	Energem	Oil and Gas	Preparation of National Instrument Compliance
2006	Ncondedzi Coal	Coal	Technical & Corporate Listing Documentation
2006	Metallon International – Armenia	Gold and Base Metals	Prospectivity and Exploration Programme Preparation
2006	Hood Tantalite	Tantalite	Independent Techno Economic Valuation Report
2005	Letseng	Diamonds	Independent Competent Person's Report for disposal
2005	Zimplats Tenements	Platinum Group Metals	Independent Competent Person's Report for disposal
2005	DRD	Gold	Fair and Reasonable
2005	ARM Madikwa	Platinum Group Metals	Independent Valuation for Impairment Calculation
2005	Harmony Competitions Tribunal	Gold	Independent Expert Witness
2005	Eccla Holdings	Bentonite	Independent Industry Review
2005	Harmony Randfontein 4 Shaft	Gold	Independent Valuation
2005	Gallery Gold	Gold	Independent Competent Person's Report for disposal
2005	Stuart Coal	Coal	Independent Competent Person's Report for disposal
2005	Elementis Chrome	Chrome	Independent Industry Review
2005	Diamond Core	Diamonds	Independent Competent Person's Report
2005	Diamond Core	Diamonds	Fair and Reasonable Statement
2005	Kensington Resources	Diamonds	Independent Inspection & Certification of Laboratory
2005	Bayer Valuation	Chrome	Independent Valuation for Economic Empowerment Transaction
2005	Pangea Diamonds	Diamonds	Independent Competent Person's Report
2005	LionOre International	Nickel	Tati Nickel Review of Mineral Resources.
	Aquarius PSA2		Independent Competent Person's Report
2005	Aquarius	Platinum	Marikana Mineral Resources Review.
2005	LionOre International	Nickel	Nkomati Due Diligence and Transaction Value Calculations.
2005	LionOre International	Nickel	World Nickel market study for group corporate work.
2004	Avgold Limited	Gold	Fair and Reasonable Opinion on the Methodologies applied and Values attributed to the Mineral Assets of ET Cons
2004	Aquarius	Platinum	Update of Independent Valuation of Mimosa
2004	Aquarius	Platinum	Independent Techno-Economic Report and Fair and Reasonable Opinion to the PIC, DBSA and IDC on the 26% BEE Transaction for AQPSA – Document waived by the JSE.
2004	Mimosa Mining Company	Platinum	Mineral Resource and Ore Reserve Review
2004	Zimplats	Platinum	Zimplats Makwiro Valuation and Corporate Restructuring
2004	Assmang	Manganese	CGT Valuation
2004	Aquarius	Platinum	CGT Valuation
2004	Sishen South	Iron	CGT Valuation
2003	Unki Platinum Project	Platinum	CGT Valuation
2003	Hernic Ferrochrome Proprietary Limited, Itochu Corporation	Chromite	Independent valuation of the Stellite Chromite Mine Joint Venture.
2003	African Diamond Holdings Proprietary Limited	Diamonds	Independent Techno-Economic Due Diligence and Valuation of African Diamond Holdings Marine Diamond Concessions and Diamond Cutting Operation in Walvis Bay, Namibia.
2003	Unki Platinum Project, Zimbabwe	Platinum	Techno-Economic Valuation Report and Fair and Reasonable Opinion
2003	Transvaal Ferrochrome Limited	Ferrochrome	Independent Competent Person's Report and Valuation as a bankable Document for Australian Stock Exchange
2003	Aquarius Platinum (SA) Proprietary Limited	Platinum	Independent Competent Person's Report and Valuation for the Everest South Project
2002	Zimbabwe Platinum Mines Limited	Platinum	Independent valuation of Zimplats relative to the value of the Impala Platinum Limited/AurionGold Limited transaction.
2002	Mitsubishi Corporation	Ferrochrome	Expansion Report and Valuation on Hernic Ferrochrome Proprietary Limited.

Year	Client	Commodity	Documentation
2002	Aquarius Platinum Limited	Platinum	Acquisition Report on ZCE Platinum Limited including the due diligence and valuation of Mimosa Mine in Zimbabwe.
2002	Freddev	Gold	Valuation of Mineral Rights & Royalties
2002	Barnex	Gold	Valuation of Mineral Rights & Royalties
2002	Western Areas	Gold	WA4 Project: Valuation of Mineral Rights & Royalty Agreement
2002	Mitsubishi	Ferrochrome	Expansion report and valuation
2002	Aquarius	Platinum	Acquisition Report
2001	Northam	Platinum	Valuation
2001	Mitsubishi Corporation	Ferrochrome	Due Diligence, Valuation and Acquisition Report
2001	Amcol Due Diligence	Bentonite	Independent due diligence and valuation on G&W
2001	Zimplats Impala Raising	Platinum	Circular to shareholders valuation report
2000	African Minerals	Varied	Independent Competent Person's Report
2000	Barnato Exploration Limited	Varied	Competent Person's Report
2000	Durban Deep	Gold	Independent valuation report
2000	Iskor Limited	Varied	Independent valuation of exploration assets
1999	Harmony Gold Mining Co Limited	Gold	Harmony/Kalgold/West Rand Cons
1999	Leighton Contractors	Tin	Pre-feasibility study Pemali Tin (Indonesia)
1999	Mitsubishi	Ferro-Chrome	Techno-Economic Valuation of Hemic Chrome
1998	Barnex Limited	Wits Gold	Due diligence
1998	Camco	Diamonds	Independent Competent Person's Report and valuation
1998	Crown Mines and DRD	Wits Gold	Valuation
1998	Egyptian Government	Phosphate	Due diligence and valuation
1998	Great Fitzroy Mines	Copper	Competent Person's Report and valuation
1998	Iskor Mining	Greenstone Gold	Due diligence and valuation
1998	JCI Limited	Wits Gold	Competent Person's Report
1998	Randgold and Exploration Co Limited	Gold	Competent Person's Report
1998	Western Areas	Wits Gold	Competent Person's Report
1997	CBR Mining	Coal	Due diligence
1997	Durban Roodepoort Deep Limited	Wits Gold	Competent Person's Report
1997	G&W Base	Bentonite	Due diligence
1997	JCI Limited	Wits Gold	Competent Person's Report
1997	Opaline Gold	Greenstone Gold	Competent Person's Report
1997	Penumbra	Coal	Due diligence
1997	Randgold & Exploration Co Limited	Greenstone Gold	Competent Person's Report
1997	Rondebult Colliery	Coal	Due diligence
1996	African Mining Corporation*	Alluvial Gold	Project valuation
1996	Australian Platinum Mines NL	Platinum	Due diligence
1996	Benoni Gold Holdings Limited	Wits Gold	Competent Person's Report
1996	Consolidated Metallurgical Industries	Ferrochrome	Competent Person's Report and valuation
1996	Durban Roodepoort Deep Limited	Wits Gold	Competent Person's Report
1996	Harmony Gold Mining Co Limited	Wits Gold	Competent Person's Report
1996	JCI Limited	Wits Gold	Valuation
1996	Rand Leases Properties Limited	Wits Gold	Competent Person's Report and valuation
1996	Randgold & Exploration Co Limited	Wits Gold	Due diligence
1995	African Mines Limited*	Greenstone Gold	Project valuation
1995	Barney-Seidle Arbitration	Granite	Project valuation arbitration
1995	Mopet Oil*	Oil and Gas	Market analysis facilitator
1995	Randgold & Exploration Co Limited	Wits Gold	Competent Person's Report and valuation
1995	Randgold Durban Deep	Wits Gold	Competent Person's Report and valuation
1995	Randgold Harmony Unisel Merger	Wits Gold	Competent Person's Report and valuation

Year	Client	Commodity	Documentation
1994	Aurora Exploration	Varied – Industrials	Competent Person's Report and valuation
1994	Consolidated Mining Corp	Wits Gold	Due diligence and valuation
1994	CRA (Australia)	Iron Ore	Due diligence
1994	Durban Roodepoort Deep Limited	Wits Gold	Competent Person's Report and valuation
1994	Ghana Gold Mines*	Greenstone Gold	Due diligence and valuation
1994	Gold Fields of SA Limited	Wits Gold	Competent Person's Report and valuation
1994	Hernic Chrome	Ferrochrome	Valuation and Strategic Analysis
1994	Inca	Magnesium	Due diligence and valuation
1994	Mitsubishi	Ferrochrome	Due diligence and valuation
1994	Namco*	Diamonds	Competent Person's Report and valuation
1994	Randgold & Exploration Co Limited	Wits Gold	Due diligence
1993	Namibia Oil & Gas licence applications	Oil and Gas	Working with Paul Blair licence applications
1993	Atomic Energy Commission	Uranium	Strategic Analysis
1993	Eskom	Base metals	Strategic Analysis
1993	JCI	Wits Gold	Financial Planning Analysis (Rehabilitation)
1993	Lonrho	Platinum	Financial Planning Analysis (Rehabilitation)
1993	Rand Mines Properties	Varied	Mineral rights evaluation
1992	Barbrook Gold Mines	Greenstone Gold	Ore resource modelling and mine valuation
1992	Rand Merchant Bank	Copper	Ore resource modelling and project valuation
1992	Rembrandt	Platinum	Mine valuation (Northam Platinum)
1992	West Rand Cons	Wits Gold	Ore resource modeling and mine valuation
1991	Rand Merchant Bank	Wits Gold	Ore reserve evaluation (Westonaria Gold Mine)
1991	Rembrandt (Gold Fields of SA)	Varied	Due diligence, valuation and strategic analysis
1991	Standard Merchant Bank	Greenstone Gold	Due diligence and valuation (Eersteling Gold Mine)
1990	Sequence Oil and Gas	Oil and Gas	Due Diligence Report
1990	Atomic Energy Corporation	Nuclear Fuels	Strategic analysis
1990	Consolidated Mining Corp	Wits Gold	Due diligence and valuation
1990	Eskom	Copper/Zinc	Strategic Market Analysis (Toll Smelter potential)
1990	Freddies Minerals	Feldspar – Industrials	Due diligence
1990	Industrial Machinery Supplies	Coal	Strategic analysis and valuation (Bricketting plant)
1990	Knights Gold Mine	Wits Gold	Competent Person's Report
1990	Rand Merchant Bank	Diamonds	Due diligence and valuation (Alluvial Mine)
1990	Corex	Oil and Gas	Evaluation of prospectivity
1990	Rand Merchant Bank	Lead/Zinc	Due diligence and valuation (Miranda Mine)
1990	Rand Mines	Varied	Corporate Strategic Analysis
1990	Rhogold	Wits Gold	Ore resource modeling
1990	Rice Rinaldi	Coal	Due diligence and valuation
1990	Sub Nigel Gold Mine	Wits Gold	Due diligence and valuation
1990	Zaaiplaats Tin Mine	Tin	Due diligence and valuation
1989	Avontuur Diamond Mines	Diamonds	Due diligence and valuation
1989	Granite Consolidated Mining	Granite	Due diligence and valuation
1989	Osprey Gold Mine	Greenstone Gold	Due diligence and valuation
1989	Rand Leases Gold Mine	Wits Gold	Ore resource modeling
1989	Rand Merchant Bank*	Varied	Mineral portfolio analysis (Swanson Rights)
1989	Rhovan	Vanadium	Competent Person's Report and valuation
1989	Vanamin Severrin Mining	Vanadium	Due diligence and valuation
1989	Zimco	Andalusite	Competent Person's Report and valuation
1988	Mullet Slate	Slate	Due diligence and valuation
1988	Rand Merchant Bank	Wits Gold	Risk assessment analysis (Peritus Exploration)
1988	Wits Nigel Gold Mine	Wits Gold	Ore resource modelling

KEY QUALIFICATIONS

Mr Clay has been a serving professional in the minerals industry since 1977 when he undertook field mapping and a professional apprenticeship within the Rhodesian Geological Survey. This was at a time when fieldwork and practical application of geological principals was still fundamental to the development of geology as a science. Following this, Mr Clay has dedicated his career to the commercial incorporation of first principles scientific process to the description, reporting and valuation of mineral assets.

Having worked for a number of years with mining companies, both underground and in corporate, Mr Clay became a founding member of Venmyn in 1988. At this time the company was closely associated with Rand Merchant Bank. This relationship enabled him to pursue the process of linking technical and financial valuation. Since that time Mr Clay has been involved in growing Venmyn and is presently the Managing Director and major shareholder.

He has been involved in developing a style of reporting at Venmyn which has become internationally recognised as compliant shorter form reporting. The emphasis of the work is on concise and graphical reporting, bullet points and descriptive graphics for ease of presentation and shareholder appreciation.

He has been involved in the writing of numerous codes the South African Code for the Reporting of Mineral Resources and Reserves (SAMREC Code) and is currently on the committee writing the South African Code for the Valuation of mineral projects (SAMVAL Code). He is presently involved in the oil and gas industry where his expertise in valuation is being used to determine the relationship between the reporting methodologies in this industry relative to the rest of the mineral industry.

Mr Clay's key areas of expertise lie in the detailed financial valuation of mineral and mining projects using discounted cash flow models. In this regard he has undertaken over 25 valuations for eight different commodities over the last four years. Details of the valuations and other assignments are tabled above. These valuations have been used in listing and merger documentation both in local and international stock exchanges and for the private use of the companies concerned.

EDUCATION

Degree/diploma	Field	Institution	Year
BSc Hons	Geology	University College Cardiff	1976
MSc Econ Geol	Economic Geology (awarded Corstorphine Medal for Best MSc Thesis)	University of the Witwatersrand	1981
GDE	Graduate Diploma in Mining Engineering	University of the Witwatersrand	1986
MSc	Mining Engineering	University of the Witwatersrand	1988
Dip Bus M	Diploma in Business Management	Damelin College	1983
Tax Mgmt	Tax Management and Planning	University of the Witwatersrand	1988

EMPLOYMENT RECORD

Position	Company	Job description	Duration
Managing Director	Venmyn Deloitte	- Mr Clay serves as the Managing Director of Venmyn Deloitte and is responsible for the company's strategic process as well as finances, budgeting and operations - Venmyn operates as a subsidiary of Deloitte Consulting, serving as a techno-economic consultancy for the resources industry on a world wide basis - Mr Clay has been a key member of the SAMREC Working Group, responsible for compiling the SAMREC Code - Served on the JSE/SAMREC working committee for the development of the JSE Section 12 requirements - Serves on the Readers Panel for the JSE - Mr Clay is director of the advisory business and provides hands-on services to all the company's major clients - His expertise in financial valuation is particularly appropriate for ensuring market to market presentation of both the technical and financial issues of resources projects - Course leader for the Witwatersrand University and Continuing Education programme on Compliance in the Minerals Industry - Mr Clay has a special interest in the proposed International Accounting Standards "IAS" Extractive Industries rules for determining NAV and NPV calculations in the minerals industry	2012 – present

Position	Company	Job description	Duration
Managing Director and Founding partner	Venmyn Rand Proprietary Limited	- Mr Clay serves as the Managing Director of Venmyn and is responsible for the company's strategic process as well as finances, budgeting and operations - Venmyn operates as a techno-economic consultancy for the resources industry on a world wide basis - Mr Clay has been a key member of the SAMREC Working Group, responsible for compiling the SAMREC Code - Served on the JSE/SAMREC working committee for the development of the JSE Section 12 requirements - Serves on the Readers Panel for the JSE - Mr Clay is director of the advisory business and provides hands-on services to all the company's major clients - His expertise in financial valuation is particularly appropriate for ensuring market to market presentation of both the technical and financial issues of resources projects - Course leader for the Witwatersrand University and Continuing Education programme on Compliance in the Minerals Industry - Mr Clay has a special interest in the proposed International Accounting Standards "IAS" Extractive Industries rules for determining NAV and NPV calculations in the minerals industry	1997 – 2012
General Manager	RMB Resources Rand Merchant Bank	- Continuing business functions detailed below - Also valuing, managing and marketing investment projects of the Resources division including deal structuring and corporate finance	1996 – 1997
Managing Director and founding partner	Venmyn Rand Proprietary Limited	Techno-economic evaluation of a wide range of mineral resource projects using cashflow, market capitalisation, option pricing and other comparative methods	1987 – 1996
Senior Geologist	Rand Mines Limited	- Resident senior gold mine geologist responsible for the development and implementation of modern computerised ore reserve evaluation techniques at Harmony Gold Mine and Durban Roodepoort Deep Gold Mine - Transferred to head office where he was responsible for all gold mine ore reserve valuation functions. This computer work involved the development and planning of very large databases for orebody modelling	1981 – 1988
Senior Geologist	Zimro Proprietary Limited (Industrial Minerals Division of AAC)	Market development and application of a wide range of industrial and base minerals	1979 – 1981
Geologist	Geological Survey of Zimbabwe	- Mapped a 100 km² area of granite-greenstone terrain and assisted in the compilation of a Bulletin over the area - Assisted the small mining sector with geological advice on gold, copper, gemstones and industrial minerals	1975 – 1979

LANGUAGES

English: Excellent

CERTIFICATION

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.



Full name of staff member: Andrew Neil Clay

COMPETENT VALUATOR'S STATEMENT SR 11A(ii)

I, Andrew Neil Clay, MSc (Geol), MSc (MinEng) DipBusM, MSAIMM, FausIMM, FGSSA, MAIMA, SPE, PrSciNat, do hereby certify that:

1. I am a Corporate Minerals Adviser of
Venmyn Deloitte
First Floor, Building 33
The Woodlands
20 Woodlands Drive
Woodmead
South Africa
2. I have more than 30 years' experience in the minerals industry, from field geology, research, and mineral resource management to commercial due diligence and evaluation of a wide range of local and international mineral assets. In addition, I have more than 20 years of experience working with commercial banks and financial institutions on transactions in the minerals industry, and have been involved in the preparation of numerous codes and rules for compliance and reporting in the public domain.
3. I am a member/fellow of the following professional associations:

Class	Professional society	Year of registration
Member	Canadian Institute of Mining, Metallurgy and Petroleum	2006
Adviser	JSE Limited Listings Advisory Committee	2005
Adviser	JSE Issuer Services	2008
Member	JSE Issuer Mining Sub-committee	2009
Associate member	American Association of Petroleum Geologists	2005
Member	South African Institute of Directors	2004
Fellow	Geological Society of South Africa	2003
Member	American Institute of Mineral Appraisers	2002
Member	South African Institute of Mining and Metallurgy	1998
Fellow	Australasian Institute of Mining and Metallurgy	1994
Member	Natural Scientist Institute of South Africa	1988
Member	Investment Analysts Society of South Africa	1990
Member	Society of Petroleum Engineers	2009
Chairman	South African Oil and Gas Committee (SSC)	2011
Member	International Minerals Valuation Council (IMVAL)	2012
Representative	Investment Analysts Society on the SSC (IAS)	2009
Member	Project Management Institute	2011
Expert	Hong Kong Stock Exchange	2012

4. To the best of my knowledge, information and belief, the report contains all scientific and technical information required to be disclosed to make the report not misleading.
5. To the best of my knowledge, information and belief all facts presented in the report are correct.
6. I am independent of Bauba Platinum ▼▼ and its subsidiaries, have no bias with respect to the assets that are the subject of the report, have no present or prospective interest in the subject, property or assets, or the parties involved with this assignment.
7. I have read the definition of "competent person" set out in the SAMREC Code and certify that be reason of my education, affiliation with a professional association (as defined in the SAMREC Code) and past relevant work experience, I fulfil the requirements to be a Valuator for the purposes of SAMREC Code and SAMVAL Code.

Dated this 4 June 2014 at Johannesburg, South Africa



Andrew Neil Clay

Name of staff member: Tarryn Claire Orford
Position: Mineral Project Analyst
Name of firm: Venmyn Deloitte, a subsidiary of Deloitte Consulting South Africa Proprietary Limited
Address: 1st Floor, Block G, 173 Rivonia Road, Sandton, 2146
Profession: Geologist
Date of birth: 26 March 1987
Years with firm/entity: Joined March 2010
Nationality: South African

MEMBERSHIP IN PROFESSIONAL SOCIETIES

Class	Professional society	Year of registration
Member	Geological Society of South Africa	2010
Member	Geostatistical Association of South Africa	2011
Member	Mineralogical Society of South Africa	2011

FAIR AND REASONABLE OPINIONS

Year	Client	Securities exchange jurisdiction	Transaction type	Implied value (USDm)	Description
2012	Chrometco	JSE	Purchase of assets for shares.	21,6	Independent Professional Expert Report.

DETAILED TASKS ASSIGNED

Year	Client	Commodity	Project description
2012	Hambledon	Gold	Gap Analysis and CPR on the Sekisovskoya Gold Mine in Kazakhstan.
	Bauba	PGEs	Completed a CPR on their South African PGE assets for updated listing on the JSE.
	Ecobank	Gold	Completed a review of a financial model to assist a client to obtain financing for a gold asset located in the Democratic Republic of the Congo.
	Village Main Reef	Water	Assessment of flooding and pumping arrangements in the Klerskorp Gold Basin, South Africa.
	Banro	Gold	Completed a feasibility study for the Namoya Project, Democratic Republic of the Congo.
	Ashkari	Chrome	Fatal Flaws Analysis on 11 chrome assets in Zimbabwe.
	Bauba	PGEs	Update of the Mineral Resource estimates for the Bauba Projects, Bushveld Complex, South Africa.
	African Nickel	Nickel	Completed a market review for Nickel in South Africa.
	Western Utilities Corporation	Intangible assets	Independent high level evaluation of intangible acid mine drainage technology assets for financial year end statements.
	Capital Works	Clay	Review of a clay mine, in South Africa, for fatal flaws to assist with an investment decision.
	Loncor	Gold	Compiling several sections for a NI 43 – 101 Preliminary Economic Assessment on the Makapela Prospect, Democratic Republic of the Congo.
	Banro	Gold	Verifying geological model and Mineral Resource estimates for the Lugushwa Project, Democratic Republic of the Congo.
	ZYL/Sentula Valuation	Coal	Valuation for various coal assets in the Kangwane Coalfield, South Africa, for potential merger discussions.

Year	Client	Commodity	Project description
2012	Deloitte UK	Iron ore	Review of technical and business model on an Iranian gold project for guidance on an investment decision.
	Eureka	Gold	Short Form Technical Report and guidance on a defunct gold mine, Zimbabwe.
	Deloitte Canada	Iron ore	Audit Assistance on Mont Wright Mine, Canada.
	SARS	Coal	Mineral asset valuation on various assets within South Africa held by Umthombo Resources.
	G&B African Resources	REE's, W, Li	Compilation of a CPR as part of listing requirements for their Zimbabwean assets.
	SEW Trident	Iron ore	Technical on-site assistance in identifying mineralisation concessions in Guinea.
	Chrometco	Chrome	Compilation of a valuation letter for mineral assets in the Bushveld Complex, South Africa.
	Rukwa	Coal	Compilation of a CPR and technical documentation on their coal assets in Tanzania.
	Bauba	PGEs	Update of Bauba's Mineral Resources in the Bushveld Complex, South Africa.
	Loncor	Gold	Verification of geological modelling and Mineral Resource estimation and parameters for the Makapela Project, Democratic Republic of the Congo.
	Izingwe and BRL	Magnetite	Techno-Economic Statement on the Mokopane Magnetite Project, Northern Limb, Bushveld Complex, South Africa.
	Razita Mining	Various	Short Form Prospectivity Reviews on various New-Order Prospecting Rights under application over South Africa.
2011	Lesego	PGEs	Strategic assistance during exploration, project development and resource estimation for a Bushveld Project, South Africa.
	Evraz Highveld Steel and Vanadium	Magnetite and iron ore	Update of Annual Resource Statement for Mapochs Mine and technical assistance for future development of the asset in the Bushveld Complex, South Africa.
	Sable Platinum	Platinum and vanadium	Strategic Technical Assistance on geology and exploration on some Bushveld Complex platinum projects, South Africa.
	Sylvania	Chrome	Techno-Economic Statements on chrome dump projects, South Africa.
	PSIL	Uranium	Techno-Economic Statement on a uranium deposit in Kazakhstan.
	African Consolidated Resources	Gold	Review and geostatistical analysis on some greenstone belt gold projects located in Zimbabwe.
	Realm Resources	PGEs	Techno-Evaluation Statement on some Bushveld Complex platinum assets, South Africa.
	Lesego	PGEs	Mineral Resource Update for their Bushveld Complex project, South Africa.
	Boynton	PGEs	Pre-feasibility Study on the Western Bushveld Complex Magazynskraal Project, South Africa.
	Aura	Coal	A prospectivity review on a coal project in Nigeria.
	Pan African Resources	Gold	A fatal flaws review of a gold tailings retreatment project near Barberton, South Africa.
	National Mining Corporation	Gold and base metals	A Scoping Study on gold and base metal projects in Ethiopia.

Year	Client	Commodity	Project description
2010	Central African Gold	Gold	Technical Statement and Update of Resource Statement on a greenstone gold deposit in Zimbabwe.
	JCI Exploration	Uranium	Technical Review document on a Greenfields uranium project in the Northern Cape, South Africa.
	Absolute Holdings	PGEs	Compilation and research on three Bushveld Complex platinum projects for three Techno-Economic Valuations and a CPR.
	AfriSam	Cement	Data collection, research and proofreading for a Technical Review of numerous limestone, aggregate, sandstone, and dolomite assets, South Africa.
	Keldoron Coal Mining	Coal	Independent Valuation on coal assets in the Klipriver Coalfield, KwaZulu Natal, South Africa.
	Banro	Gold	Assistance with compilation of CPRs on a number of gold projects in the Democratic Republic of Congo.
	Buildmax	Sand	Short Form CPR on some sand mineral assets, South Africa.
	Ultratech	Coal	Technical and Valuation report on various coal projects, South Africa.
	Gentor	Base metals	CPR and Technical Review of ophiolite deposits in Oman.
	Coal of Africa	Coal	Supporting documentation for valuation of coal assets in the Ermelo, Soutpansberg, Limpopo and Highveld Coalfields, South Africa.
	Bauba Platinum	PGEs	Technical assistance and Technical Statement on three Bushveld Complex platinum projects, South Africa.

KEY QUALIFICATIONS

Tarryn Orford studied at the University of Pretoria where she undertook her Bachelor of Science degree in Geology and later, her Honours in Geology. As part of her honours degree, she undertook a study detailing the effect of metamorphism by the Bushveld Complex on the Transvaal Supergroup.

Tarryn joined the Venmyn team in March 2010. She brought with her one year's experience in tutoring at University of Pretoria as well as vacation work for Digby Wells and Associates. Her current area of expertise includes preparation of SAMREC and National Instrument compliant technical documents, interpretation and analysis of mineral project data, preparation of technical diagrams and geostatistics to provide technical assistance during early stages of exploration.

In 2013, Venmyn became Venmyn Deloitte, a wholly owned subsidiary of Deloitte Consulting South Africa. Since joining Venmyn, Tarryn has been involved in a number of projects including Competent Person's Reports, Technical Reports, Due Diligence Studies, Mineral Resource and Mineral Reserve Statements and Techno-Economic Valuations, Fatal Flaw Evaluations and has provided technical assistance to a number of companies over a wide range of commodities including platinum group minerals, gold, coal, uranium, base metals, iron ore, manganese, magnetite, rare earth elements, sand and clay. These projects included many technical field visits throughout South Africa and globally, including Ethiopia, Guinea, Botswana, Tanzania, Benin, Zimbabwe, the DRC and Kazakhstan.

Tarryn has completed her Graduate Diploma in Engineering (GDE) in Mining Engineering specialising in Mineral Resource Evaluation through the University of the Witwatersrand.

EDUCATION

Degree/diploma	Field	Institution	Year
BSc	Geology	University of Pretoria	2008
BSc (Honours)	Geology	University of Pretoria	2009
Graduate Diploma in Engineering	Mining Engineering specialising in Mineral Resource Evaluation	University of the Witwatersrand	2013

EMPLOYMENT RECORD:-

Position	Company	Job description	Duration
Mineral Project Analyst	Venmyn Deloitte (previously Venmyn Rand)	Venmyn Rand operates as a techno-economic consultancy for the resources industry on a worldwide basis. Responsibilities at Venmyn include: • data processing for technical reports; • compilation of due diligences, prospectivity reviews, technical reports, mineral resource and mineral reserve statements; • compiling technical and geological information into reports which are compliant with the SAMREC and JSE listing rules; and • high level research for multiple facets of mineral projects.	March 2010 to present
Geology Tutor	University of Pretoria	Assisted students with practical tasks and assignments including identification of hand specimens and preparation for tests and exams.	January to July 2009
Geography Tutor	University of Pretoria	Assisted students with practical tasks and assignments. Marking and overseeing tasks and exams.	January to July 2009
Student Geologist	Digby Wells and Associates	Assistance on project specific work and a desktop study in the environmental field, secretarial work and general assistance to employers.	June 2009 to July 2009

LANGUAGES

English: Excellent

Afrikaans: Excellent

French: Basic

CERTIFICATION

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.



Tarryn Claire Orford

Name of staff member: Jacobus Adriaan Myburgh
Position: Mineral Project Analyst
Name of firm: Venmyn Deloitte, a subsidiary of Deloitte Consulting South Africa Proprietary Limited
Address: First Floor, Building 33, The Woodlands Office Park, 20 Woodlands Drive
Profession: Analyst
Date of birth: 31 December 1984
Years with firm/entity: Joined January 2010
Nationality: South African

MEMBERSHIP IN PROFESSIONAL SOCIETIES

Class	Professional society	Year of registration
Member	Investment Analyst Society of South Africa	2012
Member	Geostatistical Association of South Africa	2012

FAIR AND REASONABLE OPINIONS

Year	Client	Securities exchange jurisdiction	Transaction type	Implied value (USDm)	Description
2011	Wesizwe	JSE	Acquisition	280	F&R opinion document to the exchange
2010	Sylvania	ASX	Share conversion	190	F&R opinion letter to the board
2010	Ultratech Cement	JSE	Acquisition	50	Independent F&R for Ultratech Cement on Xstrata assets
2011	Optimum Coal	JSE	Acquisition	400	F&R opinion letter to the board
2011	Forbes Manhattan	RSAs	Acquisition	20	SARB approval
2011	Sikhuliso	RSA	Acquisition	30	Value determination
2012	Chrometco	JSE	Acquisition	10	F&R opinion letter to the board

DETAILED TASKS ASSIGNED

Year	Client	Commodity	Project description	Site visit
2013	Gold One	Gold	Techno Economic Statement	Y
	Citic and Samancor	Ferrochrome	Independent Mineral Asset Valuation	
	Zyl and Sentula	Coal	Independent Mineral Asset Valuation	
	Platinum Australia	PGM	Independent Mineral Asset Valuation	Y
2012	Tanzania Royalty	PEA	PEA	Y
	Frontier Rare Earths	PEA	PEA	
	Umcebo	Coal	Valuation Statement	
	NMIC	Gold	PFS	
	Andulela Kilken	PGE	Valuation Statement	Y
	Chrometco	Chrome	Valuation Statement	
	Central Rand Gold	Gold	CPR	
	Coal of Africa	Coal	Corporate Model	
	Sekoko	Coal	Valuation Statement	
	Gem Diamonds	Diamonds	Valuation Statement	
	Metmar	Coal	Valuation Statement	
	Jimbe Minerals	Nickel	Prospectivity Review	
	Glencore	Coal	Deloitte Audit	
	Richards Bay Minerals	Mineral sands	Deloitte Audit	Y
2011	Nkomati Capital	Coal	Techno Economic Valuation	
	PSIL	Uranium	Techno Economic Valuation	
	Wesizwe	Platinum	Techno Economic Valuation	
	Gem Diamonds	Diamonds	Independent Project Valuations	
	Lesego	Platinum	Statistical Analysis	Y
	Sephaku	Fluorspar	Independent Project Valuations	
	Nkomati Capital	Coal	Valuation Statement	

Year	Client	Commodity	Project description	Site visit
2011	Wesizwe	Platinum	Valuation Statement	
	Namane Elandslaagte	Diamonds	Valuation Statement	Y
	PSIL	Uranium	Valuation Statement	
	Sudor Coal	Coal	Valuation Statement	
	Realm Resources	Platinum	Valuation Statement	Y
	AEMFC	Coal	Valuation Statement	
	Lodestone Namibia	Iron ore	Valuation Statement	
	African Copper	Copper	Valuation Statement	Y
	Karbochem	Power generation	Valuation Statement	
	Miranda Minerals	Coal	Valuation Statement	
	Anglo Namibian Prospects	Base metals	Valuation Statement	
	Umcebo	Coal	Valuation Statement	
	Gem Diamonds	Diamonds	CPR	
	Banro	Gold	CPR	Y
	Sephaku	Fluorspar	CPR	
	Platmin	Platinum	CPR	Y
	Harmony	Gold	CPR	Y
	Miranda Minerals	Coal	PEA and PFS	
	Pan African Resources,BTRP	Gold	Fatal Flaws review	
2010	African Copper	Copper	Feasability Study	
	Miranda Mineral Holdings	Coal	Independent Project Valuations	
	White Water Resources	Gold	Independent Project Valuations	
	Chrometco Limited	Chromite	Independent Project Valuations	
	Sekoko	Coal	Independent Project Valuations	
	West Wits	Gold/Uranium	Statistical Analysis	
	Central African Gold	Gold	Statistical Analysis	
	Worldwide Mineral Strategists	Gold	Statistical Analysis	
	Rooderand Chromite	Chrome	Valuation Statement	
	African Copper	Copper	Valuation Statement	
	Sekoko	Coal	Valuation Statement	

KEY QUALIFICATIONS

Mr laan Myburgh has a degree in Mathematics from the University of Pretoria. He joined Venmyn in January 2010. During the time he has worked with Venmyn, he has specialised mainly in the market review for different commodities as well as valuation of mineral projects using the market approach method and discounted cash flow method. He is also a candidate in the CFA programme having passed the second level exam in 2013.

EDUCATION

Degree/diploma	Field	Institution	Year
BSc	Mathematics	University of Pretoria	2008

EMPLOYMENT RECORD

Position	Company	Job description	Duration
Mineral Industry Analyst	Venmyn Rand Proprietary Limited	Venmyn provides compliance and valuation reporting services to the minerals industry. Responsibilities at Venmyn include: • Compiling technical and geological information into reports which are compliant with the SAMREC and JSE listing rules; • High level research for multiple facets of mineral projects; • Valuation of mineral projects; and • Background research of information for CPRs and Technical Statements.	2010 – present

LANGUAGES

English: Excellent

Afrikaans: Excellent

CERTIFICATION

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.



Jacobus Adriaan Myburgh

Name of specialist: Sarah Dyke
Position: Consultant, Environmental Industry Advisor Lead
Name of firm: Venmyn Deloitte, a subsidiary of Deloitte Consulting South Africa Proprietary Limited
Address: First Floor, Building 33, The Woodland Office Park, 20 Woodlands Drive
Profession: Natural Environmental Scientist
Date of birth: 2 December 1985
Years within field of practise: 5
Nationality: South African

EDUCATION

Degree/diploma	Field	Institution	Year
BSc	Zoology and Biochemistry	University of Johannesburg	2007
BSc Hons	Zoology	University of Johannesburg	2008
MSc	Zoology	University of Johannesburg	2012
Environmental Law	Certification Course	University of Potchefstroom	2011
Certification Course	Environmental Management Systems	University of Potchefstroom	2012
Lead Auditor Course	Environmental Management Systems	University of Potchefstroom	2013

MEMBERSHIP IN PROFESSIONAL SOCIETIES

- Registered Natural Scientist SA (Reg. No. 10020/12)
- International Association of Impact Assessors (IAIA) SA
- Geological Society of South Africa (GSSA)
- South African Institute for Mining and Metallurgy (MSAIMM)
- Registered Prince 2 Project Manager Practitioner

KEY AREAS OF EXPERTISE AND EXPERIENCE

- Socio and environmental governance planning
- Programme management of implementations
- Environmental strategy development and execution planning
- Impact management and planning
- Socio-environmental management planning and implementation
- Management systems alignment and implementation
- Performance and assurance
- Due diligence

DETAILED TASKS ASSIGNED

Year	Client	Commodity	Project description
2013	Cronimet Chrome Mining Proprietary Limited	Chrome	High level review of the rehabilitation and closure quantum estimates for the Cronimet Chrome Mine, Limpopo province, South Africa.
	Banro	Gold	Review of the status of the environmental permitting, performance and compliance in alignment with requirements for a NI-43-101 listing.
	NECSA	Uranium	Independent Competent Persons Review of Provisions for the Decontamination and Waste Disposal provisions for the South African Nuclear Energy Corporation SOC Limited and its group companies.
	Continental Coal	Coal	Review of the status of the environmental permitting, performance and compliance in alignment with requirements for a JSE listing.
	Keegan Resources	Gold	Review of the status of the environmental permitting, performance and compliance in alignment with requirements for a TSX listing.
	Rockgate Capital	Uranium	Current – acting as independent advisory consultant to the investment team for all environmental licensing and permitting requirements for the project from PFS to DFS phases.
	ResGen	Coal	High level review of the status of the environmental permitting, performance and compliance, and reasonability of environmental liability provision for a technical Competent Person's Report
	Citic UA & IMR	Ferrochrome	Review of current ESIA as composed by a local practitioner, gap analysis with reference to public consultation, specialist assessments, international best practices, standards and guidelines. Review of national legislation and international socio-environmental commitments, treaties and obligations. Project management and composition of updated environmental impact assessment report, including assessment and integration of all relevant international best practises, guidelines and standards (International Finance Corporation, World Bank Group Equator principles and specific environmental health and safety guidelines, equator principles).
2012	Kumba Iron Ore	Iron ore	Revision of current closure plans, the standardisation of a closure reporting framework and risk assessment methodology as well as alignment to existing company Policy. Scope of work included the a high level review of the status of the clients' mining permits, environmental and social authorisations, and approvals required from regional and local agencies. Also undertaken was the verification of the procedures to be executed before the mine and processing plant could be commissioned.
	Uranium One/ Mantra Resources	Uranium	Review of current ESIA as composed by a local practitioner, gap analysis with reference to public consultation, specialist assessments, international best practices, standards and guidelines. Review of national legislation and international socio-environmental commitments, treaties and obligations. Project management and composition of updated environmental impact assessment report, including assessment and integration of all relevant international best practices, guidelines and standards (International Finance Corporation, World Bank Group Equator principles and specific environmental health and safety guidelines, equator principles).
2011	Eurasian Natural Resources Corporation	Platinum	Amendment to an environmental feasibility study for the second largest proposed mine in Zimbabwe. Assessment included gap analysis, assessment of the liabilities associated with the activities as well as the environmental legal compliance of the sites. Scope of work undertaken inclusive of the following: • Lead Project Manager • Baseline assessment and descriptions • Definition of scope of work for project • Specialist ToR provision and management • Scoping report • Consultation with I&APs, Authorities and Traditional Leaders • Compilation of socio-economic impact assessment • Budget control and invoicing • Administration and project management • Review and incorporation of National and International legislation, and associated necessary permits and licences

Year	Client	Commodity	Project description
2011	Boynnton Investments	Coal	Scoping study, focus on the environmental permitting requirements, focus on environmental issues relating to mine residue disposal and management, compliance with national legislative requirements and international IFC standards.
2010	Chromex	Chrome	Water Use License Applications, update of water use license application report following alterations in surface infrastructure, compilation and submission of additional information required by the competent authority, stakeholder consultation
	Confidential	Nickel	Environmental scoping study, focus on the environmental permitting requirements, specifically environmental issues relating to mine residue disposal and management. Assessment of compliance with National legislative requirements and International IFC standards.
	Eurasian Natural Resources Corporation	Coal	Environmental feasibility study for the proposed mine, including background data gathering, gap analysis, compliance with national legislation and international requirements, background information documentation compilation, compilation of scoping study for licensing and authorisation process, and to provide the baseline for Environmental Impact Assessment. Compilation of Exploration EMP, and water monitoring programme.

LANGUAGES

English: Excellent

Afrikaans: Good

CERTIFICATION

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.



Sarah Dyke

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