

WEST WITS MLI (PTY) LTD

MINING RIGHT NUMBER: (GP) 30/5/1/2/2/ (10073 MR

PROSPECTING RIGHT GP 30/5/1/1/2/183 (10035) PR

REGISTRATION NO: 2007/001817/07

Social and Labour Plan

2020 - 2024

June 2020



WEST WITS MINING

Table of Contents

1.	Introduction and Preamble	2
1.1	Introduction	2
1.2	Black Economic Empowerment (BEE) Status	4
1.3	Preamble.....	6
1.4	Current and Expected Workforce for West Wits MLI	9
1.5	Local Recruitment.....	10
■	Human Resources Development Plan	11
2.1	Overview.....	11
2.2	Compliance with Skills Development Legislation	13
2.3	Human Resources Development Plan	13
2.4	Skills Development Plans	17
■	Adult Education and Training (AET)	17
2.5	Other Training Plans	18
■	Learnerships	19
2.6	Core Business Skills Programme	20
■	Core Business Skills Programme	21
2.7	Portable Skills Programme	23
2.8	Hard-to-Fill Vacancies	24
2.9	Career Progression Plan	25
■	Establishing a Talent Pool	26
2.10	Mentorship Plan.....	26
■	Mentorship Action Plan	27
2.11	Internship Plan	28
■	Internship Action Plan	28
2.12	Bursary Programme	31
■	Bursary Selection Criteria.....	32

■	Employment Equity	34
3.1	Introduction	34
3.2	Women in Mining	37
■	Mine Community Development Plan	39
4.1	Socio-economic Background	39
■	Demographic Profile	41
■	Key Economic Activities	47
■	Comparative Sector Composition of GVA in SA, Gauteng and City of Johannesburg and its Regions	48
■	Employment by Major Sector in Johannesburg	49
■	Employment and Unemployment	50
■	Socio-Economic Implications	51
■	Challenges Facing the City of Johannesburg	52
4.2	Impact of the Mining Operation	52
■	Job Creation: employees and households	51
■	Host and Labour Sending Areas	52
■	SMMEs and Local Entrepreneurs	52
■	Poverty Eradication	52
4.3	Local Economic Planning	53
■	Strategic Outcomes/Pillars	53
■	Strategic Priorities	53
4.4	Mine Community Development Projects	56
■	Introduction	56
■	West Wits MLI Implementation Approach	57
■	LED Project Implementation Summary	57
■	Funding of LED Projects by West Wits MLI	73
■	Housing and Living Conditions	74
5.1	Introduction	74

5.2	Home Ownership Strategy.....	74
5.3	Nutrition	74
■	Procurement	75
6.1	Overview.....	75
6.2	Procurement Progression Plan	75
6.3	Procurement Implementation Strategy	76
■	Downscaling and Retrenchments	77
7.1	Introduction	77
7.2	Establishment of a Future Forum.....	77
7.3	Communication with Authorities during Retrenchments	79
7.4	Capital Investment	79
7.5	Alternative Solutions	80
7.6	Mechanisms to Ameliorate the Social and Economic Impact on Individuals, Regions and Economies Where Retrenchments or Closure of an Operation is certain.....	81
7.7	Provision for the Management of Downscaling and Retrenchments.....	81
■	Financial Provision	83
■	Undertaking by the Chief Executive Officer.....	85
■	Appendix A	86
10.1	Demarcation Maps for Wards 44, 49 and 127	86
■	Appendix B.....	90
11.1	Minutes of Meeting with Executive Director of Economic Development: 20 May 2020	90

List of Figures and Tables

Figure 1: Location of West Wits MLI mining lease areas	3
Table 1: Total Employees Forecast for the 2020 to 2024 Period.....	7
Table 2: Breakdown of Employees by Occupational Level as at 31 March 2020	7
Table 3: Breakdown of Contractors by Occupational Level as at 31 March 2020	8
Table 4: Summary of Expected Workforce (2020 – 2024)	9
Table 5: Summary of Employees' Origins or Labour Sending Areas	10
Table 6: Skills Development Legislation Compliance.....	13
Table 7: Form Q - Functional Literacy amongst West Wits MLI Employees as at 31 March 2020.....	15
Table 8: Form Q - Functional Literacy amongst West Wits MLI Contract Workers as at 31 March 2020	16
Table 9: AET Target – Full-Time	18
Table 10: AET Target – Community	18
Table 11: Internal Learnerships (18.1) Targets.....	20
Table 12: External Learnerships (18.2) Targets	20
Table 13: Core Business Training Targets	22
Table 14: Portable Skills Training Employees (18.1) Targets.....	24
Table 15: Portable Skills Training Community (18.2) Targets	24
Table 16: Proposed Mentee/Mentor Assignments	27
Table 17: Internship Implementation Plan	30
Table 18: Internship Target	30
Table 19: Bursary Target.....	33
Table 20: Employment Equity Statistics as at 31 March 2020	36
Table 21: HDSA'S in Management Targets 2020–2024.....	38
Figure 2: City of Johannesburg Metropolitan Council.....	40
Table 22: Population Distribution	41
Table 23: Age Distribution	42
Table 24: Household Dynamics	42
Table 25: Households by Type of Dwelling	43
Table 26: Access to Basic Services.....	44
Table 27: Population by Highest Educational Level.....	45
Table 28: Average Annual Household Income.....	46
Table 29: Annual Employee Income	47
Table 30: Comparative Sector of Johannesburg's Economic Output.....	48
Table 31: Composition of Total Employment in Johannesburg: 2002 and 2014	49



Table 32: Labour Market	50
Table 33: Alignment of CoJ Priorities to the National Development Plan, National Treasury, Joburg 2040 and IDP	54
Table 34: West Wits MLI LED Project Summary	59
Table 35: Construction Incubator Training and SMME Skills Development	60
Table 36: Aggregate/Crushed Stone Supply/Ore Transport	63
Table 37: Agriculture Development Support	65
Table 38: Removal of Alien Invasive Vegetation	68
Table 39: Waste Recycling.....	71
Table 40: Procurement Progression Plan.....	76
Table 41: Procurement Plan.....	76
Table 42: Action towards the Establishment of a Future Forum at West Wits MLI	78

GLOSSARY OF TERMS

ABBREVIATION	MEANING
AET	Adult Education and Training
ATR	Annual Training Report
BEE	Black Economic Empowerment
CoJ	City of Johannesburg
CPP	Career Progression Plan
DMR	Department of Mineral Resources
DOL	Department of Labour
DRD	Durban Roodepoort Deep
EE	Employment Equity
EEA	Employment Equity Act
ETD	Education, Training and Development
FY	Financial Year
GDARD	Gauteng Department of Agriculture and Rural Development
G/t	Gram per ton
HDSAs	Historically Disadvantaged South Africans
HRD	Human Resources Development
HRDP	Human Resources Development Programme
IDP	Individual Development Plan
IDP	Integrated Development Plan
JORC	Joint Ore Reserves Committee
LED	Local Economic Development
Moz	Million Ounces
MPRDA	Mineral and Petroleum Resources Development Act (No. 28, 2002)
MQA	Mining Qualifications Authority
NQF	National Qualifications Framework
Oz	Ounce
PWD	Person with Disability
SARS	South African Revenue Services
SETA	Sector Education and Training Authority
SLP	Social and Labour Plan
SMMEs	Small, Medium and Micro Enterprises
SDF	Skills Development Facilitator
KPA	Key Performance Area
KPI	Key Performance Indicator
WIM	Women in Mining
WSP	Workplace Skills Plan

1. Introduction and Preamble

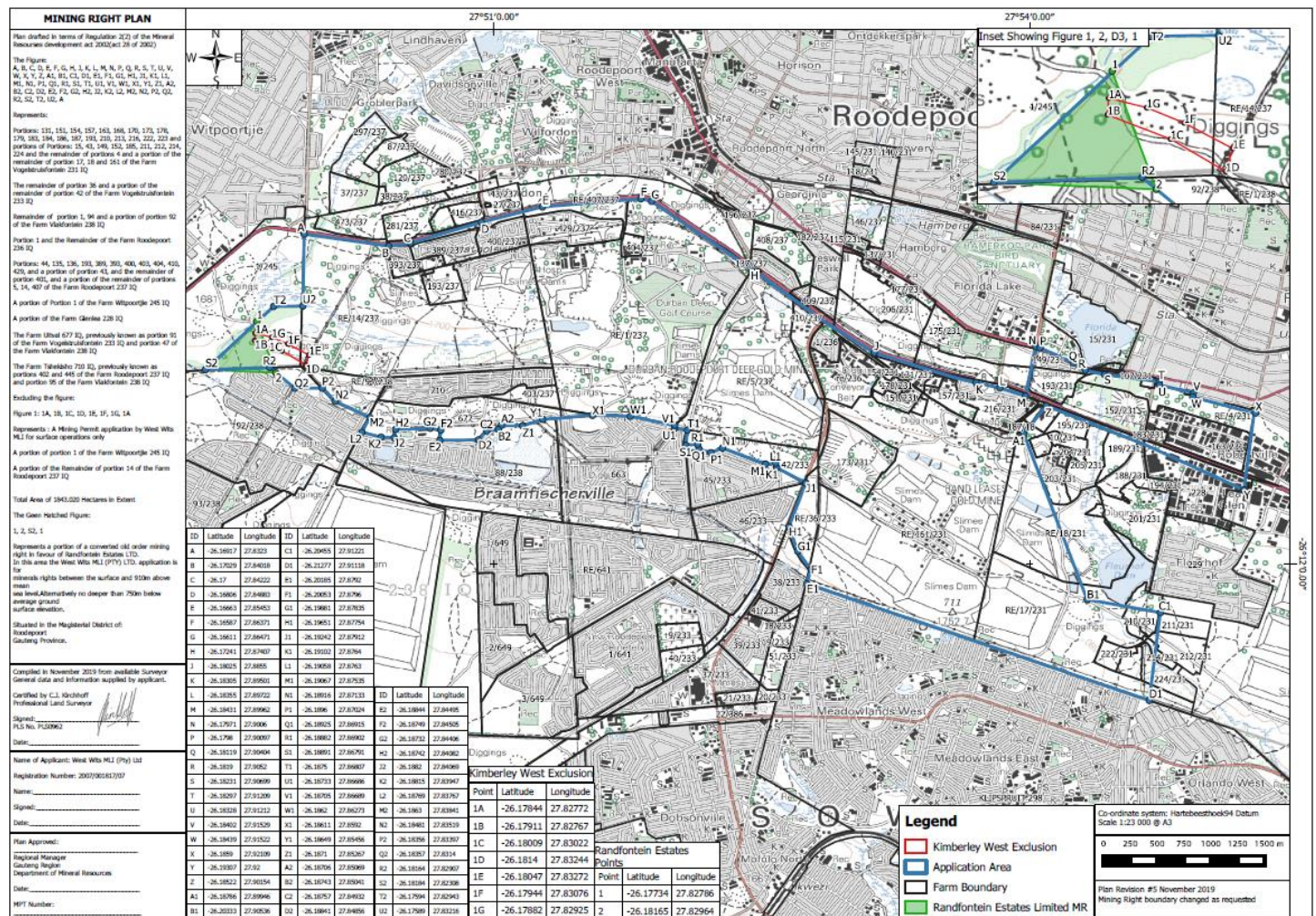
1.1 Introduction

West Wits MLI (Proprietary) Limited (West Wits MLI or 'the mine') was originally formed to explore, evaluate and extract gold and uranium from project areas situated in the Witwatersrand Basin, South Africa and the Papua Province, Indonesia. In South Africa the company is focused on developing its Soweto Cluster Project situated on previous mine lease areas between Soweto's borders and those of Roodepoort. The project consists of two historic mining centres, the Durban Roodepoort Deep (DRD) and the Rand Leases on the Northern Edge of the Witwatersrand Basin in the Central Rand Goldfield, immediately south west of the City of Johannesburg. West Wits MLI's goal is to develop the Soweto Cluster into a project that can produce 100 000 oz of gold per annum for a minimum period of up to ten (10) years. The two key elements in the company's plan to achieve this goal are:

- To develop a significant JORC resource which can support that size of operation; and
- To undertake a number of small-scale open pit operations, providing cash flow to fund exploration, and thereby the development of the JORC statement, and to undertake the necessary feasibility work to validate a larger scale mine.

West Wits MLI is not the first mining company to revisit the old mining areas around Johannesburg. DRD Gold, Central Rand Gold and Mintails have done so with different degrees of success. The area has a long-standing history, with mining activities having begun since the discovery of gold in 1886. During that time up to six different gold-bearing conglomerate horizons have been mined from surface down to a depth of 3100 metres. Total production for the combined DRD Gold and Rand Leases area was over 30 Moz of gold at an average grade exceeding 5g/t of gold. West Wits MLI intends to open three (03) small surface operations to generate cash to fund more exploration and extensive development. The first of these is the Sol Plaatje Project (SPP), which commenced operations under a mining permit following the signing of a framework agreement in June 2016. This was a significant milestone in commercialising the gold resources at the Soweto Cluster. The SPP poured its first gold in September 2016 which had been produced from West Wits MLI's first small-scale open pit operation. This was an important achievement for the company in its plans to develop the significant JORC resource at Soweto. The gold will be processed by Mintails at its Mogale Plant near Krugersdorp and at Sibanye-Stillwater's Ezulwini Plant some 40 km away. At Sol Plaatje, the goal is to treat 14 000 tons to 15 000 tons per month.

The map below indicates the location of the West Wits MLI mining operations.



- The availability of the economically mined and rehabilitated land being freed up for housing developments earmarked for the area, that aims to reduce the housing backlog experienced by the City of Johannesburg, while at the same time creating employment and extracting mineral resources for the benefit of the economy; and
- The eradication of access to dangerous historic workings in the form of shafts and stopes often targeted by informal miners ("Zama Zamas"), which are mainly illegal immigrants, that pose a threat to the health and safety of the communities and themselves while mining illegally.

This Social and Labour Plan (SLP) is accordingly, being submitted as part of lodging the application for the Mining Right of West Wits MLI. The SLP addresses the company's socio-economic development plans in accordance with the MPRDA and, MPRDA Regulation 46, by detailing a Preamble, Human Resources Development (HRD) Programmes, a Local Economic Development Programme, Processes Pertaining to Management of Downscaling and Retrenchment, Financial Provision and an Undertaking by the holder of the Mining Right. The Social and Labour Plan is aligned to the principles of other relevant legislation in addition to the prescribed undertakings and objectives of the MPRDA.

The objectives of the Social and Labour Plan are to:

- Promote economic growth and mineral and petroleum resources development in the Republic - Section 2 (e) of the MPRDA;
- Promote employment and advance the social and economic welfare of all South Africans - Section 2 (f) of the MPRDA;
- Ensure that holders of mining or production rights contribute towards the socio-economic development of the areas in which they operate as well as the areas from which most of the workforce is sourced - Section 2 (i) of the MPRDA, and the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (the Mining Charter); and
- Utilize and expand the existing skills base for the empowerment of HDSAs and to serve the community.

1.2 Black Economic Empowerment (BEE) Status

The Mining Right application is submitted in the name of West Wits MLI (Proprietary) Limited (West Wits MLI). At least 26% of West Wits MLI is owned by Lilitha Resources (Proprietary) Limited, previously

referred to as Witpoortjie Resources Investments (Proprietary) Limited (Lilitha), a company which qualifies as a black entity by virtue of it being 50.01% owned by a Historically Disadvantaged South African (HDSA), namely Mr Mlungisi Kwini, a Black South African natural person who owns 50.01% of the shares in Lilitha, together with the fact that it is controlled by HDSAs as the majority of the directors of the Lilitha board are Black natural persons as defined in the Broad-Based Black Economic Empowerment Act (BBBEE Act) No. 46 of 2013. In addition to the 26% HDSA shareholding held by Lilitha in West Wits MLI, an additional effective 7.4% shareholding in West Wits MLI can be included in the calculation as Lilitha holds 10% of the entire issued share capital of West Wits Mining SA (Proprietary) Limited (West Wits Mining), which in turn is the 74% shareholder in West Wits MLI. As such, and in addition to its direct 26% shareholding in West Wits MLI, Lilitha also owns 10% of 74% of West Wits MLI when applying the share Flow Through Principle, giving Lilitha an effective and additional 7.4% shareholding.

Accordingly, West Wits MLI therefore has a further 7.4% shareholding by Lilitha as an HDSA, with the result that an effective 33.4% of the West Wits MLI's share capital is held by HDSA shareholding. Documentary proof of the above was provided to the DMR by West Wits MLI during its Section 11 application to cede a prospecting right in October 2017, which was duly granted.

1.3 Preamble

Name of Company	West Wits MLI (Proprietary) Limited (West Wits MLI)
Name of Mine	West Wits MLI (hereafter referred to as the company or the mine) A division of West Wits Mining SA (Proprietary) Limited Mining Right Number: (GP) 30/5/1/2/2(10068) MR Prospecting Right Number: GP 30/5/1/1/2/183 (10035) PR Registration Number: ABN 89 124 894 060
Physical Address	Malan Scholes, First Floor, One-On-Jameson, 01 Jameson Avenue, Cnr Glenhove Rd, Melrose Estate, Johannesburg, 2196
Postal Address	Malan Scholes Consulting, Postnet Suite 324, Private Bag X1, Melrose Arch, 2076
Contact Details	Mrs. Tozama Kulati Siwisa Head : Corporate Affairs +27 83 795 5940 tkulatisiwisa@WestWitsMining.com
Location of Mine or Production Operation	West Wits MLI operations are situated within the City of Johannesburg Metropolitan Council within Gauteng Province as shown in Figure 1 above and listed below: <ul style="list-style-type: none"> • Various Portions of Farms Rooderpoort 236 IQ , Rooderpoort 237 IQ , Tshekiso 710 IQ , Uitval 677 IQ , Vlakfontein 238 IQ , Vogelstruisfontein 231 IQ , Vogelstruisfontein 233 IQ , Witpoortjie 245 IQ , Glenlea 228 IQ

**Breakdown
of
Employees
(Permanent
and
Contractors)**

As at 31 March 2020, West Wits MLI employed employees; 02 permanent employees and 0 contractor employees. It is envisaged that the following numbers of people (permanent and contractors) will be employed over the 5-year period between 2020 and 2024.

Table 1: Total Employees Forecast for the 2020 to 2024 Period

Current	2020	2021	2022	2023	2024
02	02	08	967	971	971

Table 2 presents information as at 31 March 2020 on full time employees engaged by the company for the construction and initialising the operations phases.

Table 2: Breakdown of Employees by Occupational Level as at 31 March 2020

Occupational Level	Male				Female				Total	
	African	Coloured	Indian	White	African	Coloured	Indian	White	HDSA	Employees
Top Management	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	1	1	0	0	0	1	2
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0
Skilled technicians, associated professionals, including junior management, supervisors and foremen	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	1	1	0	0	0	1	2

Table 3 presents information on full time contractors engaged by the company as at 31 March 2020.

Table 3: Breakdown of Contractors by Occupational Level as at 31 March 2020

Occupational Level	Male				Female				Total	
	African	Coloured	Indian	White	African	Coloured	Indian	White	HDSA	Employees
Top Management	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	1	1	0	0	0	1	2
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0
Skilled technicians, associated professionals, including junior management, supervisors and foremen	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	1	1	0	0	0	1	2

Commodity Gold, together with any other mineral which must, of necessity, be mined with gold.

Life of Mine 30 years

Financial Year The financial reporting year for West Wits MLI runs from July to June

Responsible person Mrs. Tozama Kulati Siwisa
Head : Corporate Affairs
 +27 83 795 5940
tkulatisiwisa@WestWitsMining.com

1.4 Current and Expected Workforce for West Wits MLI

Table 4: Summary of Expected Workforce (2020 – 2024)

Occupational Levels	Current	2020	2021	2022	2023	2024
Top management	0	0	3	3	3	3
Senior management	2	2	2	3	3	3
Professionally qualified and experienced specialists and middle management	0	0	3	3	7	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	0	0	110	110	110
Semi-skilled and discretionary decisions making	0	0	0	770	770	770
Unskilled and defined decision making	0	0	0	78	78	78
TOTAL PERMANENT	2	2	8	967	971	971
Contractors	0	0	0	0	0	0
TOTAL STAFF	2	2	8	967	971	971

1.5 Local Recruitment

West Wits MLI's workforce at the end of March 2020 was 02 employee. West Wits MLI is aware of the socio-economic conditions prevailing in the host community.

- Employees who are and stay within the mine's host community within the City of Johannesburg; and

To limit the negative impact of the mining operation on the area, the Mine intends to have a strong focus on the recruitment and development of previously disadvantaged and unemployed members of local communities. The table below provides a breakdown of employees by labour sending area including the host area:

Table 5: Summary of Employees' Origins or Labour Sending Areas

Province	Permanent Employees	Contract Employees	Total	Percentage
Eastern Cape	0	0	0	0%
Gauteng	2	0	2	100%
Free State	0	0	0	0%
Kwa-Zulu Natal	0	0	0	0%
Limpopo	0	0	0	0%
Mpumalanga	0	0	0	0%
Northwest	0	0	0	0%
Northern Cape	0	0	0	0%
Western Cape	0	0	0	0%
Sub-Total	2	0	2	100%
Botswana	0	0	0	0%
Lesotho	0	0	0	0%
Mozambique	0	0	0	0%
Swaziland	0	0	0	0%
Zimbabwe	0	0	0	0%
Total	0	0	0	0%

Human Resources Development Plan

2.1 Overview

In accordance with Section 101 of the Mineral and Petroleum Resource Development Act, Act 28 of 2002 (MPRDA), West Wits MLI as the applicant for the mining right undertakes to ensure that all contractors engaged by the Company comply with the provisions of the Act. These requirements will be entrenched in the Company's tender requests and general conditions of service level agreements. West Wits MLI also takes cognisance of the growing shortage of skills in the mining industry in South Africa. Therefore, the development of future HDSA's, specifically (black employees) leadership and technical skills will be one of the key strategic focus areas.

The primary objectives of the West Wits MLI's Human Resources Development Programmes are:

- Development of skills necessary for safe productive operation of the Mine. These include skills that will lead to improved productivity, increased revenue, reduction of operating expenses and a motivated and positive workforce.
- Creation of opportunities for employees to develop to their full potential so that they can achieve exceptional performance and greater flexibility.
- Providing employees with portable skills that they can utilize outside the mining industry and associated industries.

The Company is fully committed to the incorporation of the provisions of the Skills Development Act 97 of 1998. Our Skills Development Plan will form an integral part of our Human Resource Development strategy as it will outline how the Mine intends to equip employees with the necessary skills. The Skills Development Plan will be developed and coordinated by a Skills Development Facilitator to be appointed by West Wits MLI.

The Mine intends to participate in local economic and social development to ensure optimal alignment of training programmes with skills and capacity building requirements of surrounding communities.

The objectives of our Skills Development Plan are:

- To facilitate the availability of mining and related skills and competencies of the workforce through training, mentorship and other means;

-
- To provide workers with portable skills that will increase their employability, flexibility, self-employability and mobility;
 - To enhance sustainable individual, work-group and organisational performance by ensuring that all employees operate at full performance through affording employees the opportunity to develop required competencies to execute their jobs effectively and safely;
 - To assist employees to meet their present and future responsibilities with the right competencies;
 - To provide opportunities for fast tracking and developing HDSAs with potential to function at more senior level in the organisation; and
 - To develop leadership, behavioural, life and social skills.

Skills development targets will be initially based on the developmental stage in which the Mine finds itself as a first-time applicant for a mining right. The targets will be adapted accordingly as the Mine ramps up its production. Consequently, the Human Resource Development Programme contained in this SLP is limited to the current staff complement and will be updated periodically to accommodate new appointments as and when the Company employs additional personnel, in line with the mine's production targets and staff projections. For aligning with MPRDA Regulation 46, the education profile of the staff comprises the current staff complement of 02 permanent employees and no contract employees.

2.2 Compliance with Skills Development Legislation

Table 6: Skills Development Legislation Compliance

SETA Information Required	Details
Name of SETA:	Mining Qualifications Authority (MQA).
Registration Number with relevant SETAs:	Not fully operational yet, therefore no registration has taken place. The MQA Levy Number will be submitted to the DMR, MQA and the Department of Labour within 3 months after the granting of a Mining Right.
Skills Development Facilitator:	A Skills Development Facilitator has not yet been appointed.
Proof of submission of Workplace Skills Plan (WSP) and date of submission	Not fully operational yet, therefore WSP has not been submitted. The WSP will be submitted to the DMR, MQA and the Department of Labour within 3 months after the granting of a Mining Right.

A Skills Development Facilitator will be appointed to facilitate the skills development process and to act as the contact person between the MQA and West Wits MLI. Once appointed, the Skills Development Facilitator will be registered with the MQA and meet the competency guidelines for Skills Development Facilitators. Employees will be consulted regarding the appointment of the Skills Development Facilitator. The Skills Development Facilitator's role will be to develop the annual Workplace Skills Plan, to submit it to the MQA and to implement it. The Skills Development Facilitator will also be responsible for designing a training quality assurance system and to compile the Annual Training Report (ATR) in relation to the WSP.

West Wits MLI will register with South African Revenue Services (SARS) for monthly payments of the Skills Development Levy and undertakes to stay up to date with these levy payments. To access the mandatory grant, West Wits MLI will make timely submissions of the WSP and ATR and apply for the grant at the MQA in due time and will adhere to the training timelines that will be stipulated in the WSP.

2.3 Human Resources Development Plan

Details of the current education levels of employees are outlined in the Form Qs below for permanent employees and contract employees. The Form Qs depict the diversity of education levels amongst the employees, ranging from having no education to tertiary qualification level. West Wits MLI undertakes to train employees up to Adult Education and Training (AET) Level 3, followed by an opportunity to receive other mine related training required for their jobs. West Wits MLI will furthermore

conduct a skills gap analysis and to liaise with the MQA to determine further skills development priorities.

Ongoing training programmes will be provided to ensure the development of industry specific skills and non-industry specific skills or portable skills. All costs associated with these training and skills development programmes will be covered by West Wits MLI. Policy guidelines will be developed regarding types of assistance that may be made available to employees.

Table 7: Form Q - Functional Literacy amongst West Wits MLI Employees as at 31 March 2020

QUALIFICATION GROUP	African	African	Asian	Coloured	Coloured	Indian	Indian	White	White	TOTAL
	Female	Male	Female	Female	Male	Female	Male	Female	Male	
0 – Undefined	0	0	0	0	0	0	0	0	0	0
1 - Pre-ABET (< NQF1)	0	0	0	0	0	0	0	0	0	0
2 - ABET 1(< NQF1)	0	0	0	0	0	0	0	0	0	0
3 - ABET 2, Grade 5 (< NQF 1)	0	0	0	0	0	0	0	0	0	0
4 - ABET 3, Grade 7 (< NQF 1)	0	0	0	0	0	0	0	0	0	0
5 - ABET 4, Grade 9 (NQF 1)	0	0	0	0	0	0	0	0	0	0
6 - Grade 10, NATED 1, NCV Level 1(NQF 2)	0	0	0	0	0	0	0	0	0	0
7 - Grade 11, NATED 2, NCV Level 2(NQF 3)	0	0	0	0	0	0	0	0	0	0
8 - Grade 12, NATED 3, NCV Level 3(NQF 4)	0	0	0	0	0	0	0	0	0	0
9 - Nat Cert/Diploma, Advanced Certificate, N4 – 6(NQF 5/6)	0	0	0	0	0	0	0	0	0	0
10 - Adv. Diploma/B Tech Degree/Bachelor's Degree (NQF 7/8)	0	0	0	0	0	0	0	0	0	0
11 - Master's Degree (NQF 9)	1	0	0	0	0	0	0	0	1	2
TOTAL	1	0	0	0	0	0	0	0	1	2

Table 8: Form Q - Functional Literacy amongst West Wits MLI Contract Workers as at 31 March 2020

QUALIFICATION GROUP	African	African	Coloured	Coloured	Indian	White	White	TOTAL
	Female	Male	Female	Male	Male	Female	Male	
0 – Undefined	0	0	0	0	0	0	0	0
1 - Pre-ABET (< NQF1)	0	0	0	0	0	0	0	0
2 - ABET 1(< NQF1)	0	0	0	0	0	0	0	0
3 - ABET 2, Grade 5 (< NQF 1)	0	0	0	0	0	0	0	0
4 - ABET 3, Grade 7 (< NQF 1)	0	0	0	0	0	0	0	0
5 - ABET 4, Grade 9 (NQF 1)	0	0	0	0	0	0	0	0
6 - Grade 10, NATED 1, NCV Level 1(NQF 2)	0	0	0	0	0	0	0	0
7 - Grade 11, NATED 2, NCV Level 2(NQF 3)	0	0	0	0	0	0	0	0
8 - Grade 12, NATED 3, NCV Level 3(NQF 4)	0	0	0	0	0	0	0	0
9 - Nat Cert/Diploma, Advanced Certificate, N4 – 6(NQF 5/6)	0	0	0	0	0	0	0	0
10 - Adv. Diploma/B Tech Degree/Bachelor's Degree (NQF 7/8)	0	0	0	0	0	0	0	0
11 - Master's Degree (NQF 9)	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0

2.4 Skills Development Plans

██████ Adult Education and Training (AET)

West Wits MLI recognises that a workforce with the right skills, experience and training is one of the industry's most basic needs. While the Mine does not have in-house training facilities, we will ensure that our employees' training and skills development needs are provided for by an accredited service provider. This is because the size of our staff which currently stands at two (02) permanent and no non-permanent employees), does not warrant the establishment of an in-house training centre.

West Wits MLI intends to procure the services of an external service provider to provide AET classes. These will be undertaken either on a part-time or full-time for basis for employees, with an opportunity for employees and community learners to be enrolled part-time and attend classes in their own time after work. Recognition of Prior Learning (RPL) will also be employed as part of the AET approach to give employees and community learners the opportunity to gain a recognised qualification. In the main, RPL is used to determine the placement and competence of employees at appropriate AET levels. Such employees undergo an assessment and if competent, are certified and an MQA grant is secured for them. Employees will be motivated and encouraged to attend AET classes to bring them in line for possible further development, training and promotion opportunities, where vacancies exist. AET allows employees to compete with other qualified employees and gives them the ability to market themselves. AET levels will also be a requirement for promotion in other occupations.

To qualify for full-time AET, a person must have undergone screening for placement through the RPL process. Candidates who demonstrate high levels of potential during the placement/ RPL assessments may be recommended for full-time AET

The targets for AET Full-Time and Part-Time AET are shown in the tables below along with the budget provision for the proposed training. Budget provision for part-time AET for employees excludes salaries.

Table 9: AET Target – Full-Time

AET Level	Target Enrolments - 2020	Target Enrolments - 2021	Target Enrolments - 2022	Target Enrolments - 2023	Target Enrolments - 2024	Total Enrolments (2020 to 2024)
AET Level 1	1	1	1	1	1	05
AET Level 2	1	1	1	1	1	05
AET Level 3	1	1	1	1	1	05
AET Level 4	1	1	1	1	1	05
NQF Level 1	2	2	2	4	4	14
Total No. of AET Enrolments	6	6	6	8	8	34

Table 10: AET Target – Community

AET Level	Target Enrolments - 2020	Target Enrolments - 2021	Target Enrolments - 2022	Target Enrolments - 2023	Target Enrolments - 2024	Total Enrolments (2020 to 2024)
Community learners	6	6	6	8	8	34

2.5 Other Training Plans

West Wits MLI will give preference to HDSA candidates and strive for the achievement of an 80:20 split in favour of HDSA learners. The primary purpose of continuous education and training of employees is to ensure a healthy pipeline of professional, technical and leadership skills. This is ensured through internship, bursary and learnership opportunities to address hard to fill vacancies, women in mining and HDSAs in Management objectives. A secondary purpose of continuous education and training is for legal compliance; that is, to provide legal or mandatory training that ensures that the mine complies with all legislative requirements.

Through this Social and Labour Plan West Wits MLI undertakes to:

- Identify employees with potential for further education, training and development;

-
- Train core skills to ensure the availability of adequate skills to sustain business needs; and
 - Award bursaries, internships, learnerships and mentorships opportunities to employees and community members to support business needs.

Learnerships

A learnership is a mechanism to link structured learning with work experience, leading to a qualification registered with the National Qualifications Framework (NQF). Unlike the old apprenticeship system, learnerships provide both vertical and horizontal articulation within the qualifications framework and produce meaningful competencies for productive work. Work experience must relate to the structured learning and prepare the learners for competence assessment.

The Mine recognises the importance of learnerships as an integral component to fulfil its Employment Equity Strategy, and meeting both the Mine's and the country's skills development needs. In this regard, the Mine will make opportunities available for learnerships to employees and doorstep communities from Municipal Wards 44, 49 and 127. Learnerships will be allocated as per the business requirements and the employment strategy of the Mine. The local community learnerships will be in support of the Local Economic Development strategy.

Table 11: Internal Learnerships (18.1) Targets

Qualification	2020	2021	2022	2023	2024	Total (2020 – 2024)
	Target	Target	Target	Target	Target	
General mine operational course (SAQA registered)	1	1	1	1	1	5
General machine operation course (covers excavator and front-end loader operation). SAQA registered	1	1	1	1	1	5
Total	2	2	2	2	2	10

Table 12: External Learnerships (18.2) Targets

Discipline	2020	2021	2022	2023	2024	Total (2020 – 2024)
	Target	Target	Target	Target	Target	
Diesel Mechanic (open cast)	1	1	1	1	1	5
Boiler making	1	1	1	1	1	5
Rigger	1	1	1	1	1	5
Instrument Mechanician	1	1	1	1	1	5
Total	4	4	4	4	4	20

2.6 Core Business Skills Programme

The purpose of the Core Skills Programme is to equip employees with the required skills and competencies to successfully carry out their employment responsibilities. These skills programmes are directly related to the processes of mining/quarrying techniques, equipment operation, repairs and maintenance. These programmes,

which are not yet available at West Wits MLI, are also meant to equip employees with the required capacity and skills to progress to higher levels of employment within the Company.

Core Business Skills Programme

West Wits MLI will actively promote education and training opportunities among its employees as well undertake the following actions in the implementation of the Core Skills Programme:

- Conduct a skills assessment of each employee's potential and aptitude;
- Assess and review available Skills Development Programmes in terms of their efficiency and results;
- Assess employees in terms of skills and competency gaps; and
- Evaluate future business needs, as well as positions required, budgets, timeframes, etc.

Since West Wits MLI does not have on-site training facilities, the Mine will, where appropriate, only consider Skills Programmes that are registered with the MQA. The training programme selected by the Mine should be aligned to employees' Career Progression Plans and promote safe and productive operations. The table below outlines the targets for the 5-year SLP period from 2020 to 2024. The table does not include induction training that will be done with all employees annually.

Table 13: Core Business Training Targets

Core Business Area	2020	2021	2022	2023	2024	Total (2020 - 2024)
	Expected Enrolments	Expected Enrolments	Expected Enrolments	Expected Enrolments	Expected Enrolments	
First Aid	1	1	1	3	4	10
Safety Representative Training	2	1	1	3	3	10
Competency A	2	1	1	3	3	10
Competency B	2	1	1	3	3	10
Mine Manager Certification	1	cont.	1	cont.	1	3
Mine Overseer Certification	1	cont.	1	cont.	1	3
Health and Safety Technical Training	2	1	1	2	2	8
Production Supervisor Promotion Course	1	1	1	3	3	9
Total	12	6	8	17	20	63

2.7 Portable Skills Programme

Portability refers to the ability of learners to transfer their skills/knowledge/qualifications attained at the mine to other employers, industries or learning institutions. Most of the training that will be provided to workers and community members will be based on SAQA qualifications and unit standards. This means that the learning will be completely portable to all SAQA registered training institutions that offer similar courses. While West Wits MLI does not provide any portable skills training yet, the skills and training that will be provided will be portable to other industries including the agricultural, manufacturing, utilities, transport and services industries. As such, employees and community members will not be overly dependent on the mine but can apply their skills and knowledge to other industries. This is important for the future economic sustainability of communities.

The table below indicates the targets and budgets set aside for portable skills training for employees and members of the local community. The portable skills that will be offered are also aligned to the Local Economic Development projects that have been proposed by West Wits MLI.

Table 14: Portable Skills Training Employees (18.1) Targets

Type of Portable Skills Training	2020	2021	2022	2023	2024	Total Expected Enrolments 2020 to 2024
	Expected Enrolments	Expected Enrolments	Expected Enrolments	Expected Enrolments	Expected Enrolments	
Welding	1	1	1	1	1	5
Building	1	1	1	1	1	5
Plumbing	1	1	1	1	1	5
Tiling	1	1	1	1	1	5
Painting	1	1	1	1	1	5
Agriculture	1	1	1	1	1	5
Total	6	6	6	6	6	30

Table 15: Portable Skills Training Community (18.2) Targets

Type of Portable Skills Training	2020	2021	2022	2023	2024	Total Expected Enrolments 2020 to 2024
	Expected Enrolments	Expected Enrolments	Expected Enrolments	Expected Enrolments	Expected Enrolments	
Welding	2	2	2	2	2	10
Building	2	2	2	2	2	10
Plumbing	2	2	2	2	2	10
Tiling	2	2	2	2	2	10
Painting	2	2	2	2	2	10
Agriculture	2	2	2	2	2	10
Total	12	12	12	12	12	60

2.8 Hard-to-Fill Vacancies

At this stage West Wits MLI is not fully operational and has not yet gone out on a major recruitment drive. As such, the Mine has not experienced difficulty to recruit

for any positions. Nevertheless, the Mine will report annually on Hard-to-Fill Vacancies in the Social and Labour Plan Annual Report to the DMR. The occurrence of Hard-to-Fill Vacancies will also be reported annually to the MQA and to the Department of Labour.

2.9 Career Progression Plan

At West Wits MLI we will continuously look for opportunities to further enhance the career development planning processes for our employees. We will therefore strive to develop generic career paths for all disciplines and work with individuals to develop a customised career path most suited to them. This will be an ongoing initiative which will be refined on an ongoing basis. The Mine also intends to develop, implement and communicate role profiles to all employees. This will enable our workforce to manage their careers more effectively and to pursue specific career opportunities within the Mine.

West Wits MLI will actively promote Career Progression and succession opportunities amongst its workforce. The Career Progression will be implemented by means of the following:

- Detailed career pathways will be developed;
- West Wits MLI will establish a Career Progression Policy, Procedure and Programme which will be relevant to its employment levels, organogram, workforce, skills and Employment Equity needs;
- The Career Progression Programme will be implemented for a five-year period and will be reviewed every five years;
- Career Progression will be used to improve the Mine's sustainability, business efficiency, employee development, productivity, employee satisfaction and labour stability;
- The Career Progression Programme will be linked to the Skills Development Programme, Learnership Programme, Internship and Bursary Programme, Mentorship Programme and Employment Equity Programme;
- These will be closely aligned and linked to scarce skills needs, job-related skills and employee development/progression at West Wits MLI;

-
- Mechanisms will be put in place for individuals to progress from lower levels to higher skilled working levels and management levels should job opportunities arise and positions become vacant;
 - The Career Progression Plan will ensure that the qualifications, aspirations, developmental needs and potential capabilities of employees are accounted for in line with the needs and capabilities of the Mine; and
 - West Wits MLI will identify those employees who require further skills in their current positions, as well as employees who require further skills aimed at Career Progression to fill a future position. To achieve this, West Wits MLI will:
 - Identify HDSAs that do not meet the skills requirements for their positions;
 - Conduct Skills Development interviews with these employees;
 - Implement actions necessary to achieve these plans; and
 - Monitor and review the plans quarterly.

West Wits MLI will use its Career Progression Programme as a primary mechanism to empower its employees and meet the Company's employment needs.

Establishing a Talent Pool

For purposes of establishing a Talent Pool, West Wits MLI will determine detailed job and educational requirements for each position within the organisation as well as develop detailed career paths aimed at addressing the Hard-to-Fill Positions, or those that are non-compliant in terms of empowerment requirements of the MPRDA (i.e. HDSA and Women in Mining targets). West Wits MLI will also determine the aspirations and career potential of its employees to facilitate the establishment of the Talent Pool. This will include candidates with potential in terms of the Mine's skills and Employment Equity requirements.

Once compiled, the complete list of employees in the Talent Pool will be made available to the DMR upon request. The Talent Pool will be reviewed and updated annually.

2.10 Mentorship Plan

Mentorship is a key process and tool in support of people development, Employment Equity, Human Resource Development planning and performance management. It

is a formal relationship between a mentor and a mentee and is established to enhance the mentee's career by building skills and knowledge. This is a continuous process for unlocking the mentee's potential, which benefits both the individual and the organisation.

Currently no formal Mentorship Programme exists at West Wits MLI. The Mine will establish a detailed mentorship programme, which will be implemented as soon as all mentors and mentees have been identified. The Mentorship Programme will be based on the West Wits MLI's Career Progression Programme and Talent Pool. The table below provides the proposed mentee/mentor relationships which will be implemented once the underground operations are up and running. These proposed assignments will be assessed on a regular basis and will be updated annually in accordance with business needs.

Table 16: Proposed Mentee/Mentor Assignments

Mentee	Mentor
Miner	Shift Boss
Shift Boss	Mine Overseer
Electrician	Electrical Foreman
Boilermaker	Boilermaker Foreman
Mechanic	Mechanical Foreman

Mentorship Action Plan

West Wits MLI will actively promote mentorship opportunities amongst its current and future employees and will use the 2021 period to refine and formalise its Mentorship Programme linked to its Career Progression Programme.

- The Mentorship Programme will focus on mentoring and coaching employees into more specialised positions. This will be aligned with the skills and Employment Equity requirements of West Wits MLI.
- The Mentorship Programme will be linked to the Skills Development Programme, Learnership Programme, Career Progression Programme, Internship and Bursary Programme and Employment Equity Programme.
- Regarding internal mentorship of employees, West Wits MLI will implement the following mechanisms:

-
- Establish mentoring implementation structures within West Wits MLI
 - Identify mentors/mentees
 - Match mentors with suitable mentees
 - Set relationship goals and plans for learning programmes
 - Implement and monitor mentees' progress; and
 - Evaluate and fine-tune the process
 - The mentorship plan will be implemented through the following steps:
 - Transferring skills to identified employees
 - Mentoring and coaching employees about learnership opportunities
 - Ensuring that mentors are sufficiently capacitated for their role
 - Ensuring that mentees are matched with suitable mentors in terms of personality type, etc.; and
 - Providing accelerated individualised development programmes for those employees identified as having sufficient potential and aspiration.

2.11 Internship Plan

An internship is a mechanism of providing opportunities for new entrants to the labour market to gain work exposure and practical experience in their respective fields of study. Opportunities for internships at West Wits MLI are limited at this time as the mine is not fully operational, and the mine does not have the necessary capacity to cater for the needs of interns. Opportunities for internships will become available once more diversified and skilled positions become available at the mine. To this end, opportunities for internships are likely to be available once the mine becomes fully operational during its fourth year of operation, i.e., when underground operations commence.

Internship Action Plan

West Wits MLI will implement an internship plan which will be rolled out as follows:

- Experiential training in the form of internships will be offered to a selected number of students from the community and graduates who would benefit from practical training as per the requirements of their respective tertiary institution and/or course;

-
- Experiential training will be provided to undergraduate or postgraduate students who are interested in becoming involved in the Minerals sector
 - These internships will be offered to students in core disciplines of mining and engineering;
 - West Wits MLI will provide a coaching and mentoring process for interns
 - The progress of interns will be continuously assessed against required programme outcomes. Progress will also be monitored and evaluated quarterly;
 - Students' records will be maintained and forwarded to the relevant learning institutions; and
 - The Mine will enter discussions with students to explore the option of first right to employ the intern was their programme is complete.

Below is an outline of the internship implementation plan.

Table 17: Internship Implementation Plan

Internship Implementation Plan																				
Activities	2020				2021				2022				2023				2024			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Determine experiential training requirements for targeted divisions																				
Selection and placement of interns																				
Develop a meaningful experiential training and internship management tool, clearly articulating the functions to be performed by interns																				
Enter into agreement with academic/ training provider on internship programme, articulating obligations of the parties																				
Develop a programme in collaboration with respective academic/provider institutions																				
Evaluation and feedback to interns and participating institutions																				

The table below summarises internship targets.

Table 18: Internship Target

Internship Opportunities	Internships per year					Total
	2020	2021	2022	2023	2024	
Number of external learners to be accommodated in the internship programme per year	1	1	1	2	3	8
Career areas available to interns	The mine will provide practical experiential learning in Surveying, Occupational Health, Safety and environment					8

2.12 Bursary Programme

West Wits MLI is aware of the need to not only assist its own employees with development opportunities, but also those of members of the local community to access tertiary education through bursaries. The bursary plan will help to develop individuals, thus providing the necessary pipeline of required skills for its operations. Apart from business-related qualifications, the Mine is also aware of the need to develop qualified individuals from other sectors of the economy whose communities will be affected by the mine.

While the Mine does not provide bursaries yet, future bursaries will be awarded according to and based on professional qualifications required within the business. The number of opportunities offered will be subject to the financial situation and staffing needs of the Mine. Preference will be given to candidates who meet the Mine's qualification criteria. The programme will benefit mine employees, their children and members of the local community

West Wits MLI will establish a Bursary Management Committee, which will inform and guide the implementation of the bursary programme in accordance with the Skills Development Plan. The Management Committee will develop a Bursary Scheme Framework which will determine the budget to be allocated to the programme. The budget will be subject to annual review. The Bursary Scheme Framework will ensure that:

- Bursaries will be offered in a responsible manner and reflect the needs of the industry and the Mine's skills and labour plans.
- Bursaries will be awarded to learners who wish to pursue undergraduate studies in mining related fields, environmental management, commerce and other fields of study that are relevant to the Mine's needs.
- Career information sessions and orientation schemes will be conducted, to advise Grade 10 to Grade 12 learners from the host community area and graduates about career opportunities within the Mine.

-
- Study assistance will be provided for employees that are studying in their own time as per the Mine's bursary policy. The merits for the awarding of study assistance will be informed by the following:
 - Operational Business Plans;
 - Workplace Skills Plans;
 - Individual Development Plans;
 - The need for equity;
 - Availability of resources;
 - External bursary holders will also be offered experiential and practical training during vacations; and
 - External bursary holders will either be offered employment after completion in the form of an internship or if they accept employment elsewhere, repayment of bursary commitments will then be arranged.

Bursary Selection Criteria

Selection criteria for a West Wits MLI bursary are based on fairness and include:

- Matric exemption with an average pass of 75%;
- Key subjects must be passed depending on the discipline applied for;
- The candidate should not be a holder of another bursary;
- The candidate should be accepted by the educational tertiary institution for a specific course;
- The educational institution and the course should be SAQA accredited;
- Preference will be given to HDSA candidates from disadvantaged backgrounds;
- Preference will be given to residents of the local communities; and
- A full bursary will be offered.

Renewal of the bursary will depend on the successful performance of the bursar.

Table 19: Bursary Target

Discipline	Targets					Total (2020- 2024)
	2020	2021	2022	2023	2024	
Mining	1	1	1	1	1	5
Mechanical Engineering	1	1	1	1	1	5
Electrical Engineering	1	1	1	1	1	5
Geology	1	1	1	1	1	5
Finance	1	1	1	1	1	5
Total	5	5	5	5	5	25

There will be new intakes of bursars every calendar year and the total of beneficiaries will be 25 at the end of the SLP cycle.

Employment Equity

3.1 Introduction

West Wits MLI subscribes to the principles of the Mining Charter and intends to achieve a representative demographic profile at its operations. The Mine regards Employment Equity (EE) as an integral part for building an effective and representative workforce to ensure equality among its employees. To this end, effort will be focused on identifying HDSAs with talent and to then provide accelerated training and development initiatives to assist in their progression.

In our transformation efforts we are guided by the South African Constitution and the MPRDA, which promote equity, fairness, dignity, transparency and accountability. Importantly the Constitution not only defines and promotes formal equality, but also allows for the implementation of affirmative action or corrective action. As part of aligning the Mine to these imperatives, we undertake to draft a 5-year Employment Equity Plan in accordance with the requirements of the Employment Equity Act, which will be submitted to the Department of Labour as required. The objective of the Employment Equity Plan will be to ensure the promotion and maintenance of equity throughout the Mine, and to develop strategies to promote affirmative action amongst designated groups.

We will ensure that the Employment Equity Plan promotes fair and non-discriminatory practices which respect the rights and dignity of all employees irrespective of their race, gender or disability. West Wits MLI endeavours to identify and eradicate all forms of potentially discriminating practices. We intend to target women for learnerships, bursaries, internships and career progression. A concerted effort will be made to consider women for appointment into the Mine. The following principles will underpin our approach to the implementation of Employment Equity:

- Recognising historical inequalities, HDSAs and women with recognised potential will be afforded special opportunities and additional support to realise their potential;
- To fill each position in the company with a fully performing individual and ensure that staff at all levels are suitably qualified or have the potential to meet the

intrinsic requirements of the job. Thus, we will not create fake jobs nor make token appointments;

- Diversity is encouraged in the workplace and any form of racism is not tolerated;
- All employees are developed to ensure that they are fully performing in their current jobs and, where applicable, to prepare them for future opportunities;
- In placing women in jobs, the company will take cognisance of the special risks to which women of child-bearing age, pregnant and lactating women should not be exposed;
- Employment Equity will be aligned to local recruitment and human resources development strategies; and
- West Wits MLI is committed to developing and promoting from within the organisation, with preference given to females and historically disadvantaged individuals.

Our implementation strategy will entail developing Employment Equity policies, procedures and guidelines which will be appropriately aligned to Human Resources Development initiatives and talent management. The Employment Equity Plan will be developed in collaboration with our internal stakeholders. The Mine will refine and inculcate the EE Plan amongst all managers and hold them accountable for its implementation. The EE Plan will be implemented over a 5-year period and will be subject to annual review and reset.

Table 20: Employment Equity Statistics as at 31 March 2020

Occupational Level	Male				Female				Foreign Nationals		Total	Disabled		Total HDSA % in Management
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female		Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
Senior management	0	0	0	1	1	0	0	0	0	0	2	0	0	50%
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	1	1	0	0	0	0	0	0	0	0	50%

The table above depicts the current workforce representation at West Wits MLI.

3.2 Women in Mining

To address the historical marginalisation of women in the mining industry, West Wits MLI will develop a gender equality policy and plan to ensure that women are represented in positions that were traditionally considered for males only. This will be accomplished by implementing a programme focusing on the empowerment of women from the host community. In keeping with the spirit of the Mining Charter, West Wits MLI will implement direct interventions to increase the participation of women in managerial, professional and core mining positions. Progress against these plans will be reported annually as required to the DOL and the DMR.

Table 21: HDSA'S in Management Targets 2020–2024

Occupational Level/Paterson Bands	Prescribed Target	Current		% HDSA	2020		% HDSA	2021		% HDSA	2022		% HDSA	2023		% HDSA	2024		% HDSA
		HDSA	Non-HDSA		HDSA	Non-HDSA		HDSA	Non-HDSA		HDSA	Non-HDSA		HDSA	Non-HDSA		HDSA	Non-HDSA	
Top Management (Board)	40.0%	0	0	0.0%	0	0	0.0%	2	1	75.0 %	2	1	75 %	0	0	75.0%	0	0	75.0%
Senior Management	40.0%	1	1	50.0%	1	1	50.0%	3	1	75.0%	3	1	75.0%	2	2	50%	2	2	50%
Professionally qualified and experienced specialists and Mid-Management	40.0%	2	2	50.0%	2	2	50.0%	2	2	50.0%	2	2	50.0%	5	2	71.0%	5	2	71.0%
Skilled technical and academically qualified workers, Junior Management, supervisors and superintendents	40.0%	3	1	75.0%	3	1	75.0%	3	1	75.0%	3	1	75.0%	60	54	53%	60	54	53%
Semi-skilled and discretionary decision making	40%	34	0	100%	34	0	100%	34	0	100%	34	0	100%	620	100	86%	900	100	86%
Unskilled and defined decision making	40%	4	0	100%	4	0	100%	4	0	100%	4	0	100%	90	55	62%	90	55	62%

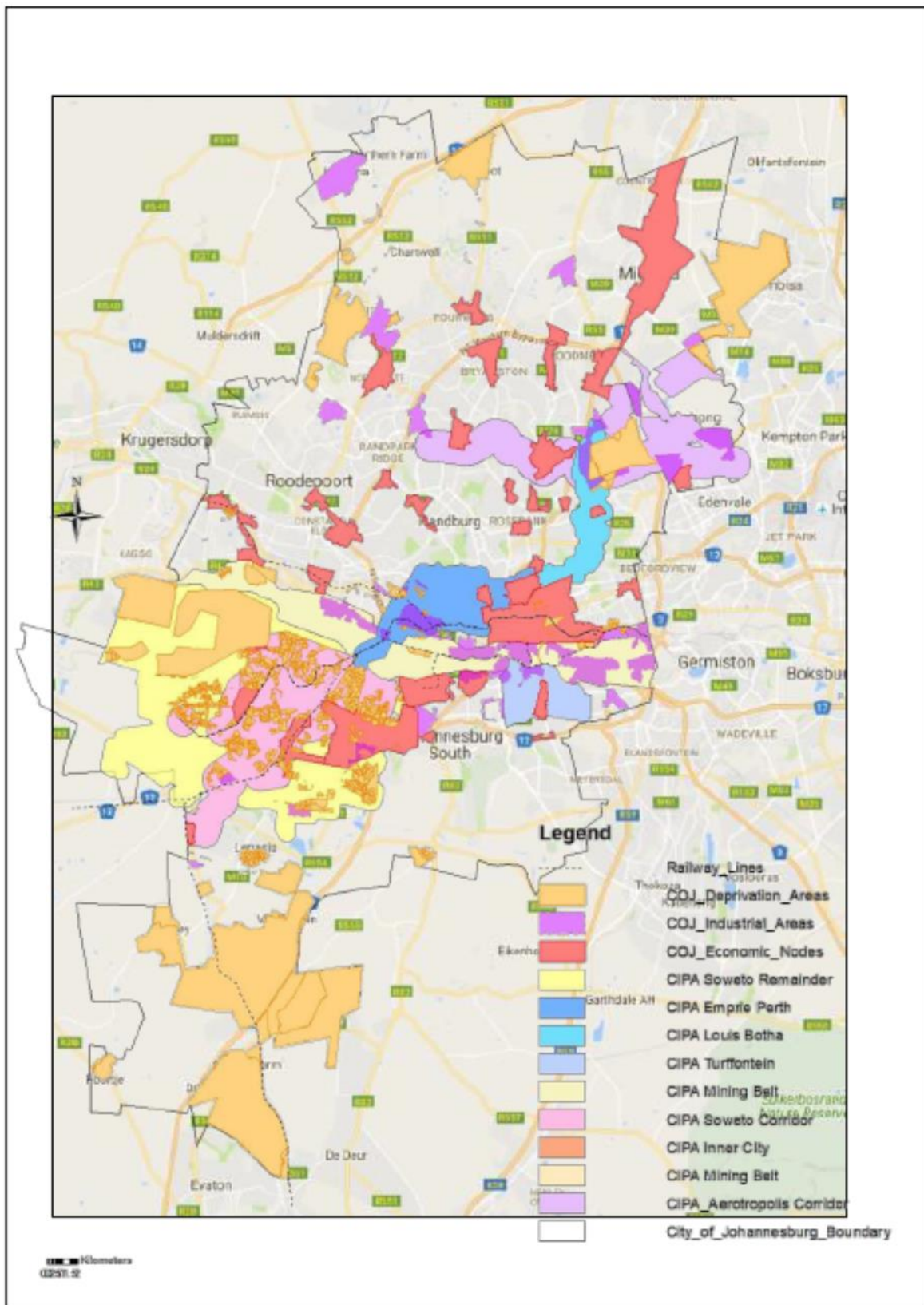
Mine Community Development Plan

4.1 Socio-economic Background

The socio-economic profile of the area was informed by a desktop review of the 2017-2018 City of Johannesburg draft Integrated Development Plan (IDP) Review, Stats SA 2011 Census data and Stats SA 2016 Community Survey. This information is supplemented by information from the Gauteng Socio-Economic Review and Outlook (2016); the City of Johannesburg Annual Economic Review (2015); IHS Global Insight Regional Explorer 2016 and Wazimap Municipal Data (2016). The emerging socio-economic profile from this desktop review also provides the backdrop for the development of the West Wits MLI Community Development Strategy upon which the Local Economic Development (LED) projects are premised.

The City of Johannesburg comprises an area of 1 648 km² and is home to approximately 4.9 million people according to the 2016 Stats SA Community Survey. This makes the City the biggest Metro in South Africa despite its physical size. The City of Johannesburg is one of five Corridors or regions of the Gauteng Province. The City is referred to as the Central Corridor; Ekurhuleni is the Eastern Corridor, The City of Tshwane is referred to as the Northern Corridor, the West Rand is the Western Corridor and Sedibeng is the Southern Corridor.

The City of Johannesburg is divided into 7 regions, Regions A to G. West Wits MLI is situated within Regions C and D and is hosted by 3 Wards, namely Ward 127, Ward 44 and Ward 49. The figure below shows the footprint of the City of Johannesburg in relation to the West Wits MLI operation's lease areas. Maps of the 3 wards are attached as Appendix A.

Figure 2: City of Johannesburg Metropolitan Council

Demographic Profile

The size of the population of City of Johannesburg Metropolitan Council as per the 2016 Stats SA Community Survey results is 4.9 million people. This makes it the biggest Metro by population size in South Africa and is projected to grow to 5.4 million by 2021 and to 7.6 million by 2027. The City of Johannesburg population represents 36% of the Gauteng Province population, and 8.9% of the country's population.

Table 22: Population Distribution

Population	City of Johannesburg		Ward 44	Ward 49	Ward 127
	Census 2001	Census 2011	Wazimap Municipal Data 2016		
Total Population	3 226 055	4 434 827	51 183	46 251	38 731
African	73.5%	77.1%	99%	99%	99%
Coloured	6.4%	5.6%	0%	0%	0%
White	16.0%	12.4%	0%	0%	0%
Indian or Asian	4.2%	4.9%	0%	0%	0%
Other			1%	1%	1%

Source : Stats SA Census 2001 and Census 2011 ; Wazimap Municipal Data 2016

A general trend emerging from the first Census of 1996 is that the white population is decreasing in proportion to the other races in both Gauteng province and the City of Johannesburg. The City of Johannesburg population continues to grow at an annual rate of 2.0% - 2.3% with a third of the population comprising young people aged between 14 and 35 years. The growth rate could also be attributed to the monthly inflow of mainly migrants to the city for better opportunities, estimated to be approximately 3000 each month. The 2016 Stats SA Community Survey reported a levelling of the proportion of males to females. Statistics also showed an increase in the elderly population of people aged 65 years and older. This increase poses a challenge in terms of providing balanced opportunities for a young and economically active population and those experiencing higher life expectancy. This also poses an economic challenge for the City of providing skills training opportunities as well as stimulating the economy to create more jobs.

Table 23: Age Distribution

Age	Population		Percentage (%)	
	2001	2011	2001	2011
0-14	733 593	1 028 811	22.7	23.2
15-64	2 361 072	3 222 606	73.2	72.7
65 and over	131 390	183 409	4.1	4.1
Total	3 226 055	4 434 827	100.0	100.0

Source : Stats SA Census 2001 and Census 2011

The bulk of the population, i.e., more than two-thirds, is aged between 15 to 64. The older population aged 64 and older remained unchanged over the two Census periods of 2001 and 2011, while the rest of the population saw insignificant growth. The median age is 26 in Wards 44 and 127; and 25 in Ward 49.

Table 24: Household Dynamics

Socio-Economic Indicators	Gauteng Province	City of Johannesburg
Total household population	11 567 089	4 132 148
Total number of households	3 909 022	1 434 856
Average size of households	3.0	2.9
Female headed household (%)	36.2	34.1
Child headed household (%)	0.3	0.3

Source : Stats SA Census 2011 ; Community Survey 2016

The total number of households in the municipality stood at 1.4 million during Census 2011 and has increased to 1.85 million as reported in the Stats SA 2016 Community Survey. This number is expected to grow at an annual rate of 3.5% to 3.9% to approximately 2.16 million by the year 2030. Sixty-four percent (64%) of households were headed by males, and 36% by females. While Census 2011 showed a decline in the proportion of households headed by children, the Stats SA 2016 Community Survey highlights a growing trend of male, child-headed households in South Africa. In the 3 Wards, 154 households were headed by children under the age of 18; 48 in Ward 44; 46 in Ward 49 and 60 in Ward 60.

Table 25: Households by Type of Dwelling

Type of Dwelling	Gauteng Province	Ward 44	Ward 49	Ward 127
House	55.4%	59.9%	76%	33%
Shack	17.8%	20.2%	9.4%	50.4%
Backyard in Flat	5.3%	8.7%	4.8%	4.4%
Semi-detached house	1.1%	5.9%	4.1%	2.6%
Other	20.5%	5.3%	5.7%	9.1%

Source : Wazimap Municipal Data (2016)

Slightly more than half of households of Ward 127 reside in shacks, while Ward 49 has the least number of shacks. This is partly because Ward 49 comprises mainly RDP houses. There is an increase in the proportion of households residing in formal dwellings across the province and in the City of Johannesburg. Similarly, the use of traditional dwellings first increased in the past decade but has declined steadily to date.

Most of the City's population resides in formal houses in urban areas while the number of those who dwell in traditional houses or farm areas has declined significantly, especially after 1994. According to the Gauteng Socio-Economic Review and Outlook (2015), urban areas are linked to the trend towards the urbanization of poverty, with a proliferation of informal settlements characterised by extreme levels of unemployment and poverty. It is estimated that over 4.4 million people live in informal settlements in Gauteng, with most of them being in the City of Johannesburg alone. Ironically, the City is at once, a centre of high economic activity and poverty and inequality. This challenge poses a dilemma for City officials and calls for concerted and proactive responses to, and management of the urbanization process. The City's rapid urbanization has several implications, i.e., increase in social problems such as: i) housing backlogs, ii) growth in informal settlements, and iii) overcrowding and its attendant problems of squalor and health related problems.

Table 26: Access to Basic Services

Socio Economic Indicators	Gauteng Province		City of Johannesburg Metropolitan Council	
	2001 (%)	2011(%)	2001(%)	2011(%)
Flush toilet with sewerage system	78.2	83.1	82.3	87.1
No access to any toilet facilities	3.6	1.1	2.8	0.8
Weekly waste removal	84.6	89.8	93.9	97.0
Own refuse dump	12.4	7.9	4.8	2.3
No rubbish disposal	3.0	2.0	1.3	0.5
Electricity used for cooking	72.0	83.9	78.7	87.4
Electricity used for lighting	80.1	87.4	84.9	90.8
Electricity used for heat	69.4	74.7	76.9	82.1
Piped water inside dwelling/yard	82.7	89.4	84.5	91.6
Piped water on communal stand	14.5	8.8	12.6	7.0
No access to water	2.9	1.8	3.0	1.4

Source : Stats SA Census 2001 and Census 2011

While a large percentage of the City's households enjoys access to basic services such as electricity, piped water and flush toilets, a significant proportion of the population is still without the means to access and/benefit from these services. This is partly due to increasing inward migration, growth in the number of households and rapid urbanisation. Furthermore, poor households cannot afford to pay for these basic services, let alone for their places of abode. Wazimap Municipal Data for 2016 shows that some households occupied houses without paying rent – 20% in Ward 44; 39% in Ward 49 and 45% in Ward 127. Lack of affordability poses a challenge for the City, which must create mechanisms to expand delivery to meet the growing demand and to constantly review tariffs in efforts to facilitate affordability for the poor.

Table 27: Population by Highest Educational Level

Educational Level	Gauteng Province	Ward 44	Ward 49	Ward 127
No schooling	3.6%	2.9%	4.7%	5.4%
Other	0.5%	0.4%	0.2%	0.2%
Some primary	7.3%	7.3%	7.6%	12.1%
Primary	3.3%	4.1%	3.8%	6.6%
Some secondary	32.2%	39.5%	40.1%	45.5%
Grade 12	39.7%	41.9%	40.3%	28.7%
Undergraduate	6.8%	2.5%	1.3%	1.1%
Post graduate	4.1%	0.8%	0.5%	0.4%
N/A	2.5%	0.7%	1.5%	0.3%

Source : Wazimap Municipal Data 2016 ; Stats SA Census 2011

According to Stats SA 2016 Community Survey, illiteracy levels have declined significantly since the first Census of 1996. The reduction in illiteracy levels is further corroborated by figures for school attendance in all 3 Wards (89% in Ward 44; 90% in Ward 49 and 84.5% in Ward 127). The table above shows that around 40% of the population in these 3 Wards has had some secondary school level education, with a similar number having attained Grade 12 in Wards 44 and 49. While this improvement augurs well for functional literacy, the City should aim at improving the number of individuals with appropriate skills that can be sold to the labour market or used to stimulate self-employment.

Table 28: Average Annual Household Income

Income Category	Gauteng Province	Ward 44	Ward 49	Ward 127
No income	17%	19%	18.8%	30%
Under R4 800	3%	4.8%	5.4%	5.4%
R 5 000 - R 10 000	5%	7%	6.9%	7.8%
R 10 000 to R 20 000	12%	14%	15%	16%
R 20 000 – R 40 000	17%	21.6%	22.4%	21.7%
R 40 000 – R 75 000	15%	17%	18.1%	12.1%
R 75 000 – R 150 000	11%	9.8%	9.2%	3.6%
R 150 000 - R 300 000	9%	4.6%	3.3%	1.7%
R 300 000 – R600 000	7%	1.7%	0.9%	1%
R 600 000 – R 1 200 000is	3%	0.3%	0.1%	0.2%
R 1 200 000 – R 2 500 000	1%	0.2%	0.1%	0.1%
Over R 2 500 000	1%	0.1%	0%	0%

Source: Wazimap Municipal Data 2016

Average annual household income is a median estimate, which is the band at which the incomes of half of households are at or below. Thus, annual household income across the City, the province and country is on average, **R 29 400**. This figure is also applicable to Wards 44 and 49, but not to Ward 127 which has an average annual household income of **R14 600**; about half the amount earned on average in Gauteng Province and in South Africa. A third of the population of Ward 127 (approximately 30%) earns no income at all, while about 13% of households survive on earnings of less than R10 000 per annum.

Table 29: Annual Employee Income

Income Category	Gauteng Province	Ward 44	Ward 49	Ward 127
No income	8%	8%	10.3%	8.1%
R1 - R4 800	3%	3.7%	4.2%	4.1%
R 5 000 - R 10 000	4%	6.3%	6.5%	8.7%
R 10 000 to R 20 000	11%	16%	15.4%	23.8%
R 20 000 – R 40 000	20%	28.3	30.3%	31.5%
R 40 000 – R 75 000	15%	18.8%	19.1%	12.2%
R 75 000 – R 150 000	13%	9.6%	6.3%	3.4%
R 150 000 - R 300 000	11%	3.8%	1.4%	2.2%
R 300 000 – R600 000	6%	0.7%	0.3%	0.8%
R 600 000 – R 1 200 000is	3%	0.1%	0%	0.1%
R 1 200 000 – R 2 500 000	1%	0.1%	0%	0.1%
Over R 2 500 000	1%	0.1%	0%	0.1%
Unspecified	6%	4.7%	6.2%	5.1%

Source : Wazimap Municipal Data 2016

Average annual employee income is a median estimate, which is the band at which the incomes of half of the workers are at or below. Thus, the average annual employee income across the 3 Wards is the same as the average annual income in South Africa at **R 30 000**. The average annual employee income in Gauteng Province is higher at **R57 500**.

Key Economic Activities

The purpose of this section is to identify key economic sectors through a sectoral review of the City of Johannesburg. The section also provides an indication of the characteristics of the local economy and highlights trends in the economy. The section presents the strategic role that the City's economy plays within the national context and the following features are discussed:

- An overview of the economic profiles;
- Sectoral employment;
- Employment and unemployment; and

- City of Johannesburg Metro's contribution to the Gauteng Province's industries GVA

Comparative Sector Composition of GVA in SA, Gauteng and City of Johannesburg and its Regions

Table 30: Comparative Sector of Johannesburg's Economic Output

Economic Sector	South Africa	Gauteng Province	City of Johannesburg	Region C Roodepoort	Region D Soweto
Agriculture, forestry and fishing	2.6%	0.4%	0.3%	0%	0%
Mining and quarrying	8.3%	3.1%	1.7%	1.3%	1.8%
Manufacturing	13.9%	16.2%	13.0%	13.5%	10.9%
Electricity, gas and water	2.5%	2.2%	1.8%	1.4%	1.9%
Construction	3.8%	3.6%	3.9%	4.9%	3.5%
Trade, catering and accommodation	15.1%	13.6%	14.8%	15.7%	13.8%
Transport, storage and communications	9.3%	9.9%	8.9%	6.5%	9.9%
Finance and business services	21.7%	26.6%	31.8%	32.9%	22.4%
Community services	22.9%	24.8%	23.8%	23.5%	35.8%

Source: IHS Global Insight Regional Explorer 2016; Annual Economic Review of the CoJ 2015

The City of Johannesburg remains the economic powerhouse behind the South African economy, contributing approximately 17% towards the country's Gross Domestic Product (GDP) in 2013. The City is the cornerstone of financial and business services industries and has a strong retail sector. The City structure of output is dominated by the financial sector, with community services, trade and manufacturing also making some contribution. The decline in mining has impacted in most part, the Western and Southern Corridors of the West Rand and Sedibeng municipalities of Gauteng respectively, which in turn negatively affected the performance of the province.

Employment by Major Sector in Johannesburg

The significant and ongoing inward migration of people into Johannesburg is influenced in large part by the perception that the City offers better prospects for employment, livelihoods and access to services. The City has, notwithstanding economic challenges of the past few years, consistently continued to draw work seekers in their diversity in skills and educational levels. Employment opportunities have resulted from the demand for goods and services within the City and beyond its borders. The informal sector has increased more rapidly than the formal sector, particularly between 1996 and 2014. The most significant and consistent growth in employment has occurred at the household level.

Table 31: Composition of Total Employment in Johannesburg: 2002 and 2014

Economic Sector	2002	2014
Agriculture, forestry and fishing	1.5%	0.8%
Mining and quarrying	2.0%	0.6%
Manufacturing	15.2%	10.9%
Electricity, gas and water	0.6%	0.5%
Construction	4.7%	5.8%
Trade, catering and accommodation	23.2%	22.0%
Transport, storage and communications	4.5%	5.9%
Finance and business services	24.5%	26.6%
Community services	15.6	18.0

Source: IHS Global Insight Regional Explorer 2016

As can be expected, the finance sector is the biggest employer in the region, accounting for 26.6% of employment. This is followed by the trade sector which employs 22% of formal sector workers. There has been, notably, a significant drop in the contribution of manufacturing employment, which has declined by 4.3% in the twelve years between 2002 and 2014. The agricultural sector comprises the least share of formal sector workers with only 0.8%, according to IHS Global Insight Regional Explorer, 2016. Employment in the mining and quarrying sector has been on a downward spiral, according to IHS Global Insight Regional Explorer (2016), dropping

by 72% since 1996, information that can be corroborated by the reduction in the country's gold production during that period.

Employment and Unemployment

Table 32: Labour Market

Unemployment Rate	Gauteng Province		City of Johannesburg Metropolitan Council	
	2001	2011	2001	2011
Unemployment Rate (official)	37.0%	26.3%	37.4%	25.0%
Youth (15-34 years) Unemployment Rate (official)	45.8%	34.0%	45.5%	31.5%

Source : Stats SA Census 2001 and Census 2011

According to Stats SA Quarterly Labour Force Survey May 2016, overall unemployment in the City of Johannesburg in the 4th quarter of 2016 in terms of the narrow definition was 27.8%; and 30.2%, if the expanded definition is considered. Youth unemployment remains of concern and is estimated to be above 35%, according to the official definition. The latest Gauteng City Region statistics on youth unemployment pitches the figure at 40% according to some reports. With almost half of the City's population being unemployed, prospects for economic welfare and a bright future are bleak. Despite the unemployment challenge, the City has made great strides in reducing poverty during the past decade, especially during the past 5 years. In this regard, poverty headcount has declined by 0.2% from 3.7% in 2011 to 3.5% in 2016.

Inequalities in terms of income and opportunities have persisted, despite the City's economic success and efforts to eradicate poverty. Johannesburg's level of inequality is 0.65, as measured by the Gini Coefficient, a measure of inequality or how evenly income is distributed. A Gini Coefficient figure closer to 1 indicates high inequality whereas a number closer to 0 shows less inequality or fair distribution of income. Inequality is attributed to 4 factors: i) the City tends to attract people from different classes – from the highly educated to the uneducated, skilled and unskilled; ii) a shift in earnings from labour to capital income; iii) demand for skilled workers due to the rapid growth of the services sector; and iv) decline in labour absorption. Inequalities are linked to the employment sector and are higher amongst those

employed in sectors with low income potential and in elementary occupations such as administrative and secretarial jobs.

In contrast, the intensity of poverty has risen by 1.0 to 44.1 during the same period. The intensity of poverty indicates the extent of deprivation of those that are regarded as poor has increased. Poverty levels, a key factor behind social unrest, could pose a risk for mining operations such as West Wits MLI that are situated in areas with high poverty levels.

Socio-Economic Implications

Job Creation: employees and households

West Wits MLI currently employs 02 employees, however will employ 971 employees by 2024 through contract mining. The positive impact that will be enjoyed by these employees and their families will be due to salaries, wages and other employee benefits. With a projected Life of Mine (LOM) of 30 years, and as the mining operations ramp up over the years, these benefits should make it possible for beneficiaries to sustain themselves and their families over a longer period. In addition, certain mine supply contracts are allocated to local SMME's where these exist and include diesel supply, water and temporary sanitation and security provision (see 4.2.3 below).

The mine is fully cognisant that mining is a finite activity and will be developing a Social Impact Management Plan (SIMP) with clear mitigation plans for dealing with the eventuality of reduced operations or mine closure due to a persistent low gold price environment and when the ore has been depleted. These measures will include skills development, life skills, community development and small business development.

Due to the high unemployment levels and high expectations for jobs, the mine will ensure that these are addressed adequately during the public participation process related to the Mining Rights Application (MRA). During these sessions, detailed information on the size of the resource to be mined, duration of the LOM, and the expected number of jobs to be created will be made available to manage

expectations. Mitigation measures to address adjacent land owners' concerns will be laid out during public participation sessions that form part of Environmental Authorisation application, which will also provide a process whereby any ongoing issues are addressed as they become known.

To mitigate against perceptions of unfairness and lack of transparency during recruitment, the Mine intends creating a joint structure comprising representatives from the contractors, and comprises elected community leaders from the 3 wards) and the company. This should dispel any negative sentiment as protocols will be established for every step of the recruitment process. The protocols will apply equally to contractor companies and mine employees.

██████████ Host and Labour Sending Areas

The income that will be earned by West Wits MLI mine employees will translate into spending power that is injected in local businesses and Small, Medium and Micro Enterprises (SMMEs). Since employees from faraway places send money home, businesses in those far-flung places may also benefit.

██████████ SMMEs and Local Entrepreneurs

As part of its Procurement Strategy, West Wits MLI and its contractor's will, as far as reasonably possible, target local suppliers and SMMEs as preferred suppliers. A key component of the strategy is SMME development and mentorship, which will enable local suppliers to compete on an equal footing and be enabled to run sustainable businesses.

Through this SLP, the Mine intends to play a more meaningful and impacting role through sustainable community projects.

██████████ Poverty Eradication

As indicated in the profile of the local communities, the mine is situated in areas with high unemployment and poverty levels and poor living conditions. As such, the Mine's Local Economic Development projects will be aligned with the City's priorities, which include pro-poor development that addresses inequality and necessary redress. In

addition, the Mine will contribute to the fiscus through payment of annual taxes, utility tariffs, levies and royalties which will be used by the government to reduce inequality and poverty and assist with basic services.

4.2 Local Economic Planning

In response to the challenges highlighted above, the City of Johannesburg has identified five strategic outcomes/pillars and nine priorities which are outlined below.

Strategic Outcomes/Pillars

- Grow the economy and create jobs;
- Enhance quality of life by improving services and taking care of the environment;
- Advance pro-poor development that provides meaningful redress;
- Build caring, safe and secure communities; and
- Institute an honest, responsive and productive government.

These strategic pillars capture the essence of the vision of the City, which is: **“A Johannesburg that works is a South Africa that works.”** These outcomes serve as the strategic foundation for the policies the City is pursuing and reflect its commitment to expanding opportunities available in the City.

Strategic Priorities

The table below provides a summary of how the nine priorities identified to support the strategic pillars align to imperatives such as the National Development Plan, National Treasury, Joburg 2040 Outcomes, and the IDP Programme.

Table 33: Alignment of CoJ Priorities to the National Development Plan, National Treasury, Joburg 2040 and IDP

City of Johannesburg Strategic Priority	National Development Plan	National Treasury	Joburg 2040 Outcomes	IDP Programme
1. Promote economic development and attract investment towards achieving 5% economic growth	Decent employment through inclusive growth	Local Economic Development	An inclusive, job-intensive, resilient and competitive economy that harnesses the potential of citizens	IDP Programme 1: Economic Development Programme
2. Ensure pro-poor development that addresses inequality and provides meaningful redress	Decent employment through inclusive growth	Local Economic Development	An inclusive, job-intensive, resilient and competitive economy that harnesses the potential of citizens	IDP Programme 2: Pro-poor Development
3. Create a culture of enhanced service delivery with pride	A responsive, accountable, effective and efficient local government system	Basic Service Delivery	Improved quality of life and development-driven resilience for all	IDP Programme 1: Customer Charter Programme
4. Create a sense of security through improved public safety	All people in South Africa are and feel safe	Basic Service Delivery	A sustainable city which protects its resources for future generations and a city that is built to last and offers a healthy, clean and safe environment	IDP Programme 3: Safer City Programme
5. Create an honest, transparent City that fights corruption	Nation building and social cohesion	Good governance and public participation	A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region (GCR) good governance	IDP Programme 4: Clean Governance Programme

City of Johannesburg Strategic Priority	National Development Plan	National Treasury	Joburg 2040 Outcomes	IDP Programme
6. Create a City that responds to the needs of residents	Nation building and social cohesion	Good governance and public participation	A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region (GCR) good governance	IDP Programme 4: Citizen Relations
7. Enhance our financial sustainability	A responsive, accountable, effective and efficient local government system	Municipal financial viability and management	A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region (GCR) good governance	IDP Programme 8: Financial Sustainability Programme
8. Encourage innovation and efficiency through programmes such as Smart City	An efficient, competitive and responsive economic infrastructure network	Municipal institutional development and transformation	A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region (GCR) good governance	IDP Programme 4: Smart City Programme
9. Preserving our resources for future generations	A responsive, accountable, effective and efficient local government system	Municipal institutional development and transformation	A sustainable city which protects its resources for future generations and a city that is built to last and offers a healthy, clean and safe environment	IDP Programme 6: Resources Sustainability Programme

4.3 Mine Community Development Projects

Introduction

The LED projects that are addressed through this SLP will target the developmental priorities of the City of Johannesburg as identified in the 2017 -2018 IDP, as well as give consideration and alignment to the development needs of the mine's host communities that have been identified through feedback from Public Participation meetings and engagement with the community elected representative Community Forum, sanctioned by the relevant ward councilors, that engages on a bi-weekly basis with West Wits MLI representatives. The intention is to implement the local economic development projects that will develop and sustain economic growth, especially in the three wards hosting the mine. A critical aspect that is included in this section is a demonstration of the alignment of the proposed projects to the CoJ's development priorities while implementation will be adapted in terms of budget availability and the needs identified by community representatives at the time.

An integrated approach is used to ensure the implementation of economic development that will have ripple effect and benefit the local municipal area. For this reason, the projects that will be pursued have to be sustainable, outlive the Life of Mine and be able to attract additional resources through collaboration and strategic partnerships with other businesses in the private sector. initiatives. Therefore, from a strategic development facilitation point of view, it is necessary to ensure that appropriate linkages and interactions between projects are established, especially since funding for LED projects through mining profits as required by the Mining Charter would be limited due to the initial capital outlay to commence with full scale operations.

All West Wits MLI's LED projects are geared towards supporting the achievement of the City's vision and have been discussed extensively with Ward Councillors and community representatives through presentations and feedback from public participation engagements. Engagement with these stakeholders also entailed a review of projects that can contribute to end land use, i.e., projects that consider closure related economic activities for the community. These are long term projects

that are geared towards ensuring the promotion of alternative and sustainable economic activity in the host area at mine closure.

West Wits MLI Implementation Approach

In implementing LED projects, cognizance has been taken of the integrated nature of the SLP, whereby HRD training programmes, Procurement approaches and Housing and Living conditions are all geared towards contributing to the socio-economic development of the host communities.

As the scope of the proposed projects is wide-ranging at this stage, the specific skills training to be implemented will be informed during the community engagement process when beneficiary selection (through the Ward Councillors and mine Community Forum representatives) will advise the most appropriate needs facing the community at the time and these will be prioritised with the company in order that the needs are appropriate and addressed.

The alignment to the IDP and rationale for the community projects as well as the available budget from West Wits MLI has been discussed with the Office of the Executive Director, Department of Economic Development (DED), City of Johannesburg to ensure that community needs are also aligned from the findings and priorities of their IDP engagement processes, as well as supplement their programmes where applicable. The relevant LED manager and coordinator will also form part of the implementation process to ensure alignment as well as provide the necessary feedback to the DMR with regards to compliance, while also reporting progress to the Auditor General and National Treasury. Minutes of the discussion with the DED held on 21 June 2018 at their offices are attached hereto as Annexure B.

LED Project Implementation Summary

The following projects have been identified and proposed as being appropriate in terms of West Wits MLI's philosophy of enabling high impact on local communities. As such, the projects presented in this SLP are more likely to be sustainable given the linkages and collaboration opportunities mentioned above. The investment in this

regard would also be commensurate with the current and anticipated production levels and associated profit levels of the West Wits MLI operations.

As stated above, representatives from the City of Johannesburg's Department of Economic Development (DED) will be kept informed of progress with regards to the implementation of projects in order to advise the DMR of compliance. These may take the form of quarterly LED project progress meetings as applicable.

Table 34: West Wits MLI LED Project Summary

Project Name	Project Impact	Implementation Date	Ward/s
Aggregate/ Crushed Stone Supply/ Ore Transport	SMME Development for processing of aggregate/ crushed stone from mining operations to the building industry	Year 1	127
Removal of Alien Invasive Vegetation	Skills Development and Training Environmental rehabilitation and land availability Enhanced quality of life and Pro-poor development	Year 2	127,44,49
Agriculture Support Programme	Emerging farmer support Learning Commercial farming techniques Agro-processing; market access Food Security and Pro-poor development	Year 3 (as land becomes available)	127, 44, 49
Construction Incubator Training and SMME Skills Development	SMME Development programme in various construction and building related skills	Year 4	127
Waste Recycling	Skills Development and Training Enhanced quality of life Pro-poor development	Year 1	127,44,49
The contribution by the company is a projection based on expected NPAT and will be subject to change based on actual NPAT based on operating and market conditions, and these will be delineated more fully in the annual implementation plans and annual progress reports.			

Table 35: Construction Incubator Training and SMME Skills Development

Project Name	Construction Incubator Training and SMME Skills Development					FY of Project Sheet	2020
Background to project	It is envisaged that a Construction Incubator will be set up to develop a programme to equip local SMMEs with the necessary qualifications and accreditation to establish manufacturing driven businesses that will serve the emerging need of the local SMME's. Training in the fields of brick-laying, plumbing, welding (security gates and window frames), carpentry, roof trusses, spray-painting, etc., will be made available through the Construction Incubator. The number of SMMEs will depend on the training budget and co-funding available, and these SMMEs will thereafter be qualified and empowered to operate throughout Gauteng. The full incubation programme generally runs for a period of 24 months with the objective of elevating the entrepreneurs from mere survivalist enterprises to fully fledged operators. Each SMME will in-turn provide employment opportunities for up to 5 people, leading to significant local job creation.					Project start date	July 2021
						Project End Date	June 2024 (Phase 1)
Project Partners	Potential partners include Dino Properties, Blue Print Housing (Pty) Ltd, CoJ, Gauteng Department of Human Settlements, Gauteng Partnership Fund (GPF), Department of Small Business, Department of Trade and Industry, Gauteng Enterprise Propeller for non-financial services.					Information Valid as at:	April 2018
Project Incorporated into which IDP	City of JHB			Beneficiaries (Community Specific)	City JHB Ward 127		
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Geographical Location of Project	City of JHB Metro Ward 127 and as shown in the figure below
		5	3	3	1		
	Spin off employment opportunities	Male	Female	Youth	Disabled		
		25	15	15	3		
		Total Employment Opportunities Created:					
	Short Term	Medium Term	Long Term				

		50	30	80																							
Output	Responsible Entity	Activity																									
		Key Performance Area (KPA)	Key Performance Indicator (KPI)	Year 1				Year 2				Year 3				Year 4				Year 5							
Business management training	West Wits MLI	Entrepreneurship training											X	X													
Individual plans for training to accredited manufacturing standards		Technical training and production and QMS, QC	Certification training and Portfolio of Evidence														X	X									
Individual plans for financial, marketing and sales training		Bridging courses	Portfolio of Evidence and Business Plans																X								
Production		Technical training and QA/QC	Certified products																	X							
Production		Exit	Contract award																		X	X					
Exit Strategy:	Employment opportunities and awarding of building contracts to qualified local SMMEs / Qualified Artisans																										
Completion Date:	2024																										



Figure 3: Goudrand Extension 4 Township (Old Durban Deep Lease Area)

Table 36: Aggregate/Crushed Stone Supply/Ore Transport

Project Name	Aggregate/Crushed Stone Supply					FY of Project Sheet		2020		
Background to project	The mine has surplus waste rock removed as part of its mining operations which is sold to third parties who crush the product for sale to the building and construction industry. Considering the significant number of housing and construction projects that have commenced and planned for the area, the company is willing to allocate quantities of product to local SMMEs and support these upcoming enterprises to set up their own aggregate and crushed stone supply facilities to supply developments such as the Goudrand township development mentioned above.					Project start date		June 2021		
						Project End Date		June 2022		
Project Partners	West Wits MLI, Firmabuild; Blue Dot Mining, etc.					Information Valid as at:		April 2018		
Project Incorporated into which IDP	City of JHB			Beneficiaries (Community Specific)	City JHB Ward 127					
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth		Disabled	Geographical Location of Project		City JHB Ward 127	
		3		1						
	Spin off employment opportunities	Male	Female	Youth		Disabled				
		10		1						
		Total Employment Opportunities Created:								
		Short Term	Medium Term	Long Term						
		30		30						
Output	Responsible Entity	Activity								
		Key Performance Area (KPA)		Key Performance Indicator (KPI)		Year 1	Year 2	Year 3	Year 4	Year 5

[illegible]

Table 37: Agriculture Development Support

Project Name	Agriculture Development				FY of Project Sheet		2020
Background to project	<p>Agriculture is the basic source of food supply for underdeveloped, developing and even developed countries. A growing population implies increased demand for food. Should a country's agriculture production fail to meet its rising demand for food products, it will lead to an adverse effect on the growth rate of the economy. West Wits MLI wishes to capitalise on the land that it rehabilitates that is most suited for agriculture and not earmarked for housing, to promote commercial agriculture development and food security within Ward 127. Economic profiling conducted by the Gauteng Province revealed that only a handful of individuals are reaping high economic returns from agricultural pursuits, while many live beneath the poverty line as found in the socio-economic report in this document.</p> <p>It is for this reason that West Wits MLI has prioritised agriculture as key to address income disparities, unemployment and poverty in the region and will avail land and resources as required, including training, infrastructure and equipment. In addition, collaboration partners, technical skills and co-funding in the form of commercial farmers, NPOs, offtake markets and Gauteng Department of Agriculture and Rural Development (GDARD) will be brought on board to address yields, quality, precision farming techniques, skills development and supply chain/offtake linkages through agro-processing initiatives.</p>				Project start date		2021
					Project End Date		2023
Project Partners	Gauteng Department of Agriculture and Rural Development (GDARD) – AgriParks initiative, Commercial Farmers, Johannesburg Fresh Produce Market				Information Valid as at:		April 2018
Project Incorporated into which IDP	City of JHB			Beneficiaries (Community Specific)	City JHB Wards 127, 44, 49		
		Male	Female	Youth	Disabled		

IDP Reference Number of Project	Total Expected Number of Jobs to be created	5	5	5		Geographical Location of Project																							
	Spin off employment opportunities																												
		10	10																										
		Total Employment Opportunities Created:																											
		Short Term	Medium Term	Long Term																									
		50	50	100																									
Output	Responsible Entity	Activity																											
		Key Performance Area (KPA)	Key Performance Indicator (KPI)	Year 1		Year 2		Year 3		Year 4		Year 5																	
Local beneficiary selection	West Wits MLI/GDARD/ Commercial Farming Entity/ NPO/ JHB Fresh Produce Market	Community and municipal engagements	Selection of co- operative members identify suitable areas										X	X															
Institutional Developmen t		Concept farm with management and production systems	Registered farming concern												X														
Establish farm		Set up farm and install irrigation and associated infrastructure,	Farm infrastructure													X													

[illegible]

Table 38: Removal of Alien Invasive Vegetation

Project Name	Removal of Alien Invasive Vegetation					FY of Project Sheet	2020
Background to project	<p>Currently, areas with surface tailings that have not been removed and areas earmarked for rehabilitation are overgrown with category 1 and 2 alien invasive vegetation. In addition, these areas are used as illegal dumping sites. A biodiversity study undertaken by Solar Reserve, who plan to erect a solar PV plant in an adjacent ward, has found that alien vegetation is pervasive on their site and impacts some 60% of their ground coverage.</p> <p>To clean up these sites in preparation for mining and agriculture purposes and to keep the vegetation in control, training and development of SMMEs and beneficiaries to remove the vegetation and keep the sites clear has been proposed. This will also assist the mine in complying with its environmental compliance requirements with the Department of Water Affairs and Forestry over its mine lease area. Once trained, these SMMEs could become self-funding by selling certain category 2 species as firewood or to produce charcoal, or to waste sites for the manufacture of fertilizer. The initiative could be co-funded by the Department of Agriculture by forming part of their alien invasive eradication training programme.</p>					Project start date	2020
						Project End Date	2023
Project Partners	City JHB Municipality, Solar Reserve, Department of Environmental Affairs (co-funding and training)					Information Valid as at:	April 2018
Project Incorporated into which IDP	City of JHB			Beneficiaries (Community Specific)	Wards 127, 44, 49 and adjacent areas		
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Geographical Location of Project	Wards 127 and adjacent
		3	1				

	Spin off employment opportunities																										
		Total Employment Opportunities Created:																									
		Short Term	Medium Term	Long Term																							
		25	10	35																							
Output	Responsible Entity	Activity																									
		Key Performance Area (KPA)	Key Performance Indicator (KPI)	Year 1		Year 2		Year 3		Year 4		Year 5															
Land Audits	West Wits MLI and Department of Environmental Affairs, Water Affairs and Forestry	Identification of applicable sites	Identification of alien vegetation impacted sites					X																			
Site Assessments and planning		Biomass assessments and categorisation of vegetation classes	Site plans						X																		
Identification of SMMEs and beneficiaries		Community and municipal engagements	Selection of beneficiaries and training							X	X																
Investigate value-adds/offtakes		Certain categories of vegetation can be sold for firewood or charcoal manufacture	Sale of suitable product									X	X	X													

Commission teams		Purchase of equipment	Sites cleared															x	x	x	x	x	x		
Exit		Project handover																						x	
Exit Strategy:	The SMMEs will be assisted to become self-funding by selling certain category 2 species as firewood or to produce charcoal.																								
Completion Date:	2023																								

Table 39: Waste Recycling

Project Name	Waste Recycling				FY of Project Sheet	2020
Background to project	<p>While conducting its operations and during site surveys and community visits in its areas of operation, West Wits MLI has become aware of the significant amount of illegally dumped material by building contractors as well as excess waste around residential areas that is not collected by the CoJ Municipality. This is due to an increased number of residents occupying single stands that go beyond normal quotas. This leads to a poor quality of living standards not in line with the pillars of the municipal IDP. The excess waste however consists of a significant amount of recyclable material including glass, plastics, packaging, paper, aluminium and steel, etc., that could provide a source of income to collectors when purchased by recycling companies.</p> <p>West Wits MLI intends to investigate these linkages and to facilitate the waste recycling, and in the process provide income to those interested in becoming part of the initiative while at the same time cleaning up the residential areas and environment in general for a better standard of living.</p>				Project start date	2021
					Project End Date	2023
Project Partners	City JHB Municipality, Pikitup, PET Plastic Recycling Company (Petco), Paper Recycling Association of SA (Prasa), The Glass Recycling Company, Envirowaste, Interwaste, etc., to be engaged prior to implementation.				Information Valid as at:	April 2018
Project Incorporated into which IDP	City of JHB Municipality		Beneficiaries (Community Specific)	Wards 127, 44, 49		
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Geographical Location of Project Wards 127, 44, 49
		10	20	10		
	Spin off employment opportunities					
		20	40	20		

		Total Employment Opportunities Created:																				
		Short Term	Medium Term	Long Term																		
		30	60	90																		
Output	Responsible Entity	Activity																				
		Key Performance Area (KPA)	Key Performance Indicator (KPI)	Year 1			Year 2			Year 3			Year 4			Year 5						
Assessment of highly impacted areas	West Wits MLI and Recycling Specialists	Identification of sites	Location of collection depots			x	x															
Identification of SMMEs and beneficiaries		Community and municipal engagements	Selection of beneficiaries and training					x	x													
Offtake agreements with recycling companies		Collection and separation of waste at source	Cleaner neighbourhoods						x	x	x	x	x	x	X	x	x	x	x	x	x	x
Increased collection footprint		Additional waste collectors and collection points	Increased scale of project																	x	x	x
Exit Strategy:	Creation of successful small-scale recyclers and linkage with the existing recycling companies to ensure sustainability.																					
Completion Date:	2023																					

████████ Funding of LED Projects by West Wits MLI

According to the Mining Work Programme (MWP), West Wits MLI plans to mine some 15,000 to 16,000 tons of ore per month in its open pits over a 3-year period, which results in gold production of some 1,600 oz of gold per month. This will ramp up to some 2,600 oz of gold per month when underground mining starts in 3 years' time. Over a 5-year period, according to the MWP submitted, this translates to 1% Net Profit After Tax (NPAT) for 5 years being the contributions from open pit mining during the first two years, while there will be no contribution from the first three years when underground mining takes place due to the negative cashflow during the equipping and ramp up phases. As the West Wits MLI mine is a new operation, the financial projections in the MWP are based on expected performance parameters (costs, grades, tonnes mined, etc.) and are subject to change based on actuals achieved. The actual NPAT amounts will be reported annually through the Implementation Plans in terms of Regulation 45 of the MPRDA.

Housing and Living Conditions

5.1 Introduction

At this stage it is envisaged that most employees are residing in villages at close proximity to West Wits MLI operations and there will be no provision of housing required. A housing allowance may be considered for certain permanent employees and a survey will be undertaken in this regard.

5.2 Home Ownership Strategy

West Wits MLI is committed to improving the living conditions of its employees. Home ownership strategy and new models will be investigated to support assistance for employees wanting to own their own homes in conjunction with the numerous property developers planning new builds in adjacent townships.

5.3 Nutrition

Nutrition will be covered in the induction programme for workers returning from leave and for new recruits. If an employee is diagnosed as having a specific disease such as diabetes, high cholesterol or arthritis, the affiliated dietician will give the employee more information about healthy and better nutritional choices.

Procurement

6.1 Overview

West Wits MLI recognises Preferential Procurement as a key vehicle for driving Broad-based Black Economic Empowerment in South Africa. To this end, the company is committed to the implementation of a Procurement Plan which aims at granting preferred supplier status to HDSAs and SMMEs from surrounding communities in all three main categories of procurement, i.e., capital goods, consumables and services. Our approach to procurement is underpinned by the following principles:

- The company will facilitate entry to procurement activities which will result in opportunities for participation of HDSAs and SMMEs in the mining and related industries.
- HDSA suppliers and SMMEs will be subjected to company norms and standards regarding price, quality, safety, environmental impact, or any other technical or commercial requirements.
- To facilitate access for HDSA suppliers and SMMEs into the Company's procurement chain it may be necessary to set aside certain services, products or consumables in part or in whole, for procurement from HDSA suppliers and SMMEs only.

6.2 Procurement Progression Plan

Table 39 below depicts specific targets that have been set by West Wits MLI to increase the participation of HDSA suppliers and SMMEs in its supply chain. The company also commits to grow the number of accredited vendors in its database. It is important to note that current Mining Charter targets have been used to develop these targets. The targets will be reviewed once the new Mining Charter is published by the DMR.

Table 40: Procurement Progression Plan

Procurement Plan						
Key Objective	Baseline	2020	2021	2022	2023	2024
Grow Capital procurement from HDSA providers	40%	40%	40%	40%	40%	40%
Grow Services procured from HDSA providers	70%	70%	70%	70%	70%	70%
Grow Consumables procured from HDSA providers	50%	50%	50%	50%	50%	50%

***Caveat: targets as per Mining Charter II.**

6.3 Procurement Implementation Strategy

West Wits MLI's procurement implementation strategy is outlined in Table 40 below:

Table 41: Procurement Plan

Responsible Position	Strategic Plan	Timeframe
Procurement Manager	Develop a preferential procurement policy, procedure and guideline to ensure compatibility with the requirements of the Mining Charter*	June 2021*
Procurement Manager	Compile a database of potential HDSA suppliers and SMMEs and give them preferred supplier status based on qualification wherever possible in all three (3) levels of procurement.	Ongoing
Procurement Manager	Assist HDSA suppliers and SMMEs with the compilation of business plans, tender documents, tendering processes, etc.	Ongoing
Procurement Manager	Assess BEE compliance levels of all West Wits MLI vendors and implement measures to address non-compliance.	Ongoing
Procurement Manager	Provide mentorship programmes to new and emerging HDSA suppliers and SMMEs.	Ongoing

Downscaling and Retrenchments

7.1 Introduction

This section is premised on Regulation 46 (d) of the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA) which requires that mining companies outline strategies and policies to facilitate the implementation of measures to retain jobs and to avoid job losses. In addition to the measures required by the MPRDA Regulations, West Wits MLI is cognisant of the volatility of mining activities which can be affected by slight changes in the gold price, production costs and other external factors which can adversely affect the viability of the mine. Although the company has applied for a Mining Right for an initial period of 30 years, and currently has indicated plans to ramp up to mine 100,000 oz per year for the next ten (10) years in the initial phase, the abovementioned factors do present a reality and the following measures below must be considered.

As such, to manage and to minimize the effect of downsizing, closure and retrenchments, the company will implement measures set out below in an endeavour to avoid job losses. Where retrenchments cannot be avoided, West Wits MLI will manage the process in accordance with the undertakings outlined below:

7.2 Establishment of a Future Forum

West Wits MLI will establish a Future Forum not later than six (6) months following the approval of the SLP. This interim Future Forum will be dissolved once the mine commences with full operational activities whereupon a permanent structure will be established. A key role of the permanent Future Forum will be the development of terms of reference as well as a constitution. This will enable the Future Forum to identify challenges and productivity issues that could have negative employment consequences. The Future Forum will also be charged with the responsibility of identifying and implementing solutions to safeguard jobs.

Once institutionalised, the Future Forum will meet quarterly and more frequently when more pressing challenges arise. Below is an action plan that will be initiated in setting up the West Wits MLI Future Forum.

Table 42: Action towards the Establishment of a Future Forum at West Wits MLI

Action	2020				2021				2022				2023				2024			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Inform employees about the need to establish a Future Forum																				
Establish Interim Future Forum																				
Induct Interim Future Forum members																				
Quarterly meetings																				
Establish Permanent Future Forum																				
Workshop for Permanent Future Forum																				
Progress reports																				

7.3 Communication with Authorities during Retrenchments

Where retrenchments cannot be avoided, West Wits MLI will adhere to the following steps:

- Consult the West Wits MLI Future Forum;
- Issue a notice in terms of Section 189(3) of the Labour Relations Act (LRA) to relevant parties as provided for in Section 189 of the LRA. Consultations will be held in terms of the relevant provisions of the Labour Relations Act;
- Consult with any person as required in terms of Section 189 and/or Section 189A of the LRA;
- Issue a notice in terms of Section 52 of the MPRDA to the Mineral and Petroleum Board where the prevailing economic conditions cause the profit to revenue ratio of the relevant mine to be less than six per cent (6%) on average for a continuous period of 12 months or if any mining operation be scaled down or cease with the possible effect that 10 per cent (10%) or more of the labour force or more than 500 employees, whichever is the lesser, are likely to be retrenched in any 12 month period;
- Should a Ministerial Directive in terms of Section 52 of the MPRDA be received, West Wits MLI will take the necessary steps to comply;
- West Wits MLI will communicate with the following entities in the event of possible retrenchments:
 - Affected employees and/or their representatives;
 - City of Johannesburg Councillors representing Wards 44, 49 and 127;
 - The West Wits MLI Mine Community Forum
 - The DMR;
 - Relevant service providers; and
 - The Department of Labour

7.4 Capital Investment

The most effective way to extend the life of the mine is by capital investment and incremental growth. Future expansion and capital investment opportunities that may exist in respect of West Wits MLI would be considered with due regard to the prevailing

gold price, production costs and the ability of the ore reserve, mine plan and geological model(s) to deliver sufficient contained gold to support future profitable extraction. West Wits MLI will continuously update its geological models to enhance its geological and knowledge base.

7.5 Alternative Solutions

In the event where it becomes impossible to avoid job losses, the Future Forum will consider alternatives to retrenchment, including alternatives proposed by stakeholders in the Forum. The list below provides examples of alternatives which could be explored. This list is not definitive and is subject to changes and additions because of discussions with stakeholders.

When considering proposals, the company will, of necessity, consider the need for special skills and the need to retain experienced employees, and will furthermore comply with its policies and procedures regarding retrenchment, existing labour agreements and current legislation:

- The cessation of recruitment of new employees, save for critical skills required for the safe running of the operations;
- The termination of the services of temporary employees and re-employed pensioners;
- Minimization of the use of contract labour;
- Avoid renewal of contract agreements where possible;
- Use of internal skills;
- Small contracts not affected;
- Normal Retirement;
- Compulsory Early Retirement;
- Voluntary Early Retirement;
- Voluntary Separation;
- Alternative employment in other mining companies;

- Redeployment of misplaced and/or over-complement labour to vacancies within West Wits MLI;
- Implementing Alternative Work Arrangements; and
- Working on off-days.

7.6 Mechanisms to Ameliorate the Social and Economic Impact on Individuals, Regions and Economies Where Retrenchments or Closure of an Operation is certain

Should retrenchments be unavoidable, West Wits MLI will take steps to minimize the social and economic impact on the affected employees and regions, as per section 7.3.

Post Closure Planning

West Wits MLI intends to develop and expand skills training programmes to provide employees with skills which are valuable outside of the mining industry and will enable integration into the broader economy.

On-going engagement and consultation and advisory roles facilitated through the Future Forum structure, will be utilised to ensure that the programmes and plans continue to deliver sustainable and effective benefits.

7.7 Provision for the Management of Downscaling and Retrenchments

The decision to retrench employees is subject to the prevailing economic circumstances of the mine at a point in time. As a new operation, West Wits MLI is not planning to retrench employees. However, in the event of such a decision having to be taken for operational or other economic-related reasons, provision for the management of retrenchments will be provided for as part of the operational budget. This would also cover costs for consultation processes and forums that must, of necessity, take place in the event of any retrenchment process.

All provisions in this regard will therefore be captured in the preceding implementation plans. With respect to downscaling in general and in accordance to the Life of Mine plan (Mining Work Programme), provision has been made for natural attrition in accordance with (i) changes in production, and (ii) related workforce requirements.

Strategic Plan

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

Alternative solutions and strategies to create job security

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

- ways to minimise the number of employees who are likely to be affected by the contemplated retrenchment; and
- employees targeted for retrenchment will be provided with the necessary training to remain economically active if retrenched. (This will be through specific learnership programmes aimed at providing employees with alternative skills and experience which will enhance their employability outside of the mining sector. This process will ensure that the retrenched employees are more marketable and can capitalise on current and emerging employment opportunities that exist within the local labour market.)
- the Human Resources Development Programme will ensure that employees receive accredited and certified skills and training. Such accredited skills and training may be utilized elsewhere within the mining sector or, alternatively, within different industry sectors or through the pursuit of entrepreneurial ventures (SMMEs or BEEs).

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

If discussions within the Future Forum have been exhausted and job losses cannot be avoided the provisions of Section 189 and 189(A) of the Labour Relations Act as well

as the provisions of the existing collective agreement will be implemented. A consultation process will be initiated with the relevant employee, representative organisations and will encompass all areas identified in the LRA and the collective agreements. Issues such as ways to minimise retrenchment, the timing of the retrenchments and severance pay will be discussed by the company and the employee representations. All plans and other issues agreed on during this consultation process will be implemented.

Financial Provision

Regulation 46 (e) of the MPRDA requires that: "The contents of a Social and Labour Plan must provide financially for the implementation of the social and labour plan in terms of the implementation of-

- I. the human resource development programme;
- II. the local economic development programmes; and
- III. the processes to manage downscaling and retrenchment.

The below mentioned proposed financial provision is subject to amendments. Such amendments will be submitted to the Regional Manager for the Department of Mineral Resources in Gauteng, for approval. West Wits Mining will report annually on the compliance of the Social and Labour Plan and may propose amendments as provided for in Regulations 44 and 45 of the MPRDA.

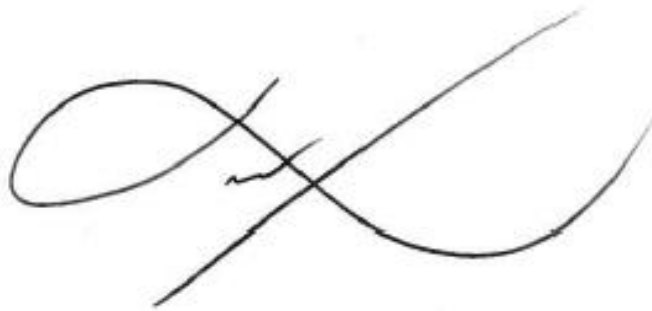
West Wits MLI is committed to implementing this Social and Labour Plan and sets out in the table below the amounts it intends to spend in Human Resource Development and Local Economic Development projects. Details of expenditure to date are set out, where appropriate, in the relevant sections of this SLP.

It is important to note that West Wits MLI's ability to fund programmes described in this Social and Labour Plan hinges on the ability of the operation to generate positive cash flows after capital expenditure. Similarly, profitability and generation of cash flows depend on the Rand/gold price received.

Undertaking by the Chief Executive Officer

I, **Tozama Kulati Siwisa**, the undersigned and duly authorized thereto by **West Wits MLI** **undertake** to adhere to the information, requirements, commitments and conditions as set out in the Social and Labour Plan.

Signed at **Cresta** on this **18th** day of **June 2020**



Signature:

Designation: Head: Corporate Affairs

Appendix A

10.1 Demarcation Maps for Wards 44, 49 and 127

Ward 44

Ward 49

Ward 127

Appendix B

11.1 Minutes of Meeting with Executive Director of Economic Development: 20 May 2020
