

Wescoal participated in the Great Train Race

For the second year, Wescoal participated in the race which took place between Witbank and Middleburg on Saturday, 23 August 2014. Elizabeth Zulu, Wescoal Mining's Human Resource Officer, was responsible for all the arrangements and deserves a big round of applause for her

efforts. She ensured all arrangements ran smoothly and that there was massive spirit from all staff involved on the day.

A special note from Elizabeth to those involved reads, "Thank you to everyone who came through and supported us

on the day of the Great Train Race. A special thank you to Oswald, Sharon and Nthabiseng – working behind the scenes to make this day a success, I could not have done it without you guys. I must say this year was bigger and better and Wescoal is going places."



Our team came almost last – but there was a BIIIIIGGG team spirit.

The race dates back to 1987 when the Rotary Club of Coalfields launched the first relay event which passed runners against a steam train along the private Amcoal railway line between Wolvekrans and Witbank (eMalahleni). The event took place annually for the next five years. In 1992 the race route

was relocated to run along the railway line and road between Middelburg and Witbank incorporating two of Mpumalanga's larger cities in the event. This extended Rotary's involvement to a further four local Rotary Clubs and the Rotary Greatest Train Race was established.



The aim of the race is to raise funds for community investment projects. Disadvantaged individuals from the community are given the opportunity to experience the Greatest Train Race with a train ride which "competes" against the runners – truly a once in a lifetime experience for some.



WESCOAL Staff Newsletter



Much to be excited and proud of

Since our last staff newsletter much has happened at Wescoal which you can read about in this edition. Most recently myself, the Chairman of Wescoal Holdings, Robinson Ramaite and senior management returned from a trip to Cape Town where we attended the official opening of the Wescoal Trading Coal Distribution Centre in Belville. This is a leading-edge facility, the first of its kind and offers an unique product to our clients. Never let it be said that Wescoal is not innovative.

Remaining on the theme of continual improvement, Wescoal has been able to extend our life of mine at Khanyisa through pillar mining and at Intibane through the acquisition of an adjacent mining right. In addition we have acquired the Muhanga coal washing facility and these combined tactics will serve Wescoal well into the near future. Progress continues to be made towards the imminent opening of the Elandspruit Colliery which will be the flagship operation of Wescoal Mining with a 15 year life expectancy.

It always humbles me to see staff and the greater Wescoal corporate involvement in the community and celebrations such as Mandela Day, Women's Day, assisting Rotary to raise funds and getting involved in the building of houses. The gift of time and assistance where possible should not be underestimated in terms of the impact it has on other people's lives.

I leave you with a quote from Nelson Mandela: "A good head and a good heart are always a formidable combination."

André Boje, CEO of Wescoal

Rebranding of our depot structure complete

At the start of 2014, Wescoal begun rebranding all our coal depots to incorporate the Wescoal Trading logo, but to maintain the presence of the Chandler Coal and MacPhail brands. This process was recently concluded and below is a picture of the Stanger rebranding.



The legal entity under which the trading division operates has recently undergone a name change from Chandler Coal (Pty) Ltd to Wescoal Trading (Pty) Ltd to clearly unify our brands and personnel under one banner.

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As always Wescoal welcomes staff participation and remind you to forward photos, news and contributions to:

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Environmentally friendly? Reduced carbon footprint?

One might ask, is this possible for a coal trader? Well it certainly is and Wescoal has been at the forefront of this innovation. The Wescoal Trading Coal Distribution Centre was officially opened on 14 August in Bellville in the Western Cape. The distribution centre is run in collaboration with Wescoal's logistics partner, Logistics Intelligence and this handling/transshipment facility, a first of its kind in the industry, is a "carbon capture" site which substantially reduces the carbon footprint by not only switching transportation from road to rail but also ensuring that the product does not go to ground during transportation, transshipment or bulk storage.

André Boje, our CEO, says he is immensely proud of being part of such an innovative solution to the coal supply chain process. "Wescoal and Wescoal Trading are very proud to be involved in this distribution centre which is environmentally friendly and which will reduce our carbon footprint in the overall coal supply process as the coal barely touches the ground once extracted from the coal mines in Mpumalanga".

This new transshipment centre is the first of its kind in Africa, resulting in 10 000 tons of coal per month being taken off the road and transported by train (equal to 350 road vehicles). The containers are railed from Pretcon (12 m) and delivered to site on trailers. The first stage of the transshipment is to decant the 12 m container by tipping into a large hopper that can accommodate 30 tons, which is then fed by conveyor to be loaded into back door shipper-owned containers for delivery or storage.



From a cold and muddy Cape Town, the demonstrations on opening day, showed zero contamination of the coal as it does not touch the ground.



The panel of speakers included (left to right) André Boje (Wescoal's CEO), Ashmini Patel (Transnet Freight Rail), Robinson Ramaite (Wescoal's Chairman), Dutch Botes (Wescoal's COO) and Dirch Olsen from Logistics Intelligence.



Mining pillars at Khanyisa Colliery

We are now approaching the end of the underground mining resource at Khanyisa Colliery using primary bord and pillar development.

Based on the mining parameters Khanyisa is currently achieving an extraction ratio of $\pm 59\%$ during primary bord and pillar development. The remaining 41% of the resource remains locked up in the coal pillars and so secondary pillar extraction is an important strategy to optimally utilise this coal resource.

It has been identified that there are areas within the reserve where partial extraction of coal can be attained from the coal pillars left behind. Presently the rock engineer and mining contractors are preparing a partial pillar extraction mining method as well as safety protocols to safely extract some of the coal left in the coal pillars by means of taking a single cut or two from the pillars with the use of the continuous miner. It is anticipated that this could allow more coal of good quality ROM to be mined.

It is a mining method that is employed by other mining companies such as Sasol and X-Strata to utilise their coal resources to its full extent.

These photos are a glimpse of what is happening underground at Khanyisa.



Muhanga Washing Plant

Wescoal has bought the Muhanga Washing Plant. The plant is intact and by buying the plant Wescoal has saved a large amount of money as opposed to building a plant at the new Elandspruit mine. The development of the Elandspruit mineral asset to a fully-fledged multi product mine has been prioritised by the Wescoal board and the commencement of the establishment of the colliery is currently programmed for the last quarter of 2014.

The acquisition of the Muhanga Plant gives Wescoal immediate access to a fully fledged beneficiation asset that is currently operational, has all the necessary regulatory approvals and extensive infrastructure to allow for a multi-product operation whilst regulatory approvals are awaited for the Elandspruit site.

The Muhanga Plant comprises the Portion 6 of the farm Goedenhoop 315 JS on which the plant is situated, the access servitude, the coal washing plant situated thereon and the Muhanga Water Use License.

We are pleased with this acquisition as it allows us to immediately begin with the washing of coal once Elandspruit is producing coal with no structural delay as the Water Use License is in place.

We will make every effort to ensure continuity of supply to the current Muhanga customer base from when we take control of the asset on 1 November 2014.

A longer life at Intibane

“We are pleased to have been able to extend the life of mine at Intibane to 2016 with an additional 2.25 million tons.”

André Boje, CEO of Wescoal

As we continue mining at Khanyisa and put the final preparations in place to start mining at Elandspruit at the start of the new year, we have also been very busy ensuring our resource at Intibane is extended. Wescoal was able to buy an adjacent property to Intibane which will extend the life of Intibane by a further 2.25 million tons and life of mine to the end of 2016. The current Intibane mine infrastructure will be used to mine this reserve.

Education is the most powerful weapon which you can use to change the world. – Nelson Mandela

Since the last newsletter Wescoal staff have, as always, stepped up to true celebration and embraced the sense of giving back and remembering with vigour.

Wescoal contributes in remembrance of Madiba – our Mandela Day Project



When Wescoal commits to supporting communities in the areas in which it operates, it does so with great enthusiasm. Wescoal staff together with staff members from the Imbalenhle Primary School donned overalls, picked up their implements and got to work.

Wescoal in collaboration with Continental Coal on Mandela Day 2014 at Intibane Colliery

Mandela Day was celebrated with the elderly folk and orphans of Arbor community which is located close to Intibane Colliery. We decided to join forces with Continental Coal, a neighbouring mine, to deliver a wonderful event for the deserving recipients from the two mines.

The day kicked off with lovely songs happily delivered by the orphans as they arrived. This brought smiles to the faces of the grannies and grandpas who are often ignored in the community. Since Arbor is a small mining community, it mainly comprised

young and middle aged people seeking employment on the nearby mines. The elderly are often seen as a burden and nuisance to their families. The orphans in the community depend mainly on hand-outs from concerned neighbours. Many of the children do not have birth certificates; their parents come from different corners of South Africa where they left their families behind to seek a better life.

These children are left destitute after their parents die because most of them have never met their relatives. It was a particularly special day for our guests of honour when they were showered with

groceries, blankets, hats and gloves. One Gogo could not help but shed a tear as she munched a warm boerewors roll, it was clear she had not eaten a decent meal in days. The orphans kept very close to their grocery boxes, many of them had not seen so much food in their lives. The elderly were particularly happy with the blankets that would keep their frail bones warm during this particularly cold winter. Mandela Day 2014 was a successful day and Wescoal is proud to have contributed to bringing smiles to people's faces...changing lives, one South African at a time.

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67 Minutes of grace and gratitude.....

This day represents as good a time as any to discuss the idea of good followership. Followership is a reality of life - everyone plays the role at one time or another. Many people play roles - they may be a leader at the office, but a follower at a family or community meeting - or vice versa.

Wescoal Mining employees and Exco members took time on 18 July 2014 to demonstrate fellow ship towards Imbalenhle primary school at Khanyisa and Arbor Old Age home at Intibane. The day day was packaged with lots of activities including painting of classroom, the establishment of the vegetable garden, handing out of food parcels and many more

Everyone that participated on this, should widen possibilities for awareness, true engagement and longer-term solutions to Mzansi's social problems. In doing so, we practice good followership and good citizenship and, in turn, take South Africa a big step forward.

Thank you Wescoal Mining for releasing such a DREAM, and that is to take South Africa a big step forward.



Wescoal cares – Progress on Housing Project at Intibane Colliery

Wescoal Mining has committed to building houses for the Arbor community in conjunction with our partner, Continental Coal, which has provided the land for the houses and Wescoal will be involved in the physical structures being built. The project has progressed well and there is a push underway to start building in September.

Beneficiaries have been identified and our two companies are working together with representatives from the community to establish a forum which will comprise of Social and Labour Plan representatives from Wescoal and Continental Coal and representatives from the community.

This forum will handle issues encountered in the process of building as well as clearly define what the mine is responsible for with regard to the houses being built. The contract is currently being drafted between parties with the help of Elizabeth Zulu (Wescoal HR) and Ilze de Wet (Wescoal Head of Legal and Compliance and Company Secretary).

Fifteen beneficiaries have been notified that they will be required to sign and agree to the acceptance of the RDP houses.

This is just another step in Wescoal's stated objective of giving back to communities in its area of operation.

Wescoal embraces Women's Month

The Western Cape ladies celebrated in style and went to Klein Joostenberg, a restaurant in Stellenbosch.



From left to right – Dian Galant, Sarie Fortuin, Chantelle Koekemoer, Marie Hartman, Nicolette Carelse and Sandy Fillis.

In front – Minnie Nieuwoudt.

The lasses from Port Elizabeth

For Women's Day the ladies from the PE office were spoilt at the Radisson Hotel.



Tina Gxasheka, Desiree Liberty, Louise Jeacocks.

A big thank you from the ladies of Wescoal

The ladies of Wescoal would like to thank Danie Oosthuizen and Elsabe for arranging a wonderful day of celebration across the country. We were spoiled with gifts, lucky draws and breakfast at the Radisson in PE, the Premier Hotel OR Tambo and Klein Joostenberg.

Our sincere condolences

Our deepest condolences go out to Ilze de Wet who lost her brother in March and her father in June this year. You are in the thoughts of all at Wescoal.

Our condolences also go out to Minnie Nieuwoudt who lost her bother on 23 July 2014.

The spirit of celebration flowed in Joburg too

Teresita van Gaalen, the lead independent non-executive director of the Wescoal Board, took time out of her schedule to celebrate with the ladies of Wescoal.



Welcome to new staff

A hearty welcome to all new staff who recently joined the Wescoal family. We do hope that your time with Wescoal will be fulfilling, challenging and a place where your talents and expertise are able to flourish.

We welcome:

Wescoal Mining



Abraham Masangoi
Training Officer



Annelise Bekker
Financial Manager

Wescoal Trading



Zaheer Saloojee
Financial Accountant – Headoffice



Nkululeko Sithebe
Supervisor Creditors



Tshepo Nkosi
Cashbook Clerk



Sylvia Thwayine was appointed permanently on 1 June as a cleaner and tea lady.



Thepiso Monene, our previous receptionist at the Isando headoffice, was promoted to a Junior Administrator.



Our new receptionist Audrey Rambau will be directing matters from the front desk at the Isando headoffice