

Mine Cable theft & sabotage incidents

29 July 2013

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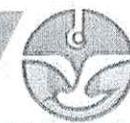


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Minerals**

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- Incidents of cable theft and sabotage have exponentially increased over the last month when compared to previous months.
- This increase is mainly experienced at the northern mining plants of MPD and MPE that are situated alongside the Sokhulu community.
- These incidents have resulted in millions of Rand's worth of damage and lost production.
- Secondary costs are also incurred due to incidents. For example: failure of the electronic drives of motor control systems due to the inconsistent power supply and failure of pump components due to continuous desanding.
- The cables that are being targeted are specialized high voltage cables that are extremely costly and have a long lead time for ordering and replacement, resulting in potential stoppages to the mining operation if the current status continues.
- These current acts of theft are well organized and often involves several teams and vehicles operating together and is more deliberate sabotage than just opportunistic copper theft.
- In certain instances the main power supply is tripped 3km away and then cable theft occurs on the dunes as soon as power is tripped.
- The latest major incident of sabotage was cables being burnt on the Nhalabane bridge approximately 10km away from MPE.
- Generally before any cable theft occurs; there are forced break-ins into the protected switchgear to isolate the power before stealing the cables.

Summary of Events



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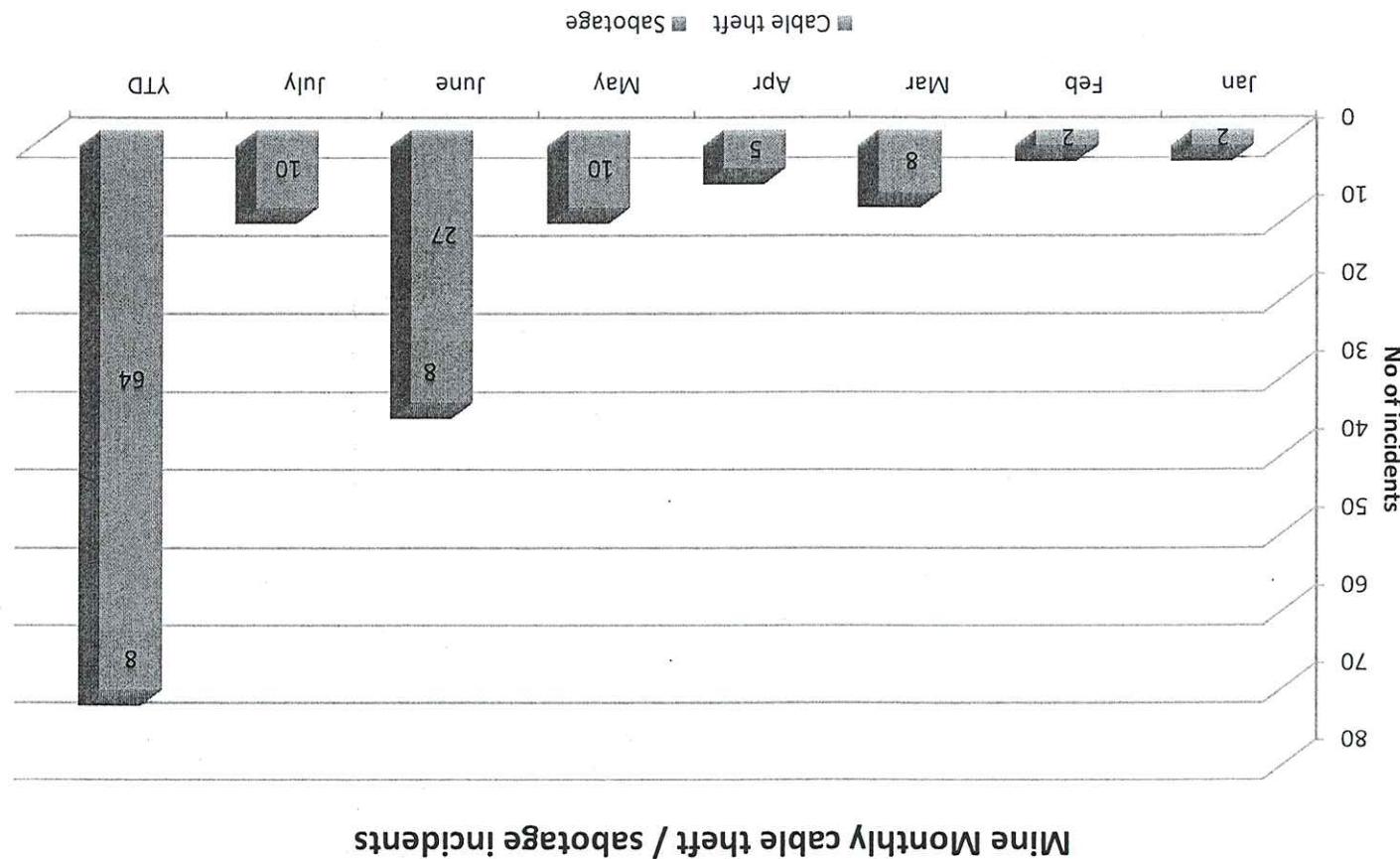
Date	Incident Classification	Downtime	Lost HMC
January	Cable Theft	25	1834
February	Cable Theft	22	1349
March	Cable Theft	66	3502
April	Cable Theft	29	1987
	Sokhulu Youth Disruption	647	27530
July	Cable Theft	62	1960
	Sokhulu Youth Disruption	60	1752
June	Cable Theft	210	7564
	Sokhulu Youth Disruption	38	1849
May	Cable Theft	27	888
	Sokhulu Youth Disruption	241	14916
Grand Total		1427	65132

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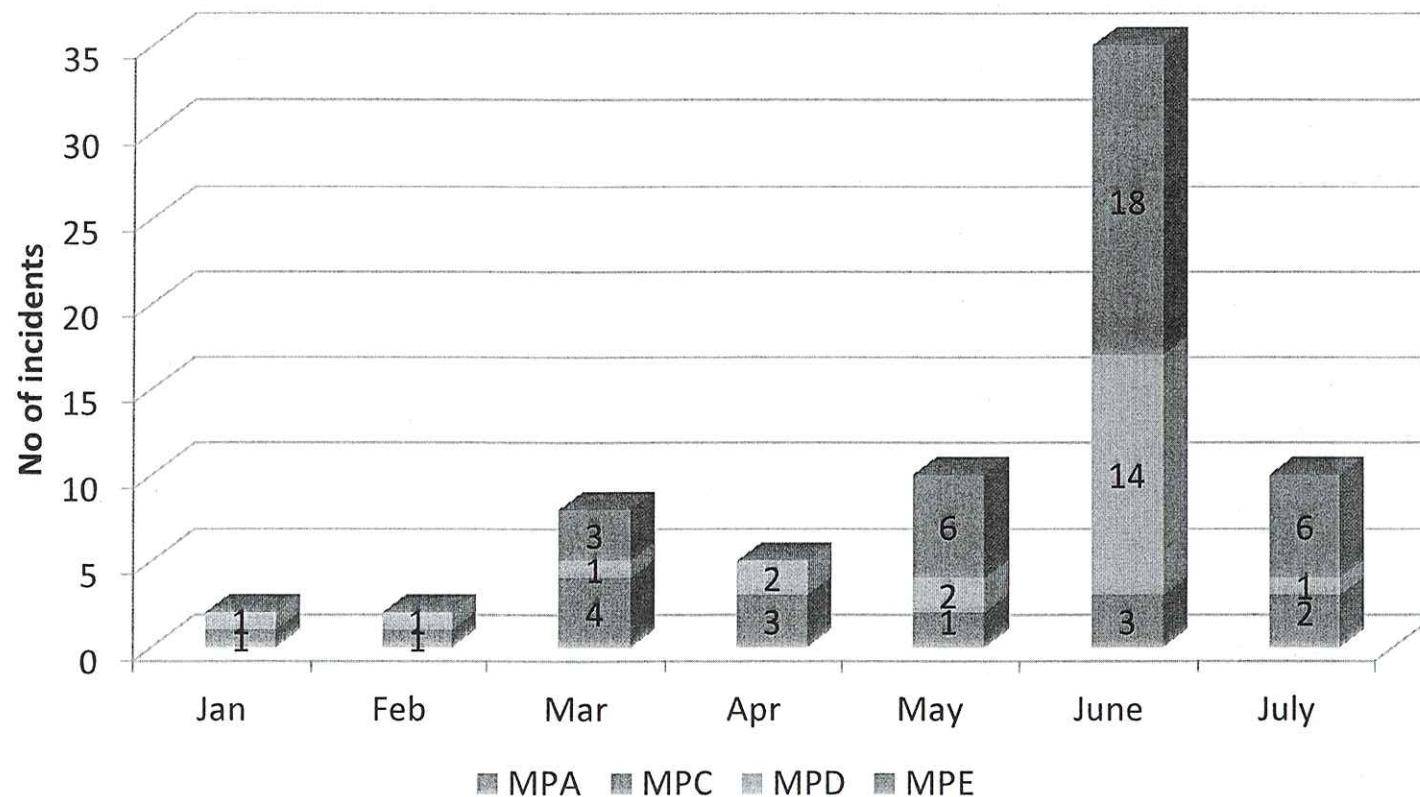
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The incidents have increased exponentially during June 2013

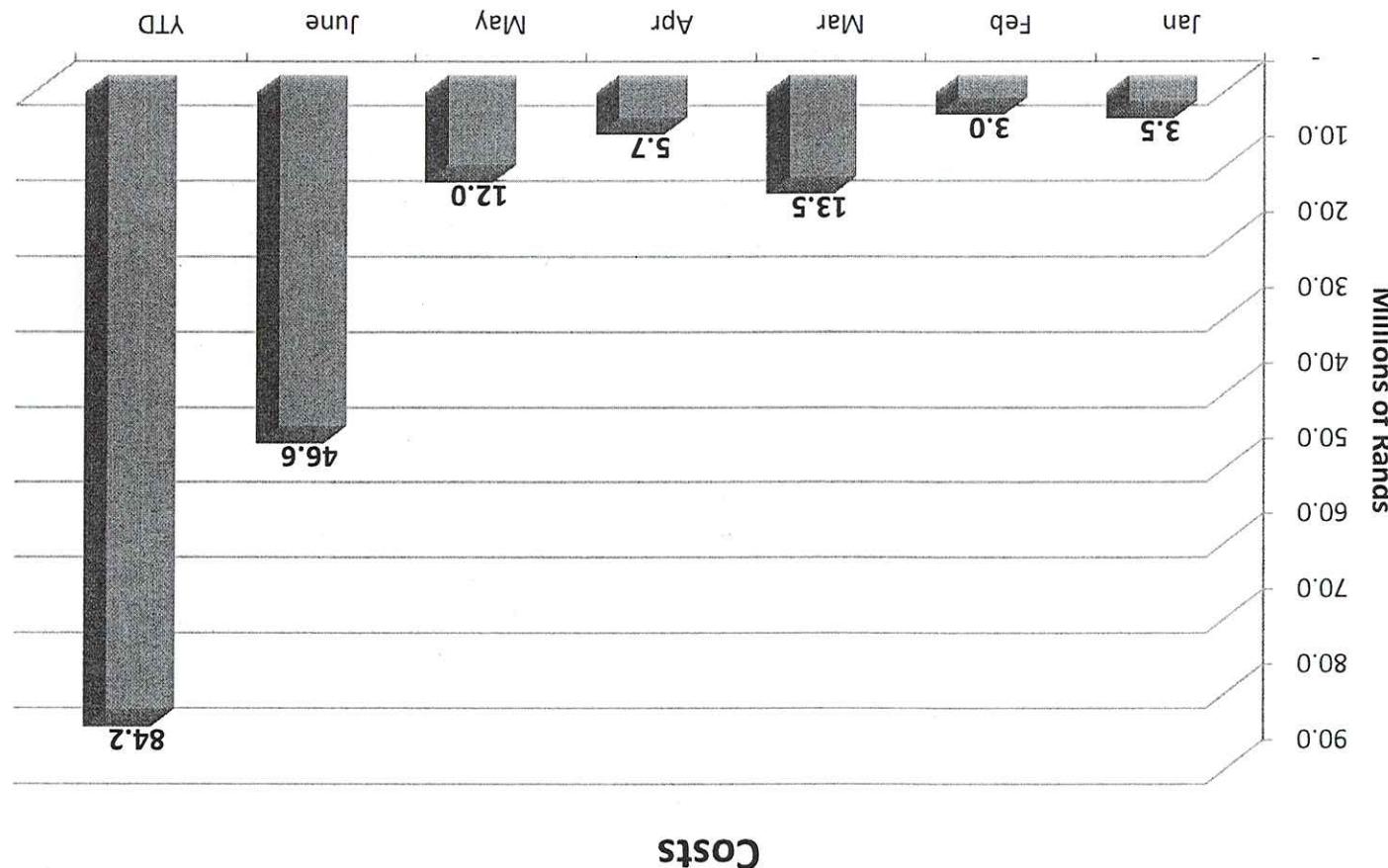


Monthly cable theft incidents per mining plant

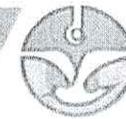


*Mining Pond D (MPD) and MPE, the two northern plants closest to the Sokhulu community have mainly been targeted over the last 2 months

Costs (in millions of Rands) include loss of production as well as repairs to damaged cables



Monthly costs incurred for cable theft & sabotage



17 July 2013

On Wednesday morning, 17th July, a group of youth from the Sokhulu community attempted to close off RBM's primary access road to the mining plants. The group intimidated our employees, contractors and haulage operators working in the mine lease area. The local police arrived but would not remove the Sokhulu Youth as nobody would give a written statement that they had been intimidated . The crowd dispersed on arrival of the police.

Later that evening there was further intimidation of our employees and contractors and at about 19h30 eight shots were fired at one of our mining plants and another shot followed about 30 minutes later.

At about 20h00. MPD plant controllers left the plant upon hearing of gun shots at the plant, and about 20h15 a management call was made to have staff moved to the conference room to MPC Conference room. Engineering staff working on a breakdown were escorted safety off plant.

MPE was the only plant to run throughout the night. MPA (no labour for Night Shift, MPC stopped at 20:15, MPD stopped at 20:00). Dry mining did not run.

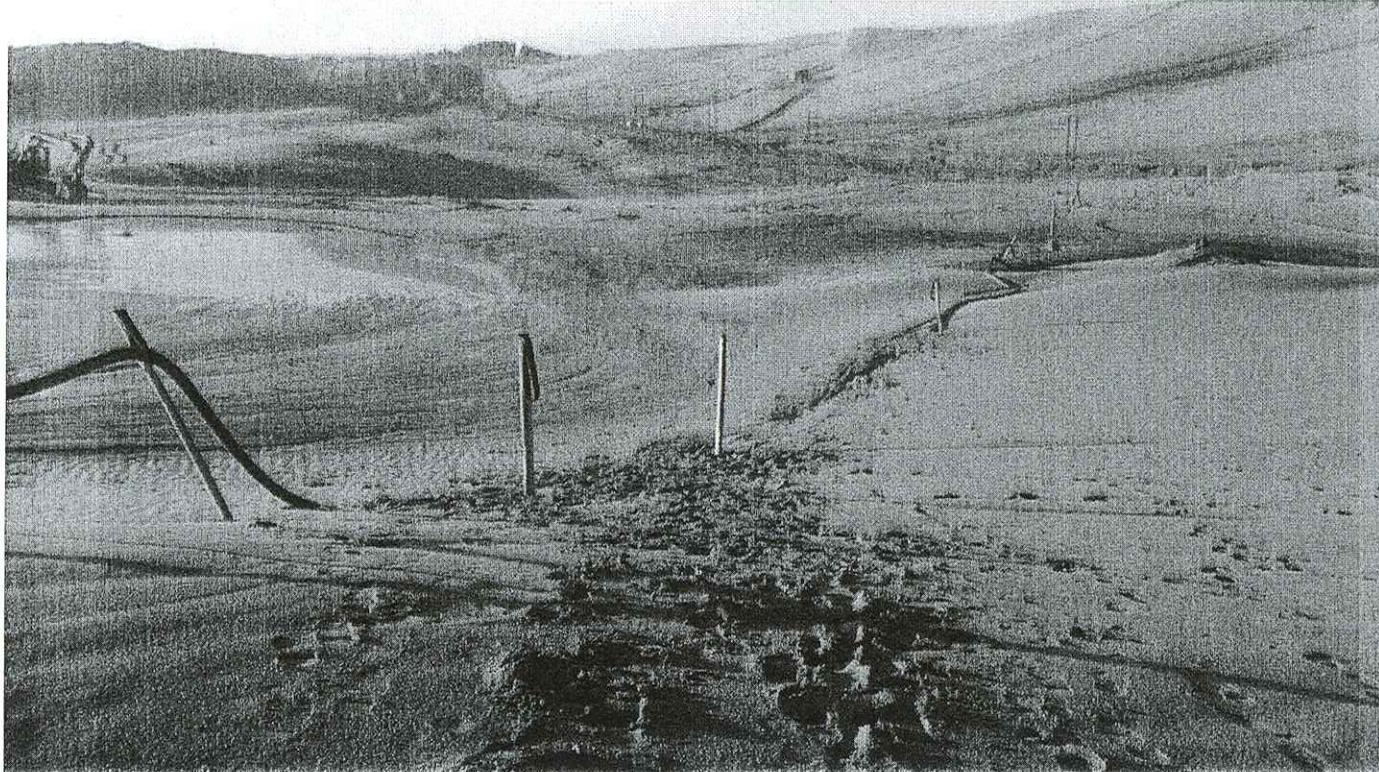
Tuesday, 23 July, there was a shooting incident where

- During the year, the RBM mining department experienced additional costs due to disruptions by the Sokhulu youth and a forced closure of the mining operation for 10 days and serious damage to property during 24 April - 3 May.
- Not only was RBM property damaged during this period but also contractors working for the mine experienced severe losses to equipment.
- The total costs of RBM production losses and damage to property was R201 million.
- Therefore, total losses to RBM for 2013 is approximately R286 million.

Cable theft



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A typical cable theft incident where approximately 30m of specialized high voltage cable is stolen. During this incident on 13 May 2013, R500,000 loss was incurred

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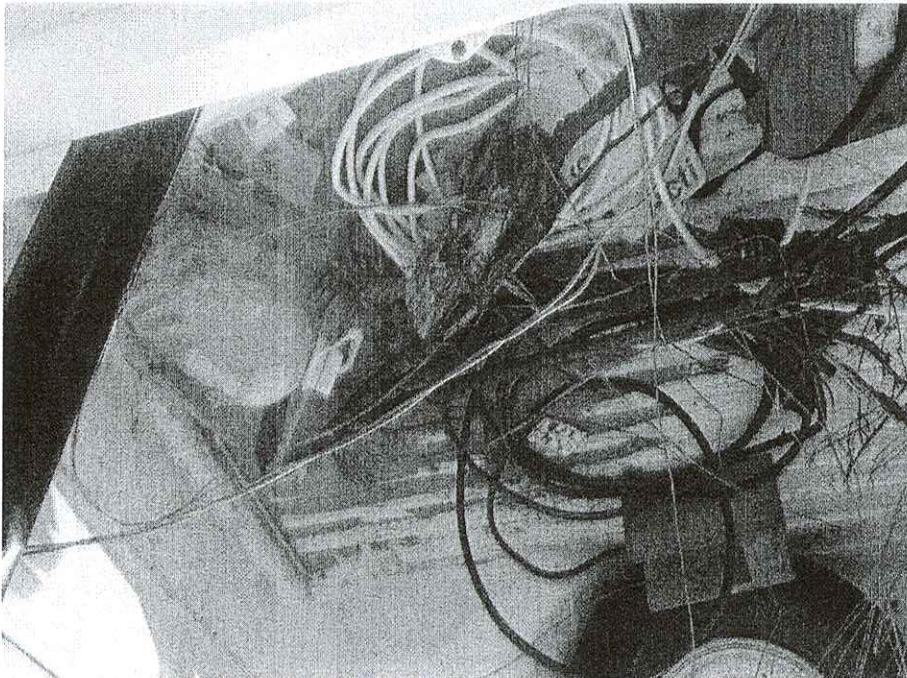
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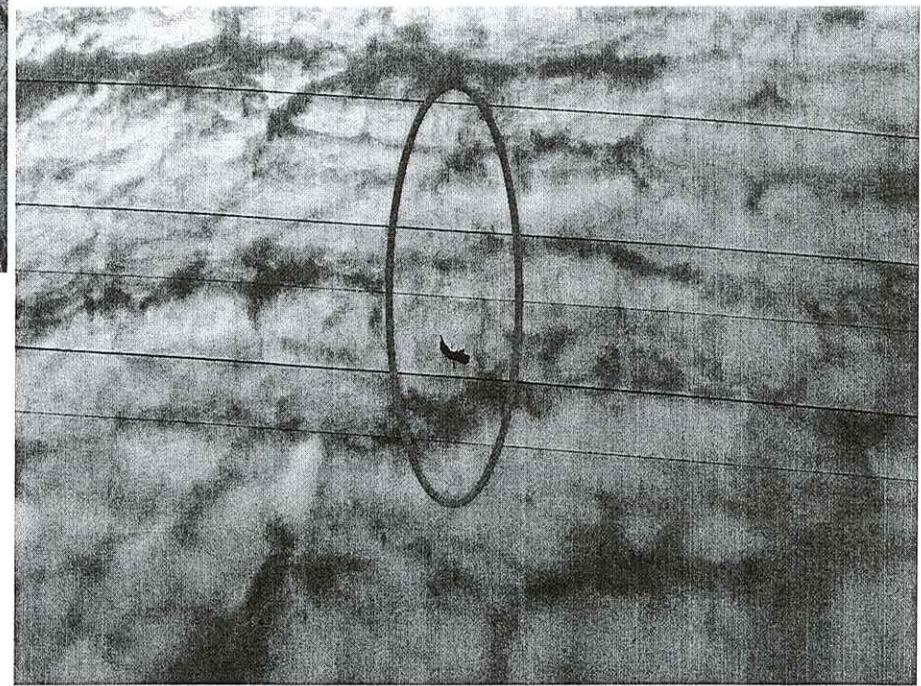
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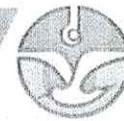
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Wire is thrown over the overhead power lines to trip the power. During this incident on 3 June, R750,000 loss was incurred.



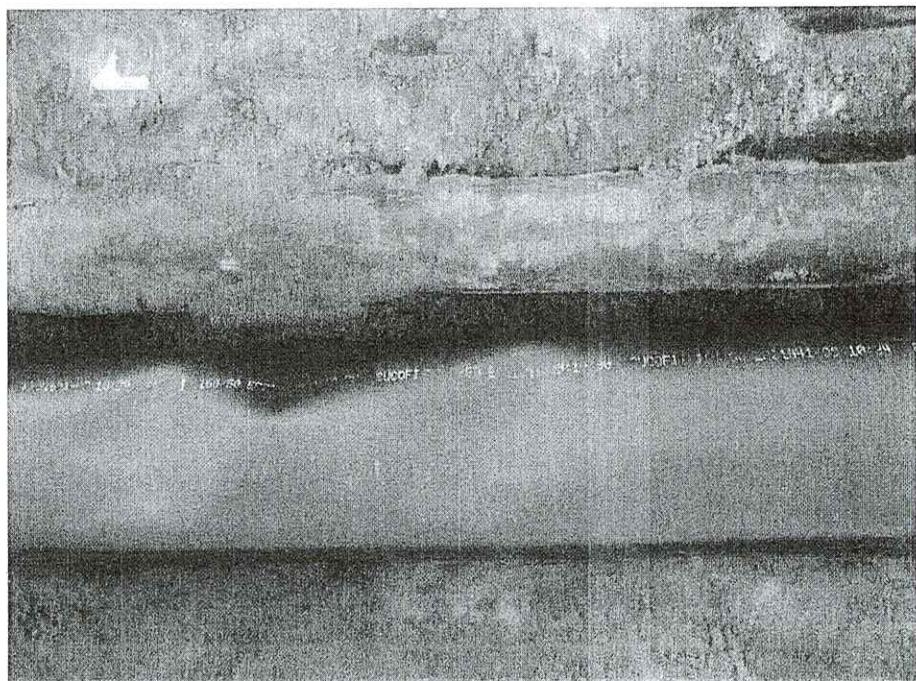
Nhlabane bridge cable damage



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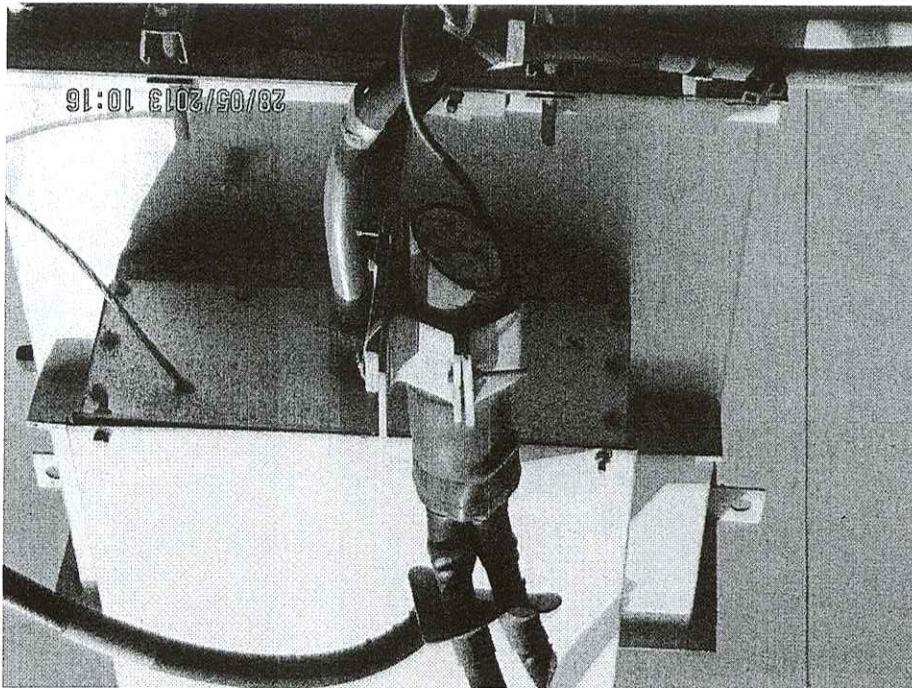
The cables for MPE were damaged on 16 June 2013, resulting in R7.5 million loss of production and repair costs.



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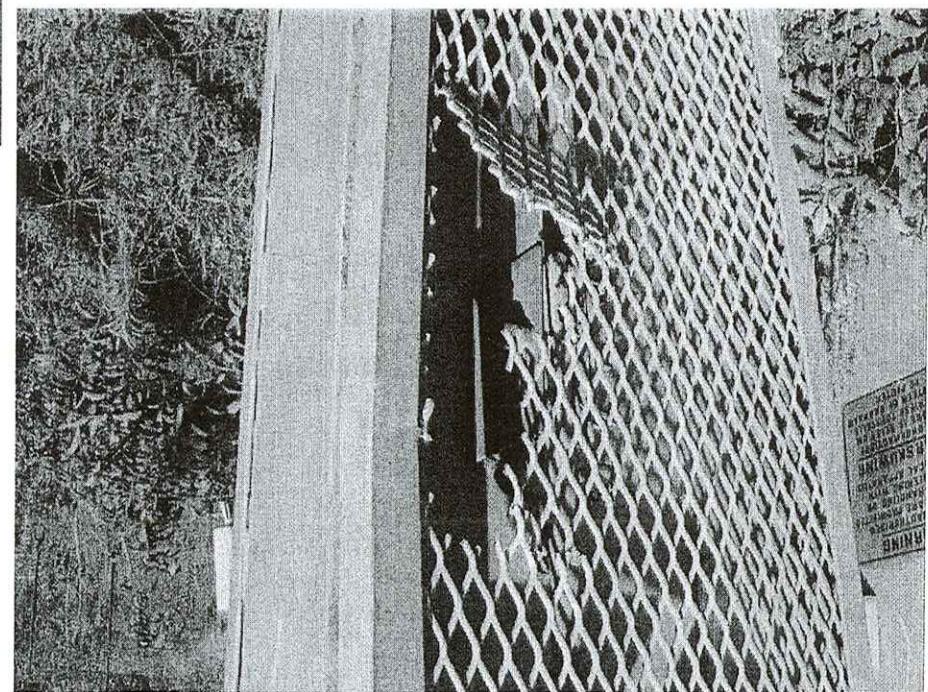
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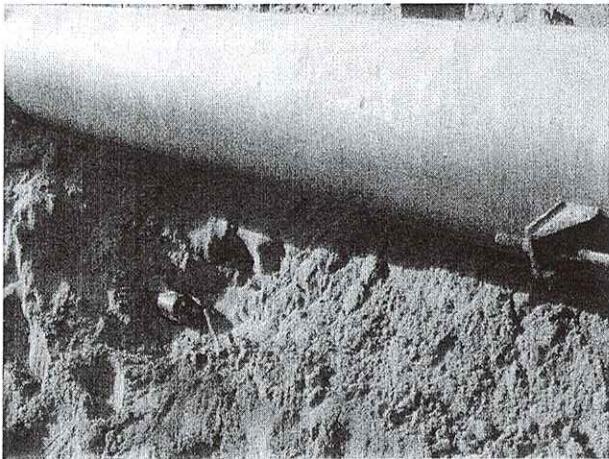
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All RBM's high voltage switchgear is well guarded to prevent easy access. Cable thieves forcibly break into the switch gear to isolate the power before stealing the cables. Cost incurred during this incident R120,000 loss.

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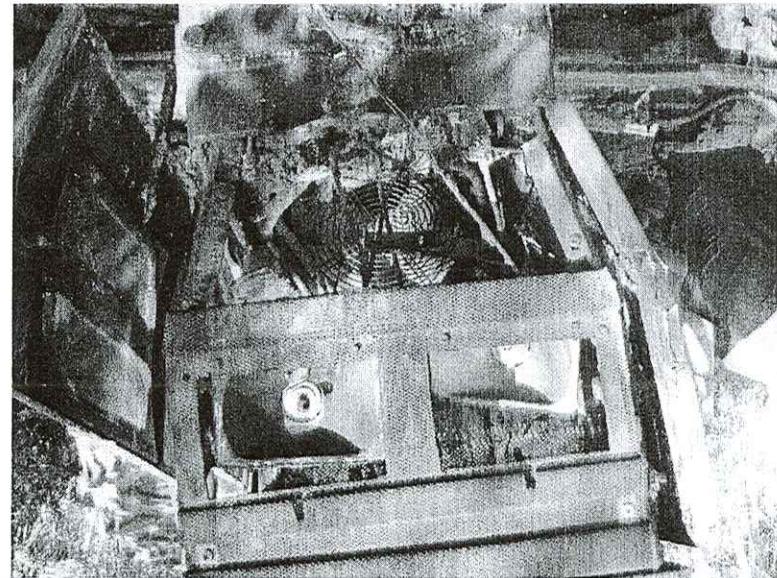
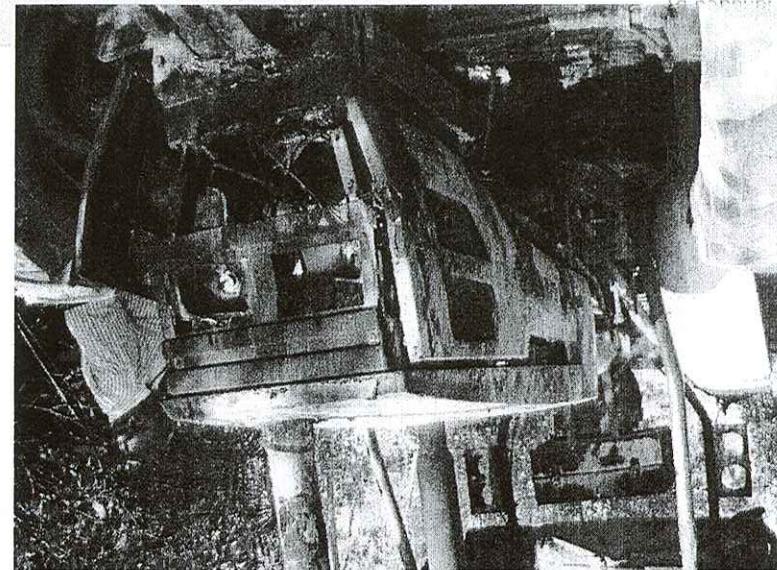
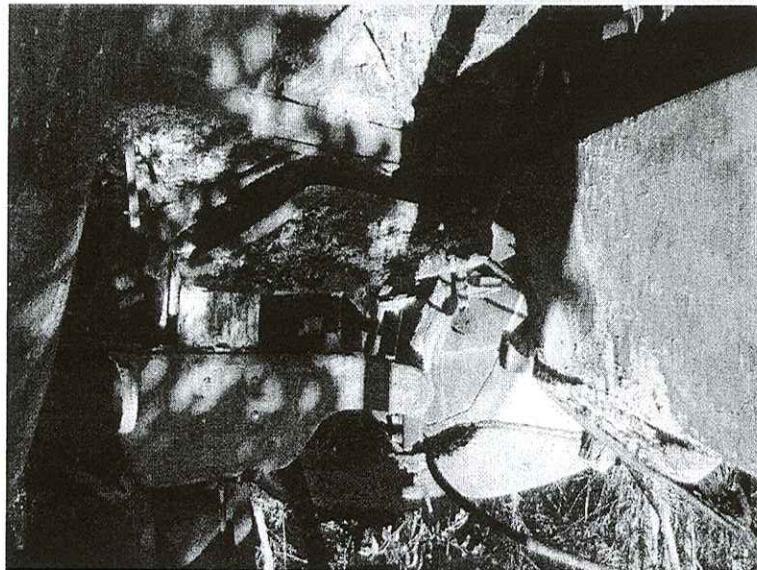


Cable Theft

Pole 467 between Dune Hopper and Nhlabane Bridge where approximately 20 m of HT Cable was dug out , cut alive and stolen.

Exhibits was found on the scene 1 x bushknife which was isolated with bicycle tube.

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Dune Rehab employee was working and 3 x suspects approached him with a shotgun, they made him lay down and drained 4 x 25lt containers full of diesel and they removed the battery, suspects also took the cellphone of the DRs employee.

Incident: Contractor Equipment Burnt – 22 July 2013



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