



ALEXKOR

**Briefing by the Alexkor Board and EXCO
on its Performance Targets for 31 March 2018**



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This presentation has two sections:

- 1. The PSJV 2018/19 Performance Target**
- 2. Alexkor SOC Ltd 2018/19 Performance Target**



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PSJV Performance Target 2018/19

PSJV 2018/19 Performance Target

SECTION	WEIGHTING	KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE	2018/19	2019/20	2020/21
Financial Sustainability	20	Financial Performance	EBITDA Margin	%	10.5%	10.5%	10.5%
Operational Excellence	50	Diamond Production	Land and Marine Production	Carats produced	52000	52000	52000
			Deed sea production	Carats produced	-	-	-
			Mid waters production	Carats produced	5000	7500	10000
			Expansion of exploration programme	Exploration report on targeted areas	Complete exploration at Cliffs, Perdevlei ,Holgat South and Kortdoorn	Complete exploration at Peacock Bay, Rietfontein , Gifkop and Holgat North	Review exploration program and develop the mining plan
		Safety	Fatalities	Number	Zero	Zero	Zero

PSJV 2018/19 Performance Target (continued..)

SECTION	WEIGHTING	KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE	2018/19	2019/20	2020/21
Sustainable Development	30	Skills development	Artisan trainees	Number	3	5	6
			Technician trainees (Diamond Beneficiation)	Number	3	5	6
			Engineers trainees	Number	4	5	6
			Training spend (including 1% leviable amount	% of personnel spent	5	5	5
		CSI	CSI interventions as agreed in the CSI forum	Amount 1% of NPAT	Based on current spend	Based on current spend	Based on current spend
			CSI Spent	Rand	6m	6.5m	6.7m
			Direct Jobs	Permanent vs Contract	2 permanent+2 contract	3 permanent+3 contract	3 permanent+3 contract
			Indirect Jobs	Number	8	10	12
			Spend on BEE compliant companies (of recognized spend)	%	60	70	80
			Total Black owned as a % local spend	%	60	70	80
			Total Black women owned as a % local spend	%	5	7	10
			Total Black youth owned as a % local spend	%	1	2	3
			People with Disabilities as a % local spend	%	0.5	1	1
			QSE/EME	% per designated group (BYO, BWO, BPWD)	25	30	30



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Company Performance Target 2018/19

ALEXKOR 2018/19 Performance Target

SECTION	WEIGHTING	KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	UNIT OF	2018/19	2019/20	2020/21
Financial Sustainability	30	Financial Position	Cash Buffer	Rand	R60 million	R60 million	R60 million
			Rental Income Collected	%	0.85	0.85	0.9
Operational Excellence	20	Commodity Diversification	Implement Coal Strategy	Date	Finalisation and establishment of	Acquire the coal beneficiation	Supply coal to Eskom and other
Strategic Initiatives/ Industrialisation	20	Mineral Beneficiation	Establish a diamond beneficiation facility	Completed Report	Completed Feasibility study on establishment of the diamond beneficiation facility	Develop and seek relevant approval of the Diamond Beneficiation Business Case	Completed execution plan for the establishment of the diamond beneficiation facility.

ALEXKOR 2018/19 Performance Target (continued..)

SECTION	WEIGHTING	KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	UNIT OF	2018/19	2019/20	2020/21
Sustainable Development (Socio Economic Impact & Environmental) <u>Sustainable Development (Socio Economic Impact & Environmental)</u>	30	Conclude Historical Environmental Rehabilitation	Execution of the Plan	Date	Demolition of old buildings and safe storage of the resultant rubble by 31/3/2019 (Phase 1A)	Removal of Asbestos material to Visserhok (Cpt) by 31 March 2020 (Phase 1B & Phase 2)	Demolition of old buildings and safe storage of the resultant rubble by 31/3/2020 (Phase 1B & Phase 2)
		Procurement	Black Owned as % local spend	%	75	80	85
			Black Woman Owned as % local spend	%	3	7	9
			Black Youth Owned as a % local spend	%	1	1.5	2.0
			People with disabilities as % local spend	%	0.5	1	1.5

ALEXKOR 2018/19 Performance Target (continued..)

- Alexkor continues to explore various business opportunities to achieve the sustainability target
- Operational Excellence include compliance with legislations and implementation of the business strategy
- Socio Economic and Environmental Impact: skills development (Artisans / Engineers), job creation, spend on BEE companies, Woman owned companies, people with disabilities.
- Environmental Rehabilitation activities executed in accordance with rehabilitation plan and prescribed acts.

Thank you