

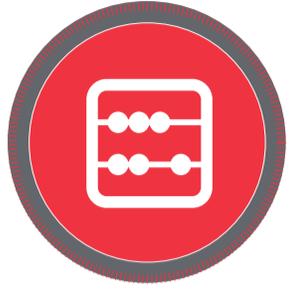
IVANPLATS

COMMUNITY COMMITMENT SCORECARD

SEPTEMBER 2016



Learners Enjoy
the New Computer Lab
at Motshitshi Primary



TOGETHER WE GROW

IVANPLATS
An IVANHOEMINES company

At Ivanplats, we aim to keep our stakeholders informed about our progress in meeting the commitments we made to our local communities. We are proud to present our **Community Commitment Scorecard**



publication to all our local stakeholders and want to thank our host communities for their co-operation in meeting, and in some cases, exceeding our targets for the first and second quarters of 2016.

Development in Perspective

From the desk of the Senior Community Relations Manager, Mmasaku Mohale

The first year of Social and Labour Plan (SLP) implementation has come and gone, some of the committed projects were implemented, and many lessons were learnt along the way. As a company this has been our inaugural year of SLP implementation, and we are pleased and proud to announce to the communities that of the commitments made, we have made serious strides towards fulfilling our promises.

The year has been eventful; a lot was achieved in a short space of time, 136 sanitation units were constructed in 36 community schools, five science and six computer laboratories were provided in community schools, Lesedi Centre was renovated and three Enterprise Supplier Development Initiatives were implemented which, together, created 35 jobs in their first year of operation! In implementing these projects, job opportunities were created for community members and business opportunities were created for local suppliers.

As a company we firmly believe that education and skills development are answers to the challenge of unemployment that we face as a country.

Ivanplats has managed to train 578 community members in various non-core skills such as plumbing, brick laying and basic electrical.

We believe that the community members trained will use their skills to improve their lives. We further facilitated a partnership between the University of Limpopo and the University of Laurentian, which we believe will go a long way towards enabling the University of Limpopo to produce world class geology graduates that will assist the mining industry in exploring the natural resources that are found in our beautiful country and beyond.

As a result of this partnership, two students from the University of Limpopo are currently studying for their postgraduate degrees in Canada.

Other education related initiatives include scholarships for primary and high school learners, bursaries, internships and learnerships. All these programmes are geared towards addressing the skills shortage in the country. In Sepedi, there is a saying "metse go swa mabap", loosely translated as that houses next to each other will catch the same fire, and in the spirit of this saying, as a company we are alive to the challenges affecting our neighbours.

Through our special projects programme we have managed to install 72 rain water-harvesting units for indigent households and 130 sanitation units in community public places in Ga-Magongoa and Ga-Kgobudi. We firmly believe that our relations with our stakeholders remain key to further implementation of the SLP. Our SLP implementation team is working very hard to ensure that the rest of the commitments are delivered to communities.

We appreciate the open relationship that we have with our host communities: you challenge us where you think we are off the mark and we believe it is through robust engagements that more can be achieved. Our open door policy remains, and our Community Relations team will continue through the mobile office to visit your communities. Through this scorecard we hope that our stakeholders will be informed of progress made to date.

Yours in development
Mmasaku Mohale



Mmasaku Mohale,
Senior Community Relations Manager

Mobile Office Keeps Local Stakeholders Informed



Ivanplats Community Relations staff member addresses stakeholders at Mabusela community

Ivanplats has a dedicated team of community relations staff to ensure that local stakeholders are kept up to date with developments as the mine is being constructed.

The team operates a mobile office which circulates between the company's host communities.

The Community Relations team is trained in answering frequently asked questions about the company and the progress of the mining project.

Ivanplats's mobile office visits each community once a month and community members can request an extra visit if they have special concerns. The time and location of each visit is advertised a week ahead of time in the particular community.

Most frequently asked questions include queries about opportunities such as employment, bursaries and inclusion in skills development programmes.

For more information about the mobile office or to request a visit to a community, contact Mobile Office coordinator, Jane Chokoe at email: janec@ivanplats.com or communityrelations@ivanplats.com or give the Socio-economic Development Department a call at 015 491 0600.

Socio-Economic Development Social and Labour Plan



Local Economic Development

Local economic development forms part of the Ivanplats Social and Labour Plan and focuses on **infrastructure development** aligned with the Integrated Development Plan of the Mogalakwena Municipality. Current focus areas include school infrastructure development and support, Lesedi Early Childhood and Business Centre, sanitation for schools and community clusters, and a community development centre.



Sarafina Masingi an HIV/AIDS peer educator in Tshamahansi expresses her passion for working with young people

A passion for young people

The well-being of the youth in Ivanplats host communities is prioritised through our support for a Volunteer Peer Educator HIV/AIDS and Drug Abuse Programme where young volunteers talk to their peers about the dangers of poor lifestyle choices. The programme is conducted in conjunction with the Red Cross and the National Department of Health.

Ivanplats installed 146 waterless toilet units at various public schools during 2015. Decent sanitation at schools is a priority as current facilities are often inadequate and pose a health and safety risk to learners. Mrs Mmaseleka Khaas, Project Manager, Social Compliance at Ivanplats, says that providing learners with sanitation facilities is underpinned by the belief that learners have a basic right to dignity. Mrs Naniki Junia Mabusela, Life Orientation Teacher at Gobela High School in Ga-Magongoa, says that the donated toilet units provided a much needed expansion to the school's existing facilities.

Education for the 21st century

In collaboration with the Department of Education, Ivanplats identified schools in its host communities which qualified for support in science and computer education.

Ivanplats donated science laboratories to five schools and computer laboratories to six schools in its host communities. The installation of the laboratories was completed at the end of 2015. The beneficiary schools have utilised the facilities to varying degrees, but at Masodi Secondary, the Grades 10 and 12 science teacher, Mrs DV Maluleka, cannot get enough of teaching in the science laboratory.

"This lab made a huge difference for our learners. Before we were not able to demonstrate scientific principles through experiments. We had to go on a field trip to the University of Limpopo to show the learners the most basic experiments." She continues to say that now they are in a position to organise science days at their school. "We are very grateful to Ivanplats for the generous donation of a science lab," says Mrs Maluleka.

Mrs Anne Ledwaba, principal at Motshitshi Primary in Masehlaneng, is equally excited about her school's new computer laboratory. "In the first place, the lab is building my staff's capabilities," she says. "Many of them had very basic computer literacy skills, but now that they have access to technology, they are able to improve their skills and find additional online resources for teaching."

At Motshitshi Primary, the computer laboratory is used for computer literacy, Mathematics, English and research.

Mrs Ledwaba says that the laboratory is also very effective in combating Friday absenteeism since she moved computer classes to the last few periods on a Friday.



Learners at Masodi Secondary with their science teacher, Mrs DV Maluleka in their new science lab



Learners at Motshitshi primary in their computer lab



Ivanplats Special Projects

Ivanplats aims to positively impact on its host communities through several corporate social investment projects.

To this end, Ivanplats has been involved in several health, education and water provision projects to date.

Beneficiaries of these projects often belong to vulnerable groups such as orphans and young children.

At Bokwalakwala clinic in Moshate the donation of two wooden Wendy houses more than doubled the available consulting rooms in a clinic where each of the four nursing sisters sees up to 60 patients a day.



Sister Letuba R Mary Maluleka in front of Bokwalakwala Clinic in Moshate where two donated Wendy houses are used as consulting rooms



A matriculant makes use of the newly built facilities at Lesedi Care Centre, Ga-Kgobudi



Completed sanitation units in Tshamahansi community

Ivanplats is committed to complying with both the letter and the spirit of the law to create shared value with its host communities. In addition to the projects committed to in the company's Social and Labour Plan, several corporate social investment projects were undertaken:

Special focus on education

Renovation of Lesedi Care Centre
Projects in line with the Integrated Development Plan of the Mogalakwena Municipality

- Rain water harvesting
- Upgrading of the N11 water reservoir
- Donation of Wendy houses to several local beneficiaries
- Sanitation units in public places



A family in Ga-Kgobudi who received a rainwater harvesting unit enjoys having water on tap

Socio-Economic Development Social and Labour Plan



Ivanplats' Social and Labour Plan was approved by the Department of Mineral Resources as part of the approved mining right in 2014. In its Social and Labour Plan, Ivanplats makes commitments to its host communities with regard to the following socio-economic development issues:

- Recruitment of local labour
- Procurement of local goods and services
- Development of local suppliers and enterprises
- Skills development of employees
- Skills development of people in Ivanplats host communities
- Local economic development projects.

Local Recruitment

2011. "I always dreamt of becoming a nurse, but there was no money in our house for me to study. When I started at Ivanplats, I knew nothing about health and safety."

In 2012 Sinah was selected as a health and safety representative by her fellow employees. "I was amazed by what I learnt at the training and my line manager encouraged me to add safety training to my Individual Development Plan. I didn't even know that there was something like an Individual Development Plan at large companies!"

Sinah made up her mind to work hard and did more safety training over time. In 2015 she was selected by her fellow employees as Full-time Health and Safety Representative at the mining site. She also serves as the Chairperson of the Health and Safety Committee at Ivanplats. Sinah represents her fellow employees' safety concerns with enthusiasm and passion and is continuing with formal education in health and safety management. "I've learnt that anything is possible! I dream of one day being the Chief Safety Officer at Ivanplats."



Sinah Tjale (right) with Olivia Moduba, Health, Safety and Environment Administrator

Community Skills Development

"I've had to overcome some adversity in my life, but I persisted. Now I got training as a cabinet maker. It gave me skills I didn't have. I dream that ten years from now I will have my own business, employing people."



Sandra Gwadaba from Tshamahansi attended cabinet-making training



Ben Mothoa from Madiba community attended plumbing training

"I believe that every extra skill I have makes me more employable. I work as an electrician assistant, but now I am able to do plumbing too. The training enabled me to apply for other types of contract work."

Employee Skills Development

At Ivanplats, people are the greatest asset. To this end, the company prioritises the development of its employees through **Individual Development Plans**. During the past two quarters several training initiatives continued according to schedule. Thirteen employees are involved in Adult Education and Training and are progressing well. Two safety employees are being trained and mentored to become safety officers on the mine.

Investing in a future workforce

Building a modern, highly mechanised underground mine takes specialist skills. To help prepare the future workforce of the operating mine, Ivanplats has different workplace skills-related programmes.

Althea Mokgata from Ga-Magongoa community is enrolled as an Environmental intern in one of these programmes. Althea obtained a BSc in Environmental Management from the University of South Africa, but could not find employment for two years.

"I was overjoyed when I got this internship opportunity. I am learning so much through working in a multidisciplinary team," she says. Althea advises other young people to work hard and persist in what they are doing. Althea dreams of furthering her career in health, safety and environmental management.

Ivanplats provides support to **Adult Education and Training (AET)** Centres in four communities. Currently, 228 learners are registered for 2016. Throughout 2015 to date Ivanplats has supported local suppliers to train 578 local community members in **non-core technical skills training** programmes. Learners were enrolled in skills such as cabinet making, plumbing, roadworks and welding.

Local university benefits from Canadian partnership

The University of Limpopo - Laurentian University partnership was successfully launched by Ivanplats in 2016. The partnership includes a student exchange programme and scholarships for local students to study Geology in Canada. Two students have been studying in Canada for almost a year and two others have recently been selected to complete their MSc and PhD respectively in Geology at the Laurentian University.



Sello Kekana, Head of Transformation at Ivanplats with Professor Gelebe from the University of Limpopo during a site visit to Ivanplats



"Cell C Take a Girl Child to Work Day" at Ivanplats. Linah Baloyi, Chairperson of the Women in Mining Committee (far right), serves as a local rolemodel to the young girls from the company's host communities

A passion for Women in Mining

Ivanplats embraces diversity and equality, and has set out to be at the forefront of transformation for women in developing the mine.

Linah Baloyi is the champion for Women in Mining (WIM) at Ivanplats. Linah has walked a long road with the company. After being retrenched as an Agricultural Supervisor at Ivanplats in 2009, she came back in 2011 as a Data Capturer in the Geology Department.

During this time Linah saw the need for promoting women in mining at Ivanplats and, with the support of senior management, the WIM charter was drafted in 2012. In 2015 Linah moved to the Human Resources (HR) Department as Junior HR Assistant. WIM and is furthering her studies in HR.

Linah says her hope is that more women will put aside their fears and take the first step to take up the opportunities available to them in the mining industry.

Beware of Job Scams

Ivanplats is currently receiving many complaints about fraudsters who target job seekers. The fraudsters contact people in the company's host communities using false identities, often from people employed by the mine or openly associated with the mine. The scammers pretend to be representing the mine and promise jobs in return for cash. They tell prospective job candidates that the money will be used for medical tests or administration fees. Numerous people have lost large amounts of cash to these scams. Sipho Manyeke, Human Resource Manager at Ivanplats, advises people to remember the following:

- Companies will NEVER require payments from candidates to go to an interview

- If you are the preferred candidate for the job, it is the responsibility of the company to pay for medical examinations
- If you receive a telephone call from someone posing as a company representative, ask the person to put his or her request in writing and to send the information to you at your e-mail address
- If you suspect that the person calling might be part of a scam, notify the company immediately at riskalert@ivanplats.com
- Beware of online job postings that are not part of the Ivanhoe Mines website or part of a legitimate recruitment website.



riskalert@ivanplats.com

Local Procurement

In accordance with regulatory requirements and the company's Social and Labour Plan commitments, Ivanplats endeavours to make use of local suppliers as much as possible and has an active local supplier database.

AbbyAnna Business Enterprises supplies Ivanplats with cleaning materials and dry food products. The owner of AbbyAnna, Annah Choeru, says that the opportunity to supply to Ivanplats gave her confidence to expand her business to include other clients. She was also able to employ one full and two part-time staff members to help her grow her business. Annah says that the secret to her success is to be patient and not to expect to build a business overnight. "Have a dream and be willing to work very hard," is Annah's advice to young business people who aspire to be entrepreneurs.



Annah Choeru in her outlet store Mogalakwena One Stop Shop



Petrus Setati, Ivanplats Environmental Officer demonstrates the use of monitoring equipment to Althea Mokgata, Environmental Intern

Ivanplats is committed to providing training opportunities to qualifying individuals from its host communities.

The following skills development initiatives are ongoing:

Scholarships - 60 students involved	A total of 30 primary school learners and 30 secondary school learners from impoverished backgrounds with high marks in Mathematics and Science are supported through this programme.
Internships - 7 interns involved	Interns in Geology, Environmental Management, Metallurgy, Human Resources, Mechanical Engineering and Electrical Engineering receive on-the-job training and gain valuable experience at Ivanplats.
Learnerships - 3 learners involved	Learners started at Anglo Gold Ashanti in Klerksdorp in January 2016 and moved to Ivanplats in April 2016 for on-the-job training.
Bursaries - 7 students involved	During the past quarter all bursary students spent their vacation time at Ivanplats mine site where they received on-the-job training.

Enterprise and Supplier Development



Mrs Florinah Kekana dishes up a cooked meal for a customer at Skhaftin site kiosk

Ivanplats has an active Enterprise and Supplier Development Programme which focuses on developing local suppliers. Enterprise and supplier development is particularly important because when the mine is in operation there will be a limited number of permanent employment opportunities. Through empowering local enterprises, Ivanplats aims to stimulate sustainable socio-economic growth in its host communities.

To support this strategy, Ivanplats has committed itself to creating businesses in which local community stakeholders have ownership. To date three enterprises have been created in which a total of 35 local people are employed. The three enterprises are all operational and are being run with management support by Ivanplats.

Two of the enterprises are employee-owned:

Thwekisha Laundry and Cleaning Services (Pty Limited)

Thwekisha Laundry and Cleaning Services (Pty) Limited is an onsite laundry that services Ivanplats and Aveng Mining, the main construction contractor. Thwekisha currently employs eight people, all of whom are owners of the business.

Hema Manufacturing Projects

Hema is an employee-owned manufacturing company specialising in dust masks and personal protective equipment. The company currently has 20 owner-employees. The dust masks produced by Hema are very well received in the market.

The third enterprise, a lunch kiosk named 'Skhaftin', is run from a well-known red container on the mining site, based on a two-year management contract. The search for a local company to manage the kiosk started in May 2015 and a total of 11 proposals were received. After careful consideration, Masego Tshephang, a company from Kgobudi community was selected to manage the kiosk for the first two-year period.

The owner of Masego Tshephang, Mrs Florinah Kekana, manages the kiosk and says that this opportunity has unlocked a new world for her. "I've learned so much about safety, health, the environment and hygiene," she says. She employs six people to run the kiosk and keeps it stocked with healthy lunch meals.

In addition to these locally owned businesses, the Enterprise and Supplier Development programme also supports a beading project through helping local volunteer women to find a market for their craft. The proceeds of the sales of their beading work are used to support the Bangwanate Disabled Project in Tshamahansi.



Construction workers buying lunch at Skhaftin site kiosk



Volunteers filling a beading order contract to support a community centre

Youth Development Programme

In the spirit of ubuntu

Ivanplats Enterprise and Supplier Development (ESD) Department initiated a Youth Development Programme with the aim of assisting young entrepreneurs to identify, research, plan and present a viable business plan to prospective donors and funders.

Currently, ten local entrepreneurs have been enrolled. A third of the programme has been completed and the students have started to refine and strengthen their business ideas. So far, feedback from the participants has been positive and strong bonds are being formed among the class members.

Three of the students formed an informal support group outside the class in which they share ideas and resources to help strengthen one another's businesses. The three men, Alex Raboshakga, Lesiba Molokoana and Thabo Masoga agree: "Starting a business is tough. There is no way that we can do it without supporting one another."



Alex, Lesiba and Thabo (from left to right) are gearing up together to present bankable business proposals at the end of the Youth Development Programme



Youth Development Programme participants completing a business budgeting group activity



Environmental Management Plan

As a responsible mining company, Ivanplats has an Environmental Management Plan (EMP) which was developed based on environmental impact baseline studies carried out by independent environmental specialists in 2013.

This EMP ensures that the environmental impacts of the development of the Platreef Project are kept to a minimum and the necessary measures are taken to mitigate these impacts. To this end, Ivanplats actively monitors the following:

noise, air quality, vibrations, water quality, waste management and biodiversity. Air quality monitoring is conducted constantly at eight monitoring locations. To date, all results are within accepted limits.

Ground and surface water is also monitored on a continual basis and all results to date are within accepted limits.



To minimise the impact of dust, dust is continually suppressed at the mine site

Ivanplats and its consultant, Digby Wells, has completed the Environmental Impact Assessment (EIA) Amendment public participation process and submitted the EIA amendment application to the Department of Mineral Resources for approval.



Broad-based Black Economic Empowerment



Some of the Thekganang shareholders at the share ceremony

Ivanplats successfully implemented a Broad-Based Black Economic Empowerment (B-BBEE) partnership in September 2014, transferring 26% of the ownership of the Platreef Project to people from local communities. The 26% partnership is divided as follows:

- The Platreef Communities Umbrella Trust owns 20% of the project through the Community Trust Company
- The Platreef Equity Participation Trust for Ivanplats employees (within Paterson grading scales A-C) own 3% of the project through EmployeeCo
- Local entrepreneurs (including Ivanplats managerial staff) own 3% of the project through EntrepreneurCo.

Ivanplats host communities are represented in the Platreef Communities Umbrella Trust through three trustees selected from the body of the Trust Advisory Council (TAC). The Board of Trustees of the Platreef Communities Umbrella Trust decides on the implementation of community projects submitted through the TAC.

During the past two quarters Ivanplats, with the assistance of its legal advisers, Falcon and Hume Attorneys, has held two training sessions for TAC members and the trustees. The purpose of the training was to equip the TAC members and trustees to perform their roles and responsibilities.

On 17 May 2016, Ivanplats and Falcon and Hume Attorneys held a ceremony at which one of the shareholders in EntrepreneurCo, Thekganang Mining Solutions (Pty) Ltd, issued shares to their shareholders. Each of these shareholders contributed cash to Thekganang, enabling the company to buy a share in EntrepreneurCo at the cost of R1 million. During the ceremony Ivanplats discussed the B-BEE transaction and the role of Thekganang and EntrepreneurCo.

The implementation of the first two community projects approved by the Trustees is underway:

- The Limpopo Mathematics and Science Academy (LIMSA) project aims to provide extra lessons in Mathematics, Science and English. Teaching materials have been purchased to implement this project.

- The Madiba Schools Repair Project aims to repair items and fixtures at selected schools in Ga-Madiba community. This project was initiated by five young people from Ga-Madiba who have received training to implement the project successfully.

Community members from qualifying communities who are planning a non-profit project that will benefit their communities can submit project proposals to the TAC in their respective communities.



The Madiba school repair team repairing a school fence



Surface Lease Agreement and Livelihood Restoration

A surface lease agreement is an agreement for the use of a specific area of land. The land over which Ivanplats requires a surface lease is nominally owned by the South African Government on behalf of resident communities.

Ivanplats was granted a mining right by the Department of Mineral Resources to build an underground, mechanised platinum mine in Mokopane.

While the mining right automatically gives Ivanplats the right to access the land, a surface lease is beneficial in regulating matters associated with it such as compensation.

The piece of land on which Ivanplats is building this mine, is used by the people in the adjacent communities for farming and grazing their animals. Consultations with the affected communities and the Department of Rural Development and Land Reform started in 2014, and progresses continually. Ivanplats is actively engaging with the communities affected by the surface lease agreement, and is also conducting a Livelihood Restoration Programme to assist affected individuals to find the same type or a similar equivalent livelihood in an alternative



Livelihood restoration survey in progress in Ga-Magongoa community

location. During the past two quarters the livelihood restoration team concluded most of the interviews with sowing field owners and held focus group sessions with livestock owners, sowing field owners and herbalists in Ga-Magongoa.

In Ga-Kgobudi, all the livestock owners were interviewed and focus group sessions were conducted with the livestock owners and herbalists. Engagement with the Tshamahansi community is still under way.



Project Progress

Ivanplats is constructing a highly mechanised underground platinum mine just north of Mokopane. During the first two quarters of 2016 visible progress was made on the construction of the mine.

The headgear of Shaft No. 1 has been erected and the shaft has been sunk to 61 m to date. The total length of the shaft will be 1 025 m and it is 7.25 m in diameter. Shaft No. 1 will initially serve as the production shaft and will eventually become a ventilation shaft. It is the first of four shafts that will be sunk in the next five years.

To support the construction of the mine, Ivanplats is currently refurbishing the N11 intersection where the future mine entrance will be located. The new intersection will provide safer traffic flow conditions to and from the mine site.

Eskom will start with the construction of temporary power supply, to support the development of the mine.



View of Shaft No.1 at sunrise



Worker detaching the shaft barrel



N11 upgrade in progress

Our stakeholders say:

“My life was difficult, I was keeping myself busy with washing cars. Now I have shares in a business and I can afford living.”
Patrick Kola, Sekgagapeng HEMA Manufacturing Projects Ivanplats Enterprise and Supplier Development

“Sometimes I look back and ask: ‘Is this really me?!’ I thought I was going to be a cleaner forever!”
Sinah Tjale, Full-time Health and Safety Representative and Safety Officer in Training

“The opportunity I persued at Ivanplats took me to another level”
Annah Choeu, Business Woman Mokopane

“I was retrenched in the recession of 2009. I came back to work for Ivanplats because of the managerial support. They promised they would call me when opportunities opened up, and they did.”
Linah Baloyi, Junior Human Resources Assistant: Women in Mining

“Everything I do here I do with a good mind because this is my business. If you work for someone else, you might not have patience. When you own part of a business, you know that you are working hard to build up something.”
Zacharia Molebale, Kgobudi General Worker and Shareholder Tlhwekisha Laundry and Cleaning Ivanplats Enterprise and Supplier Development

“All the structures Ivanplats is putting into place are very good. Drug abuse is a huge challenge in our communities. Our brothers and sisters are in big danger.”
Sarafina Masingi Tshamahansi Volunteer HIV/AIDS Peer Educator

“I have adapted easily to the working environment as I have been allocated a mentor who takes care of me like a sister. I am receiving the best training which I will not trade for anything.”
Althea Mokgata Environmental Intern



Editorial Information:

Editor in Chief: Jasmine Abrahams
Compiled by: Lisl Fair
Compilation assistants: Daphney Tsatsi and Mafamane Nkuna
Copy editor: Diana Coetzee

For more information about Ivanplats contact: communityrelations@ivanplats.com
Sepedi and Tsonga translations of the text in this publication are available on request

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