



Ezulwini Shaft – Costing Breakdown

Presented by Grant Stuart

Introduction

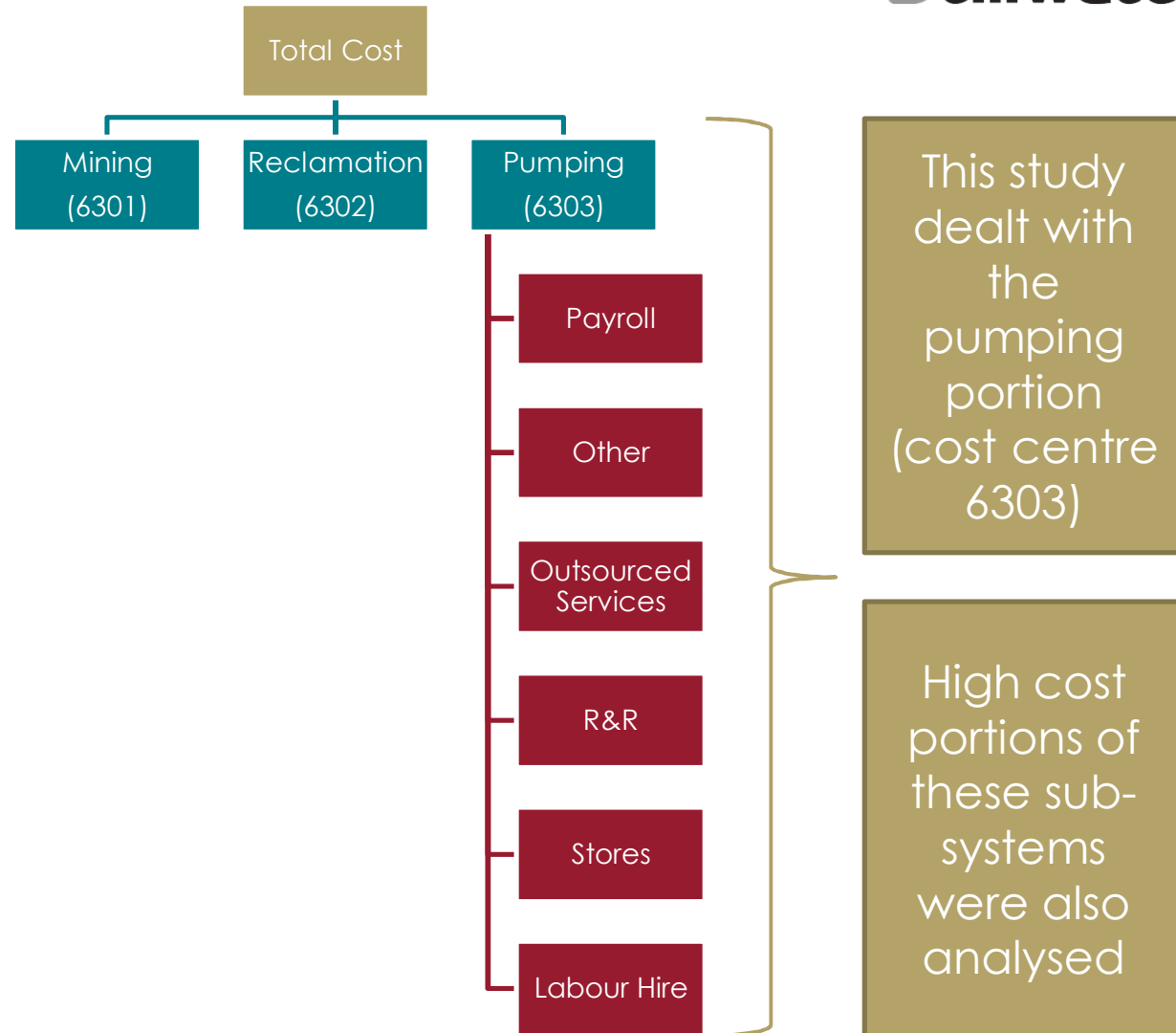


- Exercise performed previously to baseline the pumping cost for the shaft
 - ± R 13 million per month
- Exercise was conducted again to confirm this number
 - Data from January to July was used for F2017
 - Data indicates that the cost is actually higher than initially calculated
 - It must be noted that the winter power tariffs do skew the data

Ezulwini Shaft Pumping Costs F2017 (January to July YTD)	
Maximum	R 27 123 281.99
Minimum	R 13 274 288.31
Total	R 139 765 327.62
Average per Month	R 19 966 475.37

Actual cost to company is higher than anticipated (electricity costs associated with Peak tariff)

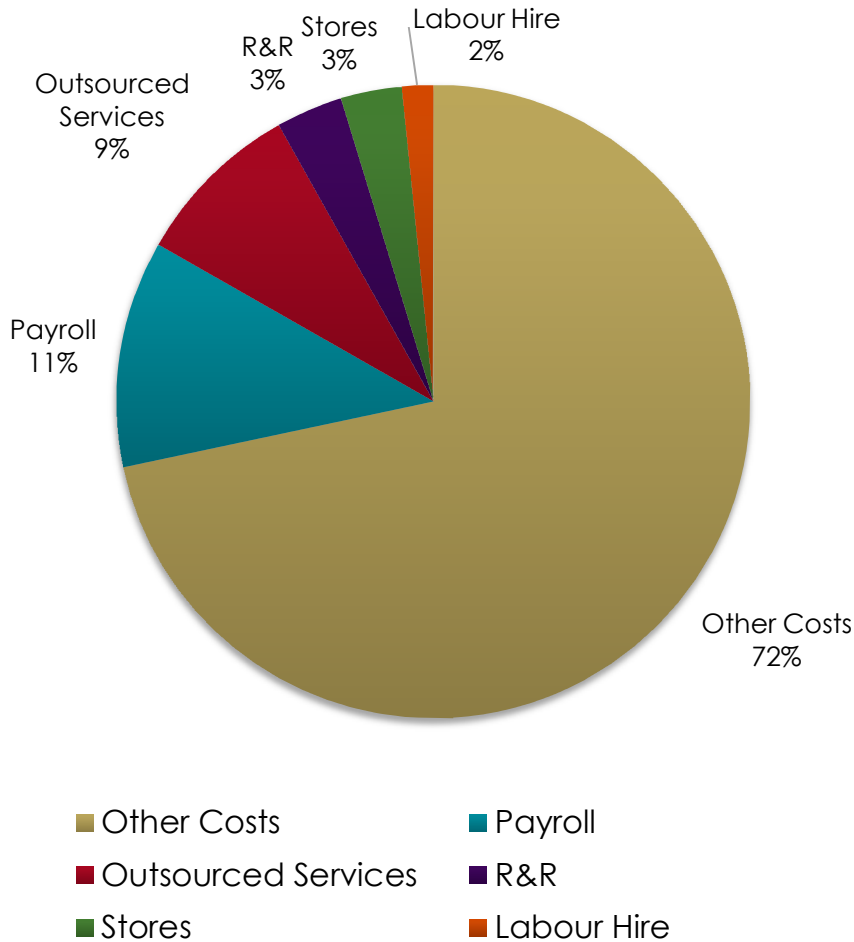
Cost Breakdown - General



Balance sheet for the shaft consists of three separate profit centres

Cost Overview – Pumping Cost Centre (6303)

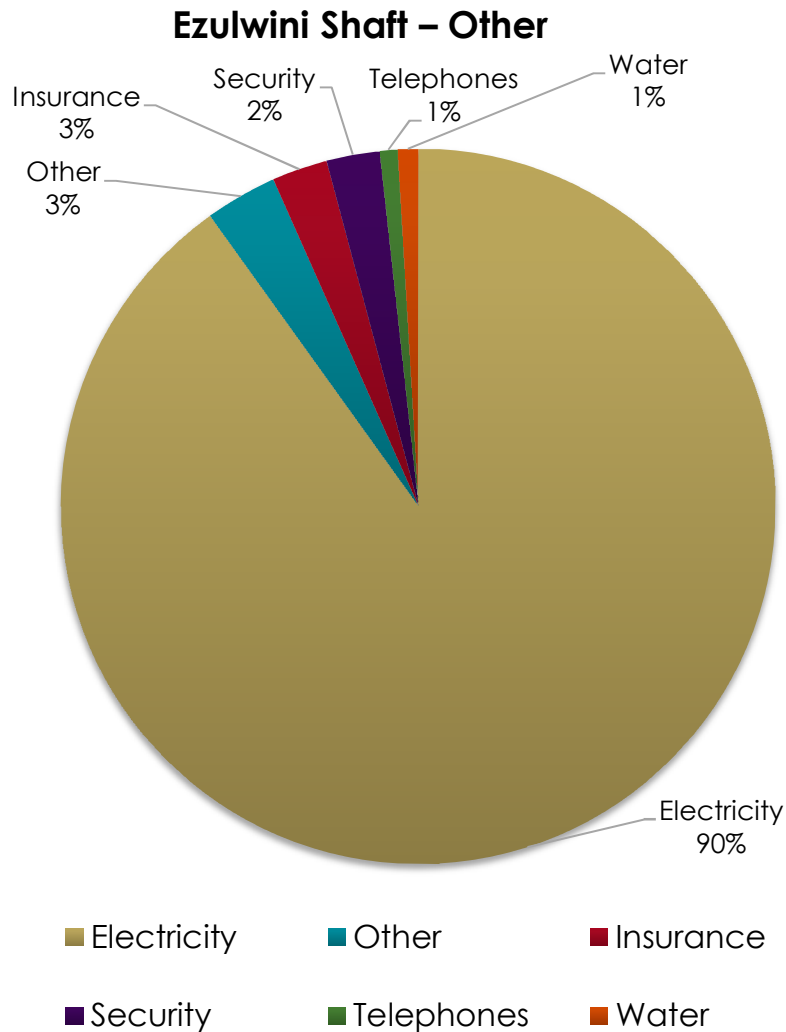
Ezulwini Shaft – Level 1 Cost Breakdown



Ezulwini Shaft Level 1 Cost Breakdown	
Other Costs	R14 309 053.16
Payroll	R2 312 355.09
Outsourced Services	R1 725 301.68
R&R	R679 750.00
Stores	R618 882.60
Labour Hire	R321 132.86
TOTAL	R19 966 475.37

“Other” category accounts for 72% of the total cost at Ezulwini shaft

Detailed Cost Breakdown – Other

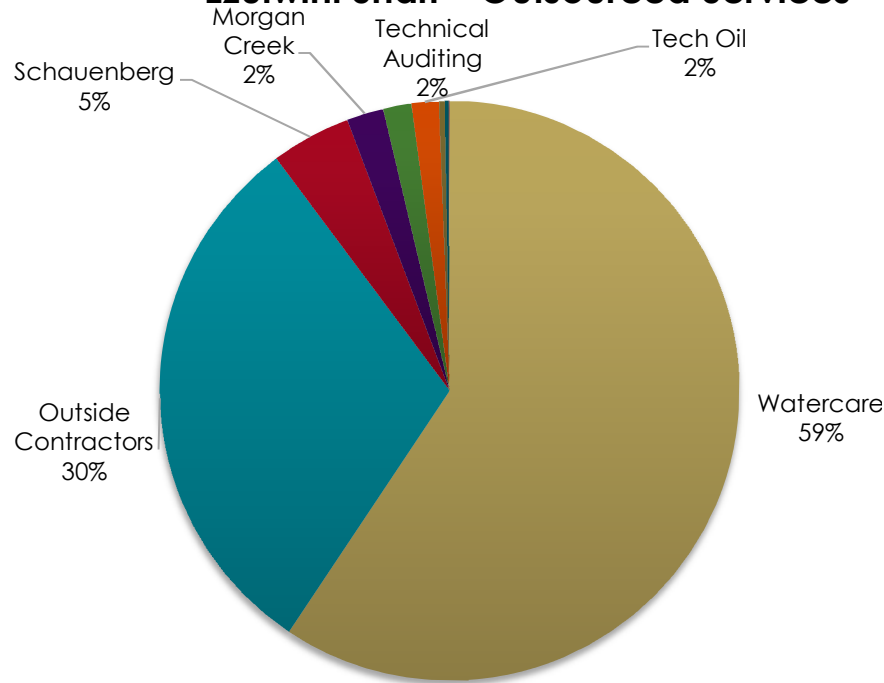


Detailed Cost Breakdown - Other	
Electricity	R12 894 416.15
Other	R464 574.90
Insurance	R358 175.00
Security	R343 145.41
Telephones	R116 779.91
Water (Rand Water)	R131 961.80
TOTAL	R14 309 053.16

Electricity costs account for 65% of the total cost at Ezulwini shaft

Detailed Cost Breakdown – Outsourced Services

Ezulwini Shaft – Outsourced Services



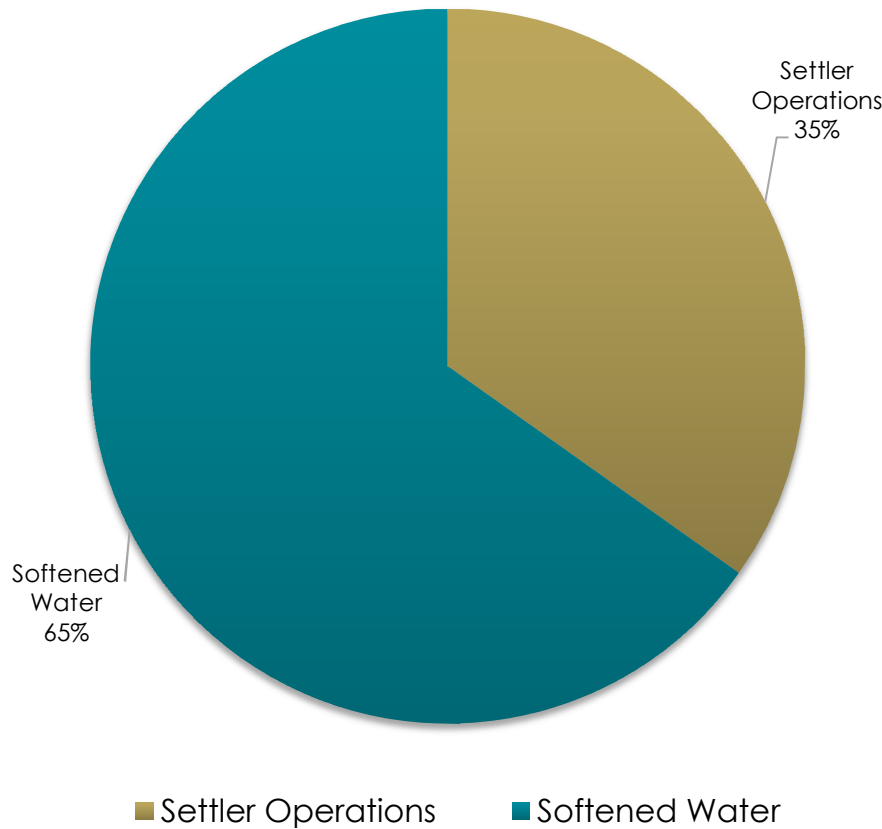
- Watercare
- Outside Contractors
- Schauenberg
- Morgan Creek
- Technical Auditing
- Tech Oil
- AEMS
- Siemens

Detailed Cost Breakdown - Other	
BI Watercare	R1 024 234.01
Outside Contractors	R524 857.67
Schauenberg	R77 042.15
Morgan Creek	R35 376.26
Technical Auditing	R27 216.90
Tech Oil	R26 183.90
AEMS	R5 722.86
Siemens	R3 229.03
Wiman	R1 438.89
TOTAL	R1 725 301.68

Watercare accounts for 59% of total contractor cost on average at Ezulwini shaft

Detailed Cost Breakdown – Watercare

Ezulwini Shaft – Watercare



Detailed Cost Breakdown - Watercare	
Settler Operations	R 356 755.10
Softened Water	R 667 478.92
TOTAL	R 1 024 234.01

Softened water accounts for 65% of total cost allocated to Watercare