



SIGNATURE OF THE BIODIVERSITY AGREEMENT

Speech by Mr David Brown, CEO, Coal of Africa Limited (CoAL)

08 October 2014

Leriba Lodge, Centurion

Good afternoon

Honourable MEC, Mr Charles Sekoati

Mr Kuseni Dlamini, Chairperson of SANParks

Deputy Director Generals

Esteemed guests

All protocol observed.

This journey has been a long one, with much debate along the way, but it gives us great pleasure to be part of this historic event, signing an agreement which will ensure the protection of the integrity of the Mapungubwe World Heritage Site. This process commenced with the signing of the Memorandum of Agreement in September 2011, and the signing of this agreement is a further step in that journey.

The inscription of the Mapungubwe Heritage Site on the World Heritage list in March 2003 recognised the importance of the rich cultural history of the Mapungubwe Cultural Landscape. The MoA, and the development of the offset agreement is in recognition of that history and sensitivity of the Landscape.

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Bernard R. Pryor – Chairman, David H. Brown – Chief Executive Officer, Michael G. Meeser – Chief Financial Officer
Non-executive directors: Peter G. Cordin, Khomotso B. Mosehla, David J. K. Murray, Rudolph H. Torlage

It was a complex journey as we sought to marry the interests of environment, heritage and development. The signature of this agreement bears testimony to the commitment of the representatives of our respective organisations. As a company, we are acutely aware of the need to balance the potential of the mining development at Vele Colliery to stimulate and enable socio-economic growth and the significance of preserving the World Heritage Site.

We believe that Vele Colliery has set a new benchmark for co-existence between mining, heritage and agriculture. We have leased property owned by the company back to the original landowners who are able to continue their agricultural activities while we conduct mining activities. The principles of this approach and philosophy are to be implemented into all our other potential projects.

Furthermore, we actively participate in the Environmental Management Committee, established in terms of our Environmental Authorisation to monitor compliance at the Colliery. The membership of this structure comprises representatives from CoAL, Regulatory Authorities, communities, land owners, and the Save Mapungubwe Coalition, resulting in Vele Colliery being one of the most regulated mining companies in the country.

We have placed the Colliery under care and maintenance as we prepare for the Modification of the Plant, enabling more optionality in terms of the beneficiation of the product.

Based on lessons learnt, we will ensure that we will only commence with the construction of the plant once all the regulatory approvals have been secured. We continue to engage with our regulators at both a national and provincial level in this regard.

Today we present to you a partnership between our respective organisations to create a model of co-existence which seeks to protect our heritage for our future generations. This collaborative effort will ensure the development of a Heritage Management Plan which directs all heritage management efforts at Vele. The principles enshrined in the MoA are embedded in the culture of our organisation, and in particular, Vele Colliery.

The commitment of R55million for the next 25 years is only one element of this process. This commitment is in addition to our ongoing rehabilitation commitments and mitigation strategies.

The value of the partnership between the Department and SANParks is far greater than the monetary commitment. Together, we will seek to promote a greater awareness of heritage and heritage management resources, ensuring that we continue to prevent and mitigate all potential impacts, and ensure that our future generations benefit from our wondrous, rich natural heritage.

We wish to express our gratitude to Minister Molewa for the enabling environment created within her department to facilitate partnerships which foster co-existence and which promote a culture of compliance. To Minister Ramatlhodi, our appreciation to you and your department for the vision this has been displayed throughout this process. A special word of thanks to the biodiversity and conservation team for their tireless efforts to bring this process to fruition.

The guiding principles of the agreement and the MoA will drive our joint pursuit of sound principles in the sustainable management of our natural resources.
