



FACT SHEET

October 2018

OUR BUSINESS



100% black-owned



Open-pit manganese mine



Life of mine to **2033**



35% Mn average grade



720ktpa produced in FY2017

WHO WE ARE

Sebilo Resources (Pty) Limited (Sebilo) – established in 2004 – is a 100% black-owned junior mining company, focused on manganese ore and fines production. Sebilo’s corporate office is located in Johannesburg, South Africa, while our mining operations take place at Perth Mine near Hotazel, approximately 80km north-west of Kuruman, in the Kalahari Basin of South

Africa’s Northern Cape province. The basin contains 80% of the world’s known manganese ore resources.

Sebilo is 74% held by Tawana Investment Holdings with the remaining 26% held by a community trust, small companies and individuals from the Kuruman area.

Management has considerable industry experience and expertise, with a sound knowledge of the Northern Cape and its communities.

OUR STRATEGY

Our goal is to create a successful medium-sized mineral resources company, with diversified mining interests and operating subsidiaries to ensure Sebilo is well positioned to pursue growth opportunities.

Underpinning our strategy is our commitment to meaningful, broad-based empowerment to create a long-lasting, positive impact on the communities in our area of operation.



Wealth creation for shareholders and stakeholders

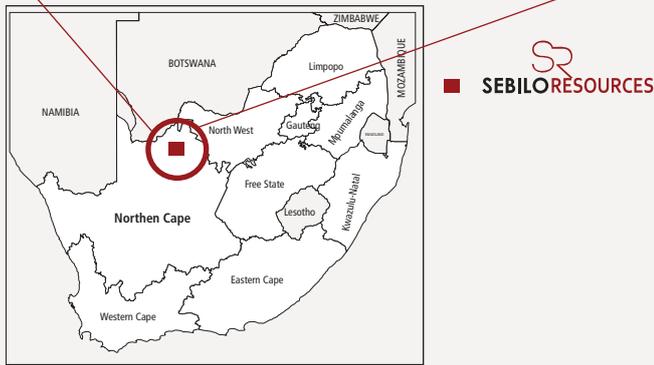


Skills upliftment and development



Sustainable mining development

WHERE WE ARE



WHAT WE DO

Sebilo is focused on creating long-term value through a pipeline of prospects in manganese. From 2004 – 2011, we reclaimed stockpile manganese mine dumps on the farms, Perth and Devon, in a joint venture with Assmang Limited, an operating subsidiary of African Rainbow Minerals Ferrous, on a profit share basis. Sebilo invested the majority of its share of profits to develop its Perth mining endeavours.

Perth Mine

Our current operation, the open-pit Perth Mine, is located 13km south of Hotazel, on the eastern side of the manganese-rich Kalahari Basin. Perth mine produces Mamatwan-type (34/35%) manganese ore and has an eight-year life expectancy.

In July 2009, Sebilo was granted a new order prospecting right over the farm, Perth. We began a 24-month drilling programme in 2010 to gain more knowledge of the targeted orebody. Results of the initial drilling programme estimated a total Resource of 9.05Mt and an orebody that could be mined profitably. The results were incorporated into a pre-feasibility study and detailed mine plan.

A mining right was granted to Sebilo for Perth Mine by the Department of Mineral Resources in April 2013 and stripping began shortly thereafter. Production from the open-pit mine started in May 2014 and by February 2015 the operation ramped up to steady-state of approximately 720 000 run-of-mine tonnes per annum. Ore processing on site is currently outsourced to a contractor. Commissioning of our own 240tph processing plant is expected in September 2018 and will allow Sebilo to process ore from Perth Mine and from future projects.

Longer-term development projects to increase Sebilo’s resource base include new greenfields and brownfields manganese prospecting opportunities thereby, increasing Sebilo’s life of mine and ensuring long-term sustainability.

OUR MARKET

Sebilo undertakes its own marketing and sale of manganese ore to traders and end-users. Monthly, some 45Kt of Sebilo manganese ore is trucked approximately 100km from site to the Transnet-owned Lohatla siding for transportation by rail for bulk export out of Port Elizabeth harbour to China (90%) and India (10%).

From July 2018, our manganese ores will be exported through the Port of Ngqura, a deep-water port located 20km north-east of Port Elizabeth, which forms part of the Coega Industrial Development Zone, under the jurisdiction of Transnet National Ports Authority.

The port’s state-of-the-art manganese ore-loading facility will increase capacity from 5.5Mtpa currently available at Port Elizabeth to 16Mtpa. In addition to positioning the Port of Ngqura as a leading manganese ore exporter globally, it will serve as an important catalyst for Sebilo’s growth and development, giving us an excellent conduit for manganese ore to international markets.

Manganese is the fourth-most used metal in terms of tonnage and has important industrial uses, particularly in improving the strength of steel. China accounts for approximately 50% of global steel production and is a major importer of South African manganese ore.

OUR PEOPLE

Currently, Sebilo provides employment to 209 people, both directly and indirectly. Of the total, 154 are the employees of contractors. Some 93% of our the total workforce is drawn from the Northern Cape.

Committed to improving the quality of life of people in our host communities, we have worked to date according to the obligations of our initial social and labour plan (SLP) drafted with stakeholder input and approved by the Department of Mineral Resources (DMR) as a condition of our mining right. Implementation is now two-thirds complete, and we are currently compiling our second SLP.

We are mindful of mining’s impacts on the environment, and have policies and procedures in place – aligned to our regulatory approvals – to ensure both responsible environmental management of our operations during their lifespan and their closure.

CONTACT DETAILS

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