

## PRECIOUS MINERALS – DIAMONDS

### Batla Minerals SA

Batla Minerals, through its subsidiaries El Nino Mining and Alluvial Ventures, is a specialist contract miner with a proven track record in the field of processing minerals and tailings dumps on behalf of holders of mining rights. We have 20+ years of experience in contract mining with De Beers, Gem Diamonds and similar companies and understand the intricacies that such relationships demand.

Batla Minerals currently:

- Processes tailings dumps at the Superkolong Diamond Operations near Kimberley, South Africa.
- Provides contract mining services for Letšeng Diamonds in Lesotho.
- Is setting up a new diamond mining operation in Lesotho at the Kolo Mine.

Two mining assets in SA are currently in 'care and maintenance' – Asapi 1058 and Boesmanland (Pty) Ltd.

#### SUPERKOLONG DIAMOND OPERATIONS – SOUTH AFRICA

**Summary:** In February, 2013, Batla announced a 50% venture with Emu Nickel NL to purchase Superkolong (Pty) Ltd, a 30+% shareholder in Kimberley Miners Forum (KMF) which purchased from De Beers Consolidated Mines various coarse, diamondiferous, kimberlite tailings dumps situated around Kimberley, South Africa. The current KMF agreement with De Beers gives access to the tailings resources until early 2018. Discussions are underway to extend this access period. Operations began on 1 March, 2013.

The plant will be upgraded to process 230,000 tons per month. Recovered diamonds are sold via tender.

Saleable product	Diamonds
Mining methodology	Processing of tailings dumps
Status	Active operations
Owner of rights	De Beers, with leased access to Kimberley Miners Forum shareholders

#### ALLUVIAL VENTURES – LESOTHO

**Summary:** Alluvial Ventures (wholly owned subsidiary of Batla) is currently providing contract mining for Gem Diamonds at their Letšeng mine. In early 2011, Alluvial Ventures expanded operations to include a new kimberlite crushing plant, based on a three-year contract with Letšeng.

The contract provides for Alluvial Ventures to independently mine and operate, and to earn an agreed-upon percentage from the sale of diamonds.

Alluvial Ventures' production capacity averages 100 000 tons of kimberlite per month.

Saleable product	Diamonds
Mining methodology	Open cast
Status	Active operations
Owner of rights	Mining lease issued to Letšeng Diamonds, owned by Gem Diamonds

#### KOLO MINE – LESOTHO

**Summary:** Reskol Diamond Mining (a subsidiary of Batla Minerals) will operate a joint venture with the Government of Lesotho to work the Kolo Mine, approximately 35 kilometres southwest of Maseru.

The lease area has two pipes:

- Kolo pipe with approximately 1.3 million tons of kimberlite (expected to produce 110,000 carats)
- Sekameng pipe – the extent of this resource has not yet been determined.

Saleable product	Diamonds
Mining methodology	Open cast
Status	Plant to be established, followed by a trial mining phase (60,000 tons)
Owner of rights	Reskol Diamond Mining (Lesotho) holds the mining lease

## LOCATION OF ACTIVE DIAMOND OPERATIONS



May 2013

Batla Minerals Resource Summary – Precious Minerals: Diamonds