



**DIAMONDS - Lesotho**

**Letšeng Update**

- We have introduced three flow sorts to the final recovery process, and are installing crushers, which will increase our life-of-mine at Letšeng.
- We continue in discussions with Letšeng regarding future contract work.

**Stormberg (formerly known as Kao) Update**

- An MOU has been completed between Toro Diamonds (a subsidiary of Batla Minerals) and Namakwa Diamonds relative to Namakwa Batla Diamonds' partnership at the Stormberg mine in Lesotho. Work is ongoing relative to assets, equipment and operations.
- We hope to begin active mining operations at Stormberg in 2011.

**Social Investment**

- Our previous community project, Chalets in the Sky, has now been completed.
- In line with previous community work, we have earmarked a new project just outside Maseru: a home for children who have been orphaned as a result of HIV/AIDS. The orphanage will provide a place of safety and health for 200 young boys and 200 young girls. Additional information will be posted on our website as progress is made.

**Recent Tenders**

- We had successful tenders in January, February and March.
- Prices for rough diamonds continue to slowly recover toward early 2008 levels.

**Uranium – Austin's Post RSA**

**Update**

- We have retained the services of 3 consultants to finalise metallurgical work.
- Bottle-leach tests were completed on drillcore composite materials. Results were strongly positive.

**Goals for Q2**

- Complete additional bottle roll and column tests on excavated core.
- Complete feasibility calculations to determine stripping ratios, cut-offs and operating costs, etc.
- Determine viability of mining based on feasibility calculations and processes.



**Tungsten – Piketberg RSA**

**Update**

- Bongani Minerals (rights applicant) is re-assessing their approach toward this project.

**Goals for Q2**

- Determine the best approach, given the environmental, social and economic considerations.

**Granite – Malmesbury RSA**

**Update**

- Progress has been halted at Elsana Quarry pending court decisions.

**Goals for Q2**

- Resume blasting operations.
- Sell aggregate.

## Coalbed Methane – Namibia and South Africa

### Update

- **Namibia:** Prospecting rights were granted to Aranos Gas Ltd, a joint venture between Batla Minerals, SADC Minerals and other Namibian investors. The rights extend over an area of 15,000 hectares in the Aranos basin. Test drilling has begun and the process is expected to last for 2 months. Final drilling results will be received by 3<sup>rd</sup> quarter.
- **South Africa:** Prospecting rights were granted to Great Force Investments 120 (Pty) Ltd, a joint venture between Batla Minerals and other South African investors. The rights extend over an area of 17,000 hectares near the South Africa/Namibian border. A desktop study has been completed.



### Goals for Q2

- Measure and document methane levels emitted from test drilling.
- Complete bankable feasibility study.
- Gain approvals from regulatory authorities.



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