



DIAMONDS



Letšeng Mine – Lesotho

- Alluvial Ventures' two plants are operating at full production capacity.
- For the three months ending 31 August, 2013, Alluvial Ventures met, on average, 103% of its ore processing targets and 106% of its carat recovery targets.
- Seven successful tenders have been held to date in CY 2013.
- In mid-July, Alluvial Ventures surpassed one million hours of 'lost time injury-free' performance, exceeding every other company on the Letšeng site.

Kolo Mine – Lesotho

- On 16 August, 2013, the Lesotho Ministry of Mining notified ResKol Diamond Mining that its suspension of diamond mining operations was lifted with immediate effect.
- Phase 1 operations, including a 60,000 ton test trial, are planned to commence in 2014.



Superkolong Diamond Operations – South Africa

- As announced earlier this year, Batla acquired a new diamond operation at the Superkolong plant in Kimberley, SA. The operation is a 50% joint ownership with Emu NL.
- Phase I improvements have been completed and were operational in August. These improvements allow for a 25% increase in tonnage throughput at the plant.
- Since production began on 1 March, more than 800 000 tons of tailing material have been treated at the Superkolong plant and more than 51 000 recovered carats have been sold via seven tenders, as well as through several direct selling opportunities which have been established since ownership commenced.
- On 30 August, the Vendors of Superkolong received their first staged payment of R25mil in accordance with the sales agreement. The payment was made from cash generated by Superkolong's operations. Two remaining payments of R35 million each are to be paid on 1 March and 1 September 2014, respectively.

URANIUM – Austin's Post RSA

Recent accomplishments

- Meetings were held with the DMR and Kopanong Municipality regarding our mining right application and required changes.
- The Mine Closure document was re-drafted to remove life-of-mine costs.



Goals for calendar 4th quarter

- The precipitation test work is still underway at Mintek. The pregnant leach solution is being passed through the last of three columns. Thereafter, the actual precipitation test work will be completed.
- Complete and submit the National Nuclear Regulator Conversion application.
- Submit the Integrated Water User License application and Integrated Water and Waste Management Plan.
- Submit the final Environmental Impact Assessment report to the DWA and DETEA once the specialist reports are updated (part of the NEMA application process).
- Finalize and submit the Waste License application.
- Submit the prospecting right renewals and annual progress report.

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TUNGSTEN / MOLYBDENUM / RARE EARTHS – Piketberg RSA

**Recent accomplishments**

- SRK Consultants completed the Technical Report for the Bongani Minerals project. The comprehensive report presents detailed information about the resource and provides a convincing rationale to proceed with the project.
- Bongani submitted the Water Use License Application for prospecting purposes.
- Bongani submitted all additional documentation requested by the Berg River Municipality to consider the request for temporary departure of land use for prospecting purposes. Bongani addressed all objections raised by interested and affected parties (most had to do with mining rather than prospecting).
- On 29 August, the Municipality held the hearing regarding the request for temporary departure of land use from agriculture to allow prospecting. The Municipality denied Bongani's application.

Goals for calendar 4th quarter

- Await the reasons from the municipality for their rejection of the temporary land use. Once Bongani has the reasons, it will determine what route to follow (review or appeal), either internally with the municipality or with the Provincial Government. The ultimate step would be to apply to the High Court to overturn the decision.
- Submit/obtain necessary documentation for licenses and permits to continue with the prospecting programme.

ADMINISTRATIVE

- Batla Minerals SA held its annual general meeting on 12 September 2013 at l'Hôtel Mercure, Antigone, 285 boulevard de l'Aéroport International, Montpellier, France. All resolutions proposed by the board were passed by shareholders.
- As of April 2013, Mr Jean Retief has been appointed by the board of Batla Minerals as the Managing Director and CEO of El Nino Mining, the Group's primary investment and operational company in Southern Africa. Mr Retief replaces Mr Johannes van der Walt who will stay on as director of Batla and El Nino.
- The Batla Group has reported the following high level financial data for the year ended 31 March 2013:

In €'000			
Revenue	7 632	up	13.7% from prior year
Expenses	6 918	down	13.3% from prior year
EBITDA	1 544	up	€ 2m from prior year

Detailed financial statement for the year ended 31 March 2013 and the annual report can be found on the company's website.