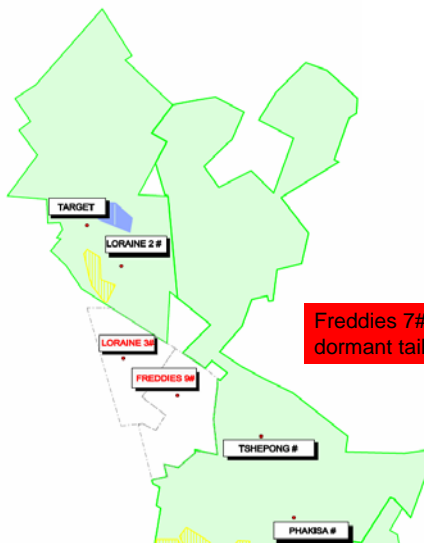
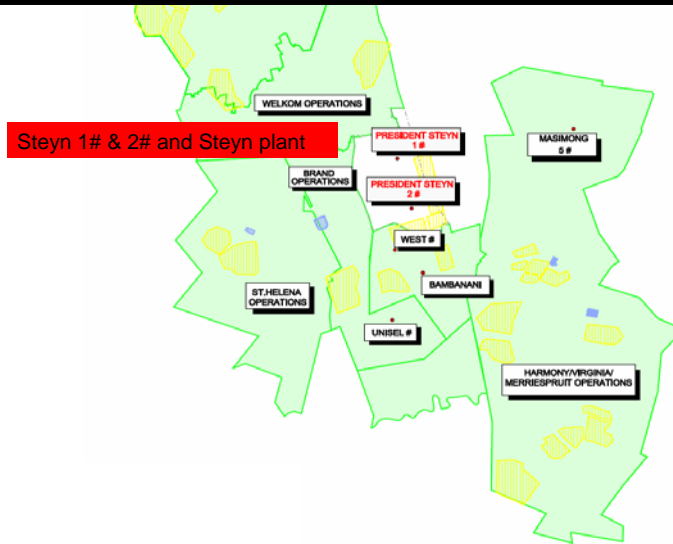


## PAMODZI FREE STATE ASSETS



Location – North





### – Loraine 3#

- No deepening of shafts required to access ore body
- Deepest workings are  $\pm 2\ 400\text{m}$  below collar
- Extensive sunk capital – extensive development intact for Eldorado's
- Under-explored – Eldorado Reefs poorly understood
- Synergies with Target, Freddie's 9# and Freddie's 7#
- Average historical production –  $\pm 28\ 000$  tons/month @ 5.3g/t (recovered)
  - Primary production – Basal Reef
  - Secondary production – A & B Reef
  - Tertiary production – Elsburg Reefs

**- Loraine 3#**

- Production commences month 7 of Y1
- Build up to 49 000 tons/month @ 3.98 g/t (recovered – reef and waste mix)
- Cash costs = R677/ton
- Cash costs = R170 000/kg
- Total project capex = R179 million
- Backlog costs = R94 million
- LOM = 22 years (only the current reserve mined)

**- Freddie's 7# - Dormant****- Freddie's 9# - Dormant**

- Pre-feasibility study completed Jan 2007 – no further work done thereafter
- Last large remaining Basal Reef resource (below current infrastructure) in Free State
- Decline from 59L required to access ore body
- Upside potential to expand Basal resource
- Potential to exploit AC Block from Tshepong
- A-reef & B – reef potential – excluded from PFS
- Rehabilitation of the shaft system required
- Deepest historical workings are  $\pm 1800$ m below collar
- Hoisting capacity = 100 000 tons/month
- Current pumping – 4.3MI/day

- Freddie's 7# - no value
- **Freddie's 9#**
  - Production commences Y6
  - Build up to ±58 000 tons/month @ 5.8 g/t (recovered)
  - Cash costs = R760/ton
  - Cash costs = R133 000/kg
  - Total Project capex = R820 million
  - Project capex spend commences in Y5
  - LOM = 9 years

- **Dormant tailings storage facility (TSF)**
  - 35 Mt @ 0.385g/t
  - ±30 km north of Saint Helena Plant
  - Several processing options
  - Potential to utilise water pumped at Freddie's 9# & Loraine 3#
  - Production commences Y4
  - Build up to 500 000 tons/month @ 0.18g/t (recovered)
  - Cash costs = R18/ton
  - Cash costs = R99 500/kg
  - Total project capex = R440 million
  - Project capex spend commences in Y2
  - LOM = 6 years

### - Steyn 1#

- All shafts in good condition
- Basal shaft pillar intact
  - 288 000 tons @ 6.82g/t in situ
  - Structure not complex
  - Relatively shallow - 1 400m below collar
- Bulk of resources and reserves towards Welkom 2# - remote
- A-Reef potential
- Both A-Reef area and Basal shaft pillar require significant upfront development
- No separation of reef and waste – ore passes holed
- Average historical production = 14 000 tons/month @ 4.53g/t (recovered)
  - Primary production – Basal Reef
  - Secondary production – Leader Reef
  - Tertiary production – A- Reef
- No attributable value

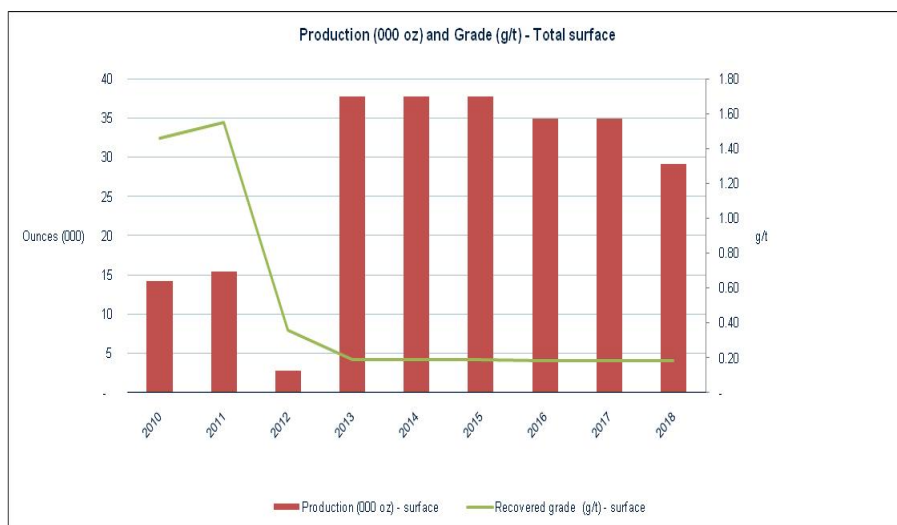
### - Steyn 2#

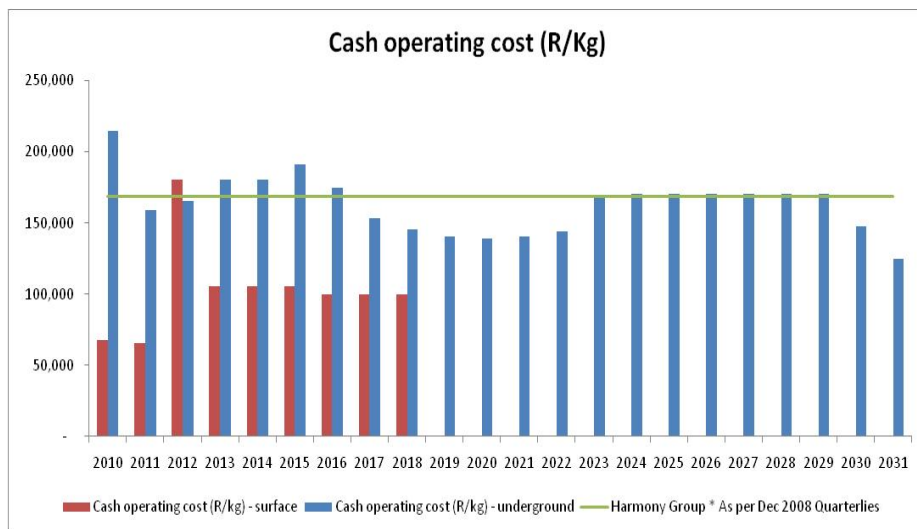
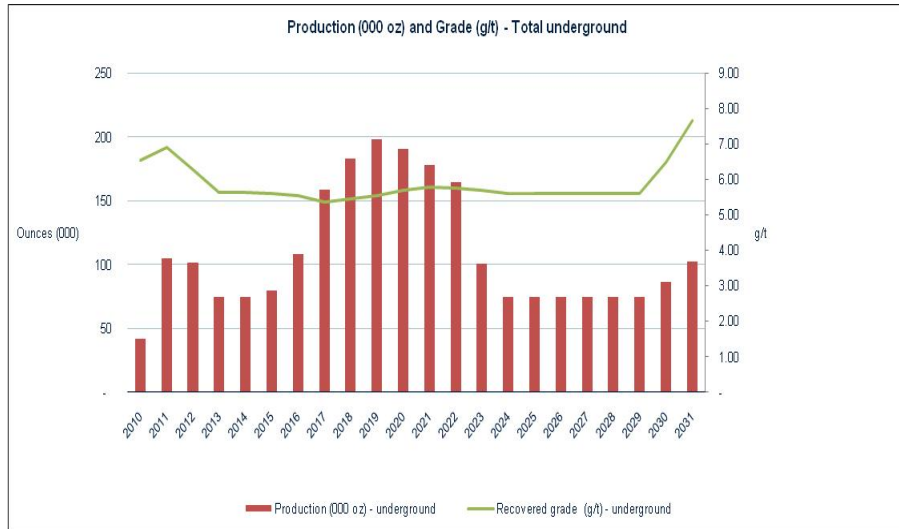
- Basal shaft pillar partially mined – 208 000 tons @ 2880cm.g/t in situ remaining
- Shaft pillar extraction only feasible from West Mine and/or Steyn 1#
- Sub-shaft area requires cooling
- Limited Basal reserves in sub-shaft area can be exploited
  - Synergies with Bamabanani
- Average historical production = 17 000 tons/month @ 6.03g/t (recovered)
  - Primary production – Basal Reef
  - Secondary production – Leader Reef
  - Tertiary production – A&B Reefs
- Assumes production commences month 3 of Y1
- Build up to 12 000 tons/month @ 9.85 g/t (recovered)
- Cash costs = R1070/ton
- Cash costs = R114 000/kg
- Total project and backlog costs = R60 million
- LOM = 22 months

- Metallurgical plant
  - Process outdated
    - Rotary filters and Zinc precipitation through Stellar filters
  - Filter section in poor condition
  - Design capacity = 140 000 tons/month
  - Operating costs = R60/ton
- Demolition of the Metallurgical plant - base case value
  - Plant lock up = 750 kg (recovered)
  - Cash costs = R230/ton
  - Cash cost = R40 000/kg
  - Total costs = R34 million

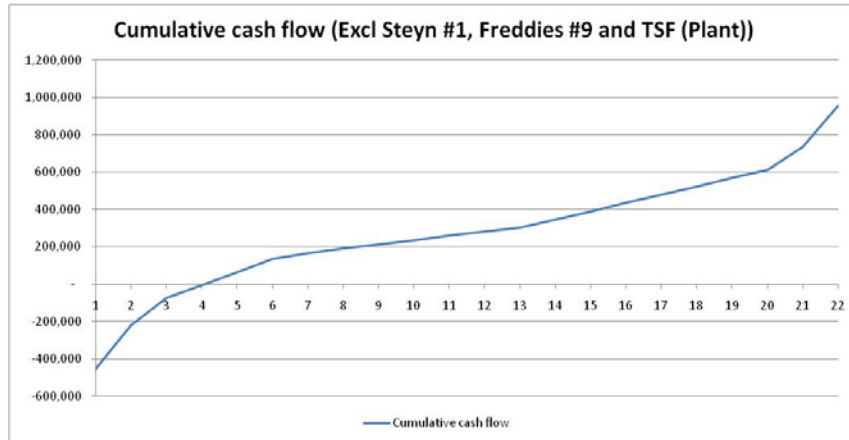
- **Rock dump 9#**
  - 4.3 Mt @ estimated recovered grade of 0.36g/t
  - $\pm 10$  km from Target plant
  - Assumes Production commences month 1 of Y1
  - Build up to 20 000tons/month @ 0.36 g/t (recovered)
  - Cash costs = R65/ton
  - Cash costs = R181 000/kg
  - LOM = 6 years

- Plant capacity availability at Target plant & Central plant - tonnage would displace low grade rock dump material
  - Loraine 3# would feed Target plant
  - Steyn 2# and plant demolition would feed Central plant
- Destructive extraction of President Steyn 2# pillar through West Mine
  - Synergies with Bambanani pillar extraction project
- Target and Loraine 3# - similar geology and management
- Several options to exploitation of dormant TSF
- Footprint in the Free State – illegal miners, ventilation, underground water management
- Immediate availability of operating TSF









The graph includes the incremental cash flow improvement of the TSF and not the stand-alone plant option used in the Base case valuation



Thank you