"C"

"TM28"

Tendele
COAL MINING

06 February 2020

Ophondweni Directly Affected Household
Umphakathi wahathinteka ngqo waso-Ophondweni (DAC)

Dear [redacted]
Sawubona

<u>RE: Formal Final Offer to the Ophondweni DAC Household.</u>

<u>RE: Incwadi ehloniphekile yesiphakamiso sokugcina ku Mphakathi othinteka nggo waso-Ophondweni</u>

The Mine has been holding meetings with the Ophondweni DAC community since January 2018, including meetings in the presence of the DMR, on April 2019. On the January 2018 the mine met with the Traditional council and Royal where it was agreed that the Mine could meet with an elected committee of the future mining areas. On the 03 May 2018 a committee was elected and it was agreed that the Mine could start negotiations with the individual household's base on a protocol developed from months of discussion with both Traditional Council and Royal House.

Imayini ibilokhu ibamba imihlangano nomphakathi ongabasuswa wase Ophondweni kusukela ngoMashi 2018, kuhlanganisa neminye uDMR abeyingxenye yayo. Ngomhlaka 03 May 2018 sahlangana nomkhandlu wobukhosi nalapho kwavunyelwana ngokuthi singaqala sixoxisane nekomidi elikhethwe umphakathi ongabasuswa. Ngomhlaka 03 Meyi 2018 ikomidi lakhethwa kwabe sekuvunyelwana ukuthi imayini isingaxoxisane nemindeni ethintekayo kulandelwa inqubomgomo okwase kuxoxiswane ngayo isikhathi eside phakathi komkhandlu wobukhosi kanye nendlunkulu

The majority of the households have already signed relocation agreements with the Mine.

Iningi lemindeni selisayinile izivumelwano zokususwa neMayini.

The Mine is now at a point where we need to decide if there's going to be Mining within the Ophondweni Area or not and what actions the Mine can do to protect the Mine and the Community. It is regrettable that your households' number [redacted] is holding the Mine, its 1500 employees and many families that have signed contracts and indeed the entire Community to ransom.

Imayini isisegabeni lapho okumele ibuyekeze bese ithatha isinqumo ukuthi ingabe izogcina imayinile Ophondweni noma cha nokuthi iziphi izinyathelo engazithatha ukuvikela iMayini nomphakathi. Kuyadumaza ukuthi umuzi wakho ongunombolo [redacted] ubambe ngobhongwane iMayini, abasebenzi abangu 1500 kanye nemindeni eminingi esisayinile kanye nomphakathi wonke esimeni esibucayi

The Mine hereby gives you and each of the DAC Households that have not signed agreements, Final Written Offers ("Offer"), that will expire **14 days** after receipt. If this offer is not accepted, then the Mine will withdraw its offer in full, that will include all upset allowance and minimum payments (In law these do not exist), and will either apply for arbitration and or will request the Court to make a determination in respect of fairness of our offer that will be based on historic principles followed taking into account relocation protocol in the area, historic offers, offers that have been accepted by more than 300 families, local conditions, Eskom rates, etc and no upset allowance and no minimum rates will apply

Tendele
COAL MINING

IMayini ikunikeza wena kanye nabanye abasuswa abangakasayini izivumelwano zokususwa isiphakamiso sokugcina esishicilelwe ohansi nesizophelelwa isikhathi ezinsukwini eziyishumi nane kusukela usitholile. Uma isiphakamiso singamukelwa, iMayini iyobe isihoxisa sonke isiphakamiso sayo ngokuphelele kuhlanganisa nesinxephezelo (esiyinto engekho emthethweni) futhi eyobe isithatha sinqumo esingabandakanya umxazululi ozimele noma icele inkantolo ukuthi icubungulisise ngokuthi bungakanani ubulungiswa esiphakamisweni sethu okuyobe kubukwa kususelwa emigomeni engumlando owasetshenziswa phambilini kubukwa nohlelo olusetshenziswa uma kususwa abantu endaweni iziphakamiso zemali ezazitholwa phambilini, iziphakamiso esezike zamukelwa imindeni engaphezulu kuka 300 izimo zendawo, amanani emali ekhokhwa ngu Eskom, njll futhi ngeke kusaba namali yesinxephezelo sokuphatheka kabi eyosetshetshenziswa futhi ngeke kube nasikalo zimali esiyinani eliphansi esiyosetshenziswa

It is also noted that DMR stated that if the Mine and Community cannot find common ground and a way forward, they (DMR) will have no choice but to withdraw and terminate the Section 54 process, and the Mine will then have the choice of requesting arbitration process or apply to the Court (that will simply apply the law will be applied and look at commercial values in the area) and or hand the matter over to ITB the land holders to follow a legal process.

Kuyaqapheleka futhi ukuthi umnyango weDMR wakubeka ukuthi uma imayini kanye nomphakathi bengatholi isisombululo esihambisana nezinhlangothi zombili kanye nendlela eya phambili. Ngeke besaba nayo enye Indlela (DMR) kodwa bayohoxisa baphinde bajuqule Uhlelo lwesigaba 54, emva kwalokho imayini iyobe isiba nethuba lokuthatha isinqumo sokufaka isicelo sohlelo lomxazululi ozimele noma ifake udaba enkantolo (Lokhu okusho ukuthi umthetho uyobe usuthatha indawo yawo ngokuthi ubuke amanani asetshenziswa ezimakethe uma kudayiswa izindlu endaweni) noma badlulisele udaba kuyi ITB okuyiyona abanikazi bomhlaba ukuthi nabo balandele izinhlelo zomthetho.

The Mine has visited your homestead **04** times over the last 24 months (Annexure A consists of a list of meetings and offers), in an effort to negotiate a reasonable relocation offer based on the principle that one should be equal to or better off than the current lifestyle

Imayini isivakashele umuzi wakho izikhathi ezingu 04 ezinyangeni ezingu 24 ezedlule (Isithasiselo D siqukethe uhla lwemihlangano kanye neziphakamiso zemali) ngemizamo yokuxoxisana ngesiphakamiso mali esizwakalayo sokususwa kususelwa emigomweni ethi kumele umuntu alingane noma abe ngcono esimweni aphila kusona manje

Tendele

The following steps have taken place in order for the Mine to make a fair offer
Lezizinyathelo ezilandelayo zenziwa ukuze kubhekwe ukuthi isiphakamiso esenziwa imayini sinobulungiswa

1. A Mine representative has measured (may have used aerial photos) the DAC Homestead (understand the size of each dwelling, the improvements, gardens, etc), and completed an information sheet.
   Umsebenzi osuka emayini usekalile (noma kube ukuthi usebenzise izithombe ezithathwe ngeso lebhanoyi) umuzi othinteka ngqo (uyaqonda ububanzi bendawo ngayinye yokuhlala ukuthuthukiswa kwezakhiwo, izivande zezitshalo, njll) bese kugcwaliswa ipheshana lokuqoqwa kolwazi.
2. family graves have been shown to the Mine.
   Ukukhonjiswa komele imayini onke amathuna omndeni
3. One on one negotiations have taken place between the Homeowner and the Mine on many occasions taking into account all the factors outlined above
   Ukuqala kwezingxoxo phakathi komele ikhaya neMayini Ukuxoxisana komuntu ngamunye nemayini nomnikazi muzi sekwenziwe futhi ezikhathini eziningi kubukwa lezizinto ezibalulwe ngenhla
4. A calculation sheet was used in the negotiations.
   Ukusetshenziswa kwephepha eliqoqa ulwazi ngekhaya uma kuxoxiswana lisetshenzisiwe ukubala ngezingxoxo.
5. A formal offer has previously been made.
   Isiphakamiso saphambilini esisemthethweni sesenziwe

Based on the above the Mine's Final Offer of **R 400 000**, this offer expires 14 days from date of letter (Annexure B) (is attached is a breakdown of our final offer based on current agreed Protocol.) The Mine is willing to meet with the Family to explain the offer and ensure nothing has been left out. Please find attached letter marked Annexure C where the Household can respond to the Final Offer.

Kususelwa kulokhu okuchazwe ngenhla isiphakamiso sokugcina seMayini ngu R 400 000, lesisiphakamiso siphelelwa Isikhathi ezinsukwini ezingu 14 kusukela ngosuku othole ngalo Incwadi (Isithasiselo B) (okunanyathiselwe khona ukuhlahlwa ngokuhlukana kwamanani esiphakamiso sokugcina kususelwa ohlelweni lokususwa kwabantu okuvunyelwene ngalo kuyimanje) Imayini izimisele ukuhlangana nomndeni ukuze ichaze kabanzi futhi nokuqinisekisa ukuthi akukho okusale ngaphandle. Uyacelwa ukuba unake noma uthole incwadi ongaphendula kuyo mayelana nesiphakamiso sokugcina semayini enanyathiselwe njengesithasiselo C

The value of the offer made by the Mine will differ from homestead to homestead (as each homestead is unique), but each offer will be based on the same Protocol (see attached) and principle, that were used in the negotiations. This is the protocol prior to the changes outlined in this letter
Isilinganiso sesiphakamiso esenziwa yiMayini sizohluka umuzi nomuzi (njengoba imizi ingafani) nokho isiphakamiso ngasinye siyoncika kunqubomgomo eyodwa (bheka inanyathelisiwe) okuyiyona esetshenziswayo eziingxoxweni.Lenqubomgomo enanyathiselwe yenziwe ngaphambi kwezinguquko esezenziwe kulencwadi.

Tendele
COAL MINING

The DMR confirmed that the "upset allowance" or "base line payment" does not exist in law. Nevertheless and in order to finalize the relocation process, the Mine increase its offer in terms of the "upset allowance" from R148 000 to R200 000 during 2019

Umnyango weDMR ukuqinisekisile ukuthi ayikaze ibe khona into okuthiwa "Isinxephezelo sokuphatheka kabi ngokususwa" emthethweni. Nakuba kunjalo futhi ukuze kuphothulwe izinhlelo zokususwa kwabantu Imayini isikhuphulile isiphakamiso sayo "ngokwesinxephezelo sokuphatheka kabi ngokususwa" isisusa ku R148 000 saya ku R200 000 ngo 2019

On the 27 November 2019 a Memo (Annexure D) was written by the Mine to, inter alia, the leaders in your area, including the Induna and the DAC Chairman and both Local and Governmental explaining our situation and the effect if we don't get Future Mining, a copy is attached for your refence. This is to help you familiarize yourself with the negative impact that lack of future mining will have in the community

Ngomhlaka 27 November 2019 iMayini yabhala isaziso (esikusithasiselo D) ibhalalela abaholi endaweni okuyo, okuhlanganisa nenduna kanye nosihlalo wabasuswa kanye nabo bobubili ubuholi bombuso wezwe bendawo bechaza ngesimo sethu kanye nomthelela ongaba khona uma singazitholi izindawo ezintsha zokumayina, ikhophi inanyathiselwe ukuze ubuke kuyo Lokhu kwenzelwe ukuthi ufunde ngomthelela ongemuhle ozodalwa ukungatholakali kwezindawo ezintsha zokumayina emphakathini

Regards.

Obhalile.

Lucky Mkhwanazi

Tendele Mine

I ________________ of homestead no [redacted] hereby confirm that I **received** the above letter on the ________________ and understand that I have 14 days to respond. By signing the letter **doesn't mean that I have accepted an offer from the Mine**, but it means I have received an offer Letter

____

Mina ________________ womuzi ongunombolo [redacted] ngiyaqinisekisa ukuthi **ngiyitholile** incwadi ngomhlaka ________________ nanokuthi ngiyaqonda ukuthi nginezinsuku eziyishumi nanye zokuthi ngiphendule. Ngokusayina lencwadi **akusho ukuthi ngiyasamukela isiphakamiso**, kodwa isho ukuthi ngiyitholile incwadi enesiphakamiso esivela eMayini

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Tendele

Annexure A

Lot No		[redacted]
Family		[redacted]
Head of Family		[redacted]
Status		Started Negotiation
Comments		[redacted] want 5 million, offered R 400 000
Before additional Protocol		R326 800
After additional Protocol		R378 800
1st Visit	Offer	R326 800
	Date	2018/09/23
2nd Visit	Offer	R400 000
	Date	2019/02/18
3rd Visit	Offer	R378 800
	Date	2019/06/19
4th Visit	Offer	R400 000
	Date	2019/12/10
Mine Offer		R400 000
Number of family members		8

Annexure B

FINAL OFFER

109	Family	Head of Family		
REF IN PROTOCOL	[redacted]	[redacted]	Y	X
AG			[redacted]	
	HOUSE VALUE			
No	Description	Rate	Area	Total
A1	House	R 1 800,00	55	R 99 000,00
A2	House	R 1 800,00	11	R 19 800,00
A3	House	R 1 800,00	16	R 28 800,00
A4	House	R 1 800,00	8	R 14 400,00
A5	House	R 1 800,00	6	R 10 800,00
A6	Toilet	R 4 000,00	1,5	R 6 000,00
A7	Adjustment to meet Minimum			R 21 200,00
	TOTAL HOUSE VALUE			
	ADDITIONAL PROTOCOL ITEMS			
C	Improvements to a property or land within the homestead will be evaluated but will exclude the value of the land itself and no money will be paid for the value of the land. Maximum amount allocated for new land allocation and levelling will be capped at R20 000.00 per homestead.	R 20 000,00	1	R 20 000,00
D	Moving cost for goods, furniture, livestock such as goats, sheep, chicken, cows and people be capped to the value of R 13 000.	R 13 000,00	1	R 13 000,00
E	An upset allowance includes payment for psychological uncertainty of relocating to a new location, the loss of familiar environment, loss of living nearby clinics, churches, schools, tared roads, bus stops, the costs of amenities and services (installation of water lines, installation of electricity and access roads) and in respect of Tendele Mine, (as the mine is not in the position to provide employment), each family will be compensated to the value of R152 000.00	R 152 000,00	1	R 152 000,00
J	Traditional Protocols for customary rituals to relocate the homestead will be 1 cow 1 goat, I tent, groceries and ritual requirements that will be paid for ceremonial purposes capped at a total value of R15 000 (taking into consideration the current value of a cow of R 9000 and a goat of R 1500)	R 15 000,00	1	R 15 000,00
	PROTOCOL ITEMS TOTAL		Sub Total	R 200 000,00
H1	The planted crops and fruit bearing trees will be compensated considering the harvest at market related prices		0	R 0,00
H2	unplanted fields will be compensated with R5000.00 since the relocated people will be given land for crops in the new relocated land within Mpukunyoni Traditional Council and land for crops belong to the clan or Mpukunyoni Traditional Council not to individuals therefore none is allowed to sale since none has bought from Mpukunyoni Traditional Counci	R 5 000,00	0	R 0,00
H3	Kraal	R 2 750,00	0	R 0,00
I	Trauma due to moving geaves	R 2 000,00	0	R 0,00
K1	The graves of the head of the family (household) shall be compensated with a cow, goat and R5000.00 for ritual purposes	R 15 500,00	0	R 0,00
K2	Every grave there after within the household will be compensated at a rate of R4000 plus a goat per grave to be relocated	R 5 500,00	0	R 0,00
	ADDITIONAL PROTOCOL ITEMS TOTAL			R 0,00
	TOTAL TOTAL COMPENSATION			R 400 000,00

Annexure C

Response to letter received from Tendele Mine
Impendulo mayelana nencwadi yesiphakamiso esitholakale emayini iTendele

No	Description/incazelo	Signature/Isibophezelo
1	I hereby accept the offer made by the Mine, and am willing to sign an agreement, within 7 days of signing the acceptance of this letter. Mina ngyasamukela isiphakamiso esenziwe iMayini ngizimisele ukusayina isivumelwane ezinsukwini eziyishumi nane (14).	
2	I hereby accept the offer made by the Mine, but there are item missing I want to discuss, once resolved, I am willing to sign an agreement, within 7 days of signing the acceptance of this letter. Ngyasamukela isiphakamise esenziwe iMayini kodwa kunezinto ezisashoda engifisa sixoxisane ngazo, uma lezozinto sexixazululekile ngizimisele ukusayini zingakapheli izinsuku eziyishumi nane (14).	
3	I hereby reject the offer by the Mine, giving the following reasons: Mina angivumelani nesiphakamiso esenziwe imayini, ngalezizathu ezilandelayo.	