

s'fun ukwazi

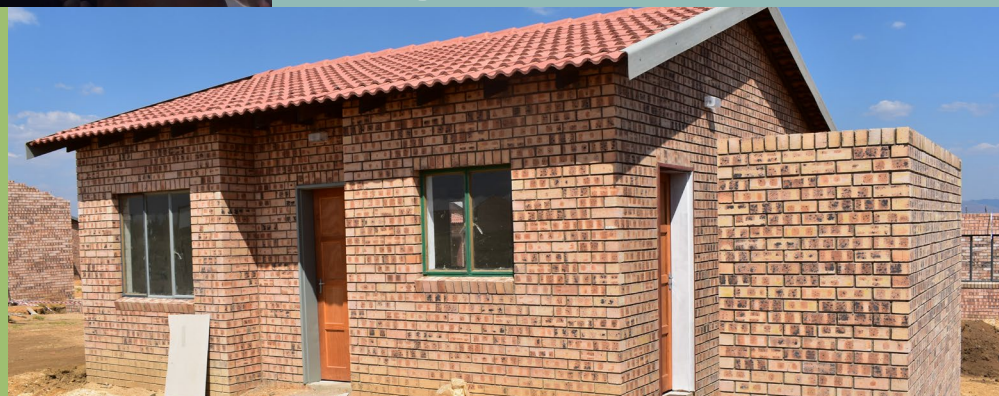
Edition 001 | JANUARY 2020

Heralding
a New
Beginning for
Kangra



Qalani Primary
School ablution
facilities
upgraded

23 Houses
project
nears
completion



KANGRA

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Dear Colleagues, Contractors and Community members,

I am delighted to share the inaugural, bumper edition of S'fun Ukwazi with you. This bilingual (English-isiZulu) publication has been in the making for some time and has now become a reality. S'fun Ukwazi is an isiZulu phrase meaning 'We want to know' and as the name suggests, it aims to provide all Kangra's stakeholders with updates about what we are doing to take Kangra forward.

The name of the publication was selected from among hundreds of suggested names submitted by staff members at Kangra. The winning name was given by Malibongwe Gumbi who is also, coincidentally, profiled in this edition of the publication, as one of our rising stars at Kangra.

Since Menar, our main shareholder, acquired the operations in December 2018, it has been a great challenge to take a mine with a lot of obstacles to a stable state. It required a huge effort from our shareholders, employees, unions and community members working together.

2019 was at times a challenging year for Kangra. Although we became the first mine to allocate shares to workers and communities, since Mineral Resources Minister Gwede Mantashe issued Mining Charter III, the steep decline in the coal price had a negative effect on the operation. Kangra



I WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK ALL OF YOU FOR THE CONTINUED SUPPORT THAT YOU HAVE GIVEN THE MINE IN ASSISTING US TO MAKE KANGRA A BETTER PLACE FOR ALL OUR EMPLOYEES, CONTRACTORS AND COMMUNITY MEMBERS.

has been a high cost operation, with low production tonnages from the underground workings, which put the mine in a situation that washing the raw coal was no longer viable. This resulted in the biggest lowlight of the year, when the plants were put on care and maintenance and Kangra was placed in the unavoidable and undesirable position of having to let go a number of staff members to ensure the sustainability of the business.

On a more positive side, since the decision was made to close the plants in May 2019 and put the focus on production, Kangra has ramped up underground production from an average of 47 000 tons per month to 100 000 tons per month in the Gus seam. The investments made in the new and refurbished equipment for the H Block is paying off and the continuous rise in production has been a major positive for the mine.

Six months ago, when I joined the Kangra team, I can remember sitting in the board room with my hands on my head thinking it was impossible to turn this titanic ship around. But with team work, long planning sessions, cost cutting and many hours of hard work, we the workers and management team of Kangra have collectively managed to implement a plan to stabilise the mine. Although we are not at the production levels we need to be at, we are continuing to improve and one can finally see some light in the tunnel.

Not only have we made head way to stabilise the mine, Kangra has come a long way with the community this year. A community forum has been established with the host communities, Driefontein,

Donkerhoek/Kransbank, Gehoutboom, Mahhashini - all aligning together to create one forum. We have also established a Business Forum with Driefontein, Donkerhoek and Kransbank to give the locals from the community a platform to deal directly with Kanga for procurement opportunities and upliftment.

Kanga has also implemented a 'Strategic Intent Programme' to empower local communities. This came about owing to the inability of poor mining communities' inability to compete with major contractors for larger mine contracts. The programme seeks to provide these under resourced communities with the guidance and support they require to share in business opportunities arising from the mine.

For the first time in 62 years, Kanga awarded one of its largest contracts to businesses established in the community of Donkerhoek/Kransbank and Driefontein. The contract for the hauling of coal was awarded under a mentorship programme, partially funded by Kanga and a strategic partner to enable the two local businesses to own 100% of the contract over a 3-5-year period. The local businesses which represent the entire area surrounding the mine also brought about collaboration between the community leaders. The contract was carefully planned to ensure that all parties concerned have



clear roles identified with targets set for each company over the period. The local businesses have commenced operations and already have a 37% stake in the coal haulage contract.

I would like to take this opportunity to thank all of you for the continued support that you have given the mine in assisting us to make Kanga a better place for all our employees, contractors and community members. A special thank you to the Union members for your assistance and hard work this year to get Kanga back on track and support in stopping the terminal decline that was facing the mine.

I am looking forward to the growth that we will all achieve together, as this is extremely important for the future of the mine, and the sustainability of the business. 2020 will host another year of challenges for us all to overcome with the opening of the Kusipongo reserve together with the new C Block opencast section. Teamwork, good communication and consistency will help us overcome these challenges and together, we will keep pushing Kanga to new levels.

Lastly, but the most importantly, I want to remind all mine employees that safe production remains the number one priority of Kanga. Please always ensure to look after yourself as well at all times as the team members around you.

Our motto at Kanga "The only good type of production is production that is done safely".



23 Houses project nears completion

system, which have all been constructed by historically small and disadvantaged contracting companies, overseen by Kangra. The houses will also be connected to the power grid.

The construction of 23 family houses in a new purpose-built suburb in Saul Mkhizeville, Mpumalanga is close to completion.

The R14 million project forms part of Kangra's efforts to improve the lives of families living in close proximity to the mine by providing them with better dwellings, in a safe and harmonious living environment.

The families currently stay in a mix of mud and block houses using pit latrines, which pose both hygiene and health risks.

At a cost of around R15 million, the new houses are made of face bricks, with tiled roofs and have been plumbed with flushing toilets connected to a sewerage

“This relocation and rehousing project is a standout case of a positive co-operative relationship between a mining company and the community that is aimed at improving the lives of local residents,” states Community Liaison Officer Simo Yende.





Water supply extension project

The government provides members of the Kransbank community with water from water storage tanks however not all families were connected to these water storage tanks.

To address this situation Kangra has, at a cost of around R900 000, extended the water supply lines by 5 km from the nearby spring and provided additional water tanks for eight families.

“This has enhanced the quality of life for these families as they now receive fresh water at their doorsteps, therefore no longer needing to walk many kilometres to access a clean water source,” says Community Liaison Officer Simo Yende.



Kransbank community hall almost complete

A hall is soon to be completed for the Kransbank community to use for formal communal meetings, festive occasions and social events.

The hall is being constructed by a black-owned, local contracting company and the design and construction of the facility was overseen by Kangra. The hall will be able to host around 150 people once completed.

The community has until now been running its community

meetings and social gatherings in open areas and under trees, which has exposed them to the heat, cold, wind and rain.

“The community asked Kangra to assist them in being able to conduct their forums in dignity, which is where the idea for the construction of the hall arose,” explains Community Liaison Officer Simo Yende, adding that the official handover of the hall – which cost around R300 000 to build – is anticipated to take place shortly.



Qalani Primary School ablution facilities upgraded

Kangra provides safe temporary ablution facilities at Qalani Primary School to ensure learners are able to learn in a safer and healthier schooling environment.

Qalani is a public school located in Saul Mkhizeville under the Mkhondo Local Municipality where Kangra, the subsidiary of Menar, has operations.

Previously, the ablution facilities at the school comprised of old pit latrines that would often overflow with raw sewerage posing a health and safety risk for the learners.

When Kangra Community Liaison Officer Simo Yende was made aware of the plight of the school and the safety risks posed to its learners, he arranged for the mine to donate four mobile toilets to the school.

“**SANITATION IS AT THE HEART OF HUMAN DIGNITY. WE CONTINUE TO STRIVE TO MEANINGFULLY UPLIFT THE LIVES OF THE COMMUNITIES...**”

“Kangra donated the toilets as a temporary solution, while the plan is to build a proper more permanent ablution facility. We are in discussions with our large contractors to partner with us to build modern, permanent toilets for the school as part of their community social responsibility spend,” says Yende.

Qalani Primary School Principal M.G. Luthuli expressing her deep appreciation to Kangra stated, “The donation of the mobile toilet units is really appreciated as they have come as a great relief to the challenging situation that learners and staff at our school are faced with.”

Menar Managing Director Vuslat Bayoglu emphasises that assisting local communities, when and wherever possible, stands at the core of Menar’s companies. “Sanitation is at the heart of human dignity. We had to intervene. We continue to strive to meaningfully uplift the lives of the communities near to, and surrounding our operations, to ensure we leave a positive lasting legacy,” Bayoglu concluded.



Human capital investment: A top priority at Kangra

In order to establish a positive corporate culture and support matriculants, university graduates and staff on their personal and professional growth paths, companies have a duty and responsibility to provide opportunities for educational advancement and training.

The task of coordinating this important aspect of people empowerment falls to Siyabonga Mgbhozi.

Siyabonga notes that part of human resources development is the awarding of bursaries. Kangra annually awards bursaries as part of its Social and Labour Plan for mine surveying, geological sciences, environmental management, accounting, human resources and electrical engineering to young recent matric graduates.

The intake of bursary students for 2020 commenced in October 2019 with many local applicants currently being considered.

“These bursaries are advertised in the local communities and recipients are then selected based on their qualifying criteria,” Siyabonga says. He explains that the bursaries run throughout the duration of the course of the students’ years of study. These comprehensive bursaries cover tuition, accommodation, monthly allowances, provision of laptops, study materials and associated study costs.

The six current bursary students are studying at universities throughout South Africa including University of Johannesburg, Durban University of Technology, Stellenbosch University, University of the Witwatersrand and Mangosuthu University of Technology.

Siyabonga notes that the average degree costs around R220 000 per year and takes on average three years to complete, which equates to Kangra investing in excess of R600 000 on each student during the duration of their studies.

“We also have four engineering apprenticeships, two of which have successfully completed their



training this year. There are five learner miners that are currently training in all aspects of mining,” he points out, noting that Kangra is spending around R900 000 a year on these apprenticeships.

Moreover, he highlights that another important source of human resource development is internal development of Kangra’s staff members, who want to further their studies.

“It is greatly fulfilling to aid interns, trainees and staff on their career paths,” Siyabonga concludes.

About Siyabonga

Siyabonga has over 17 years of experience in human resources and was appointed to the position of Kangra Human Resources Manager in May 2019. He has worked in the coal, platinum group metals, gold, chrome, cement mining and quarrying sectors previously and thus has a comprehensive understanding of the mining industry and the people who work in it.



Bursary gives Mahlako the educational edge

Creditors Clerk Mahlako Moganedi (38) is a member of Kangra's finance department team and is in her third year of studying towards a Bachelor of Commerce (BCom) in Financial Accounting through UNISA. Her studies are funded by a bursary she received from Kangra.

Mahlako, who has been with the company since May 2016, also holds a Diploma in Internal Auditing and has several years of work experience.

"I am very appreciative for the opportunity that Kangra has provided me to advance my studies. The knowledge that I have gained from studying the BCom has helped me a great deal already. My goal is to know the entire finance system, from capturing and receiving invoices to preparing the financial statement."

She believes it is very important to continue studying and keep growing professionally as the world is rapidly changing and education is crucial to remaining up to date with the requirements of the modern workspace.

"Learning new things gives me a feeling of accomplishment, increases confidence in my capabilities and drives me to take on new exciting challenges in the work environment," she states.

Giving back to communities brings Simo great joy

Born and raised in Saul Mkhizeville (previously known as Driefontein), the town in which Kangra is located, Simo Yende (37) attended Vukubone/Qedela Secondary School. "It was very heart warming and meaningful for me to have participated in Kangra's previous social labour plan (SLP) about five years ago that entailed improving safety standards at the school," he states.



Simo joined Kangra in March 2004 as a general worker in the underground section of the operation and later that same year became a machine operator. By 2006 he had attained certifications to operate large underground machinery such as continuous miners. Within the space of just a few years he had become a multiskilled machine operator and attained the position of machine assessor by 2008. During this time, he also worked in Kangra's training centre doing machinery inductions for new operators and assessing machines at the mine.

In 2013 Simo joined Kangra's Stakeholder Relation Department and was appointed to the position of Community Liaison Officer, which is the

position he still holds and cherishes greatly. He reports directly to Kangra Stakeholder Manager Nelly Mantshintshi.

Simo's role encompasses many aspects of community engagement including, but not limited to, making the community aware of employment opportunities, local business opportunities, responding to requests for information and general community enquiries.

"I spend a lot of time placing notices in the community on dedicated notice boards which is our primary way of communicating news and opportunities to local residents," he points out.

Furthering Educational Endeavours

Simo is in the second year of studying a Bachelors of Public Administration (BPA) through MANCOSA, which is funded by a bursary he received from Kangra.

"I decided to study the BPA as it closely aligns to the work that I am doing in my department. It is adding so much value to my work," he says with much enthusiasm.

Simo adds that he is grateful to Kangra for investing in him to further his studies. "What I am learning is useful to not only my current position, but can be applied to future ventures after mining," he states.

He concludes by noting that continuous learning forms a necessary part in acquiring critical thinking skills and discovering new ways of relating to people from different cultures, which is crucial to fulfilling his daily work needs.

Internship offers Nondumiso solid grounding in human resources management

Human Resources Intern Nondumiso Ngwenya (22) is receiving comprehensive in field training on all aspects of human resources management, during the course of her one-year internship programme at Kangra.

Nondumiso studied a Diploma in Entrepreneurship at the Cape Peninsula University of Technology, in the Western Cape, but wanted to explore more about the people management aspect of business and thus applied for an internship at Canyon Coal's human resources department.

She started off as a human resources intern at Canyon Coal's head office in Sandton, Johannesburg and in February 2019 was transferred to an onsite internship at the company's subsidiary, which forms part of the Menar group of companies, Kangra mine in Saul Mkhizeville, Mpumalanga

in June 2019.

With no background in the mining industry, Nondumiso has quickly learnt about the intricacies and unique elements of human relationships and work dynamics that come with working in the mining sector.

"I have quickly fallen in love with the industry as I have come to understand the nuances of the sector and people that work within it. Working at head office was one thing, but the experience of working at the mine right here at Kangra has been even more interesting," she states.

Being at the 'coal face' of the operation was initially a big adjustment as she explains: "At head office we were mostly office bound and only visited the mines occasionally. Here we are on site every day so there is always something new that we experience on a daily basis.

"It has been a steep learning experience, but one that I have thoroughly enjoyed to date," Nondumiso remarks.

Setting Her Sights

Her short-term goal is to increase her experience in human resources and make the most of the remainder of her internship, which ends in February 2020. In the medium term Nondumiso would like to become a Human Resources Manager and the long-term goal is to become a General Manager or even a Managing Director.

"I have seen for myself that there is definitely room for major growth in the South African mining industry and as a driven young black woman, I strongly believe that if I develop my skills and knowledge, I can one day join the top ranks of the industry," she asserts.



Heralding a New Beginning for Kangra

Free-carry shares for workers and community marks new chapter for Kangra





**“ IF THE COMPANY
MAKES PROFITS
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EMPLOYEE TRUST...**

Kangra Coal made history on 2 May 2019, when it hosted a celebration to announce plans to allocate free-carry (unencumbered) shares to workers and local communities for the first time since the mine was established in 1957.

Workers were given a day off to be part of the celebration with the mine managers and local community members. This was an initiative of Menar, the investment company that purchased Kangra in September 2018.

Kangra was the first mine to allocate shares to workers and communities since Mineral Resources Minister Gwede Mantashe issued Mining Charter III. The charter requires mining companies to allocate shares to workers and communities.

Billed as the ‘Kangra New Beginning’, the event was held near the mine, which is located in the Mkhondo municipality. The municipal leaders, traditional authority leaders and other community leaders joined the celebration.

Workers and community members ululated when Menar Managing Director Vuslat Bayoglu presented symbolic certificates to signify the 5% allocation to each. The shares will be held under separate trusts. “In the next few months, the legal process to give effect to the allocation will be concluded, but we thought we should make our intentions firmly clear right from the start so that you can assess us against our undertaking,” he said.

Speakers at the ceremony lauded the initiative, saying it laid the foundation for the redefinition of the relationship between workers, community and the new mine owners.

Menar Chairperson Mpumelelo Mkhabela said the share allocation to employees and community was different to the usual employee share-ownership schemes where shares are granted for a limited period. “This is a permanent arrangement. For as long as you work at Kangra, you will own shares. If the company makes profits and dividends are declared, you will also benefit from dividends that will accrue to the employee trust,” Mkhabela explained.

Menar Social Licensing Manager Xolile Mankayi emphasised that Menar greatly valued its relationship with local communities and organised

labour, and was committed to uplifting the communities in which its mines operated. “At Kangra we are working on creating a model that can be used for fruitful engagement with workers, community leaders, local municipalities and traditional authorities. We are excited that we will be working with all stakeholders to develop a model that will be beneficial to all parties.”

He outlined key principles that should anchor better understanding among all stakeholders. These included, trust and the need to build professional relationships.



The importance of mutual understanding was also echoed by NUM local leader Isaac Mbonani who thanked Menar for giving shares to workers and the company's willingness to address the concerns of the employees. "We welcome the new beginning of Kangra and we hope the new shareholders will keep their promise," he said.

Kangra aims to ensure it implements employment equity targets at management level and reviews them on a regular basis. On capital goods, services and consumables, Kangra pledges to give preference to historically disadvantaged South African (HDSA) companies on a progressive basis through capacity development programmes. Kangra will endeavour to employ from local communities and provide access to training opportunities.

In his keynote address Mkhondo Executive Mayor Vusi Motha urged communities to be orderly when they raise concerns. They should not close off roads during protests and they should use community structures to raise concerns. "We must not scare investors off. The new owners must be given the opportunity to prove themselves. Let's work with them and let's contribute to stability in our communities," Motha said.

Bayoglu said the ceremony was a practical expression of inclusive growth, one of South Africa's noble socio-economic aspirations. "We are changing the narrative for the mutual benefit of all stakeholders," he concluded.



Hard work and perseverance pays off for Malibongwe



Malibongwe Gumbi (27) was appointed as an Underground Engineer at Kangra on 1 August 2019, in recognition of his consistent hard work and good performance during his time on the mine.

He was born in Pongola and grew up in the rural area of Magudu, in Zululand, KwaZulu-Natal [KZN]. Malibongwe attended primary school in Magudu and was then sent to Jozini where he completed high school at iGugulesizwe Secondary School and he matriculated in 2010.

For as long as he can remember, Malibongwe's dream was to go to university and become an Electrical Engineer, but he knew that owing to his impoverished circumstances, this would be very difficult to achieve.

However, in 2011 while on a gap year working on a farm in KZN, he met Wenche Eimhjellem from Norway, whom he shared his dream of becoming an Electrical Engineer with. She not only pushed Malibongwe to realise his dream, but also supported him financially, as much as possible to achieve it.

She paid for his initial years of study at the Durban University of Technology. He completed the theoretical parts of his course in 2014 and was able to secure internships at various mining houses and at training institutes that were located throughout KZN.

In May 2015, Malibongwe joined Kangra as an intern, where he received P1 and P2 practical training, which is required to complete one's electrical engineering qualification.

When Malibongwe started at Kangra he met then Engineering Manager, Herman Wohltz, who became his mentor while he was doing his P1 training. While undergoing his P2 practical training, then Surface and Plant Engineer Ernest Searle was his mentor. Another person who mentored him at Kangra was then Underground Engineering Manager Driekus Nothnagel, who gave him important guidance and support during his time as an acting underground production General Engineering Supervisor.

All men inspired Malibongwe to go for his Government Certificate of Competency (GCC) – which is the Engineer's Certificate of Competency required for a mechanical and/or electrical engineering technician – on completion of his P2 training. In August 2016, he started with his GCC. His first attempt at writing the GCC exam was in November 2018 and Malibongwe passed the legal knowledge examination as one of GCC modules.

In June 2019, he completed the second module of the GCC which is about Plant Engineering. In recognition of his resilience and good results, Kangra appointed

Malibongwe as an Underground Engineer.

Malibongwe points out that in the process of his studies from 2016 to 2019 he has served in several positions at Kangra: including as Acting Underground Engineer, Surface Engineer, Plant Engineer, Plant Mechanical Foreman and as a Boilermaker Foreman – which shows that he has gained vast experience in several different roles to date during his time at Kangra.

Furthermore, in February 2019, Malibongwe was appointed as Underground Production General Engineering Supervisor (GES), which is a position that he will hold until such time as he passes GCC and receives what is colloquially called a 'Ticket'.

Success starts with self-belief

He says that the mine management team has treated him exceptionally well and is "deeply appreciative for all the time, effort and resources that Kangra has invested in developing me."

"What I have achieved over the past few years means a great deal to me and my family. I believe that the reasons that I have achieved what I have to date are because of my mother's prayers, belief in myself and the great deal of support that I have received from many others. In order for others to believe in

you, you need to first believe in yourself.”

There is a saying that Malibongwe lives by: “If something isn’t working for me, only I, myself, can change it. Attitude is everything, if you have the right, positive attitude, no challenge is insurmountable. This, coupled with self-discipline can overcome almost anything, that would otherwise look and seem unachievable.”

He says that: “As an Underground Engineer I am responsible for ensuring the safety of all those working underground, which is a heavy responsibility, and one that I do not take lightly. Safety is the top priority at Kangra. We need to ensure we achieve our goal of ‘Zero Harm’ which is crucial to enabling good, consistent production at the mine.”

Setting Goals

His short-term goal is to become a highly knowledgeable and proficient engineer that can engineer a creative, workable solution to any operational challenge that the mine is faced with.

The sky is the limit for Malibongwe as he seeks to continue to learn and develop his skills and knowledge in the mining sector, with his ultimate goal of becoming a managing director at a large mining house someday.

However, his other long-term goal is to achieve an MBA before he turns 35.

“I want to continue studying and learn everything there is to know about business,” Malibongwe concludes.

Road marshals ensure the safe passage for learners

Road marshals play an important part in ensuring road safety education and are essential to enhancing the safety of our scholars at their schools. They are all the more crucial in places where there are high traffic volumes and poorly lit streets – a reality faced by pedestrians in Saul Mkhizeville.



Not only do road marshals regulate traffic, improve speed calming and facilitate safe crossing of the road, they also aid in instilling in the minds of young pedestrians, school learners in particular, an awareness of the importance of road safety.

It is for these reasons that Kangra has since 2012 been sponsoring the nine road marshals by providing them with personal protective equipment, guardhouse sheds/containers and a monthly stipend.

“The marshals are located at three strategic crossing points throughout Saul Mkhizeville in order to allow for scholars to get to and from school safely,” Community Liaison Officer Simo Yende explains.



Over 2.3 million fatality free hours achieved at Kangra



By the end of August 2019, Kangra had achieved 2 319 611 Fatality Free operating work hours having received recognition from the Mine Health and Safety Council for achieving over one million and now two million fatality free hours, enthuses Kangra Safety Lead Michael Madonsela.

He attributes the mine's safety success to management taking a hands-on approach, everyone taking care of one another and all workers taking ownership for their actions.

Michael started working at Kangra in 2002 as a general worker before leaving the mine in 2007. He returned to the mine in 2010 and was appointed as a Safety Officer. In January 2014, he was promoted to Safety Leader and has been holding the

position for the past five years now.

He notes that since Menar acquired Kangra in September 2018, there has been a 'New Beginning' in terms of the focus on health and safety at the mine. Programmes that have been implemented and reinforced to facilitate the improved safety standard include mandatory daily safety briefings, Visible Felt Leadership (VFL) programmes and monthly Health, Safety, Security, Community and Environmental evaluations of safety performance, and paying special attention to the needs of all workers by providing guidance and support.

Michael is supported by a team of safety staff and officers, who conduct safety audits to ensure compliance with safety

regulations for the whole of Kangra, particularly in the opencast and underground sections at the mine.

Zero Harm and Festive Season Focus

"We are dedicated to achieving the Zero Harm goal because one injury is already one too many. The goal will always be to stay fatality free and to continuously eliminate all injuries."

"With the festive season, or as we like to call it the silly season, fast approaching, a lot of focus has been placed on people's wellness. We have launched a wellness campaign that seeks to highlight the importance of maintaining a healthy lifestyle. As we believe 'A healthy employee is a safer employee,'" Michael concludes.

Improved efficiencies boosts loading times at Panbult Siding

Logistics and Siding Manager Bruce Ince has been with Kangra since June 2017 and has over 20 years of experience in the coal mining sector.

He is responsible for running the Panbult Siding in Piet Retief, which is around 30 km from the mine - a logistical challenge therein of itself - that requires expert logistics management to allow for the smooth and timeous loading of Transnet's coal wagons to deliver product to the Richards Bay Coal Terminal.

He explains that the coal is trucked from the mine where it is stock piled before being loaded onto the trains. On average 7 000 tons of coal are delivered daily to Panbult, where approximately five trains a week arrive at the siding to collect around 41 500 tons of coal a week on average.

Bruce says that when he started at the Panbult Siding train loading times were upwards of six to eight hours, which is far in excess of the standard four hours it should

take to load a Jumbo, 100 wagon train. This was incurring the mine expensive and unnecessary additional railage costs.

However, he notes that since Menar took over Kangra, in September 2018, there has been a marked improvement in loading times, with most trains being loaded in less than four hours.

“Menar has improved operational efficiencies throughout the operation and thereby allowing for faster turnaround times. Menar COO Bradley Hammond's hands-on approach is just outstanding as he leads by example, which encourages everyone to commit themselves fully to realising the mine's full potential for all stakeholders including the employees and the local community,” states Bruce.

Furthermore, he highlights that, by Menar giving support to business section managers to run their departments effectively, this gives them the strength and

confidence to carry out their work – knowing that they have the



backing of senior management to do their jobs.

“I feel empowered, which rubs off on all of my 30 team members - including contractors - and this is clearly bringing great success to the siding, which I have no doubt

will be sustained and improved upon even further going forward,” Bruce remarks.



In excess of R535 million worth of purchases to date from HDSA and BEE compliant businesses

Between January and September alone Kangra procured over R535.86-million worth of goods and services from Black Economic Empowerment (BEE) compliant companies. By the end of 2019 it is forecasted that this figure will increase to a total of around R600 million.

Moreover, over the past 12 months, Kangra has spent over R33.52 million on procuring goods and services from local communities, notes Procurement Manager Michelle Pretorius.

She has been with Kangra for five years, having previously served as Procurement Officer before being appointed to her current position of Procurement Manager.

The Procurement Department is responsible for procuring everything that the mine requires, from items that cost a few rands like pens and pencils to large pieces of equipment like continuous miners and everything else in between.

A major emphasis as part of opening a new chapter of improved working and business relationships with the local community at Kangra was increasing local procurement opportunities. This has been a major focus for Menar, since its subsidiary Canyon Coal became the new owner of Kangra in September 2018.

“What we are also doing on an ad hoc basis is to ensure that small

items like general hardware is purchased from local businesses, which is already enhancing their knowledge and improving the quality of goods they are able to supply the mine,” states Michelle.



Recently Awarded Product and Service Contracts to Local Companies:

1. For the supply of groceries and cleaning products to the mine.
2. Underground ventilation contract awarded to a local entity for the first time. It was awarded in 2018 and will run for two years, in which time, Kangra will be working closely with the company to ensure they develop their service offering. The contractors are responsible for ensuring that all ventilation controls are correctly constructed, maintained and properly located to provide ventilation to working sections and other areas where

ventilation is needed to dilute methane, respirable coal dust and other contaminants.

3. Contract awarded for sanitation management, which includes the cleaning and

servicing of all the portable toilets for underground and surface areas.

4. Sewage disposal services contract for the mine.

5. Underground conveyor belt cleaning.

6. Surface cleaning at the siding for any coal spillages that occur.

7. Coal haulage – Through a local economic development (LED) Mentorship Programme Kangra has appointed a strategic partner to assist with the development of two local coal haulage contractors. It has created additional employment and has the opportunity to develop the companies into

sustainable coal haulage contractors. This will create a minimum additional turnover of more than R40 million for the local contractors over the next 12 months, which will increase every year until targets are met.

8. Community hall construction.

Future Contracts that Will be Awarded to Local Companies:

1. Gardening services for the mine.

2. Transportation of workers to and from the mine – from the surrounding towns and cities.

Moreover, Michelle says that the Procurement Department has put in a place a procedure to diversify the awarding of contracts to the different communities, to ensure that business opportunities are fairly spread among the local communities that fall within the jurisdiction of the mine.

“It is important for this to be done correctly in order to allow for fairness and the creation of a system that allows all communities to benefit from business opportunities arising from the mine,” she states.

Improving BEE Procurement Compliance

The Mining Charter stipulates that a minimum of 80% of mine’s total spend on services must be sourced from South African based companies:

- 50% must be spent on services supplied by Historically Disadvantaged Persons Owned and Controlled Companies;
- 15% must be spent on services supplied by women-owned and controlled companies;
- 5% must be spent on services

supplied by youth; and

- 10% must be spent on services supplied by BEE compliant companies.

In 2017, Kangra’s total BEE procurement compliance was only 58%, in 2018 this improved substantially to 85% and to date Kangra is standing at around 88% and is expected to reach around 90% by year - end.

“We are committed to supporting HDSA and local businesses through our preferential procurement procedures. Kangra seeks to promote BEE and local procurement in order to support the development of commercially viable local businesses that meet our requirements,” Michelle concludes.



These projects also form part of Kangra’s skills development programme, which seeks to provide work and new skillsets to local, historically disadvantaged building contractors.



Families given new, improved housing through relocation projects

Families that are deemed to reside too close to the mine, or located on tracts of lands where the mine intends to expand operations to, have over the years been provided with new homes - on land owned by Kangra - further away from the mining operations.

“Once families have agreed, they are moved into their new homes that are equipped with boreholes, water storage tanks and arrangements are made to also connect the homes to the power grid. They are also provided with financial compensation for the relocation,” remarks Community Liaison Officer Simo Yende.



Team work and good leadership improves production output

Mine Manager Pierre Louw joined Kangra in June 2019. This was after being transferred from affiliated Menar Group company ZAC, where he had been working as the Mining Manager.

When Pierre, with over 20 years of mining industry experience, arrived at Kangra output was languishing at around 40 000 to 60 000 ton run of mine coal a month. He was tasked by Menar COO Bradley Hammond, with turning around the subpar production situation at the mine.

Within the first two months, production was increased to in excess of 100 000 ton a month, reaching over a 120 000 ton by the end of September 2019 – which are the best production figures recorded in the past seven years.

Kangra operates one opencast and three underground coal sections with the mining taking place at the Savmore-Maquasa west mine, the newly developed H-Block and Pit F, using continuous miners and truck and shovel techniques.

One of the mine's development areas, H-Block, was previously an opencast pit that has been converted into a new underground mine as part of Kangra's life-of-mine (LOM) plan. Pierre points out that a notable achievement of this project was that the underground section was established while mining was still taking place in the Savmore-Maquasa west mine simultaneously.

“The new underground mine was developed without any disruption to production occurring. So seamless was the transition that the team working on the section received a bonus for the first time.



Furthermore, he points out that the workforce has embraced the new vision of the mine, which has aided in the turnaround strategy and resulted in improved production at the mine.

Kusipongo Project

With the life of existing operations nearing their end, Kangra is planning to develop new mining areas as a natural extension of the current mine workings.

Kusipongo has an underground reserve of around 41.9 million tons and, based on the calculated reserves for Kusipongo, the life of mine is estimated to be more than twenty years.

“The Kusipongo resource situated directly to the west of the existing operations will extend the life of the mine significantly in the interest of our employees and the local community,” states Pierre.

Kangra has an existing mining right and approved Environmental Management Programme for the Kusipongo resource, which was authorised by the

Mpumalanga Department of Mineral Resources in July 2017.

To further enhance the viability of the Kusipongo mining right, Kangra is also investigating the development of three opencast coal mining pits within the Kusipongo mining right area. This would involve the removal of shallow coal using opencast methods and utilising the high wall of these pits to gain access to the underground coal.

Celebrating Africa's magnificent heritage at Kangra

Ahead of Heritage Day on 24 September 2019, Kangra employees dressed up in a colourful mix of South African and African attire to celebrate Africa's living heritage.

Members of staff were encouraged to take pride in their unique, rich culture and celebrate their African identity by dressing up.

"South Africa and the African continent broadly are rich in cultural diversity, which is something

"By pulling together, doing proper planning, hard work, communicating clearly with the team and creating unity between the engineering and mining departments, we were able to achieve new heights. We are confident that this positive involvement and attitude by all the stakeholders will take us to even greater heights," Pierre remarks.

that we are proud of at Kangra. September is Heritage Month - a significant occasion for management and staff to showcase our great diversity and celebrate our uniqueness," says Kangra Human Resources Manager Siyabonga Mgobhozi.



Our vision for South Africa in numbers by 2022

R7-billion in total investment*

5600 jobs to be created

4 provinces to share investment

1 new manganese mine in Northern Cape

2 new coal mines in Mpumalanga

2 new coal mines in Gauteng

1 new anthracite mine in KwaZulu-Natal

Accelerating SA Investment



MENAR