

OPERATIONS 2018 CONTINUED

SOUTH AFRICA – SURFACE OPERATIONS

Kalgold

		FY18	FY17	FY16
Number of employees				
– Permanent		237	241	235
– Contractors		334	395	377
Total		571	636	612
Operational				
Volumes milled	(000t) (metric)	1 550	1 506	1 479
	(000t) (imperial)	1 709	1 660	1 630
Gold produced	(kg)	1 250	1 205	1 103
	(oz)	40 189	38 742	35 463
Gold sold	(kg)	1 231	1 213	1 086
	(oz)	39 577	38 999	34 916
Grade	(g/t)	0.81	0.80	0.75
	(oz/t)	0.024	0.023	0.022
Productivity	(g/TEC)	147.96	123.82	116.79
Financial				
Revenue	(Rm)	710	695	595
	(US\$m)	55	51	41
Average gold price received	(R/kg)	576 630	573 010	548 072
	(US\$/oz)	1 396	1 311	1 176
Cash operating cost	(Rm)	565	557	548
	(US\$m)	44	41	38
Production profit	(Rm)	157	131	55
	(US\$m)	12	10	4
Capital expenditure	(Rm)	108	96	39
	(US\$m)	8	7	3
Cash operating cost	(R/kg)	452 365	462 037	496 991
	(US\$/oz)	1 095	1 057	1 066
All-in sustaining cost	(R/kg)	552 032	558 731	549 590
	(US\$/oz)	1 336	1 278	1 179
Safety				
Number of fatalities		0	0	0
Lost-time injury frequency rate per million hours worked		0	2.19	0
Environment				
Electricity consumption	(GWh)	53	54	49
Water consumption – primary activities	(ML)	324	392	375
Greenhouse gas emissions	(000t CO ₂ e)	51	53	50
Intensity data per tonne treated				
– energy		0.03	0.04	0.03
– water		0.21	0.26	0.25
– greenhouse gas emissions		0.03	0.36	0.03
Number of reportable environmental incidents		0	0	0
Community				
Local economic development	(Rm)	3	2	2
Training and development	(Rm)	6	7	5

Kalgold *continued*

Other salient features

Status of operation	Open-pit mining operation
Life of mine	15 years
Compliance and certification	New order mining right – August 2008 ISO 14001 ISO 9001

Mineral reserves as at 30 June 2018

Reserves (metric)	Proved reserves			Probable reserves			Total mineral reserves		
	Tonnes (Mt)	Grade (g/t)	Gold (000kg)	Tonnes (Mt)	Grade (g/t)	Gold (000kg)	Tonnes (Mt)	Grade (g/t)	Gold (000kg)
	9.4	0.95	9	11.8	1.05	12	21.1	1.01	21
Reserves (imperial)	Tons (Mt)	Grade (oz/t)	Gold (000oz)	Tons (Mt)	Grade (oz/t)	Gold (000oz)	Tons (Mt)	Grade (oz/t)	Gold (000oz)
	10.3	0.028	286	13.0	0.031	397	23.3	0.029	683

Kalgold is an open-pit mine situated on the Kraaipan Greenstone Belt, 55km southwest of Mahikeng in North West Province. Mining takes place from the A-Zone pit. Mining is ramping up at the pillar between the A-Zone and Watertank pit. Ore mined is processed at a carbon-in-leach plant located at Kalgold.

Kalgold maintained its fatality-free record in FY18.

Gold production improved by 4% to 1 250kg (40 189oz), which was mainly due to an increase in ore milled by 3% to 1 550 000 tonnes (1 709 000 tons) and 1% increase in the recovered grade to 0.806g/t (0.024oz/t). Revenue increased by 2% to R710 million (an 8% increase to US\$55 million) as a result of increased production.

Cash operating costs increased by 1% to R565 million (7% increase to US\$44 million).

Capital expenditure increased by 13% to R108 million (increased by 14% to US\$8 million), mainly due to the R98 million (US\$7.6 million) capitalisation of stripping activities resulting from the A-Zone pit and Watertank pit merger.