



PRESS RELEASE

LILY MINE

There has been numerous speculations and comments in the media regarding the investigations into the reasons for the disaster that occurred at the Lily Mine on 5 February 2016. That day a crown pillar collapsed trapping three miners in a container and they remain trapped below the surface.

After any such accident the Mine is required to conduct an investigation and produce a report on the accident. This report must identify the cause and the underlying causes of the incident, identify any unsafe conditions, acts or procedures that contributed to the accident and then make recommendations to prevent a similar accident. This report must be delivered to the Principal Inspector of Mines and the Health and Safety Committee.

The Chief Inspector of Mines will also conduct an independent inquiry as to the cause of the accident.

The Lily Mine commenced its investigations immediately after rescue operations were halted and this was done in collaboration with the DMR and the Union. Investigations are currently ongoing and it is anticipated that the Investigation Report will be submitted to the Committee by the end of October 2016.

The Company has appointed an external investigation team to determine the cause of the accident. The team is led by Geotechnical firm SRK Consulting. Various other experts have been appointed to address the specific aspects of mine design, mining methods, monitoring and compliance to procedures and legislation. The investigation also will include submissions from the Union and Safety Officers.

Due to the complexity of the investigation and number of experts required, the investigation is a lengthy one. It is further hampered by the fact that access to the ground workings is not possible until a new safe decline has been established.

The process that is underway is a process that is defined by the law and Company and the Practitioner are in regular contact with the Department of Mineral Resources regarding the progress of the investigation.

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