



RATIONALE FOR THE PLEDGE TO BLYVOOR

INTRODUCTION – *Why do we request a pledge from you?*

The Blyvooruitzicht Gold Mine started its life in 1937 and soon grew to be South Africa's (and the World's) flagship gold mine in the 1970's. It produced huge amounts of gold every month and employed many thousands of workers. These employees worked loyally and strived to take the Blyvooruitzicht Gold Mine to its great heights over the 75 year period (from 1937 to 2013), in some cases, from generation to generation. Sadly, in 2013, the union promoted wild-cat strikes (and a few other issues) shut the mine and led to its liquidation. The mine was invaded by illegal miners, thieves and raiders (Zama Zamas), who stripped and stole many of its treasured assets to a value of over R1bn. And so the mine was destroyed. For 5 years the Community suffered terribly, leaving them penniless and struggling to keep themselves and their families alive.

In 2016, the new Blyvoor Gold Mine was born, funded by Peter Skeat and Richard Floyd. With time, a number of competent and experienced managers and a group of loyal and special ex-employees representing the Blyvoor Community joined the team. This team includes the ex AngloGold (South Africa) CEO, Alan Smith, so well-known to everyone, and Louis Lamsley, the exceptional underground mining manager of ERPM, Blyvooruitzicht and many other mines, plus many others. In 2018, the mine was further funded from London and the re-launch of the Blyvoor Gold Mine became a great success. The eyes of the country and the world are watching.

The decision was made to fund and allocate the 26% BEE shares in Blyvoor Gold Mine largely to the future employees of the mine. The cost of funding of this BEE shareholding (with a future value of R2bn), has been contributed by the investors of Blyvoor Gold. This was done on the insistence of Peter and Richard, the initial founders of the new company, which is a real indication of the determined commitment of the new Blyvoor Gold Mine to share the future of the mine with its workers and to ensure that it will never ever again face the horrific ordeal that Blyvoor has seen in the recent years.

As a consequence of this decision, every member of the management team, and every future employee, and each and every Blyvoor Community leader is now asked to sign a letter of commitment to the new Blyvoor Gold Mine, which pledge will be used as the guiding principles to allow the Blyvoor Management Team to take the mine forward into a very successful future for all.



