

Appendix 3: 2004 - 2007 data

	Parent Company	BEE Company	Asset Sold/acquired	Funding Model (Rmil)				Transaction Year	Sustainability Successful Yes/no	Remark
				Vendor	Third Party Loan	Equity (self)	Shares			
1	Anglogold Ashanti	Izingwe Holdings	1.5% of Anglogold Ashanti	0	0	0	0.35	2006	Yes	This transaction will be structured in a similar manner to the loan shares issued in terms of the Bokamoso ESOP. 48532 shares were sold in 2006 for a value of R14m. Transaction was re-structured in 2011 as AGA board realised that limited value would accrue to BEE shareholders when the shares vested. As the transaction was restructured, the initial transaction could be classified as unsustainable. Izingwe Holdings will acquire approximately 1,400,000 AngloGold Ashanti loan shares (E shares) at par value of R0.25/share
2	Anglo American	Exxaro	52.1% of Exxaro	2800	4200	1400	0	2006	Yes	
3	Anglo Coal	Inyosi Consortium	27% of Anglo Inyosi Coal (Kriel Colliery and the four projects – Elders, Zondagsfontein, New Largo and Heidelberg)	6968	0	25	0	2007	Yes	R6.9 billion Vendor finance was provided @2% interest by Anglo American. Anglo Coal provided vendor finance of R68 million.
4	AEL	Tiso Consortium, Later Merged with Kagiso Trust to become KTH	25.1% of AEL	0	376	25.1	0	2004	Yes	Vendor underwrote R200m of the loan and extended interest free loan to Community Development Trust (CDT)
5	Anglo Platinum	Mvelaphanda	22.5% of Northam platinum + 50% interest in Booyendal project	0	0	1500	2500	2007	Yes	The 50% interest in Booyendal was later converted to Northam shares, hence 63% Mvela in Northam; Mvelaphanda sold shares in Northam in order to satisfy JSE listing requirements; R2.2bil from sale of shares to ENRC was used to pay off all debt. Mvela was acquired by Northam in order to resolve the pyramid structure.
6	Impala Platinum	Royal Bafokeng Nation	13.4% of Impala Platinum	0	0	10600	0	2007	Yes	RBN used the R10.6 bn royalty settlement to acquire shares in Impala Platinum
7	Impala Platinum	Tubatse platinum	7.5% of marula mine	0	158	0	0	2006	Yes	Implats will provide a full guarantee for the Marula Community Trust debt and will also guarantee Tubatse Platinum's debt until December 2014. Tubatse Platinum and Marula Community Trust together with Impala, which will fully guarantee the R316m up to end-2014, are in talks with two financial institutions to raise the debt. Vendor facilitation through loan guarantees
8	Impala Platinum	Marula Platinum Trust	7.5% of marula mine	0	158	0	0	2006	Yes	Implats will provide a full guarantee for the Marula Community Trust debt and will also guarantee Tubatse Platinum's debt until December 2014. Tubatse Platinum and Marula Community Trust together with Impala, which will fully guarantee the R316m up to end-2014, are in talks with two financial institutions to raise the debt. Vendor facilitation through loan guarantees.
9	Impala Platinum & Lonmin	Incwala	18% shareholding in western platinum and eastern platinum (18% of lonplats)	1614.379085	1,224	0	1,062	2004	No	Impala provided vendor finance of R618m, which was partly secured by Lonmin; transaction failed due to poor platinum price in the 2008/2009 financial crisis. Lonmin bailed out Incwala by extending a \$304mil loan for shanduka to buy Previous BEE shareholders.
10	Gold Fields	Mvela Gold, Subsidiary of Mvela Resources	15% of GFI South Africa	450	3689	0	0	2004	Yes	11mil Gold Fields shares sold at a profit in 2009 to repay the loan, leaving Mvela with additional R1.3 bil to invest in Northam. Sustainability of Transaction due to high share price.
11	ARM and Xtrata	ARM	51% of ARM coal	385.56	0	400	0	2006	Yes	Xstrata is providing all the finance for the joint venture and Goedgevonden. We're going to use that money to buy 20% of the operations that are currently there - but there's also another loan coming in from Xstrata for another R756 million (\$123.3 million). With that we then buy 51% of Goedgevonden which then forms ARM Coal being the current operations and the new mine.
12	DRD Gold	Khumo Bathong Holdings	15% of DRD	36	0	0	0	2005	Yes	the transaction envisages the exchange of 45% of KBH's 60% stake in CGR and East Rand Proprietary Mines Limited (ERPM) for 15% of DRDGOLD's wholly owned Blyvooruitzicht Gold Mining Company Limited. The effect would be the ownership by KBH of 15% of all of DRDGOLD's South African operations. DRDGOLD intends to facilitate the BEE transaction through vendor financing. The transaction has been vendor financed by the conversion of an existing loan to KBH of R7.9 million and issuance of R31.8 million new KhumoGold preference shares.
13	DRD Gold	Khumo Bathong Holdings	5% of DRD	4.3	0	0	0	2006	Yes	DRDGOLD will vendor finance the transaction on condition that the terms of the vendor finance are determined by independent experts Ernst and Young to be
14	WESCOAL	Waterberg Portion Property Investments	31.36% of WESCOAL	0	0	35.5	0	2007	Yes	"First and foremost, the BEE partners funded their own stake.", Sipho Ncobo (money web), The issue price represents a premium of 26,2%
15	Sasol	Tshwarisano	25% shareholding in Sasol's South African liquid-fuels business	0	1292	158	0	2006	Yes	Sasol is providing considerable facilitation and support for Tshwarisano's financing requirements, which amount to about R1.1 billion; Standard Bank is the sole provider of domestic funding of just under R1.3 billion, which has allowed it the flexibility to provide a highly customised solution. Ordinary shareholders injected R310 million in equity and the remaining R1 140 million was externally funded through preference shares. Of the R310 million of equity, R152 million was externally funded through preference shares, backed by a Sasol guarantee.
16	Samancor Chrome (Kermas South Africa/Kermas-Ehlobo)	Batho Barena Consortium (Samancor's employees (5.6%), Sibilo Investments (4.2%), comprising local communities, and Nanka Investments (4.2%), which consisted of women in mining)	28% of Kermas South Africa	1950	0	0	0	2006	No	Ironically, in a letter dated June 12, Kermas SA notified the shareholders in the consortium that the empowerment transaction had been cancelled and that the shares would be "re-allocated". Transaction was cancelled due to disputes. Kermas indicated that shares would be re-allocated
17	Samancor Manganese	Siyanda-Inkwali Resources	50.1% of the Dense-Media Ferrosilicon Business, Debeers 30% and NEF 20%	35	225	40	15	2006	Yes	Siyanda-Inkwali Resources bought the dense-media ferrosilicon business in association with diamond miner De Beers and the National Empowerment Fund Trust (NEF), which is a division of the Department of Trade and Industry.
18	Sasol Ltd (SOL) (Mining)	Eyesizwe Coal	35% of Igoda Coal	0	465	25	0	2006	No	Eyesizwe Coal, which will provide R25-million in equity, will own 35% of the empowerment venture, while Sasol Mining holds the remaining 65% and will provide R46-million in equity. The balance will be provided in the form of loans. Vendor facilitation was provided by sasol. Exxaro quite the deal in 2009 citing tough market conditions.
19	JCI	OrlyFunt	portfolio of Black Economic Empowerment ("BEE") joint venture investments and various mineral rights (includes non mining assets)	909.6	0	0	490.4	2004	No	OrlyFunt will owe JCI R909,6 million on loan account, which loan account will be secured by a pledge of the JCI assets, will be interest free and will be repayable within three years from the future cash flows or proceeds of the disposal of the JCI assets. Components of the transaction did not materialise. Deal failed due to its original structure and had to be re structured .
20	Rand Gold	OrlyFunt	74% interest in the share capital of Minrico Limited and 55,1% interest in the share capital of Free State Development and Investment Corporation and various other mineral right interests (includes non-mining assets)	94,1	0	50,8	0	2004	No	in exchange for an entitlement to 8,4% of the issued ordinary share capital of OrlyFunt. In addition, OrlyFunt will owe Randgold R94,1 million on loan account, which loan account will be secured by a pledge of the Randgold assets, will be interest free and will be repayable within three years from the realisation of value from the Randgold assets. Components of the transaction did not materialise. Deal failed due to its original structure and had to be restructured.
21	AfriOre	Springlake Holding (NAMF and consortium of BEE parties Umsobomvu and Motjoli Resources and management)	South African Coal Assets of AfriOre (Springlake Colliery, the Somkele exploration tenements and Baobab exploration project in the Limpopo province	28	0	38	0	2005	Yes	The balance of the purchase consideration of R24-million is financed by way of a vendor loan, which will soon be replaced by a draw-down loan facility from the Industrial Development Corporation (IDC). The BEE parties are also expected to contribute R4-million in cash towards the total purchase price. Petmin acquired 100% of Springlake holdings for R108mil in 2005.
22	Assore limited	Shanduka Resources (11.8%)	11.8 % interest in Assore	0	279.89	0	0	2005	Yes	Standard Bank will provide preference share funding in both the Shanduka transaction and the Community transaction in order to allow Shanduka BEECo and Community BEECo to acquire the Assore shares. Shanduka group looks to have made a profit of up to R2.3bn on the disposal of its 11.8% black economic empowerment (BEE) stake in iron ore and base metals group Assore. Profit made as a result of soaring share price due to Commodity price boom
23	Assore limited	Bokamoso Trust (3.26%)	3.26 % interest in Assore	25	52.67	0	0	2005	Yes	Standard Bank will provide preference share funding in both the Shanduka transaction and the Community transaction in order to allow Shanduka BEECo and Community BEECo to acquire the Assore shares. Assore has provided a further R25 million vendor financing to the Community Trust to purchase the 3.26% equity interest in Assore.