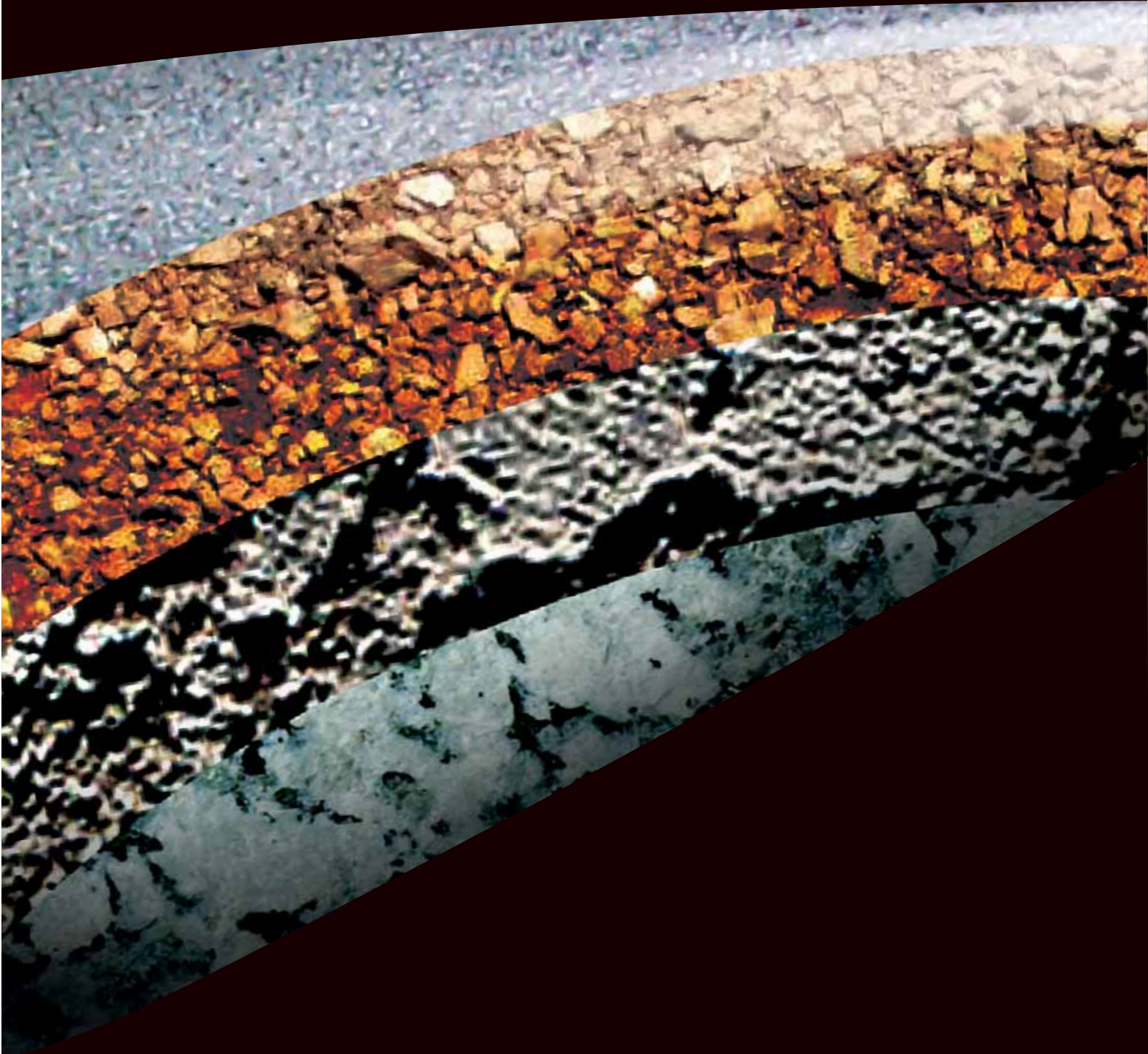
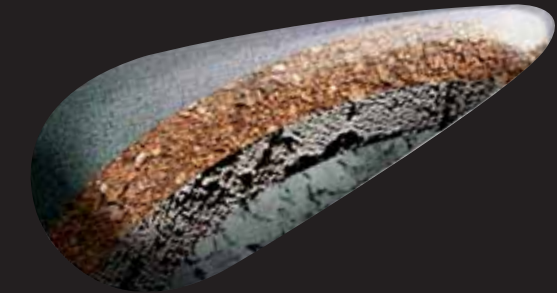


**INFRASORS**  
HOLDINGS LIMITED



Annual Report  
**2009**



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# corporate profile

Infrasors is a South African resources holding company listed on the AltX of the JSE Limited whose principal subsidiaries, Lyttelton Dolomite, Delf Group, Pienaarspoort and Infrabric, conduct mining and quarrying operations and are manufacturers and suppliers of infrastructural products consisting primarily of:

- aggregate stone products;
- aggregate slag;
- metallurgical grade dolomite;
- industrial foundry sands;
- sands and stone dust;
- silica sands;
- building and construction sand
- golf course and recreational sand; and
- cement bricks

The Infrasors Group is divided into five principal business units as follows:

**Infrasors** Resource House, Rivonia, Sandton

The corporate head office is responsible for the Group's strategy, risk management, accounting and administration. It is also the provider of shared services across common business functions such as finance, IT, human resources, centralised procurement, capital expenditure, growth, transformation and replacement projects.

**Lyttelton Dolomite** Pretoria and Marble Hall

Involved in mining and beneficiation activities, supplying aggregate and metallurgical dolomite to the market from both Lyttelton mine and Marble Hall mine.

**Delf Sand** Donkerhoek, Bronkhorstspuit

Mining and beneficiation, milling, grinding, sizing and manufacturing of sand and silica products to the glass industry, leisure, foundries and building and construction sectors.

**Infrabric** Kempton Park

Manufacturers of brick pavers, concrete products for the construction industry and cement bricks from mine dump material.

**Pienaarspoort** Bronkhorstspuit

Pienaarspoort flint silica mining project.

# vision & strategy

## Vision

Infrasors is committed to supplying the industrial, mining, metallurgical, foundry and glass industries by maintaining a well-balanced portfolio of mining assets that offer sustainable growth and continuity of earnings.

## Strategy

### Profitability

We seek to sustain profitability in all our businesses during this period of reduced demand and market downturn. We also seek to optimize our return on recent new capital expenditure and focus on key business drivers to reduce cost per production unit and maintain return on investment.

### Markets

Our aim is to be a leading provider in the markets in which we operate. Our intention is to achieve this by consistently delivering high quality products to our markets under-pinned by the research and development of new product applications and enhancement of our mining and beneficiation processes.

### Management

To have a robust succession plan that will ensure the uninterrupted continuity of the Group into the future. We believe that the development and training of a well-disciplined and shareholder value driven management team will position the Group to achieve its goals and aspirations.

### Corporate Responsibility

We are committed to the aims and goals of the Mining Charter and are accountable and responsible to our employees, stakeholders and the communities in which we live and work.

GLOSSARY OF TECHNICAL TERMS			
RD	Relative density	DME	Department of Mineral and Energy Affairs
AltX	Alternative Exchange of the JSE	BEE	Broad-based black economic empowerment
EBITDA	Earnings before interest, tax, depreciation and amortization	JSE	JSE Limited
Mt	Million tonnes	HDSA	Historically disadvantaged South African
MPRDA	Minerals and Petroleum Resources Development Act	ABET	Adult basic education training
LoM	Life of mine	F2008	Financial year to 29 February 2008
		F2009	Financial year to 28 February 2009
GDP	Gross domestic product	F2010	Financial year to 28 February 2010

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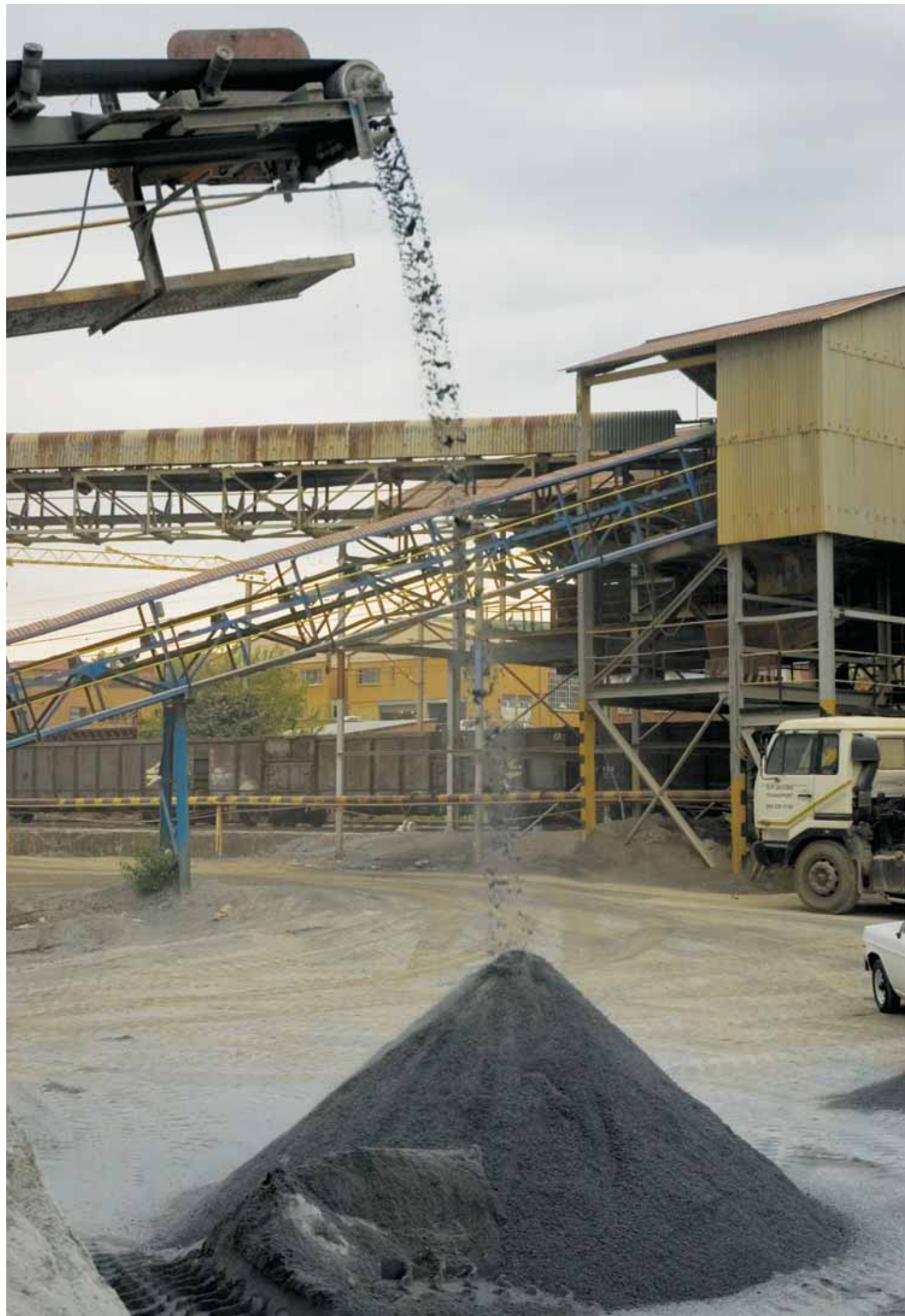
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**group overview**

# group structure



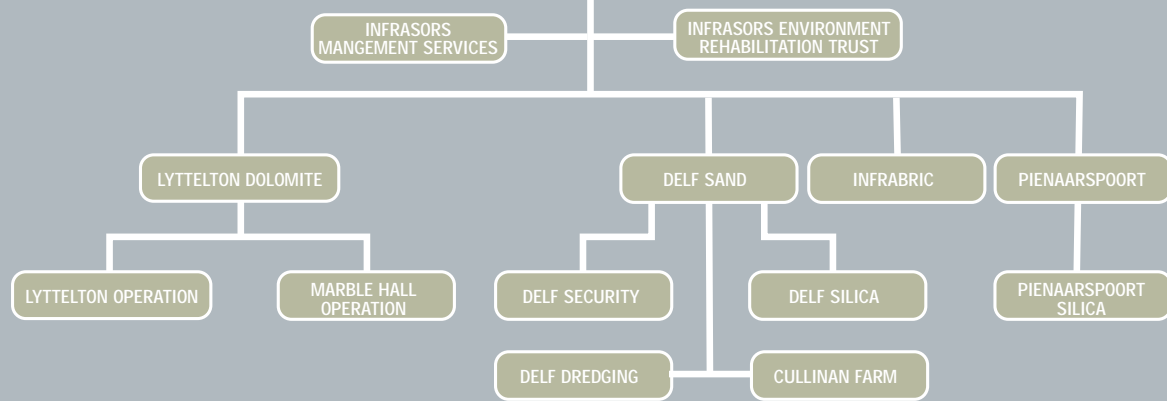
Infrasors Holdings Limited (registration number 2007/002405/06) is a South African resources mining company, mining and producing a spread of base minerals for the industrial and construction sectors. The experienced management team, with a proven track record, aims to leverage its well-established and recognised brands, empowerment credentials, a balanced business portfolio, and proven financial performance, to sustain its product and service footprints by offering base mineral product solutions to customers in the industrial, mining, metallurgical, glass and construction sectors.

## Infrasors' principal subsidiaries are:

- **Lyttelton Dolomite**, which is involved in mining and beneficiation activities. Lyttelton Dolomite supplies aggregate and metallurgical dolomite to the industrial and construction sectors.
- **Delf Sand**, which undertakes mining, milling, grinding and grading of sand and silica products for the glass industry, foundries and building, construction and the leisure sectors.
- **Infrabric**, which manufactures cement bricks, brick pavers and concrete pavers for the construction industry; and
- **Piensaarspoort**, a flint silica mining and crushing plant project expected to be brought on stream in 2010.



## INFRA SORS HOLDINGS LIMITED



# highlights for the year

Expansion of Lyttelton mine plan and life of mine from 11 years to 37 years

Submission of new order mining licence conversions before 30 April 2009 deadline for the Lyttelton and Marble Hall operations

Granting of new order mining licence for Delf Sand and Piensaarspoort

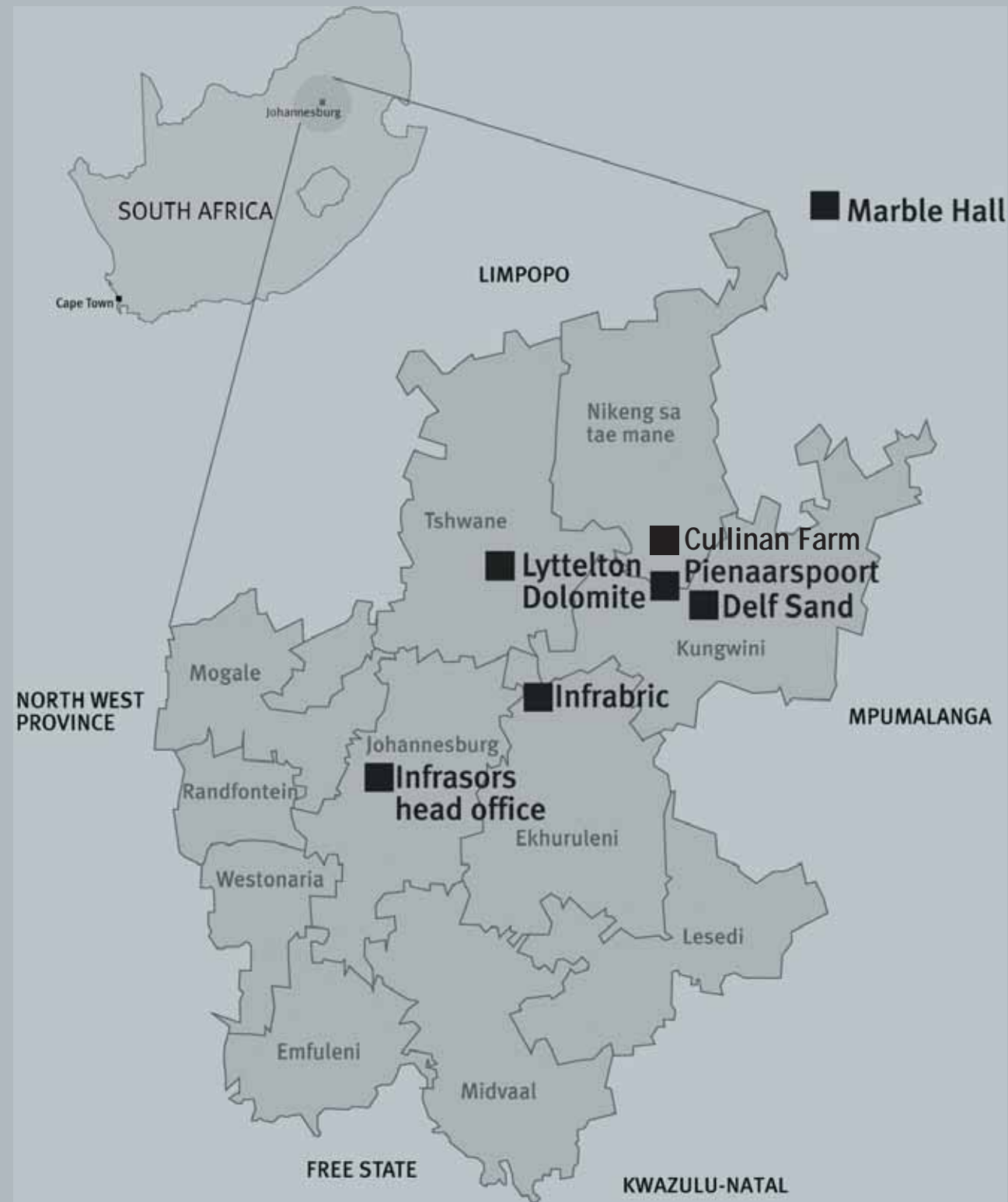
Capital expenditure expansion to Lyttelton to produce additional 30 000 tonnes aggregate per month

Capital expenditure expansion to Delf Sand by adding a 5<sup>th</sup> dryer

Acquisition by Delf Sand of the Cullinan Farm



# locations & operations



The majority of our mineral resources are centrally located in Gauteng, South Africa's heartland and the principal focus of the country's infrastructure development and construction projects.

# management review

# chairman's letter

## Results for the year

Despite the economic climate curtailing most mining operations locally and globally, Infrasors continues to generate positive cash flows from its operating activities and the Group remains cash generative, profitable and solvent. Turnover for the period under review was R239.7 million. EBITDA was R46.7 million, a decrease of R34.7 million over the previous corresponding period. Turnover remained constant due mainly to annual inflationary price increases. Demand decreased in certain segments of the market. Consequently additional downstream beneficiation was required resulting in a change of product mix and entry into lower margin markets. Overall the Group experienced pressure on margins due to cost increases which could not be passed on due to a softening of market demand.

## Regulatory environment

New order mining rights were granted for the Delf Sand and provisionally granted for the Pienaarspoort mines in Donkerhoek. Applications were submitted for the remaining mines, namely Lyttelton and Marble Hall. Once these applications have been finalised, all the Group's mining rights will be "new order rights" as defined by the MPRDA. Furthermore, new exploration and prospecting right applications were submitted to the DME for the newly acquired Cullinan property and further extensions to the Marble Hall operation.

## Business environment

The present worldwide economic meltdown along with the

announcement of a formal recession in South Africa is unprecedented and has left some iconic companies bankrupt and many household names are facing similar fates. In South Africa, the GDP decreased by 6.1% during first quarter of 2009 and is forecast to drop a further 3.4% during the 2nd quarter of 2009.

Currently the long term strategies for the foundry industry, building industry and construction industries have been superseded by short term value preservation plans across the board. For Infrasors specifically:

- Major foundries have announced production cuts by up to 50% as a result of weakening demand for steel and falling prices of their products. Consequently metallurgical dolomite and alluvial silica demand has fallen.
- Lower demand for metallurgical dolomite has resulted in an increase in aggregate dolomite sales at a reduced profit margin. Aggregate dolomite is sold to the construction industry, mainly due to the government infrastructure and the 2010 World Cup Soccer development programs.
- Lower demand for wet metallurgical alluvial silica has resulted in an increase in sale of higher priced, low margin, dried silica products sold to the tile adhesive markets.
- Low demand in the housing industry has significantly weakened demand for cement stock bricks.

## Board and corporate governance

While there have been several changes to the Board, we have adhered to our guiding principles and remained

committed to the highest standards of governance and transparency. The appointments and changes to the Board and senior management are as follows:

I welcome Trevor Robinson who was appointed chief executive officer in July 2009. Marius Potgieter was promoted from Group chief financial officer to Group financial director, and Frans Liebenberg replaced Francois Roets as Group chief operating officer.

Upon the expiration of their service contracts, Francois Roets and Le Roux Roets relinquished their seats on the Board. Shaun Vorster resigned as Group financial director and was redeployed to Infrabric as subsidiary financial director.

I wish to extend the Board's sincere thanks to these gentlemen for their contributions to the Board and to various committees on which they served.

## Outlook

Recent times have shown us that we are facing some serious global and systemic changes. I am however, positive about Infrasors' future. Our businesses are well positioned in their respective sectors to take on and deal with the challenging economic realities. We have the management, strategy and capabilities to realise our potential as a successful company.

## Thanks

In appreciation I would like to extend my gratitude to shareholders for their support and to all Board members, senior management and employees for their dedication and service.

" Infrasors began trading on the JSE AltX bourse on 31 July 2007, after purchasing the aggregate dolomite producer Lyttelton Dolomite (Proprietary) Limited, the alluvial silica suppliers Delf Sand (Proprietary) Limited, Pienaarspoort Ontwikkeling (Proprietary) Limited and the cement brick producer Infrabric (Proprietary) Limited. After its successful first year of trading as a listed entity, the group produced a cash generative, profitable second year during a very difficult financial period amidst a world-wide economic meltdown."



Popo Molefe  
Chairman

# chief executive's statement

Within the difficult trading conditions, the Group has been able to keep the turnover consistent but has experienced pressure on profit margins, due to cost increases. The individual business units have responded well in adapting to the changing market conditions and at the same time, have been putting in cost saving measures where possible. The Group has continued its capital expenditure in order to ensure that it is well positioned for anticipated upturn in the markets. Cash of R57.1 million was generated by operations before payment of tax of R10.7 million, net finance income of R0.2 million and dividend distribution of R21.2 million paid in the period under review out of the F2008 profits.

Capital expenditure of R45.6 million was incurred in the 12 months under review. This capital expenditure was made up as follows:

- Lyttelton Dolomite – R11.5 million of which R8.0 million was on plant expansion, and R3.5 million was on its mobile equipment fleet;
- Delf Sand – R24.4 million of which R14.4 million was plant and machinery, R6.6 million for the Cullinan Farm and R3.4 million on additions to the transport fleet and mobile equipment;
- Pienaarspoort – R5.5 million on mineral assets and mine development costs;
- Infrabric – R2.5 million, of which R0.9 million was on plant and machinery and R1.6 million on additions to the transport fleet and mobile equipment; and
- Head office – R1.7 million on continuous power supply, security system, computer network and sundry office improvements.

The principal reasons for the decline in earnings compared to the previous corresponding period are as follows:

- Lyttelton Dolomite experienced a drop in demand for metallurgical dolomite which was partly set off

by an increase in demand for aggregate dolomite products.

- Lyttelton Dolomite was partially inoperable in the 2 months of November 2008 and January 2009 due to a labour dispute, and a subsequent fly-rock blasting incident.
- Delf experienced a softening of demand for certain products and reduced sales in the foundry, leisure, building and construction industry sectors.
- Infrabric experienced a slow-down in demand from the residential construction sector and the RDP housing contractors and has consequently reduced production to a single shift.
- Steep cost escalations in fuel, transport and labour had to be absorbed, hence diminishing operating margins across the Group.
- The tax charge for the period ended 28 February 2009 includes a charge for Secondary Tax on Companies in respect of dividends declared and paid in June 2008.
- The denominator used in calculating earnings per share in F2009 is fully diluted and based on 177 131 000 shares in issue whilst the denominator used in F2008 was the weighted average number of shares in issue of 138 649 000.

The Group has sufficient cash and other net working capital to fund its current activities for the foreseeable future and does not anticipate the need to raise any additional funds.

#### Safety

The Group regrettably experienced two fatalities, one related to strike action and the other to a security incident. The Group finds it unacceptable that any of its employees sustain injuries and will continue with its quest for zero harm.

#### Operational overview

Pleasing operational performance was reported from both the Delf Sand and Lyttelton Dolomite operations, with good progress having been made at the Pienaarspoort project, culminating in the provisional granting of the Pienaarspoort mining licence. All of the Infrasors' principal operations are geographically situated within a 50 kilometre radius to service the Pretoria, greater Sandton, Kempton Park, Midrand, Germiston, Alrode, and Wadeville areas, where the principal infrastructural and industrial activities of Gauteng take place. This enables the Infrasors team to implement operational and managerial synergies across the product and service offerings and common customer base. The implementation of the shared services is progressing well and includes the establishment of a Group management accounting function and a centralised business development division. Infrasors supplies a broad based industrial and construction market. Its core operations are currently being streamlined to take cognisance of changing market conditions.

#### Appreciation

I would like to congratulate management on their effort in achieving profitable results. In a year where there has been tremendous volatility in the market, we have managed to endure and stay true to our strategy. On behalf of the Group I would like to acknowledge the efforts of all those involved in the year under review. I wish to extend a heartfelt thank you and appreciation to our employees, stakeholders and the Board of Directors for their support, and look forward to working with them in the year ahead.

“The past financial year has been characterized by fundamental changes to the underlying market conditions affecting our economy and the international environment. Nonetheless, I am pleased to report that steadfast commitment to our mission and strategy has delivered profitable results.”



Trevor Robinson

# operational review

## Lyttelton Dolomite



Lyttelton Dolomite produced 922 863 tonnes of dolomite from the Lyttelton Dolomite operation during the period under review. (F2008: 1 068 000 tonnes). At Marble Hall, production amounted to 204 999 tonnes (F2008: 218 000 tonnes). During the year Lyttelton Dolomite invested R8.0 million in plant expansion, which has created an additional production capacity of approximately 30 000 tonnes per month in order to meet the increased demand for aggregate products. A capital expenditure programme of R15 million has been approved to further increase production capacity by a further 40 000 tonnes

per month. The plant expansion is expected to be completed and fully operational by October 2009. Lyttelton Dolomite contributed R116.5 million (F2008: 115.5 million) to Group turnover and R19.1 million (F2008: R28.7 million) to profit before tax. During F2009 Lyttelton Dolomite completed a revised mining plan which resulted in an increase in inferred and probable mineral resources and reserves from 13.9 Mt to 44.6 Mt and a commensurate extension of the life of mine at current production rates from 11.7 years to 36.95 years. A summarised updated Competent Person's mineral resources and reserves statement

is included in this annual report. At the Marble Hall mine introduction of its products to the broader Infrasons customer base has resulted in increased sales of powder products. Marble Hall also experienced increased demand for aggregate products due to a new road building programme in the town and infrastructural developments of platinum mines in the area. Lyttelton is currently operating at full capacity which it will extend in F2010, and has a healthy order book, underpinned by construction activity leading up to the World Cup and Government spend on infrastructural upgrades.



# operational review

## Delf Sand

Delf Sand sold 337 130 tonnes of silica in the period under review (F2008: 399 300 tonnes) a reduction of 15.6% in volume in comparison to the previous period. In the first half of F2009 Delf Sand experienced steady demand in the foundry and industrial sand sectors which make up the bulk of its business, but weakening demand in building sand and plaster sand. In the second half of F2009 foundry closures and short shifts have had a knock on effect on demand for Delf's products. The recreational sand demand was also weak in the period, but is expected to firm to a lesser extent as the summer season begins. Delf Sand contributed R90.7 million (F2008: R87.0 million) to Group turnover, an increase of R6.1 million and contributed R22.3 million (F2008: R36.3 million) to Group profit before tax. The principal causes of the decrease in profit at Delf Sand for 2009 were as follows:

- Sharp increases in transport fuel costs and bunker fuel costs used in production could not be passed on in price increases resulting in pressure on operating margins.
- Step increases in payroll costs.
- Softening of demand for certain product and reduced sales in the building and construction, and foundry sectors.
- Increase in maintenance costs.
- One day strikes and mid-week public holidays, together with reduced activities at the foundries during F2009 disrupted product supply and off-take by customers.

Delf completed the commissioning and installation of the 5th dryer which came into full production in the second half of F2009. This resulted in more economic burning fuel usage and a reduction in production costs per tonne, together with increased production beneficiation efficiencies. Dryers 1 to 4 have been systematically reconditioned during the second half of F2009. Consequently more efficient cost effective drying and greater production capacity is expected during F2010 at a reduced cost per tonne, subject to a return to normal off-take demand from core customers.

Delf Sand's core customers in foundry and related industries continue product off-take at a steady, albeit reduced level. Demand from the building industry remains soft in current economic conditions. Demand in the glass and foundry industries are driven by local and global economic conditions which remain uncertain.

Capital expenditure of R14.4 million was incurred to further increase capacity of monthly production of dry silica at the existing Delf Sand operation. R3.4 million was spent on mobile equipment and transport vehicles.

A new property, Cullinan, adjacent to Delf, of some 600 hectares, was acquired for R6.6 million in F2009. Pursuant to a desk top study and geological survey, Delf expects Cullinan to add substantially to the quality and quantity of the alluvial silica reserves. The company submitted all the relevant documentation to the regulatory authorities (including principally the DME) in support of its prospecting and exploration license application for Cullinan.

Based upon initial desk top analysis and geological surveys the available alluvial silica appears to be of good quality and could be mined at lower costs due to the ease of access to the product and limited additional plant requirements to mine the product. The Cullinan reserves are also expected to increase the production capacity of alluvial silica and extend the life of Delf.

Delf is operating at approximately 65% capacity whilst the slow-down in foundry activity, building and leisure continues. Delf continues to make a concerted effort to expand its product offering into other industry sectors.



# operational review

Piensaarspoort



As reported in F2008, an extensive drilling programme, together with laboratory analysis of drill samples was completed at Pienaarspoort during the year. The programme confirmed the existence and quality of flint silica products in an economically viable mining resource ideally suited for the requirements of the glass and foundry industries. Pienaarspoort completed its feasibility study and has

submitted all the relevant documentation to the DME in support of its mining license application, which was approved in principle on 15 July 2009, and is expected to be finalised by September 2009. It is anticipated that final bulk sampling, mine and plant design will commence in early F2010 with implementation expected during F2010 and ramping up to full production during 2011.

**PIENAARSPORT**  
ONTWIKKELING (PTY) LTD

# operational review

Infrabric

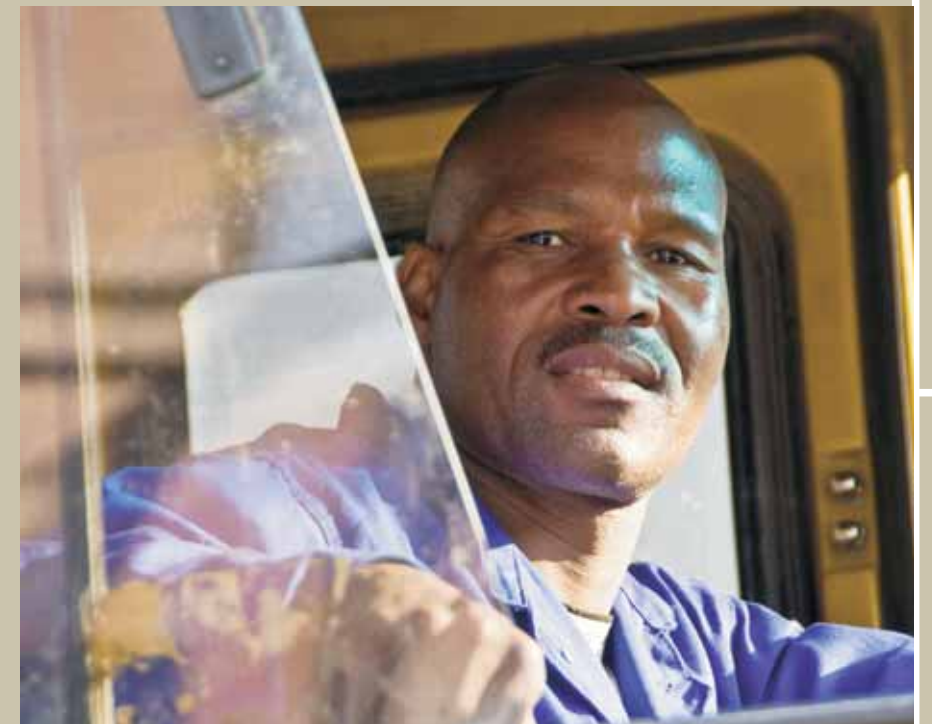
Infrabric produced 51.2 million bricks in F2009 (F2008: 41.6 million) and contributed R32.5 million (F2008: R23.7 million) to Group turnover, an increase of R8.8 million. Profits from operations were R4.2 million (F2008: R3.8 million). Pursuant to the slowdown in the housing and building market there has been a softening in the price of cement bricks. Infrabric reduced its monthly production from 5.9 million bricks per month to 4.3 million to compensate for the reduced demand and is the only Group company directly linked to the residential construction industry.

Infrabric invested R1.6 million in additions to its mobile production fleet and R0.9 million on upgrading and increasing capacity at its screening and production plants.

In the current construction industry there has been a softening in price and slowdown in building activities, which impacts on Infrabric's profitability.

The Board is, inter alia, considering relocating the Infrabric plant operation to Pienaarspoort to produce bricks and pavers from the Pienaarspoort aggregate by-product. This will result in synergistic cost savings as a result of Infrabric having:

- Access to Pienaarspoort raw material by-product;
- Integrated management of plant, manufacture, transport and administration under the Delf/Pienaarspoort umbrella; and
- New rapidly developing construction markets in the Mamelodi, Bronkhorstspuit area.





**sustainability review**

# 19 corporate social investment

# 20 transformation



Infrasors Holdings Limited (Infrasors) is committed to the transformation of the South African economy through BEE and has embraced the principles of the Broad-based Socio-economic Charter for the South African Mining Industry (the Mining Charter). The Mining Charter is intended to bring about widespread socio-economic transformation in the country's mining industry. It was developed collaboratively by government and the industry and ratified in October 2002. Enactment of the MPRDA followed in May 2004 to govern transformation in the mining and energy sectors. Transformation, as envisaged by the Mining Charter, is an imperative for mining companies active in the South African mining sector. They are required to convert their mineral rights from so-called "old order" to "new order" if they wish to mine on the properties concerned. The Mining Charter stipulates that those seeking conversions will have to sell, by 2009, for fair value, 15% of either equity in or attributable units of production of their South African assets to HSDA's. The ownership target for 2016 is 26%.

In addition, accompanying the MPRDA and the Mining Charter, the Mining Scorecard was published in February 2003 to assist in the assessment of companies' applications for "new order" rights. It sets out a number of transformation criteria as prerequisites for conversions.

The nine broad criteria are as follows:

- Human resources development
- Employment equity
- Migrant and foreign labour
- Mine community and rural development
- Housing and living conditions
- Procurement
- Ownership and joint ventures
- Beneficiation
- Reporting

**Status of mining license conversion**  
Lyttelton Dolomite submitted the applications for the new order licence conversions on behalf of both the Lyttelton and Marble Hall operations prior to the DME deadline of April 2009.

The DME have provisionally granted Pienaarspoort and Delf Sand's new order mining licences in July 2009.

### Transformation Committee

Infrasors has established a transformation committee as a sub-committee of its Board. The objectives of this committee are to:

- Develop policies and guidelines for the management of transformation, human resources and communication issues, including procurement, employment equity, human resource development and retention and social development, and to ensure the progressive implementation of these throughout the Group.
- Provide a forum for discussing transformation issues and presenting key findings to the Board from the ongoing monitoring and reporting process.
- Develop, implement, monitor and review the Group's progress in terms of transformation and compliance with the Mining Charter and the MPRDA.
- Ensure there is a disciplined and co-ordinated approach to all transformation and social issues within the Group.

### Corporate responsibility

At Infrasors, we believe that there are business benefits from operating our business with sustainability as a core to our business principles. We are committed to helping improve the social, environmental and economic environment in which we operate.

The Group has embarked on practical steps to implement sustainability activities and strategies that will assist from understanding business priorities to implementation and monitoring.

### Infrasors corporate citizenship

#### Human capital

The Group currently employs 344 permanent employees and 80 contractors.

#### Health and safety

The Group remains committed to achieving a work environment that is one hundred percent fatality- and injury-free. Despite the implementation and policing of industry standard codes of practice, the following incidents regrettably occurred:

- Fatality during the strike in November 2008; and
- Fatality in December 2008 during a security related incident; and
- A controlled explosion causing fly-rock occurred at Lyttelton Dolomite in February 2009.

Under the guidance of a panel of mining experts, and in conjunction with the DME, a detailed investigation was conducted by independent mining industry professionals who have made recommendations based on their findings of the incident. Mining procedures have consequently been modified to include pre-blast investigation of the geological competency of the rock and blasting procedures were adjusted accordingly to reduce the risk of fly-rock associated with blasting, together with ongoing continuous operational audit and review of each blast.

Following a presentation to the chief inspector of mines (DME) on the corrective action measures that have been put in place, the DME permitted mining activities to re-commence.

#### Training and development

Infrasors believes that an effective human resource management strategy can cut costs and boost the productivity of the workforce. We are currently

aligning the Group's employment practices to ensure that all employees receive fair wages, and are ensured a safe working environment and access to training opportunities.

The development of our employees remains an integral part of our business strategy going forward and, as the mining industry faces a serious skills shortage, we are in the process of assessing all employees and developing appropriate skills development plans at all our operations. We are also committed to the transformation of our workforce to meet the empowerment objectives of the Mining Charter and will be looking closely at the development of HDSA's within all levels of the organisation.

The Group has been providing Adult Basic Education and Training for employees to ensure that basic levels of numeracy and literacy are achieved. This has been a challenge for the Group as ABET uptake levels were low. The company is currently reviewing teaching methods and material in order to provide a more attractive learning solution.

Long term training and development initiatives that chart the development of skills from ABET levels 1 to 4 through to tertiary education NQF levels 5-8 are being developed at Delf Sand and will be rolled out to all Group operations.

#### Economic Empowerment

Infrasors has committed to building linkages with local businesses and through the employment of local residents. This has been identified as a key building block to local economic development and reinforces the Group's efforts in meeting the objectives of the Mining Charter.

#### Infrasors Empowerment Trust

The Infrasors Empowerment Trust ("the Trust") was registered in May 2007 and duly implemented in August 2007. One of the objects of the Trust is to hold shares for the benefit of the beneficiaries and to distribute and/or sell shares and any other assets, dividends or capital held by the Trust for the beneficiaries. The beneficiaries are defined as any black person employed by any company within the Group.

#### Social capital Local communities

The Group has continued to maintain good relationships with local

government and will continue the strategy of pursuing partnerships with communities and government to achieve sustainable outcomes. The Group's approach is based on identifying and supporting initiatives that provide enduring contributions to the quality of life and well-being of our local communities. Our plans for future investment in local communities are currently under review by management and the following priority areas for development have been identified:

- Improvement of health infrastructure;
- Socio-economic development of host communities; and
- Access to effective training and development opportunities.

All development plans will be aligned with the integrated development plans of local councils and municipalities where we are located.

#### Environmental capital

##### Water

In the context of increasing national focus on water conservation and driven by the Group's economic imperatives, the Group has developed a water management system that optimises water usage on its sites.

##### Energy

Energy is used in two forms within the Group, firstly as electricity to power-fixed infrastructure and as fuel for mobile plant and equipment and back-up electricity generators.

The Group's overall energy use is closely associated to the volume of material mined and processed each year and, as our operations expand, so it is expected that the energy use will increase. In an attempt to remain cognisant of the current energy shortage in South Africa, the Group will endeavour to seek ways in which to reduce energy consumption without compromising production targets.

##### Land

By the very nature of our business we have an impact on the local landscape, fauna and flora. Most of our rehabilitation activities to date have taken place on the Delf site. One of the main thrusts of our rehabilitation programme is to re-establish local vegetation. The Group has contributed R4,6 million to the mine rehabilitation fund to date and will continue to do so to ensure satisfactory restoration at the end of life of mines.

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Directors The Infrasons Board of Directors consists of four non-executive directors and three executives. The Board skills are varied offering complimentary collective experience and track records in the areas of mining, exploration, project development, and commercial and financial management in the listed company environment.

# 22

## directorate & executive management

### Executive Directors

**Le Roux Roets (36)**

B.Proc LLB Adv  
Portion 10 of Pienaarspoort, Gauteng  
Chief executive officer  
(Resigned 30 June 2009)

**Trevor Robinson (51)**

Pr.Eng, B.Sc (Civil)  
Resource House  
7 Spring Street  
Rivonia, 2196  
Chief executive officer  
(Appointed 15 July 2009)

**Hugh Stephen Courtney (56)**

FCA CA(SA)  
Resource House  
7 Spring Street  
Rivonia, 2196  
Commercial director

**Francois Roets (40)**

FISA  
Portion 10 of Pienaarspoort, Gauteng  
Chief operating officer  
(Resigned 28 October 2008)

**Shaun Vorster (30)**

B.Com, Hons (Acc), CTA, CA(SA)  
Resource House  
7 Spring Street  
Rivonia, 2196  
Financial director  
(Resigned 28 October 2008)

**Marius Potgieter (31)**

B.Com, Hons (Acc), CTA, M.Com (Fin), CA(SA)  
Resource House  
7 Spring Street  
Rivonia, 2196  
Financial director  
(Appointed 1 July 2009)

### Executive Committee Member

**Frans Christie Liebenberg (56)**

(Cert. – Mining Engineer)  
Botha Avenue  
Lyttelton, Tshwane  
Chief operating officer  
(Appointed 20 May 2009)

### Non-executive Directors

**Popo Simon Molefe (57)**

1<sup>st</sup> Floor, 3 Commerce Square  
39 Rivonia Road  
Sandhurst, 2196  
Chairman, non-executive director

**Christopher Hardy Boule (37)**

B.Com, LLB, LLM  
Kentgate  
64 Kent Avenue  
Dunkeld, 2196  
Non-executive director

**Mochele Noge (35)**

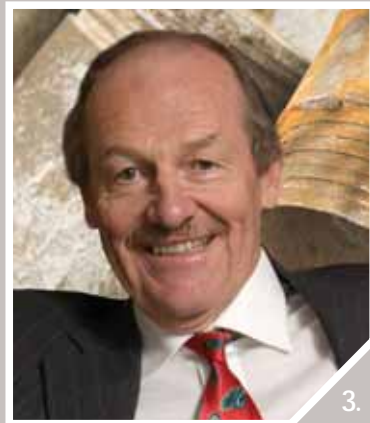
B.Com, Hons (Acc), H-Dip (Corp Law), CA(SA)  
Resource House  
7 Spring Street  
Rivonia, 2196  
Independent non-executive director

**Dereck Harry Alexander (57)**

Resource House  
7 Spring Street  
Rivonia, 2196  
Independent non-executive director

\* All directors are South African and reside in South Africa

# 23 directorate & executive management



The brief curriculum vitae of the Board of Directors are set out below:

**1. Popo Molefe**  
Non-executive chairman

Popo Molefe is the chief executive officer of Lereko Investment Holdings Limited. He served two successful terms as Premier of the North West Province and chairperson of the ANC in the North West. Popo has been awarded the Harvard University Certificate for Conflict Resolution and has diplomas in leadership from the Wharton School of Business and JFK School of Governance at Harvard. He was chairperson of the ANC's election committee that ran the highly successful 1994 election campaign. He has been instrumental in promoting business development in the North West Province and brings to Infrasors a depth of leadership experience and expertise. Popo currently serves as chairperson of Petro SA, Armscor, Simeka BSG and Anooraq Resources Corporation and as Board member of the Central Energy Fund and the Strategic Fuel Fund and Imperial Holdings. He is Chancellor of the North-West University.

**2. Trevor Robinson**  
Chief executive officer

With effect from July 2009, Trevor Robinson joins the Board as chief executive officer. Trevor is a member of the Engineering Council of South Africa and has twenty years of experience in contract mining, most recently as the former managing director of Concor Mining and director of Concor Holdings (Proprietary) Limited.

**3. Stephen Courtney**  
Commercial director

Stephen qualified as a registered Chartered Accountant in Ireland (1977) and South Africa (1986), having completed his articles at Price Waterhouse Coopers. He has 25 years' specific experience in corporate finance and has been involved in numerous listings, mergers, acquisitions, disposals and other corporate transactions.

**4. Marius Potgieter**  
Financial director

Marius joined the group in October 2007 as Group financial manager. Since then he has served on the Infrasors executive committee and acted as chief financial officer to the Group.

Marius obtained a Bachelors of Commerce degree, a Honours degree (CTA) and Masters of Commerce degree in Financial management from the Rand Afrikaans University in Johannesburg. He qualified as a Chartered Accountant after serving as articled clerk at Deloitte in South Africa and audit manager at Watermans CA in Johannesburg. He has 8 years of diverse experience in finance and administration, obtained in the tile adhesive manufacturing industry, the office furniture manufacturing industry and base mineral mining industry. Marius also lectured a Financial Management course at the Rand Afrikaans University from 2002 to 2004.

**5. Chris Boule**  
Non-executive director

Chris Boule, a partner at HR Levin Attorneys, Notaries and Conveyancers, obtained his legal qualifications at the University of the Witwatersrand. He specialises in South African and international commercial, corporate and tax law. He is and has been a director of several companies and is a trustee of numerous trusts and pension funds, provident and retirement annuity funds.

**6. Mochele Noge**  
Non-executive director

Mochele is a Chartered Accountant having completed his Accounting Traineeship Programme with the First Rand Banking Group. His experience is primarily in finance/banking having been exposed to retail, investment and corporate banking. He sits on the Board of directors of numerous companies as a non-executive director.

**7. Dereck Alexander**  
Non-executive director

Dereck started his career in banking and has been involved in sales and marketing for the past 30 years. Dereck is the chief executive officer of Amalgamated Electronic Corporation Limited, an electronics company listed on the JSE.

**8. Frans Liebenberg**  
Chief operating officer

Frans has more than 38 years' operational experience as a Mechanical Engineer. He obtained a Government Certificate of Competency in Mechanical Engineering. Frans has been a director of Lyttelton Dolomite since 1998.

# directorates & executive management



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3.



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8.

## Executive Management

The majority of the executive management team are the original vendors of the businesses that Infrasors acquired, thus keeping the entrepreneurial spirit alive.

## Senior Management

The full names, ages, qualifications, function and business addresses of the senior management of Infrasors are set out below:

### Corporate Head Office

1. **Walter Stander (34)**  
B.Com (Acc), Hons (Invest), CFA  
Resource House  
7 Spring Street  
Rivonia, 2196  
Head of corporate affairs
2. **Kerry Colley (41)**  
Resource House  
7 Spring Street  
Rivonia, 2196  
Company secretary

### Lyttelton Dolomite

3. **Jannie Wilhelmus Jacobus Greyvenstein (53)**  
B.Com  
Botha Avenue  
Lyttelton, Tshwane  
Director: Marketing and sales
4. **Marita Conradie (43)**  
B.Com (Acc), HED, Post Grad Tax  
Botha Avenue  
Lyttelton, Tshwane  
Financial director

### Delf Sand

5. **Johann Stoltz (45)**  
N4-Electrics  
Portion 10 of Pienaarspoort,  
Gauteng  
Mine manager
6. **Jaco Le Roux (41)**  
B.Com, Hons  
Portion 10 of Pienaarspoort,  
Northern Province  
Financial manager

### Infrabric

7. **Henri Periera (45)**  
Oranjerivier Street  
Kempton Park West  
General manager
8. **Shaun Vorster (30)**  
B.Com, Hons (Acc), CTA, CA(SA)  
Oranjerivier Street  
Kempton Park West  
Financial director



# mineral resource & mineral reserve statement

## Dolomite Resources & Reserves - Lyttelton Dolomite (Pty) Ltd

Perold Earth Science Services has estimated Mineral Resources and Mineral Reserves for the mining operations of Infrasons Holdings in accordance with the South African Code for the Reporting of Mineral Resources and Mineral Reserves (the SAMREC code, 2007). These estimates are part of an ongoing programme to determine, classify and upgrade all mineral assets belonging to Infrasons Holdings Limited. Changes to the Mineral Resource and Mineral Reserves Statements published in the, Infrasons Holdings Limited, Annual Report 2008 will be discussed in detail.

The understated notations have been used and are applicable to all figures declared:

- Tonnages are quoted in metric tonnes.
- Million tonnes is abbreviated as Mt.
- Tonnage estimates were rounded to the nearest 10,000.

### a. Centurion Operation

The effective date of this estimate is deemed to be the date of the latest aerial survey conducted, by Premier Mapping, on 23 March 2009:

- Annual production (-919 Mt), a change in RD from 2.85 to 2.90 tonnes per *in-situ* cubic meter (+0.175 Mt), a revision of the total recovery of the processing plant from 98.02 % to 96.15 % (-0.176 Mt) and new information from a recent drilling programme incorporated into the geological model with a reduction in the western boundary pillar from 50 m to 30 m (+0.150Mt) account for the change in the Metallurgical Dolomite Resource.
- Annual production (-0.373 Mt), a change in RD from 2.85 to 2.86 tonnes per *in-situ* cubic meter (+0.120 Mt), a revision of the total recovery of the processing plant from 98.02 % to 96.15 % (-0.648 Mt), the incorporation of aggregate contained in the screening berm parallel to Botha Avenue (+0.890Mt) and new

information from a recent drilling programme incorporated into the geological model with a reduction in the western boundary pillar from 50 m to 30 m (+10.381 Mt) account for the change in the Aggregate Dolomite Resource.

- A change in RD from 2.85 to 2.90 tonnes per *in-situ* cubic meter (+0.072 Mt), a revision of the total recovery of the processing plant from 98.02 % to 96.15 % (-0.079 Mt), a reduction in the western boundary pillar from 50 m to 30 m (+0.150 Mt) and the increased level of geoscientific knowledge resulting from the recent drilling programme (+4.967 Mt) account for the change in the Metallurgical Dolomite Reserves.

- Annual production (-0.373 Mt), a change in RD from 2.85 to 2.86 tonnes per *in-situ* cubic meter (+0.050 Mt), a revision of the total recovery of the processing plant from 98.02 % to 96.15 % (-0.266 Mt), a reduction in the western boundary pillar from 50 m to 30 m (+10.381 Mt) and the increased level of

geoscientific knowledge resulting from the recent drilling programme (+19.678 Mt) account for the change in the Aggregate Dolomite Reserves.

### b. Marble Hall Operation

The effective date of this estimate is deemed to be the date of the latest aerial survey conducted, by Premier Mapping, on 25 March 2009:

- The construction of a geological model from historical data (39 diamond drill holes), face mapping of the operating quarry (50/1), a quarry design and mining works programme for the conversion of the existing old order mining licence to a new order mining right based on actual annual sales (0.288 Mt) account for the change in the Metallurgical Dolomite and Aggregate Resources and Reserves.

- No reasonable and realistic prospects exist for the eventual economic extraction of the resources estimated in 2008.

### MINERAL RESOURCES

		2009		2008	
Operation	Resource Category	Metallurgical Dolomite Mt	Aggregate Mt	Metallurgical Dolomite Mt	Aggregate Mt
Centurion	Inferred	-	0.890	5.880	19.990
	Indicated	-	38.510	4.090	14.250
	Measured	9.200	5.210	-	-
<b>Sub total</b>		<b>9.200</b>	<b>44.610</b>	<b>9.970</b>	<b>34.240</b>
Marble Hall	Inferred	6.370	3.030	-	285.544
	Indicated	1.640	0.290	-	-
	Measured	-	-	2.916	-
<b>Sub total</b>		<b>8.010</b>	<b>3.320</b>	<b>2.916</b>	<b>285.544</b>
<b>Grand Total</b>		<b>17.210</b>	<b>47.930</b>	<b>12.886</b>	<b>319.784</b>

### MINERAL RESERVES

		2009		2008	
Operation	Reserve Category	Metallurgical Dolomite Mt	Aggregate Mt	Metallurgical Dolomite Mt	Aggregate Mt
Centurion	Probable	-	38.510	4.090	14.250
	Proved	9.200	5.210	-	-
<b>Sub total</b>		<b>9.200</b>	<b>43.720</b>	<b>4.090</b>	<b>14.250</b>
Marble Hall	Probable	1.640	0.290	-	-
	Proved	-	-	-	-
<b>Sub total</b>		<b>1.640</b>	<b>0.290</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>		<b>10.840</b>	<b>44.010</b>	<b>4.090</b>	<b>14.250</b>

## Silica Resources & Reserves - Delf Sand (Pty) Ltd and Pienaarspoort Ontwikkeling (Pty) Ltd

### a. Delf Sand Operation

The effective date of this estimate is deemed to be the date of the latest aerial survey conducted, by Premier Mapping, on 4 April 2009:

- The decrease in the Metallurgical Silica Resource resulted from a reclassification (-0.132 Mt) of Metallurgical Silica to Construction Sand based on new geological information, a revision of the geological model (-0.050Mt) and a revision of the total recovery of the processing plant from 83 % to 72 % (-0.079 Mt).

- The increase in the Construction Sand Resource resulted from a reclassification (0.132 Mt) of Metallurgical Silica to Construction Sand based on new geological information and a revision of the total

recovery of the processing plant from 90 % to 72 % (-0.077 Mt).

- The increased level of geoscientific knowledge resulting from the prospecting programme conducted during 2008 and a LoM quarry design (+0.333 Mt) account for the change in the Metallurgical Silica Reserves.

- The increased level of geoscientific knowledge resulting from the prospecting programme conducted during 2008 and a LoM quarry design (+0.411 Mt) account for the change in the Construction Sand Reserves.

### b. Pienaarspoort Operation

The effective date of this estimate is deemed to be the date of the latest aerial survey conducted, by Premier Mapping, on 4 April 2009:

- Mining production (-0.292 Mt), a revision of the total recovery of the processing plant from 95 % to 72 % (-0.981 Mt), a reclassification (-0.222 Mt) of Metallurgical Silica to Construction Sand based on new geological information, a revision of the geological model (-0.234 Mt) and the development of a new quartzite deposit (+25.540 Mt) account for the increase in Metallurgical Silica Resources.

- Mining production (-0.029 Mt), the total recovery of the processing plant of 72 % (-0.593 Mt), a reclassification (+2.222 Mt) of Metallurgical Silica to Construction Sand based on new geological information account for the increase in Construction Sand Resources.

## Silica Resources & Reserves

### MINERAL RESOURCES

		2009		2008	
Operation	Resource Category	Metallurgical Silica Mt	Construction Sand Mt	Metallurgical Silica Mt	Construction Sand Mt
Delf Sand	Inferred	-	-	0.259	-
	Indicated	0.333	0.411	0.335	0.386
	Measured	-	-	-	-
<b>Sub total</b>		<b>0.333</b>	<b>0.411</b>	<b>0.594</b>	<b>0.386</b>
Pienaarspoort	Inferred	-	-	3.475	-
	Indicated	0.285	1.600	0.286	-
	Measured	25.870	-	0.583	-
<b>Sub total</b>		<b>26.155</b>	<b>1.600</b>	<b>4.344</b>	<b>-</b>
<b>Grand Total</b>		<b>26.488</b>	<b>2.011</b>	<b>4.938</b>	<b>0.386</b>

### MINERAL RESERVES

		2009		2008	
Operation	Reserve Category	Metallurgical Silica Mt	Construction Sand Mt	Metallurgical Silica Mt	Construction Sand Mt
Delf Sand	Probable	0.333	0.411	-	-
	Proved	-	-	-	-
<b>Sub total</b>		<b>0.333</b>	<b>0.411</b>	<b>-</b>	<b>-</b>
Pienaarspoort	Probable	0.285	1.600	0.286	-
	Proved	0.330	-	0.329	-
<b>Sub total</b>		<b>0.615</b>	<b>1.600</b>	<b>0.615</b>	<b>-</b>
<b>Grand Total</b>		<b>0.948</b>	<b>2.011</b>	<b>0.615</b>	<b>-</b>

- Mining production (-.292 Mt), a revision in the total recovery of the processing plant of 95% to 72% (-.078Mt) and the increased level of geoscientific knowledge resulting from new information (+0.370 Mt) account for the change in the Metallurgical Silica Reserves.

# administrative information

## Directors

Trevor Robinson	(Chief executive officer)
Marius Potgieter	(Financial director)
Stephen Courtney	(Commercial director)
Popo Molefe	(Non-executive chairman)
Chris Boule	(Non-executive director)
Mochele Noge	(Non-executive director)
Dereck Alexander	(Non-executive director)

## Company Secretary and Registered Office

Kerry Colley  
Resource House  
7 Spring Street  
Rivonia, 2196  
(PO Box 1962, Rivonia, 2128)

## Auditors

Mazars Moores Rowland  
2<sup>nd</sup> Floor Mazars Moores Rowland House  
5 St David's Place  
Parktown, 2193  
Johannesburg  
(PO Box 6697, Johannesburg, 2000)

## Legal Advisers and Attorneys

HR Levin Attorneys, Notaries and Conveyancers  
(Practise number M2841)  
Kentgate  
64 Kent Road  
Dunkeld, Johannesburg, 2196  
(PO Box 52235, Saxonwold, 2132)

## Contact Details

Resource House  
7 Spring Street  
Rivonia, 2196  
(P.O. Box 1962, Rivonia, 2128)  
Tel: (011) 234-0109  
Fax: (011) 807-2468  
E-mai: [kerry@infrasors.co.za](mailto:kerry@infrasors.co.za)

## Investment Bank and Designated adviser

Sasfin Capital  
A division of Sasfin Bank Limited  
(Registration number 1951/002280/06)  
29 Scott Street  
Waverley, 2020  
(PO Box 95104, Grant Park, 2051)

## Transfer Secretaries

Link Market Services South Africa (Proprietary) Limited  
(Registration number 2000/007239/07)  
11 Diagonal Street  
Johannesburg, 2001  
(PO Box 4844, Johannesburg, 2000)

## Commercial Banker

First National Bank of South Africa Limited  
Sandton Commercial Suite  
Sandown  
Sandton, 2196  
(PO Box 7791, Johannesburg, 2000)



**INFASORS**  
HOLDINGS LIMITED