

Thabazimbi Mine

At current production levels of 2,4 Mtpa Thabazimbi Mine has an LOM of four years in terms of current resources left. Its total production is sold to Mittal, which also arranges transport, at cost plus 3 percent. The mine continues to implement the group's policy in respect of safety improvement and accident prevention, and achieved a 0,31 LTIFR in 2006.

Production volumes of final product at Thabazimbi Mine were maintained at 2,4 Mt during 2006, despite severe floods in February 2006, which affected production for five days. With a waste-stripping ratio of 6,4, the mine delivered 2,9 Mt of ROM ore to the plant, which yielded 82,4 percent of final product.

A lack of rail wagons supplied by Spoornet adversely affected dispatches, which would otherwise have been some 11 percent higher. This problem was mitigated to a certain extent when, in September, at the request of Mittal, the mine began dispatching lump iron ore by road from Thabazimbi Mine to Mittal's Vanderbijlpark steel mill.

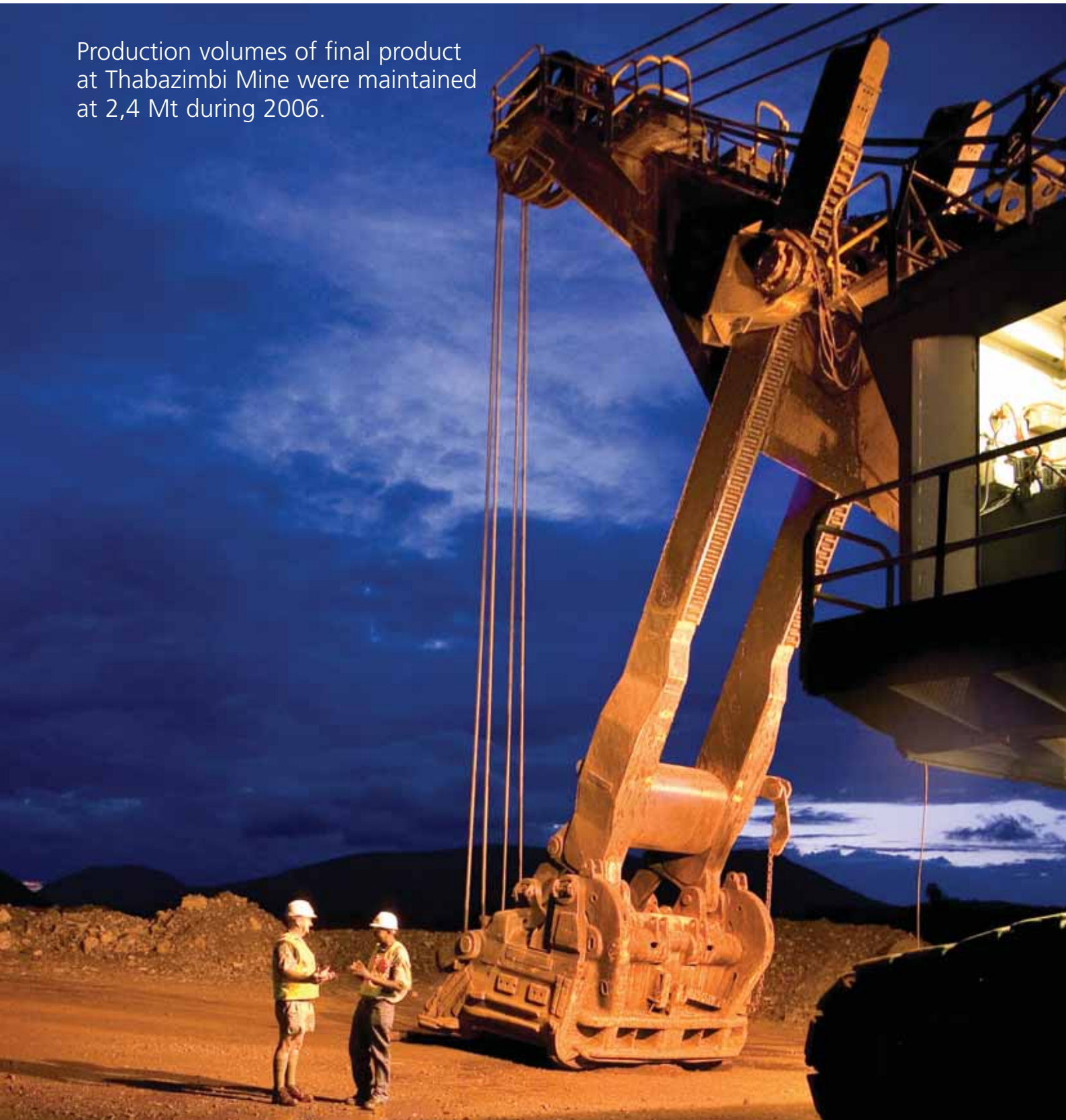
The feasibility study results of the Phoenix Project to extend the LOM to a possible thirty years, are expected towards the end of April 2007. Mittal has indicated that it does not want to participate in the project, but the group is exploring alternative ways to optimally utilise the resource.

HDSAs made up 32,8 percent of the management level at the mine in 2006.

Operational activities

	2006	2005
Production (Mt)	2,42	2,53
Overburden mined (Mt)	18,62	24,98
ROM pit production (Mt)	3,11	2,84
Stripping ratio	6,40	8,80
ROM plant feed (Mt)	2,93	3,06
Plant yield (%)	82	83
Sales		
Export (Mt)	–	–
Local (Mt)	2,42	2,53
Total sales (Mt)	2,42	2,53

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Rope shovel – Thabazimbi Mine