

FORM B: CAPITAL APPLICATION

PROJECT NAME: Rutongo CRMs Customisation
 PROJECT LEADER: Juliette Con fiance Kabatesi CONS. ASS. NO.: _____
 DATE: 10/11/2024 CA NO.: _____

A	PROJECT DESCRIPTION
<p>This project aims to acquire customized Certified Reference Materials (CRMs) tailored for low, medium, and high-grade ore samples, specifically designed to support grade control, production exports and ore resource projects. These CRMs will enable accurate calibration and validation of instruments across varied concentration levels, ensuring precision in grade control analyses and resource estimations. Customized to reflect the specific compositions encountered in our operations, these CRMs will provide consistency and reliability in analytical results, which is crucial for optimizing production, resource planning, and regulatory compliance.</p>	

B	MOTIVATION
<p>The motivation behind this project to acquire customized Certified Reference Materials (CRMs) lies in the critical need for precision and consistency in our laboratory analyses, which directly impact grade control and ore resource projects. By ensuring access to CRMs specifically tailored to low, medium, and high-grade ore samples, we can significantly enhance the reliability of our analytical data. This is essential for accurate grade control, optimizing production efficiency, and making informed resource estimations.</p> <p>Moreover, using customized CRMs that closely match the composition of our ores improves instrument calibration, leading to more precise measurements and consistent quality control. This not only minimizes errors but also strengthens our compliance with industry standards and regulatory requirements. In the long term, reliable data derived from these CRMs supports better resource management, cost efficiency, and improved decision-making in mining operations.</p>	


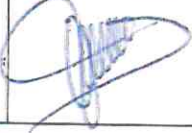
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C	COSTING SELECTED OPTION
Low grades	
Medium grades	
High grades	
TOTAL COSTS INCLUDING CONTINGENCIES	504198.24 ZAR
BUDGET IN 5-YEAR PLAN	504198.24ZAR
VARIANCE	

D	RISK ASSESSMENT
<p>The absence of certified reference materials (CRMs) poses significant risks, as it can lead to unreliable data across various critical operations. This unreliability may result in inaccurate reserve estimations, suboptimal processing plant performance, and incorrect ore grade assessments during grade control projects. Furthermore, it can hinder effective production grade monitoring, increasing the likelihood of high-penalty elements in exported materials. Additionally, unreliable data can lead to misguided decisions in mine development, ultimately affecting operational efficiency and profitability.</p>	

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E	PROJECT SCHEDULE
Project schedule below is dependent on the approval of CA - CRMs customization period will be 14weeks upon sample delivery and PO	

F	COMMENTS	
HOD	 17/11/2024	
GENERAL MANAGER/GM	 21/11/2024	

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GROUP FINANCE CONTROLLER	<i>[Signature]</i> 20/11/2024
GROUP LEGAL COUNSEL & COMPLAINEE OFFICER	<i>[Signature]</i> 26/11/2024.
GROUP SUPPLY CHAIN MANAGER	Jeome Sande 29/11/2024
COO	Shane Ryan 30/11/2024
CFO	<i>[Signature]</i> 9/12/2024

G	APPROVAL
CEO	
BOARD	

NOTE: attach additional quotes or supporting documents if necessary

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COST AVOIDANCE AND VALUE GENERATED FOR CRMS CUSTOMIZATION PROJECT (Rutongo)

ITEM	2025	2026	2027	EXPLANATIONS
Single time investment for 3years		\$29,000		
Savings once CRMs are customised				
Enhanced production control and geological informed decision	\$15,000	\$15,000	\$15,000	This will support to production optimization and grade control, with an estimated cost saving of \$15,000, based on the assumption that \$100 is spent per sample analyzed by ASL and increase in penalties elements. The cost increased due to the number of samples to be handled.
Reduction in CRM purchases	\$16,600	\$16,600	\$16,600	We typically purchase CRMs and aim to enhance the quality control process by incorporating CRMs into our samples weekly. It is estimated that 25 kg will be purchased annually at a cost of approximately \$16600 (Tin CRMS)
Operational efficiencies	\$15,000	\$15,000	\$15,000	Poor geological decisions results in significant losses for the company, which are difficult to quantify, but a minimum estimated loss of \$13,000 is estimated.
Avoidance of rework	\$7,000	\$7,000	\$7,000	Unreliable data led to repetition of work and it was estimated to 7000\$
Annual savings	\$53,600	\$53,600	\$53,600	
Total savings		\$160,800		
Payback period (years)		0.541044776		
Total value generated		\$131,800		
Return On Investment (%)		454.4827586		