

# Manungu Colliery in a CSA with Eskom

It has been years that Mbuyelo had been working towards an achievement of this magnitude. The signing of a Coal Supply Agreement (CSA) with a nationally recognised conglomerate is nothing short of impressive for the Company, and we pat the backs of all who worked directly and indirectly, to make that dream become a reality.

Mbuyelo has been in talks with Eskom negotiating a CSA between the two houses. It has not been an easy task either and as arduous it was, we believe all had been well worth the proverbial “blood, sweat and tears”. Eskom is one of the top 20 utilities in the world by generation capacity. It generates 95% of the electricity used in South Africa and 45% of the electricity of the whole African continent, and is wholly owned by the South African Government.

The CSA comprises of two phases which in phase one, Mbuyelo is to supply Kendal Power Station with coal for 3 years and the second (-the next 4 to 15 years) the company is to supply Kusile Power Station, with Eskom-quality coal. This would be coal coming from the Company’s Manungu Colliery, located in Delmas, Mpumalanga Province – South Africa. Manungu Colliery includes the farms Weilaagte 271IR and Welgevonden 272IR. “These news immediately evokes a feeling of sheer fulfilment as I see the Company reach such a remarkable milestone. It seems patriotism does indeed exist and not only within Mbuyelo but the nation at large. We strive to provide only our best as we remember not only the contribution we are to make to Eskom, but to South Africa as a whole...” reflected Mbuyelo Coal Chairman and Chief Executive Officer, Mr Rirhandzu Owner Siweya.

Manungu Colliery is an opencast production with an estimated resource of 410 million tonnes. The CSA puts many parts of the vehicle in motion as it involves and affects many individuals some of which are of the Delmas community who will benefit from having Manungu in their respective areas.