

Central Rand Gold

ALL THAT GLITTERS IS GOLD



A worker in a hard hat and safety gear is operating a yellow CAT 730 underground haul truck in a tunnel. The truck is carrying large blocks of material. The tunnel walls are lined with a chain-link mesh. The scene is dimly lit, with the truck's headlights illuminating the worker and the surrounding environment.

Central Rand Gold

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*By utilising innovative methods and technologies
Central Rand Gold is bringing commercial gold
mining back to the City of Johannesburg*

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Between 1886 and the early 1970s the Central Rand Goldfield was intensively mined, with overall gold output estimated to have reached around 250 million ounces. All good things, as they say, must come to an end however and by the mid-70s a combination of factors including depressed gold prices, ageing infrastructure and the reduction in the availability of high grade reefs meant that the area was declared “worked out”.

Truth be told, many lower grade areas of

the Central Rand Goldfield were not mined at all during the aforementioned period of mining, thus leaving behind substantial quantities of gold-bearing ore. In more recent years these areas have become the focus of the exploration and mining activities of one Central Rand Gold.

An unhedged gold exploration and production group, Central Rand Gold today employs some 113 staff across its various administrative, mining and metallurgical operations. Having comprehensively

researched the geology of the Central Rand Goldfield, tested various mining methodologies and devised a strategy to commercially extract viable gold deserts from the area, the company received its first New Order Mining Right from the South African Department of Mineral Resources in August 2008.

To date the company has acquired a number of New Order prospecting rights. These assets are respectively known as Consolidated Main Reef, Western Areas A, B and E, Langlaagte,

Crown Mines, Anglodeeps, Village Main, Robinson Deep, City Deep, and Simmer and Jack. Central Rand Gold’s prospecting rights extend over an area of approximately 40 kilometres from west to east and seven kilometres from north to south.

Much of the company’s focus today is on its Consolidated Main Reef (CMR) operations, which has been split into CMR West and CMR East, and the Crown Mines development. CMR West is Central Rand Gold’s first mining target area, comprising

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“Central Rand Gold’s prospecting rights extend over an area of approximately 40 kilometres from west to east and seven kilometres from north to south”

an operational underground and opencast gold mine that utilises conventional opencast stopping and extraction methods. This particular mining operation processes its own run-of-mine output through its own in-house processing facility that can operate at a capacity of up to 20,000 tonnes per month with an average recovery rate of around 95 percent.

In 2011, CMR West was responsible for producing 14,856 ounces of gold from underground and surface operations,

compared to 9,321 ounces in 2010. With a proven methodology, more than 6,000 metres of development in place, and mine depth down to 225 metres below surface, this mine has sufficient underground ore availability and is estimated to have increased underground production to 12,000 tonnes per month during later 2012.

Late 2012 also saw the company conduct feasibility studies on the CMR East mining right area. CMR East is expected to be the first additional project to be developed by

Central Rand Gold. A significant benefit in the development of this as a new mining site is the fact that the current infrastructure at the adjoining CMR West mine will be able to be utilised. This will provide major cost advantages for the viability of mining the CMR East prospect.

Following the anticipated development of CMR East, it is expected that the Crown Mines West deposit could be the next to be developed. It is also undergoing pre-feasibility testing and a scoping study before any development decisions are made. The Crown deposit has a resource base of over one

million ounces in the indicated and inferred categories, and has the potential to produce in excess of 50,000 ounces of gold a year once fully developed.

It has been estimated by independent mining consultants Venmyn Ltd that, from the surface to approximately 450 metres below, Central Rand Gold's current resource base is a level of 26.2 million tonnes of ore and 4.51 million ounces of gold, at an average grade of 5.34 grams per tonne. Furthermore it is estimated that from 450 metres down to a depth of 3,000 metres, another 120 million tonnes of ore exists. This ore is thought to

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comprise of around 32.2 million ounces of gold at a grade of 8.34 grams per tonne.

Central Rand Gold adheres rigidly to international best practices when it comes to sustainable development. To this end it pursues a policy of openness and transparency in all its dealings with legislators, affected communities and other stakeholders.

All of the company's mines are required to develop a Social and Labour Plan to demonstrate how the mine will comply with the objectives of social and economic development and empowerment that are laid out in the Mining Charter for the South African mining industry in terms of the MPRDA. Central Rand Gold has indicated that it is committed to develop and implement the Mining Work Program, as

Did you know?

2008

The year the company was awarded its first New Order Mining Right

133

People employed by Central Rand Gold across its operations today

well as the Social and Labour Plan, which has to be carefully integrated into the Johannesburg Metropolitan City Council's Integrated Development Plan.

For its part the company is also conducting an Environmental Impact Assessment and devising an Environmental Management Plan which involves widespread public participation. Affected communities and groups have been broadly consulted throughout this process to ensure a beneficial outcome for all concerned.

In addition to the above, Central Rand Gold's mining activities within the vicinity of the Johannesburg metropolitan area requires a completely unique and environmentally rigorous mining plan. To this end the company has been working to establish a new standard



for environmentally safe, clean and non-intrusive mining in South Africa.

This new standard will see mining taking place within narrowly contained “slots” initially, proceeding to depths of 30 metres at first, and up to 900 metres within a matter of a few years. It is believed that this will be unlike any other mining operation in South Africa due to the novel mine design and the use of cutting edge mining and environmental technologies, many of them successfully in use in Australia and elsewhere today.

Great care has been taken in the planning of the proposed mine to ensure that environmental impacts are minimised and contained. The potential environmental impacts have been analysed in detail and the Environmental Management Plan (EMP) will incorporate state-of-the-art mining and environmental technologies. Slot mining methods will be used to access outcropping ore so as to minimise disruption to the surface, and mining voids will be systematically backfilled and rehabilitated.

Portions of the proposed mining area comprise disturbed land due to old mining activities which, due to the presence of old underground workings and disused shafts, pose a safety threat to nearby communities. Central Rand Gold will strengthen some of these old workings and make safe old shafts, and will rely for the most part on a new underground network using state-of-the-art technology. The company will backfill some of the old disused tunnels and workings that currently make a rabbit’s warren of the area underlying the Johannesburg central business district, thereby making it safer. **BE**

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