Appendix No.2

Proposed programme for (*prospecting) and mining operations (should include a forecast of capital investment, the estimated recovery rate of ore and mineral products, and the proposed treatment and disposal of ore minerals recovered)


Programme for prospecting

The programme for exploration / prospecting at the South East Ore Body (SEOB) Mining Project commenced late 2008 and is earmarked for completion in 2013.

Mining operations

The construction stage is expected to commence as soon as the Zambia Environmental management Agency (ZEMA) approves the Environmental Impact Assessment (EIA) report and will take 5 years to complete. The life of the mine is estimated at 25 years. The total investment required to develop the SEOB is estimated at US$832 million.

Firstly the focus is on developing the N1 ore body and later the remaining three ore bodies within the SEOB field.

- Total copper ore reserves for N1 ore body are estimated at 48,899,100t
- Copper grade: 2.30TCu%
- Copper metal: 1,126,550t
- Cobalt grade: 0.11TCo%
- Cobalt metal: 56,730t
- Expected output: 10,000t copper ore/d

The ore mined from the SEOB will be processed using the conventional concentrator process to produce copper concentrates which will be smelted at smelters within the Copperbelt Province.