1.6 Project Locations and Description.

The location of all projects are relative to main infrastructure and in most cases sit either adjacent or within close proximity of existing coking coal projects. There do exist railway sidings at Waterpoort, Mopane and Musina linking the area to the ports of Durban, Richards Bay and Matola in Mozambique.

The UNIVERSAL ANNEX project sits 20.4km from the town of Waterpoort. The MOPANE project is 67km from the town of Waterpoort and 80km from the town of Musina (*Fig 1.2*). Currently, TRANSNET (South Africa's Coal Freight agency) is conducting an engineering conceptual study via engineering consultancy HATCH, to upgrade the existing rail sidings at all 3 towns.

All projects have direct access to fully tarred roads, roads capable of linking coal haulage vehicles to any part of South Africa. Currently Exxaro truck coking coal approximately 140km from their Tshikondeni colliery to Musina for rail transport to Mittal's Vanderbijlpark steelworks outside Johannesburg.

In South Africa, prospecting right boundaries are defined by farm boundaries, which can be clustered together to form a single prospecting right area wherever contiguous.

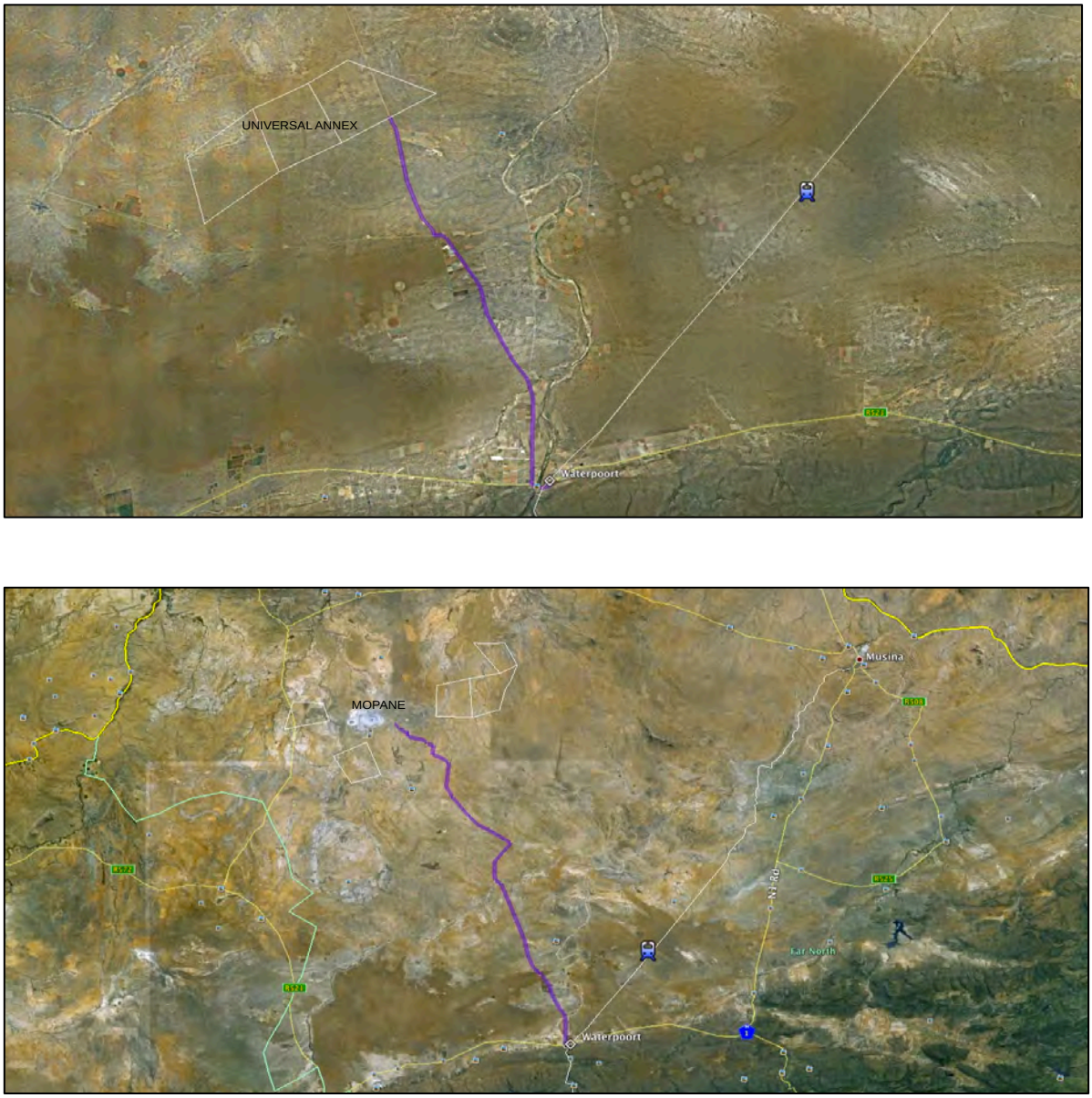


Fig 1.2 – Project Locations to Rail.