

**FOR IMMEDIATE RELEASE**

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### **DELAY IN COMMISSIONING AT THE ELANDSFONTEIN PROJECT**

**15 August 2017:** Kropz Elandsfontein (Pty) Ltd (Kropz) has taken the decision to delay the commissioning of its West Coast phosphate mine for an extended period.

The delay has been brought about by a number of considerations, including a long delay in the issuing of the mine's water use license, which has consequently impacted on the mine's ability to access suitable ore required to achieve target rock phosphate concentrate grade. The situation has been further aggravated by technical issues identified during commissioning, as well as the fact that current world rock phosphate prices have reached a 10-year low, decreasing by almost 30% since Elandsfontein was awarded its mining right.

During the delay, the duration of which has not yet been determined, mine dewatering will continue, to allow access to suitable ore. An independent technical team is being introduced to improve mining, processing and cost efficiencies in order to operate sustainably in this unexpected phosphate pricing environment.

Kropz will continue to meet all its regulatory commitments. It has engaged individually with stakeholders to inform them of the situation.

Further information will be made available in due course.

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