MEDIA RELEASE

LILY MINE

28 September 2016

A high level delegation of the Lily Mine Management, Deputy Minister G Oliphant of the Ministry of Mineral Resources and his office, the Chamber of Mines, AMCU and the Business Rescue Practitioner met at the Lily mine on 15 September 2016. The purpose of the meeting was to visit the mine disaster area and to receive feedback on the progress of the retrieval of the container as well as to receive an update on the progress of the Business Rescue Plan.

Lily Mine Management and the Business Rescue Practitioner stated that the initial retrieval and rescue of the container had been aborted after three attempts to retrieve it in February. The conditions underground had been declared unsafe after consultations with Mine Rescue Services, Officials of the Ministry of Mineral Resources, Union Leadership, Independent Rock Engineers and Academic experts. The area remains extremely dangerous and management have been monitoring the surface movement and predicting the effects it may have on the underground situation.

The area remains dangerous but has stabilised and it was agreed that:

- Mine Rescue Services will, on 28 September 2016, assess the risk of going underground and present their findings and recommendations. This assessment will include an inspection involving a sophisticated mini video camera to examine the state of the two access shafts;

- Should this assessment be positive and the risks of going underground mitigated, a team will be despatched underground on 29 September 2016 under strict supervision and safety conditions to ensure that all activities are carried out safely;

The underground inspection will be controlled and monitored by Mine Rescue Services who will be accompanied underground by Mine Management, the Union, Officials from the Department of Mineral Resources and two independent specialists in Geotechnical Rock Engineering.
The team consists of mostly independent persons and the purpose of the underground assessment is as follows:

- To inspect the current geological conditions in order to assess the impact of the recovery of the container involved in the incident of 5 February 2016.
- To assess any further deterioration in order to finalise planning for the pending re-opening of the mine.

The independent Rock Engineers will produce a report as to the conditions underground.

**JOINT STATEMENT**

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