

*Together we have a
voice*

2018 ANNUAL REPORT



SOUTH AFRICAN DIAMOND PRODUCERS ORGANISATION
SUID AFRIKAANSE DIAMANTPRODUSENTEORGANISASIE

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LETTER FROM OUR CHAIRMAN

To all our members that have supported SADPO over the past year, I want to extend a hearty big THANK YOU! And to those not supporting us, I want to extend an invitation to join our winning team.

Despite not always achieving every single goal we might set for ourselves, I want to reiterate our Organisation's relevance, and want to underline that our successes did and has made a difference.

Our challenges are rising in number and frequency, but I remain convinced that we can address some of them through our Organisation, provided that we stay and act in union.

I also wish you all a relaxing and happy Festive Season, and may 2019 be the best ever!

Gert van Niekerk

SADPO'S VISION

SADPO is an organisation founded for the sole purpose of making the alluvial diamond mining industry more relevant and streamlined. To achieve this goal, we work with other organisations to serve the alluvial diamond mining industry in general.

MEMBERSHIP

SADPO's membership is divided into 4 categories:

- ▶ Diamond Producers
- ▶ Land Owners
- ▶ Trading Houses
- ▶ General Members

Our organisation is also a member of:

- ▶ Minerals Council of South Africa



- ▶ Sakeliga



S A K E L I G A
SELFSTANDIGE SAKEGEMEENSKAP

NATIONAL COMMITTEE

There is no way to fully express our gratitude for the support of our National Executive Committee members who volunteer their valuable time and expertise to be on our committee and sub committees

National Committee: Gert van Niekerk (Chairman), Jaap van Heerden (Vice-Chairman), Pieter Keeve (Treasurer), Amos Davids, Lyndon de Meillon, Rick Hattingh, Anton Jacobs, Johan Keyser, Amo Marengwa, Willie Marx, Lukas Steyn, Edith van Wyk

Environmental Sub-Committee: Gert van Niekerk (Chairman), Meshack Dikana

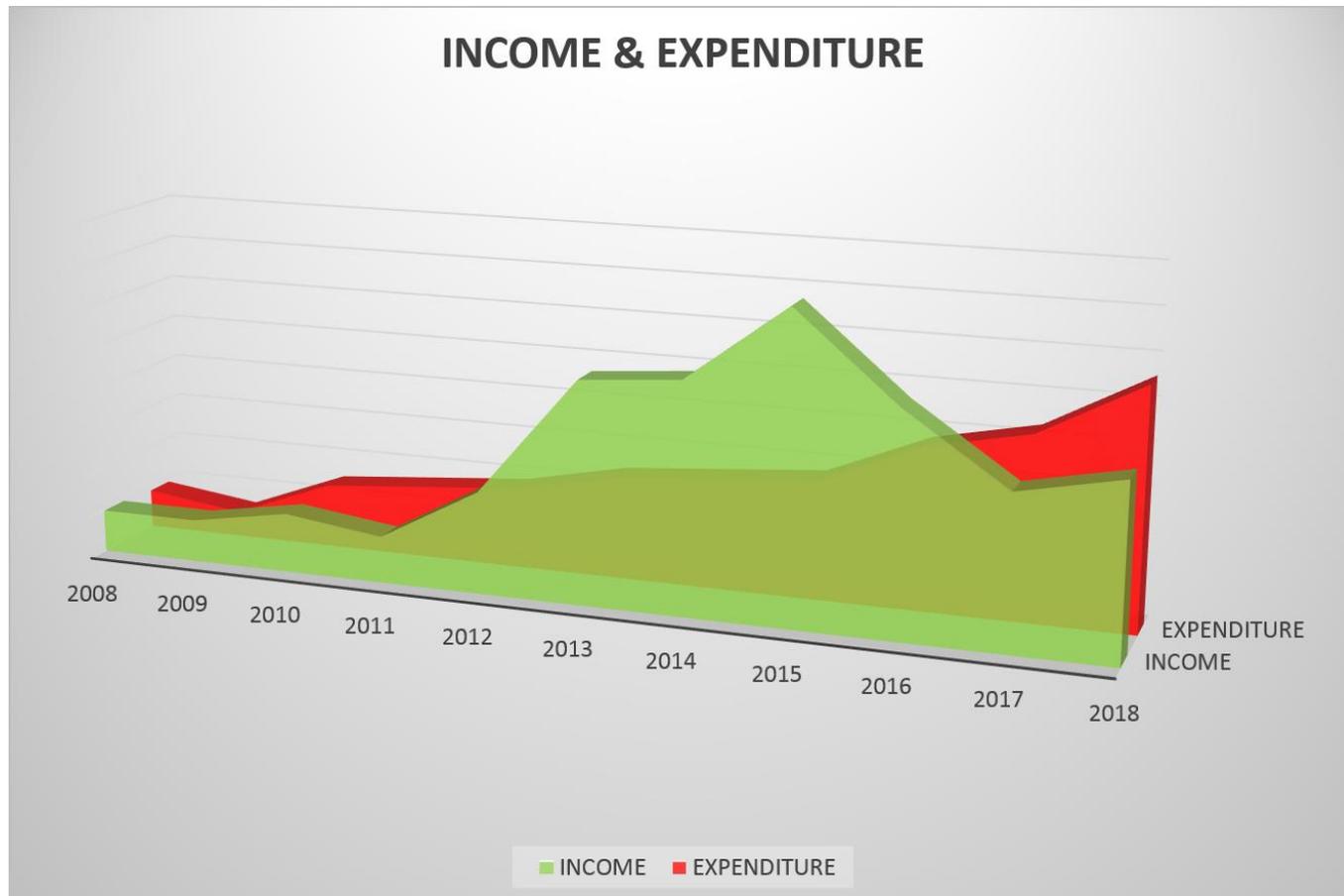
Labour Sub-Committee: Gert van Niekerk (Chairman), Glen Urquhart

Mine Health & Safety Sub-Committee: Gert van Niekerk (Chairman), Anton Jacobs (North West), Edith van Wyk (North West), Johan Keyser (Northern Cape), Mark Hunt (Northern Cape)

Consultant: Dr John Bristow, PhD.

Trading Houses: CS Diamonds, Mahube Diamonds, NDM

FINANCES



SADPO's audited financial statements are available to be perused, by any member at the office of the Treasurer.

We have been busy...

2018 has been a very busy year for our National Committee. Despite our efforts to save on costs the following statistics illustrate what contributed to the rise in expenditure. This figures excludes the various times we travelled by air.

58 917 km's driven



491 hours on the road (which means for an 8 hour work day – we have been on the road for more than 2 months, including weekends)



114 meetings attended



485 email subscribers receive our communications



416 people receive our sms's



INFORMATION SESSIONS

We hosted information session at the various towns with a high concentration of diamond producers. The intention is to engage with our members face to face to identify their stumbling blocks, receive and address their suggestions, as well as other issues arising in the industry.

The attendance was good and this will be a permanent event on the SADPO Calendar for the future.



MINERALS COUNCIL

SADPO has been an affiliated member of the Minerals Council since 2005. We engage and are involved with the Council on various diamond industry matters, the council in turn attends thereto in the broader spectrum, on our behalf.



“ *Fragmented voices don't have
the weight it requires ...
Masses make history, not
individuals.* ”

- PRAVIN GORDHAN

DIGGERS' CONFERENCE

2018 marked our second annual Diggers' Conference, which was held in Christiana, North West Province. We grew in numbers and sponsors from the previous year and the National Committee have decided that this Conference will be an annual event on the SADPO calendar.

The aim of this conference is to treat our members to a day & evening of valuable information from selected key speakers, as well as exposure to service providers serving our industry. New technologies, products and services were exhibited. We aim to make each year bigger and better than the previous.

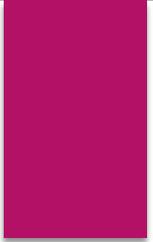
Our sponsors for 2018 are: *(in no particular order)*

Wadala Mining & Consulting

MILNEX 189 CC
ENVIRONMENTAL CONSULTANTS
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DIESEL REBATES



SADPO has been lobbying this issue for quite a while and during this year SARS and the National Treasury has acknowledged that the “activity” may claim the rebate and not only the “permit holder” – which means from (probably) 2020 contractors will also be able to claim their diesel rebates.

This has been a great break through for SADPO and it’s members, as their diesel expenditure amounts to about 35% of total expenses.

SARS has indicated that a new system will be implemented to claim the rebates, which will be separate from the existing VAT system. To be able to claim, one would have to re-register.

QUICK FACTS



150 members



5 000 employees



approximately 25 000
dependants supported



R300 000 000
annual employee
earnings

MINING CHARTER III

The Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry (Charter III) was published by Gwede Mantashe, the Minister of Mineral Resources, on 27 September 2018, and became effective on that date and is purportedly published under section 100(2) of the Mineral and Petroleum Resources Development Act, 2002 (MPRDA).

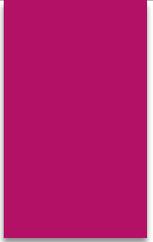
The matter of the Mining Charter has dominated the news and industry during 2018.

Some reference is made to the junior and emerging mining sector, under which SADPO members will be categorised. SADPO's members will find it difficult to comply to an acceptable level under Mining Charter III.

We are, however, happy about the total exemption from the Charter III under mining Permit and Prospecting Rights.

SADPO has been and is currently taking steps to address the inability to comply with Charter III with the relevant authorities, since the non-compliance might lead to the closure of the alluvial miners mining under a Mining Right.

MEETINGS WITH GOVERNMENT OFFICIALS



We strive to have an open-door-policy with all state officials, departments, as well as the private sector. We feel that by having solution driven discussions, matters could be resolved amicably to an acceptable level by all parties concerned.

During the past year we have had numerous consultations with the principal inspectors and regional managers of the Northern Cape and North West. Also, consultations with the State Diamond Trader and the South African Diamonds and Precious Metals Regulator.

We have also had consultations and correspondence with Minister G Mantashe and Deputy Minister G Oliphant.

This will be an ongoing effort to inform, educate and assist the different structures governing our members.

Contact us

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Christiana
2680

Banking details:

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Facebook: <https://web.facebook.com/SADiamondProducersOrganisation/>

LinkedIn: <https://www.linkedin.com/company/south-african-diamond-producers-organisation-sadpo-/>

Chairman:

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