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# Broad-Based Black Economic Empowerment Verification Certificate

Entity Name: **Liviero Mining (Pty) Ltd**

Certificate No: **GEN/2016/11/11/24500\_31219**

Type of Entity: **Private Company**

Registration No: **2007/026744/07**

VAT No: **4580260406**

Physical Address: **Liviero House, Cnr. Dytchley & Marcius Roads, Barbeque Downs, Kyalami**

Verification Standard Applied: **DTi Codes of Good Practice on Black Economic Empowerment**

Issue of the Rating Standard Applied: **Section 9 of B-BBEE Act 53 of 2003, Amended 11 October 2013**

Scorecard Applied: **Generic Scorecard**

Size of the Entity: **Generic Enterprise (>R50M)**

| ELEMENT                              | WEIGHTING  | SCORE        |
|--------------------------------------|------------|--------------|
| Ownership                            | 25         | 23.50        |
| Management Control                   | 19         | 8.31         |
| Skills Development                   | 20         | 9.27         |
| Enterprise and Supplier development  | 40         | 36.82        |
| Socio-economic Development           | 5          | 5.00         |
| <b>OVERALL SCORE BEFORE DISCOUNT</b> | <b>109</b> | <b>82.90</b> |

**Broad Based BEE status level before discount**                      **Level 4**

**Broad Based BEE status level after discount**                      **Level 4**

**Black Ownership 51.00%**

**BEE procurement recognition level**                      **100%**

**Black Women Ownership 9.40%**

**Empowering supplier status**                      **Automatic**

Based on our work performed, we have no reason to believe that the B-BBEE status reflected in this Certificate has not been determined in all material respects, in accordance with the B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 13 October 2013 in terms of the Broad-Based Black Economic Empowerment Act of South Africa. The Certificate does not serve as a guarantee that the income reflected will continue at the same levels.

Our independent limited assurance report dated 11 November 2016, is available for inspection at the registered office of Liviero Mining (Pty) Ltd together with the accompanying Scorecard and should be referred to for an understanding of our assurance engagement.

This Certificate has been determined, on the basis of information provided by management that may not be complete in all respects. We do not accept or assume responsibility to anyone other than Liviero Mining (Pty) Ltd, for our work, for this report, or for the conclusion we have reached.

**Date of issue: 11 November 2016**

**Expiry Date: 10 November 2017**

**Period of validity: 12 Months**

**B-BBEE Approved Registered Auditor: Scha van Niekerk CA(SA)**

**B-BBEE Approved Registered Auditor Registration Nr: 770825B**

Date of Issue: 11 November 2016

LIVIERO MINING (PTY) LTD

Certificate Number: GEN/2016/11/11/24500\_31219

Expiry Date: 10 November 2017

## LIMITED ASSURANCE REPORT OF THE INDEPENDENT B-BBEE APPROVED REGISTERED AUDITOR

### To the director(s) of Liviero Mining (Pty) Ltd

We have completed our limited assurance engagement on the B-BBEE Status as at 11 November 2016, as set out on page 1 of the Broad-Based Black Economic Empowerment ("B-BBEE") Verification Certificate of Liviero Mining (Pty) Ltd (the "Certificate"), and the Scorecard as set out on the pages below. We clarify that our engagement is on the basis of information provided by management.

### Directors' responsibility

The directors are responsible for the preparation of the Scorecard and determining the B-BBEE status in accordance with the Amended B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 13 October 2013. The directors are also responsible for such internal control as management determines is necessary to enable the preparation of information and the B-BBEE Scorecard that is free from material misstatement, whether due to fraud or error.

### B-BBEE approved registered auditor's responsibility

Our responsibility is to express a limited assurance conclusion on the B-BBEE Status reflected in the Certificate based on the procedures we have performed. We conducted our limited assurance engagement in accordance with the Amended B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 13 October 2013. This standard requires us to comply with ethical requirements and to plan and perform this engagement to obtain limited assurance about whether the Certificate is free from material misstatement.

A limited assurance engagement with respect to a B-BBEE Verification Certificate involves performing procedures regarding the Scorecard and B-BBEE Status of Liviero Mining (Pty) Ltd entity based on the criteria and requirements contained in the Codes of Good Practice. The procedures performed depend on the assurance provider's judgement. The nature of those procedures is different from and the extent is substantially less than in a reasonable assurance engagement, and consequently they do not enable us to obtain the assurance necessary to become aware of all significant matters that might be identified in a reasonable assurance engagement.

We believe that the evidence we have obtained in our limited assurance engagement is sufficient and appropriate to provide a basis for our conclusion.

### Summary of work performed

- Obtaining an understanding of the entity and its environment and the underlying records sufficient to identify areas in the Scorecard where material misstatements are likely to arise, and to be able to design procedures to address those areas;
- Inquiring of management and employees responsible for the preparation of the B-BBEE compliance information;
- Performing such additional procedures as we considered necessary;
- Re-performing calculations to determine whether the scores reflected in the Scorecard have been classified and determined in all material respects in accordance with the Amended B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 13 October 2013.

**Date of Issue: 11 November 2016**

**LIVIERO MINING (PTY) LTD**

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**Limited assurance conclusion**

Based on our procedures performed, nothing has come to our attention that causes us to believe that the B-BBEE Status reflected in the Certificate has not been determined, in all material respects, in accordance with the Amended B-BBEE Codes of Good Practice on Black Economic Empowerment, gazetted on 13 October 2013 in terms of the B-BBEE Act").

**Restriction on liability**

Our engagement has been undertaken so that we are able to report to Liviero Mining (Pty) Ltd in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than Liviero Mining (Pty) Ltd, for our work, for this report, or for the conclusion we have reached.



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**B-BBEE Approved Registered Auditor: Scha van Niekerk CA(SA)**

**B-BBEE Approved Registered Auditor Registration Nr: 770825B**

Date of Issue: 11 November 2016

LIVIERO MINING (PTY) LTD

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| CODE SERIES 100: OWNERSHIP ELEMENT OF B-BBEE FOR GENERIC ENTERPRISES               |        |            |        |       |                  |
|--|--------|------------|--------|-------|------------------|
| Criteria   | Points | Target     | Actual | Score | Min 40% achieved |
| Exercisable Black Voting Rights  | 4.00   | 25%+1 Vote | 51.00% | 4.00  |                  |
| Exercisable Black Women Voting Rights  | 2.00   | 10.00%     | 9.40%  | 1.88  |                  |
| Economic interest – black people   | 4.00   | 25.00%     | 51.00% | 4.00  |                  |
| Economic interest – black women  | 2.00   | 10.00%     | 9.40%  | 1.88  |                  |
| Economic interest – Black designated Groups & ESOP's, Broad-based Schemes / Co-ops | 3.00   | 3.00%      | 1.74%  | 1.74  |                  |
| Economic interest – New Entrants or Designated Groups                              | 2.00   | 2.00%      | 10.20% | 2.00  |                  |
| Net equity value   | 8.00   | formula    | 1.00   | 8.00  | Yes              |

| CODE SERIES 200: MANAGEMENT CONTROL ELEMENT OF B-BBEE FOR GENERIC ENTERPRISES |        |        |        |       |  |
|---|--------|--------|--------|-------|--|
| Criteria  | Points | Target | Actual | Score |  |
| Exercisable Voting Rights of Black Board members                              | 2.00   | 50.00% | 75.00% | 2.00  |  |
| Exercisable Voting Rights of Black Women Board members                        | 1.00   | 25.00% | 25.00% | 1.00  |  |
| Black Executive Directors as a % of all Executive Directors                   | 2.00   | 50.00% | 75.00% | 2.00  |  |
| Black Women Executive Directors as a % of all Executive Directors             | 1.00   | 25.00% | 25.00% | 1.00  |  |
| Black Executive Management as a % of Other Executive Management               | 2.00   | 60.00% | 0.00%  | 0.00  |  |
| Black Women Executive Management as a % of Other Executive Management         | 1.00   | 30.00% | 0.00%  | 0.00  |  |
| Black employees in Senior Management  | 2.00   | 60.00% | 0.00%  | 0.00  |  |
| Black Women employees in Senior Management                                    | 1.00   | 30.00% | 0.00%  | 0.00  |  |
| Black employees in Middle Management  | 2.00   | 75.00% | 35.04% | 0.93  |  |
| Black Women employees in Middle Management                                    | 1.00   | 38.00% | 0.00%  | 0.00  |  |
| Black employees in Junior Management  | 1.00   | 88.00% | 46.40% | 0.53  |  |
| Black Women employees in Junior Management                                    | 1.00   | 44.00% | 4.84%  | 0.11  |  |
| Black disabled employees  | 2.00   | 2.00%  | 0.74%  | 0.74  |  |

| CODE SERIES 300: SKILLS DEVELOPMENT ELEMENT OF B-BBEE FOR GENERIC ENTERPRISES |        |         |        |       |                  |
|---|--------|---------|--------|-------|------------------|
| Criteria  | Points | Target  | Actual | Score | Min 40% achieved |
| Expenditure on Learning Programmes for black people                           | 8.00   | 6.00%   | 1.52%  | 2.02  | Yes              |
| Expenditure on learning programmes for black disabled employees               | 4.00   | 0.30%   | 0.34%  | 4.00  |                  |
| Number of black people participating in learnerships                          | 4.00   | 2.50%   | 0.00%  | 0.00  |                  |
| Number of black previously unemployed learnerships – 18 (2)                   | 4.00   | 2.50%   | 2.03%  | 3.25  |                  |
| Bonus points: Number of black absorbed at the end of programme                | 5.00   | 100.00% | 0.00%  | 0.00  |                  |

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| CODE SERIES 400: ENTERPRISE & SUPPLIER DEVELOPMENT ELEMENT OF B-BBEE FOR GENERIC ENTERPRISES |        |        |         |       |                  |
|--|--------|--------|---------|-------|------------------|
| Criteria   | Points | Target | Actual  | Score | Min 40% achieved |
| BEE Procurement Spend with Empowering supplier   | 5.00   | 80.00% | 100.80% | 5.00  | Yes              |
| BEE Procurement Spend with Empowering supplier qualifying as QSE's                           | 3.00   | 15.00% | 3.06%   | 0.61  |                  |
| BEE Procurement Spend with suppliers qualifying as EME's                                     | 4.00   | 15.00% | 34.83%  | 4.00  |                  |
| BEE Procurement spend with Empowering Suppliers Min 51% black owned                          | 9.00   | 40.00% | 64.00%  | 9.00  |                  |
| BEE Procurement Spend with Empowering Suppliers Min 30% black women owned                    | 4.00   | 12.00% | 0.63%   | 0.21  |                  |
| BEE Procurement with Designated Group Suppliers Min 51% black owned                          | 2.00   | 2.00%  | 9.53%   | 2.00  |                  |
| Supplier development contributions   | 10.00  | 2.00%  | 2.00%   | 10.00 | Yes              |
| Enterprise Development contributions and Sector specific programmes                          | 5.00   | 1.00%  | 1.00%   | 5.00  | Yes              |
| Graduation from Enterprise Development to Supplier Development beneficiary                   | 1.00   | Yes    | No      | 0.00  |                  |
| Created one or more jobs as a result of SD & ED initiatives                                  | 1.00   | Yes    | Yes     | 1.00  |                  |

| CODE SERIES 500: SOCIO-ECONOMIC DEVELOPMENT ELEMENT OF B-BBEE FOR QSE ENTERPRISES |        |        |        |       |  |
|---|--------|--------|--------|-------|--|
| Criteria  | Points | Target | Actual | Score |  |
| Average annual value of SED contributions   | 5.00   | 1%     | 1.39%  | 5.00  |  |



B-BBEE Approved Registered Auditor: Scha van Niekerk CA(SA)

B-BBEE Approved Registered Auditor Registration Nr: 770825B