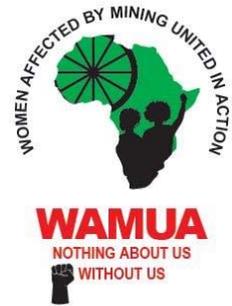




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KRAALHOEK SOCIAL AUDIT REPORT KALAKA MINING 2022



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BACKGROUND

Kraalhoek is in the Moses Kotane Local Municipality in the North West province. The main economic sectors in the local municipality are tourism, manufacturing, agriculture, and mining. The Kraalhoek community is located towards the border between South Africa and Botswana and is home to the Kraalhoek mine, operated by Kalaka Mining. Kalaka Mining started operating in kraalhoek village in 1986 by the name Latilla Mineral Resources (LMR). LMR hired Stoneylime to be the subcontractor during the early 1990s in order to assist with earth moving machinery. The mine has a long history in Kraalhoek, however it only employs 8 people, inclusive of the contractor, and barely benefits the community at large.



Image 1: Kalaka Mining

DEMOGRAPHICS

Kraalhoek has a population of 1 553, composed of 100% black Africans, according to StatsSA. Education in the community is generally poor, with only 28.2% of the community having completed matric, 10% having no schooling, and only 0.7% having obtained some sort of higher education. After regional/local water schemes (88%), boreholes are the second highest source of water in the area (9.4%). The provision of toilets also remains poor in the area, with 90% of the community using pit toilets without ventilation (an additional 3.1% uses pit toilets with

ventilation). The community struggles to improve their standard of living, with 26.9% of the community not having an income.¹

WHAT IS A SOCIAL AUDIT?

A social audit is a community-led process whereby the cogency of the promises made by mining companies affecting communities is put to the test. This process empowers communities to gather and legitimise evidence of their experiences of service delivery, and through this process enables them to claim and realise their constitutional rights to a transparent and accountable mining company. During a social audit, the expenditure and service delivery outcomes promised in the Social and Labour Plan (SLP) of a mine are tested to see whether community experiences of those outcomes reflect the vision of implementation as stated in the SLP.

An SLP contains proposed programmes that should be directed at the host mining-affected communities and labour sending areas, to offset the negative impacts of mining and improve the quality of life for both the mine employees and the mining-affected communities. Members of the community collectively participate in the process of verifying the SLP of a particular mine by comparing the stated outcomes with the lived experiences and realities of people on the ground. Evidence collected during the social audit is then reported to the responsible stakeholders at a public meeting and used as a vehicle for advocacy by the host community.

Community testimony, knowledge and experiences are a legitimate and central part of this evidence. A social audit provides a way to build effective and meaningful participation in poor and working-class communities by providing a means for a community to engage with the mining process that affects their lives. The social audit process provides an opportunity for poor mining communities to be heard, and space for people who have been excluded, deceived and cheated out of their benefits to interrogate the cogency of the mine's promises to the community.

Mining companies are significant social players who account for a large portion of the South African economy. This power and financial muscle often allows mining companies the capacity to evade social responsibility by using PR consultants and campaigns to produce glossy reports regarding their social commitments to the communities at which they operate. Their Corporate Social Investment (CSI) strategies are often synchronised with the Social Labour Plan (SLP)

¹ Statistics South Africa, 2011.

commitments, which may paint a good picture on paper, however, contradict the realities on the ground.

SLPs are binding to companies and communities are empowered by the Mineral and Petroleum Resources Development Act² (MPRDA) to require these commitments from the mining companies. The best methodology to interrogate the claims of mine companies is to conduct community-led social audits and collect evidence to verify the realities on the ground to potentially challenge the glossy PR reports.

The need to conduct a social audit arose from residents in Kraalhoek continuing to live in abject poverty, despite the Kalaka Mine operating in the region since 1992. The Kalaka mine refuses to directly engage with community members, rather referring them to traditional houses when approached. In addition to the mining operation resulting in many residents losing their land to the mine (with very little benefits received), mining operations in the region have also resulted in water and air pollution in Kraalhoek.

The aim of the social audit was to establish whether there has been any tangible and sustainable development done by Kalaka Mine between the years of 2016 and 2020. SLP's are renewed every 5 years and by doing a Social Audit the community is better able to:

1. Assess the extent of compliance with the SLP within the community of Kraalhoek.
2. Assess whether Kalaka Mining's SLP obligations are effective, efficient and provide sustainable goals to the community of Kraalhoek.
3. Determine if appropriate measures exist that:
 - establish, monitor, and communicate the SLP process and procedures with the community,
 - ensure reliable information is available for all stakeholders involved including the Kraalhoek community,
 - establish and communicate roles and responsibilities for all parties involved.

² *Mineral and Petroleum Resources Development Act 28 of 2002.*

WHAT IS A SOCIAL AND LABOUR PLAN?

A Social and Labour Plan (SLP) is a document that mining companies are required to submit to the Department of Mineral Resources and Energy (DMRE) as part of their application for a mining right. According to the MPRDA, the mineral resources of the country are the common heritage of all who live in the country. Section 2 (d) of the MPRDA further states that its objectives are to ‘substantially and meaningfully expand opportunities for historically disadvantaged persons, including women, to enter the mining and petroleum industries and to benefit from the exploration of the nation’s mineral and petroleum resources’. This emphasises the role of mineral resource extraction and operations as a pivotal means towards community development and women empowerment. SLPs, therefore, are the means by which mineral and petroleum exploration can benefit communities.

According to section 23 (1) (e) of the MPRDA, (as amended by section 19b of Act 49 of 2008), the Minister must grant a mining right ‘if the applicant has provided financially and otherwise for the prescribed social and labour plan’. The MPRDA further place duties on mining right holders:

Section 25 (2) (f) - Duty of holder of the mining right to comply with SLP;

Section 25 (2) (h), read with Section 28 (2) (c) - Duty of mining right holder to report annually on compliance with the SLP.

Part II of the Mineral and Petroleum Resources Development Regulations (Regulations) further provides for the regulation of SLPs. Section 41 (c) states that the objective of the SLP is to ‘ensure that holders of mining rights contribute towards development of the areas in which they are in operation’. Further, section 46 (c) regulates the contents of the SLP and requires that they must include a Local Economic Development (LED) Programme comprising; (ii) the key economic activities of the area in which the mine operates and (iii) the infrastructure and poverty eradication projects that the mine would support in line with the Integrated Development Plan (IDP) of a local municipality and major sending areas. This report is limited to the contents of the LED section of the SLP and the social audit focused on investigating this section.

An SLP is a five-year plan, which needs to be completed and renewed by a mine with the DMRE after each five-year period. Once it is approved by the DMRE it becomes a legally binding document, containing commitments made by the company on what it will do for both communities

and workers. It also stipulates how and when commitments will be executed, as well as what the budgets are for promised interventions or activities. It is therefore, one of the instruments to address South Africa's long history of inequality in the mining sector.

In principle, SLPs should be drafted with the consultation of the communities, however, that is not always the case. In terms of Regulation 45, a mining right holder must convene a minimum of three meetings per annum with mining affected communities, as well as interested and affected persons, to update these stakeholders about the progress made with regards to the implementation of the approved SLP and the outcome of these meetings must form part of the annual reports.³

Despite the comprehensive and progressive laws in place, the reality is that although the SLP system has been in force for over twelve years, most communities affected by mining still experience abject poverty and underdevelopment. This is partly because SLPs are often designed without adequate consultation with the communities that stand to benefit from the mining operations. Furthermore, mining companies often neglect to deliver on all the SLP commitments, and the DMRE often does not follow up on these commitments or enforce them, to the detriment of mining-affected communities.

The purpose of the SLP, therefore, is to promote employment, advance social and economic welfare, contribute towards transforming the mining industry and ensure that mining companies contribute to the development of the areas where they operate.

³ Mineral and Petroleum Resources Development Act 208 of 2002: Regulations.

WOMEN IN MINING AFFECTED COMMUNITIES

Women who are not formally employed are the backbone of the functioning of mining-affected communities.⁴ The sustained employment of men and operation of the mine is indirectly dependent on women as they are heavily involved in social reproductive Activities. Social reproductive activities refer to activities that enable their male counterparts to attend work in the mines. This includes activities such as house cleaning, cooking, maternal duties, et cetera. Although social reproduction is pivotal to the functioning of mining-affected communities (and, indirectly, the operation of mines), women are often excluded from decision-making processes as they are not formally employed by mining companies and there is a dominant belief that women are subservient to men in South African culture.

Men in mining-affected communities as such become the primary beneficiaries of mining Activities. This is a norm in rural South African communities, as patriarchal structures are a mainstay in South African culture. In mining-affected communities, men are heavily involved in the operation of the mine itself, which provides them with employment and income. As a result, women in mining-affected communities become dependent on their male counterparts due to the lack of employment opportunities available to them. This impedes women's ability to accrue wealth and status in mining-affected communities. In some communities, such as in mining-affected communities in the Limpopo region, women can derive their independence from men through agricultural activities.⁵ Produce can be farmed and sold, with the surplus earned being used as an income for women. This may be difficult in regions where mining operations have caused a loss of land. Women in these regions may find it difficult to find alternative income and therefore, remain dependant on males who are employed by the mine, and may resort to sex work - major economic activity is taken up by women in mining-affected communities. Sex work exacerbates the spread of diseases such as Tuberculosis (TB) and HIV/AIDS which thrive in mining-affected communities. Women in sex work also are largely vulnerable to violence and exploitation by clients, and to social stigma due to the lack of regulation and the discreet nature of sex work.

⁴ Asanda Benya, "The invisible hands: women in Marikana", *Review of African Political Economy* 42, no. 146 (2015) at 545-560.

⁵ Mark Curtis, *Precious Metal: The Impact of Anglo Platinum on poor communities in Limpopo, South Africa* (South Africa: ActionAid, 2008).

METHODOLOGY

Data collection included both door-to-door surveying and physical verification. The survey was conducted through a 27-item household questionnaire with closed and open-ended questions. Any member of the household who had stayed in the community for more than a year was eligible for interviews. The assumption was that people who had been in the community for less time would not be well acquainted with the issues regarding the mine and the community. The communities surveyed in Kraalhoek are represented by participants as shown below:

Community in Kraalhoek	Number of participants
Ramokgaba	130
Pote	173
Baleng	229
<u>Total</u>	<u>532</u>

Of the total number of participants, 55.3% were women and 44.7% were men. Only 19 households (3.6%) had someone who was working at Kalaka Mining. However, it is not clear whether these workers are directly employed by Kalaka Mining or if they are employed by the primary contractor Stoney Lime, which skews the data slightly because it is not reflective of the real number of employees employed by Kalaka Mining. Kalaka Mining only has 8 employees including the main contractor Stoney Lime.

Community members were trained on SLP interpretation, social audit methodologies, and designing surveys. The questionnaire was designed in collaboration with a social audit team and trained community members. During the training, the community organisers had an opportunity to test the questionnaire and agree on ways to probe questions. The training, which was facilitated by ActionAid South Africa (AASA) and MACUA WAMUA Advice Office (MWAO), was also used to solicit community views on what future inquiries would focus on. The training was

conducted from 21 – 22 April 2021; data collection occurred on 23 April 2021, and preliminary analysis was done on 24 April 2021. Following the fieldwork, a de-briefing meeting was conducted where all data collectors discussed issues arising from the survey, challenges, and strategies for making future community inquiries more effective.

Data entry for completed surveys was conducted by MWAO for analysis of the quantitative variables. Theme analysis and quantifying common responses was conducted for the qualitative variables.

The approach for this social audit included the following steps:

1. Holding a mass meeting and establishing a mandate
2. Preparing and organising the participants
3. Training participants
4. Analysing the Social Labour Plan
5. Developing and testing the social audits questionnaire
6. Gathering evidence
7. Capturing community experiences and testimonies
8. Agreeing on the main findings and organising evidence
9. Meeting with the mine
10. Meeting with the municipality
11. Reflecting and follow up

WHAT KALAKA MINING COMMITTED TO UNDERTAKE DURING THE SLP YEARS AUDITED (2016-2020):

Bursary Plan & Internships

- The SLP states that the programmes will commence 3 years after the approval of the mining right.
- R30 000 was allocated for the provision of tuition, accommodation, books and spending money amongst other things, but the recipients would be barred from being recipients of another bursary.
- It is not clear whether they intend to support 1 candidate per year, or 1 candidate for the duration of the SLP.

Local Economic Development

- Priority needs of the community were taken from the Moses Kotane 2014/2015 IDP relating to water & sanitation, electricity, roads, clinics, multi-purpose sport facilities, VIP toilets and housing.
- Kraalhoek Water Project (Municipality to provide maintenance) – the project selected by Kalaka Mining
 - Phase 1 – Focus on borehole 1
 - Commitment to erect 2 x 10000L JoJo tanks within 500m of said borehole, to feed into existing pipeline – provide water to 20 households/plots with approximately 4 people per household.
 - Commitment to do maintenance on existing pipelines (blue, yellow and black) and taps.
 - Build in drinking troughs for animals, with a ball valve (to control water supply).
 - Phase 2 – boreholes 1-3
 - Municipality drilled, but did not put a pump.
 - Commitment to equip the community with a 3.7kW submersible pump and connect a 10000L JoJo tank.

- Investigate new pipeline from borehole 1 to borehole 3 which will be used for emergency use.
- Borehole 3 is supposed to be a 10000L JoJo tank.
- Phase 3
 - Committed to investigate further water supply, using the school's borehole 2 and another borehole "4" which is not in use and has two 2000L tanks and 2 unused pipelines and taps.
 - Proposed to install a submersible pump by borehole 4; if JoJo tanks are unusable then commitment to replace along with pipeline. If not viable, borehole 4 water supply will be incorporated into boreholes 1 & 2 water supply.
- It is not clear whether the water per day was supposed to only service 20 households/plots mentioned in the SLP or if they are to service the whole community.

RESULTS AND DISCUSSION

The results of the social audit (see Appendix A) were analysed in relation to the commitments made by the Kalaka Mine in their SLP. This includes an analysis of consultation practices by Kalaka Mining from a community perspective, the development of a water project, the distribution of academic bursaries to community members, the mentorship and empowerment of Small, Medium, and Micro Enterprises (SMMEs), overall benefits offered by the mine, and the state of the community's land.

There is no legal obligation on mines to provide communities with copies of their Annual Compliance Reports⁶. Therefore, it is important to evaluate the progress of SLP commitments by analysing community perceptions of commitments made in the SLPs.

During the Social and Labour Plan period, Kalaka Mining committed to implementation of the Kraalhoek Water Project, whereby they would erect 10 000 L Jojo tanks around the community as well as upgrade the pipelines and install new pumps to accommodate the added water quantity and improve the manner in which water pressure was to be managed. This project was supposed to be carried out between 2016 and 2020 with an approximate budget of R322 845.00.

Kalaka Mining also committed to award a bursary to 2 eligible candidates, one internal and external. The bursary was meant to cover tuition fees, books, accommodation, café service and pocket money (if required); starting in 2019. The total budget allocated to this endeavour was R60 000.00 for both candidates, however no clarity is provided in the SLP as to whether their enrolment will be continued beyond the operation of the SLP.

Consultation

502 of the 532 people surveyed had never heard of an SLP, whereas only 25 knew that such a document existed. None of the respondents had ever seen an SLP from Kalaka Mining. This is a clear indication that there were no meaningful consultations happening between Kalaka Mining and the Kraalhoek community as far as the projects they wish to be implemented in their communities, for their benefit, are concerned. Furthermore, it shows that none of the affected

⁶ A document which mining companies submit to the Department of Mineral Resources outlining the progress of mining companies in relation to the implementation of SLP projects.

communities have a relationship with the mine that they can leverage in order to dictate the projects that they would like to see benefiting them on a local economic development scale.

It's very important to note that the Minerals and Petroleum Resources Development Act (MPRDA), which governs the laws around what mining companies obligations are in relation to host communities, states that mining companies are required to publish their SLPs on their websites, make copies available in public areas (such as libraries, municipal buildings, schools etc) and make announcements (be it on broadcasting stations or via posters at high volume areas) as to where copies of the SLP can be found. There is also a duty on mining companies to hold a minimum of 3 meetings per year with communities to keep them updated on the progress of developmental projects in their communities. These meetings and consultative processes are meant to be inclusive of the whole community and not just representative structures such as local traditional authorities, in accordance with the legislation.

Water Project



Image 2: Water towers without tanks

Kalaka Mining committed to carry out a project which would supply more households in Kraalhoek with water from the boreholes. Of the interviewed households, most residents bought water, this highlights the extent of the water crisis in Kraalhoek. Overall, 92.3% of the people surveyed were unaware of Kalaka Mining's plans to purchase 10 000L JoJo tanks and place them around the community. In addition, 96.8% were unaware of Kalaka Mining's plans to fix the pipelines and install new pumps to improve the water pressure and flow of water from the various boreholes to the JoJo tanks. It appears that there was a severe lack of communication to the Kraalhoek community by Kalaka Mining about the water project. This has resulted in the community being subjected to poor living conditions, even though they have been promised improvement, which they did not know about.

Water provision would have been a great project for Kalaka Mining to embark on, even though there was a lack of consultation with the community. 39 respondents (7.4%) don't know where they get their water from, 47 respondents (8.8%) have no access to water, while 85 respondents

(16%) get their water from the boreholes in Kraalhoek. Only 80 respondents (15%) get their water from taps while 108 respondents (20.3%) have to buy water, and 95 respondents (17.9%) get water from the borehole at Kalaka Mining via a truck delivery system. A further 17 respondents (3.2%) collect rainwater and 59 respondents (11.1%) get water from the municipality through a truck delivery system, while 2 respondents (0.4%) get their water from rivers and lakes in the Kraalhoek area.

When asked if they are satisfied with the quality of the water, the majority answered no for a variety of reasons. Of those, 187 respondents (35.2%) did not provide reasons, but 43 respondents (8.1%) complained that the water was murky, and another 3 respondents (0.6%) complained that it was salty. A further 17 respondents (3.2%) complained that the water was unhealthy, with 13 respondents (2.4%) complained that the water makes them sick. 24 respondents (4.5%) complained that the water is contaminated, 188 respondents (35.3%) complained that the water is full of lime, and 2 respondents (0.4%) complained that the water has a bad taste.

3 respondents (0.6%) gave no indication whether they were happy or not with the water. However, 36 respondents (6.8%) indicated that they were happy with the quality of the water that they receive, 6 respondents (1.1%) noting that the water has no lime, 3 respondents (0.6%) noting that it has less lime, and 7 respondents (1.3%) noting that the water they get is clean. Most of the respondents that are satisfied with the quality of their water purchase their water.

Of the 532 respondents, 212 complained that the water was full of lime or was contaminated, and 43 complained that the water was dusty and 30 noted that the water was unhealthy and made them sick.



Image 3: Borehole 3 in accordance with the SLP commitments

When asked how many boreholes are in Kraalhoek, residents gave a myriad of answers. Up to 15% of the respondents answered that there were no boreholes in Kraalhoek and 28.6% answered that there were up to 4 boreholes. This is indicative of a huge gap in the access residents in Kraalhoek have to information and water.

When questioned about how many of the boreholes were working, many respondents answered 'none'. This gives credence to the lack of accessibility to water in Kraalhoek, and the benefit residents of Kraalhoek would have derived from a water project, despite the lack of consultation. A valuable improvement to the project concept would be the implementation of a water purification plan.

Bursaries

There was a commitment in the SLP by Kalaka Mining to offer one external and one internal candidate a bursary in the fields of Artisans, Engineering and Geology. Each bursary was due to cover tuition fees, books, accommodation, café service and pocket money (if required); starting in 2019. R30 000 was allocated to the bursary for each candidate. The bursary prohibited candidates from being the recipients of another bursary but did not go into any other detail regarding the requirements for eligibility.

When asked if they thought the bursary would be sufficient to cover the listed criterion, 524 (98.5%) of the respondents noted that the bursary would be insufficient because the amount is not

Figure 3: Do you think R 30 000.00 is enough for a bursary?



enough or too little to cover all the expenses listed. This begs the question whether the Department of Mineral Resources and Energy (DMRE) was checking the content of this SLP when they approved it, because as early as 2010, an engineering course cost, on average, R80 000 per annum at a university (excluding residence and all other related expenses).

The low value of the bursary questions whether Kalaka Mining ever intended to send a community member to a tertiary education institute of their choice or if they were merely doing a tick-box exercise in the formulation of their SLP, as a student would not be able to fund their tertiary education with the bursary.

34 (6.4%) of respondents had heard through word of mouth or through the SLP committee that Kalaka Mining had promised to provide bursaries to community members. Of those who knew, 16

(3%) believed Kalaka Mining never delivered on that promise and a total of 9 (1.6%) believed recipients of the bursaries existed, 2 (0.4%) believed the bursaries were only given to workers children.

Mentorship & Empowerment of SMMEs

The respondents who participated in these surveys noted that they would like businesses to be supported by the local mine, but that they are not aware of many instances in which that is happening. When asked if they knew of any Black Economic Empowerment (BEE) companies who had been supported by Kalaka Mining, 98.5% responded that they did not know of a company that had been supported by Kalaka Mining. Others did not know whether there were companies being supported by the local mine. Only 5 (0.9%) respondents knew of companies that were contracted to Kalaka Mining between 2016 and 2020, however the details of those contracts were unknown to the respondents, but for one who noted that the contract was worth R24 000.00.

Benefit from the mine

528 (99.2%) respondents reported that they had not benefited personally from having the mine in their community. However, one person noted that COVID-19 food parcels that were organized by a surrounding mine was a benefit, another noting jobs as a benefit derived from the mine. 347 (65.2%) of the respondents noted that the community had not benefited anything substantive from the mine, however they noted that the school had been renovated by Kalaka Mining (although none of them specified what renovations were done specifically to the school) and others noted that Kalka Mining brings water and a machine to clean people's yard when there are functions happening in the village. Although some respondents noted benefits from Kalaka Mining, this only amounted to 18 (3.9%) of the total number of participants. Nevertheless, these benefits did not form part of any legally binding commitments on the mining company.

Land

When asked about their land and the open pits, many respondents felt that the open pits that are the result of Kalaka Mining's operations are dangerous and unsafe for their children. The pits are very close to where residents live, and the area is not fenced off. 33.1% of the respondents had family or had personally lost land due to mining operations, but none of them had been

compensated because of that loss of land. Furthermore of the 467 who were aware of the open pits, 100% had negative feelings towards their presence and 94.4% felt that the open pits need to be closed. Others (0.9%) felt that the community or landowners should be compensated or that the open pits should be fenced off to prevent livestock from walking into them, and children from swimming in them after a lot of rain. 4.7% did not know what should happen with the open pits.



Image 4: Kalaka Mining's operations

MEETING WITH KALAKA MINING

Kalaka Mining owns the mining right, but has a contractor, Stoney Lime, who does the actual mining for them. During the meeting with Kalaka Mine it was made clear that the mine had not implemented any of the projects in its SLP. Although Kalaka Mining had correctly identified a need in the community through the Integrated Development Plan (IDP), their failure to implement any of the projects in the SLP was reflective of a clear violation of the terms on which they continue to operate.

The Mine attributed the failure to implement projects to disagreements between tribal authorities on which projects to implement. However, if the mine was invested in a widespread meaningful consultation process, they may have been able to avoid the non-implementation of any projects. This is indicative of a very poor level of compliance with the legislative requirements to benefit host communities as well as poor accountability mechanisms being in place as it regards the regulatory authority.

*At the time of the community meeting during the Social Audit report-back, Kalaka Mining had not responded to a letter sent by the MACUA/WAMUA branch requesting a meeting. During the community meeting held on 02 March 2022, it was noted that the mine had not made any attempt to engage with the community regarding its SLP commitments after promising to do during the meeting held in 2021. It was further noted that local traditional leaders do have a communication relationship with the mine, but that the mine speaks to Bakgatla Ba Kgafela based in Moruleng, far away from the Kraalhoek community, directly.

CONCLUSION

Based on the social audit finds and site visits, it appears that Kalaka Mine failed to adequately deliver on the commitments stipulated in their SLP. The poor consultation practiced by the mine has resulted in the community of Kraalhoek not knowing what the mine is obliged to do to uplift their standard of living.

The water project clearly failed, as there is no evidence to suggest it took place; the value of the bursary is insufficient to cover the costs of a single year of tuition fees for tertiary education (let alone accommodation costs and other expenses); most of the respondents don't know about any businesses that benefited from the mine; and almost all the respondents indicated that they did not benefit from anything that the mine does in the Kraalhoek Community.

Kalaka Mining also failed to provide the Social Audit Team with compliance reports, which state the level of fulfilment of their SLP commitments. Based on the extent of non-fulfilment of SLP objectives, it is concerning that the DMR did not suspend the operations of Kalaka Mining. Furthermore, the mine continues to pollute water sources through dust pollution from their open pits, which pose a threat to children and livestock in the community. Over a third of the respondents also indicated that they lost land because of mining operations and were not compensated. Kalaka Mining shifts the blame of their failure to the tribal authorities which they engaged with in the development of the SLP. Engagement with tribal authorities, as opposed to direct engagement with the Kraalhoek community, indicates the inadequate consultation practice that has led to the community of Kraalhoek's standard of living being dismantled for the prosperity of the mine.

APPENDIX A: OVERALL OBSERVATIONS AND RESULTS

The recurring deficiencies identified during the social audit conducted using the Kalaka Mining's Social and Labour Plan for the years 2016-2020 indicate that an average of 4.7% of the households interviewed have any knowledge about the contents of an SLP, let alone the projects and programmes reported by Kalaka Mining in the Social and Labour Plan. Furthermore, the results show that there are a total of 19 out of 532 households that have at least 1 person working at the mine. That is 3.57% labour from the local community surrounding Kalaka Mining.

The questions and answers of the close ended questions are summarized in the tables below:

ITEM	QUESTION	ANSWER	COMMENT
Demographics	Gender	Male = 238 Female = 294	
	Age	10-19 = 2 20-29 = 54 30-39 = 109 40-49 = 124 50-59 = 105 60-69 = 86 70-79 = 32 80-89 = 10 90-99 = 10	
	Is anyone working at Kalaka Mine in your household?	Yes = 19 No = 513	

	How many people live in your household?	N/A = 8 1 = 34 2 = 52 3 = 85 4 = 97 5 = 74 6 = 74 7 = 41 8 = 23 9 = 21 10 = 8 11 = 5 12 = 3 14 = 4 15 = 1 16 = 1 21 = 1	
Consultation	Have you ever been consulted by Kalaka Mining?	Yes = 7 No = 524	
	Do you know what a Social and Labour Plan is?	Yes = 25 No = 502 N/A = 5	4.7% of people asked knew what an SLP is while 94.4% of people in the community did not, which is an indication that consultation by the mine is insufficient.

Water Provision	Where do you get your water?	<p>Don't know = 39</p> <p>No water = 47</p> <p>Boreholes = 85</p> <p>Tap = 80</p> <p>Buy water = 108</p> <p>Kalaka Mine = 95</p> <p>Rain water = 17</p> <p>Municipality = 59</p> <p>Rivers/Lakes = 2</p>	<p>39 people (7.4%) don't know where they get their water from, 47 people (8.8%) have no access to water, 85 people (16%) get their water from the boreholes in Kraalhoek, while 80 people (15%) get their water from taps. 108 people (20.3%) have to buy water in order to have access to water, whereas 95 people (17.9%) get water from the borehole at Kalaka mine via a truck delivery system, 17 people (3.2%) collect rain water, while 59 people (11.1%) get water from the municipality through a truck delivery system and 2 people (0.4%) get their water from rivers and lakes in the Kraalhoek area.</p>
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<p>Are you happy with the quality of water?</p>	<p>No = 187 Dusty = 43 Salty = 3 Unhealthy = 17 Makes us sick = 13 Contaminated = 24 Full of lime = 188 Bad taste = 2 Damages appliances = 11 No water = 2 No reason = 3 Yes = 36 No lime = 6 Less lime = 3 Clean = 7</p>		<p>When asked if they are satisfied with their quality of water the majority answered no for a variety of reasons. 187 people (35.2%) did not provide reasons, but 43 people (8.1%) complained that the water was dusty, 3 people (0.6%) complained that it was salty, 17 people (3.2%) complained that the water in unhealthy, 13 people (2.4%) complained that the water makes them sick, 24 people (4.5%) complained that the water is contaminated, 188 people (35.3%) complained that the water is full of lime, and 2 people (0.4%) complained that the water has a bad taste. 3 people (0.6%) gave no indication whether they were happy or not with the water. However 36 people (6.8%) indicated that they were happy with the quality of the water that they receive, 6 people (1.1%) noting that the water</p>
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			has no lime, 3 people (0.6%) noting that it has less lime, and 7 people (1.3%) noting that the water the get is clean.
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<p>How many boreholes do you know of in Kraalhoek?</p>	<p>0 = 80 1 = 25 2 = 75 3 = 58 4 = 152 5 = 34 6 = 10 7 = 6 8 = 3 10 = 4 11 = 2 15 = 1 17 = 4 18 = 1 21 = 1 22 = 1 24 = 1 25 = 2 27 = 5 Don't know = 67</p>		<p>80 people (15%) were of the impression that there are no boreholes in Kraalhoek, while 25 people (4.7%) thought there was 1 borehole in Kraalhoek, 75 people (14.1%) thought there were 2 boreholes in Kraalhoek, 58 people (10.9%) thought there were 3 boreholes, 152 people (28.6%) thought there were 4 boreholes in the community, 34 people (6.4%) were of the impression that there are 5 boreholes, while 10 people (1.9%) were of the view that there are 6 boreholes, 6 people (1.1%) were of the view that there are 7 boreholes, 3 people (0.6%) thought there were 8 boreholes, 4 people (0.8%) thought there were 10/17 boreholes, 2 people (0.4%) thought there were 11/25 boreholes, 5 people (0.9%) thought there were 27 boreholes and 67 people</p>
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			(12.6%) did not know how many boreholes there are in Kraalhoek.
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	<p>How many of the boreholes are working?</p>	<p>0 = 157 1 = 96 2 = 128 3 = 31 4 = 1 6 = 1 7 = 1 13 = 1 Don't know = 72</p>	<p>Regarding working boreholes 157 people (29.5%) thought that none of the boreholes were functioning. 96 people (18%) thought that 1 borehole at Issang was functioning. 128 people (24.1%) thought that there were 2 functioning boreholes. 31 people (5.8%) thought that there were 3 functioning boreholes and 72 people (13.5%) did not know how many boreholes in Kraalhoek were functioning.</p>
	<p>Do you know that Kalaka Mine committed to put 10 000 litre JOJO tanks in Kraalhoek between 2016 and 2019?</p>	<p>Yes = 41 No = 491</p>	<p>41 people (7.7%) knew of the commitment made by Kalaka Mining to erect 10 000 L JOJO tanks around Kraalhoek community, but 491 people (92.3%) did not know of this commitment, which speaks to the lack of communication between the mine and the community.</p>

	Do you know of any pipelines that were repaired by Kalaka Mine between 2016 and 2020?	Yes = 6 No = 515 Don't know = 11	Only 6 people (1.1%) knew of pipelines repaired by Kalaka Mining in the community, however 515 people (96.8%) did not know of any and 11 people (2.1%) did not know of the commitment to do so.
Mentorship of Empowerment Groups and BEE Companies	Do you know any BEE company from Kraalhoek that has been supported by Kalaka Mine between 2016 and 2020?	Yes = 0 No = 524 Don't know = 8	524 people (98.5%) answered 'no' when asked if they are aware of a BEE company that is being supported by Kalaka Mining, whereas 8 people (1.5%) did not know whether or not Kalaka Mining supported any BEE companies from Kraalhoek between 2016 and 2020.
	Do you know of any BEE company from Kraalhoek that's contracted by Kalaka Mine?	N/A = 130 Yes = 5 No = 397	130 people (24.4%) did not provide an answer. 5 people (0.9%) knew of BEE companies that had been contracted by Kalaka Mining for transport, however 397 people (74.6%) did not know of any such contracted company.

	Do you know what they are supplying to Kalaka Mine?	N/A = 130 Yes = 4 No = 398	Only 4 people knew what the company was supplying to the mine.
	How long is or was the contract for?	Yes = 1 No = 0 Don't know = 531	99.8% did not know any details regarding any contracts given out by Kalaka Mining, but for 1 person (0.2%).
	Do you know the amount of the contract?	Yes = 1 No = 0 Don't know = 531	
Bursary	Do you know that Kalaka Mining committed to provide bursaries between 2016 and 2020?	Yes = 34 No = 498	6.4% of people were aware that Kalaka Mining committed to provide bursaries to community members, whereas 93.6% did not know about the bursaries that were promised to members of the community.
	Do you know of anyone who has received a bursary from Kalaka Mine?	N/A = 2 Yes = 9 No = 521	521 people (97.9%) did not know any person who had benefited from a bursary that was granted by Kalaka Mining. 2 people (0.4%) declined to answer and 9 people (1.7%) asserted that they knew people that had

			received a bursary from Kalaka Mining.
	Do you think R30 000 is enough for a bursary?	Yes = 5 No = 524 Don't know = 2	When asked if they thought R30 000.00 was enough money for a bursary, 98.5% of the respondents answered that it was not enough to provide for a bursary, whereas 0.9% of respondents answered in the affirmative and 0.4% of people did not know whether or not the money would be sufficient to provide for a bursary.
Rehabilitation	Do you know about unrehabilitated open pits?	Yes = 467 No = 64 N/A = 1	467 people (87.8%) knew of the unrehabilitated open pits in and around Kraalhoek, whereas only 64 people (12%) did not know about them and 1 person provided no answer.

	<p>How do you feel about them?</p>	<p>Unsafe for livestock = 8 Unhappy = 243 Ruining our land = 2 Angry = 25 Unsafe for children = 42 Dusty = 1 N/A = 30 Close the mine = 31 Irritated = 2 Dangerous = 135</p>	<p>When asked how they feel about the unrehabilitated open pits, 8 people (1.5%) responded that they were unsafe for livestock, 243 people (45.7%) responded that they were unhappy about them, 2 people (0.4%) responded that the pits are ruining their land, 25 people (4.7%) noted that they were angry regarding their presence, 1 person (0.2%) felt that they were dusty, 31 people (5.8%) felt that the mine should be closed, 2 people (0.4%) were irritated, 135 people (25.4%) felt that the pits are dangerous and 30 people (5.6%) gave no response with regards to the question posed.</p>
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	In your own view, what is supposed to happen with the open pits?	<p>Pits must be closed = 502</p> <p>Fence off the pits = 8</p> <p>Compensate land owners = 2</p> <p>Give money to community = 1</p> <p>Don't know = 25</p>	<p>94.4% of people in the Kraalhoek community feel that the pits must be closed, 1.5% feel that they should be fenced off so that they are not as easy to access, 0.4% felt that land owners should be compensated for the pits that appear on their portion of land, 0.2% felt that the community at large should be compensated due to the danger the pits pose and 4.7% did not know what should happen with the land.</p>
Land	Have you or anyone in your family lost land due to mining?	<p>Yes = 176</p> <p>No = 332</p> <p>Don't know = 24</p>	<p>33.1% of the respondents had lost land due to mining.</p>
	Were you ever compensated for that land?	<p>Yes = 0</p> <p>No = 176</p>	<p>Of those who had lost land due to mining, 100% had never been compensated for their loss by Kalaka Mining.</p>

General	Have you ever benefitted anything from the local mine(s)?	Yes = 3 No = 528 Don't know = 1	99.2% of people assert that they have never personally benefitted anything from the local mines, whereas 0.6% asserted that they benefitted from food parcels, and the rest (0.2%) stated that they did not know whether or not they had benefitted from the local mines which can be taken as an indication that they have never benefitted from the mine.
	Has the community benefitted from the local mines?	Yes = 18 No = 347 Don't know = 8	65.2% of the respondents asserted that the community has never benefitted, while 3.4% asserted that the community benefitted from the renovation of the school and food parcels during COVID, while 1.5% noted that they did not know whether the community had benefitted anything from the local mines.