



Weekly Price Indices	19-Apr-10	12-Apr-10
globalCOAL RB Weekly Index US\$/t	85.25	86.97
globalCOAL RB Weekly Index R/t	634.12	631.25
globalCoal RB Monthly Index	82.99	82.99
globalCoal DES ARA Weekly Index	77.24	78.96
Weekly Exchange Rates		
Rand to US Dollar	7.43832	7.25826
Rand to Euro	10.9298	9.86747

**Richards Bay Coal Terminal Coal** New Coal producers have reached an agreement regarding the allocation of available capacity following the Phase V expansion at the Richards Bay Coal Terminal (RBCT), to 91Mtpa. Rail capacity currently constrains total South African exports to 65Mtpa this year, and given existing rail allocation, the new users of the Phase V allocation at RBCT will not be able to rail their full coal allocation to port. Under the new agreement, existing shareholders of the RBCT will give up a portion of their rail allocation to allow the new members to use their share of the Phase V allocation once the expansion is complete. The Phase V expansion is expected to be commissioned on 1 May 2010.

**Eskom** South Africa could face power shortages in 2011 and 2012 unless energy consumption levels decrease. A second energy shortage looms over South Africa as we approach 2018 according to Public Enterprises Minister Barbara Hogan. Despite Eskom securing a US\$3.75Bn loan from the World Bank serious funding gaps still exist and it would appear that the ramp up of the country's power capacity will not happen quickly enough to meet demand projections.

**Sable Mining** announced that it would place 290 million new shares at £0,28 a share, the proceeds of which will be used to develop the company's coal assets in South Africa and other coal and iron-ore assets in sub-Saharan Africa.

A portion of these funds will be used to develop the Rietkuil coal deposit, the Springbok Flats project and the Limpopo coal project.

**South African Coal Mining Holdings** JSW Energy, the power utility subsidiary of India's third-largest steelmaker, JSW Steel, has acquired part of the company that owns shares in South African Coal Mining

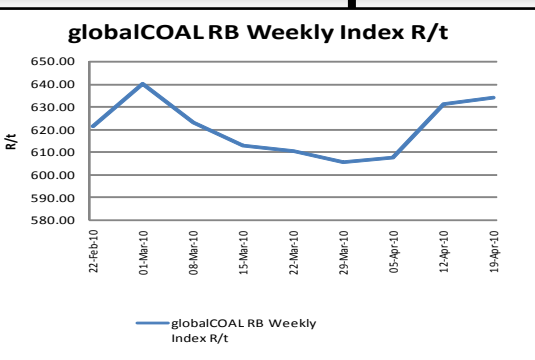
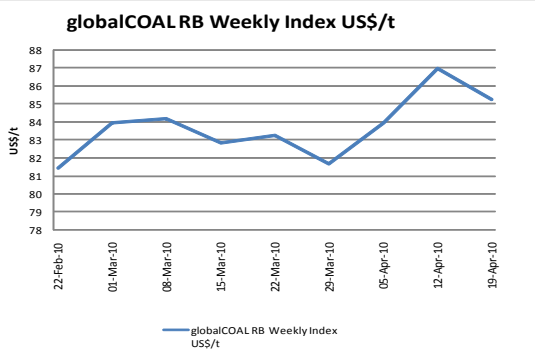
Holdings (SACMH), Royal Bafokeng Capital (RBC), from Strider Holdings. Mainsail Trading 55 currently holds the majority stake in SACMH. JSW Energy has acquired a 49.8% stake in RBC and plans to acquire the remaining 50.2% share held by Mainsail.

**Continental Coal** Subsequent to the supply agreement between EDF Trading (EDFT) and Continental Coal announced on 30 March 2010, a second 20 year coal supply agreement has been concluded between the two companies. EDFT has agreed to provide an additional US\$20M of funding for Continental. The most recent supply agreement between EDFT and Continental, covers 100% of thermal coal sales from Continental's Vlakplaats mine which is expected to produce 2.4Mtpa of coal at full production. First production is expected during the second half of 2011.

**Mozambique** Beacon Hill Resources has acquired Minas Moatize LDA, a coal mine in the Tete province of Mozambique. The US\$35M acquisition gives Beacon Hill Resources access to a coal resource estimated at 33Mt which it hopes to develop into a large opencast operation. The mine is expected to produce coking and thermal coal both for the domestic market and for export.

Beacon Hill will undertake a drilling and testing programme to finalise a mine plan during the next six months. The company has already developed a plan to boost output to 2Mtpa of saleable coal. Production is expected during 2012.

**Riversdale Mining** announced the official opening of its Benga Coal Project on 13th April 2010. MCC Contracts, a subsidiary of Eqstra Holdings has been appointed as the opencast mining contractor for the development of the first stage of the Benga mine. The Benga mine is expected to produce 1.7Mtpa of hard coking coal and 300ktpa of thermal coal for export and the first shipment of coal from Benga is expected during 2011.



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