



Progress in settlement of KOSH water issue

Since AngloGold Ashanti last reported on the KOSH (Klerksdorp, Orkney, Stilfontein and Hartebeesfontein) water issue, a Section 21 company has been formed and registered under the name of Margaret Water Company to manage the continued pumping of water from the liquidated Stilfontein Gold Mining Company (Stilfontein). (See *Report to Society 2006 Progress made in settlement of KOSH water issue*)

The three mining companies – AngloGold Ashanti Limited, Harmony and Simmer and Jack Mines Limited – are members of the Margaret Water Company, named after the shaft in consultation between board members and shaft employees.

Finalisation of the suite of agreements between the Margaret Water Company, the mining companies and the liquidators of Stilfontein took effect in December 2007.

“Protracted negotiations led to the settlement process taking longer than was anticipated,” says Cindy Chater AngloGold Ashanti’s assistant general counsel, “not because there were

flaws with the fundamentals but largely because of the logistics around dealing with multiple legal teams.”

A date for acquiring legal title of the shaft will depend on the signing of the purchase agreement and the liquidators achieving transfer and freehold sub-division of the land to the Margaret Water Company. “This could take up to six months, depending on the deeds office,” says Chater, “but we anticipate finalisation by the end of 2008.”

Margaret Water Company is planning to pump volumes of about 40Mℓ/day and is looking to establish a market for its water. Discussions are anticipated with the Midvaal Water Company with a view to piping water to its treatment plant for the provision of potable water to the KOSH area. Talks are also still underway with the Southern District Council of the North West province to expand the reticulation of water to other parts of the North West and neighbouring provinces.