



ASX Code: IKW

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Company Announcements Office  
 Australian Securities Exchange  
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 Sydney NSW 2000

## Upgrade of Reserves and Resources for Ntendeka Colliery

Ikwezi Mining Limited (ASX: IKW, Ikwezi Mining or Company) is pleased to announce an upgrade to its Reserve and Resource statement for its' Ntendeka Colliery. Total resources have increased from 221 million tons to 294 million tons and reserves to 16 million tons from 14 million tons.

Exploration activities have been ongoing, since the previous resource report was published, with geological modelling being undertaken on a quarterly basis. Mine design and planning has been completed for the first seven years of production. Stefanuti Stocks Mining Services (Pty) Ltd were used for all work on the opencastable reserves and Mindset (Pty) Ltd were used for all work related to underground reserves. In particular all work relating to mine design and planning have been optimised taking into account the current low export market prices. This has resulted in a significant portion of the reserves being removed from the current reserve statement that will be able to be reincluded should the pricing environment change. To date a total of 470 boreholes have been drilled within the Ntendeka Colliery's mining right area.

The extension of the drilling program and increase in the total resource and reserve base is expected to add to the life of the mine.

**Table 1: Ntendeka Colliery Resource (Inclusive) Statement as at March 2013**

RESOURCE CLASSIFICATION	GTIS (Mt)	GEOL LOSS	TTIS (Mt)	SEAM NAME	SEAM THICK (m)	RD (g/cc)	AS (%)	RAW QUALITIES (air Dried)				
								IM (%)	VM (%)	FC (%)	TS (%)	CV (MJ/KG)
<b>Measured</b>	41	10%	37	Top	2.76	1.58	28.41	2.25	15.01	54.37	2.11	22.39
	9	10%	8	Bottom	1.07	1.53	24.46	1.71	16.23	57.59	2.09	23.68
<b>Total Measured</b>	<b>50</b>	<b>10%</b>	<b>45</b>		<b>2.45</b>	<b>1.57</b>	<b>27.68</b>	<b>2.15</b>	<b>15.23</b>	<b>54.96</b>	<b>2.11</b>	<b>22.63</b>
<b>Indicated</b>	29	15%	25	Top	3.10	1.59	27.91	2.78	14.95	54.38	1.98	22.23
	7	15%	6	Bottom	1.44	1.55	25.74	1.76	14.76	57.73	2.16	23.42
<b>Total Indicated</b>	<b>36</b>	<b>15%</b>	<b>31</b>		<b>2.78</b>	<b>1.58</b>	<b>27.50</b>	<b>2.58</b>	<b>14.91</b>	<b>55.02</b>	<b>2.01</b>	<b>22.46</b>
<b>Inferred</b>	162	20%	130	Top	1.93	1.58	26.95	1.59	15.24	56.21	2.37	23.75
	46	20%	36	Bottom	0.91	1.56	27.12	1.40	15.93	55.57	1.91	23.55
<b>Total Inferred</b>	<b>208</b>	<b>20%</b>	<b>166</b>		<b>1.71</b>	<b>1.58</b>	<b>26.99</b>	<b>1.55</b>	<b>15.39</b>	<b>56.07</b>	<b>2.27</b>	<b>23.70</b>
<b>Total Resources: Top Seam</b>	<b>233</b>	<b>18%</b>	<b>192</b>	<b>Top</b>	<b>2.24</b>	<b>1.58</b>	<b>27.36</b>	<b>1.87</b>	<b>15.16</b>	<b>55.62</b>	<b>2.27</b>	<b>23.29</b>
<b>Total Resources: Bottom Seam</b>	<b>62</b>	<b>18%</b>	<b>51</b>	<b>Bottom</b>	<b>1.00</b>	<b>1.55</b>	<b>26.53</b>	<b>1.50</b>	<b>15.84</b>	<b>56.15</b>	<b>1.97</b>	<b>23.55</b>
<b>TOTAL RESOURCES</b>	<b>294</b>	<b>18%</b>	<b>242</b>		<b>1.98</b>	<b>1.58</b>	<b>27.18</b>	<b>1.79</b>	<b>15.30</b>	<b>55.73</b>	<b>2.21</b>	<b>23.35</b>

**Table 2a: Ntendeka Colliery Reserve Statement as at March 2013 – Raw Qualities**

(Please note: Table 2a, 2b and 2c should be read together)

RESERVE CLASSIFICATION	MTIS (Mt)	MINING METHOD	MINING EXTRACTION	ROM (Mt)	SEAM NAME	SEAM THICK (m)	RAW QUALITIES (air dried)							
							RawRD (g/cc)	Ash (%)	Moist (%)	Vols (%)	Fixed Carbon (%)	Sulph (%)	CV (MJ/KG)	
Proven	9.81	OPENCAST	90%	8.83	Top	2.93	1.57	27.94	2.38	17.37	52.45	1.92	22.76	
	0.47		90%	0.42	Bottom	1.12	1.51	21.61	1.65	18.35	58.39	2.01	24.71	
<b>Total OC Proven</b>	<b>10.28</b>			<b>9.25</b>		<b>2.68</b>	<b>1.56</b>	<b>27.06</b>	<b>2.28</b>	<b>17.50</b>	<b>53.28</b>	<b>1.93</b>	<b>23.03</b>	
Probable														
<b>Total OC Probable</b>														
<b>Total Opencast</b>	<b>10.28</b>			<b>90%</b>	<b>9.25</b>		<b>2.68</b>	<b>1.56</b>	<b>27.06</b>	<b>2.28</b>	<b>17.50</b>	<b>53.28</b>	<b>1.93</b>	<b>23.03</b>
Proven			UNDERGROUND											
<b>Total UG Proven</b>														
Probable	5.76			63%	3.63	Top	3.11	1.60	30.16	1.82	17.02	51.00	1.71	21.64
<b>Total UG Probable</b>	<b>5.76</b>				<b>3.63</b>		<b>2.68</b>	<b>1.56</b>	<b>27.06</b>	<b>2.28</b>	<b>17.50</b>	<b>53.28</b>	<b>1.93</b>	<b>23.03</b>
<b>Total Underground</b>	<b>5.76</b>			<b>63%</b>	<b>3.63</b>		<b>3.11</b>	<b>1.60</b>	<b>30.16</b>	<b>1.82</b>	<b>17.02</b>	<b>51.00</b>	<b>1.71</b>	<b>21.64</b>
<b>TOTAL RESERVES</b>	<b>16.04</b>				<b>12.88</b>		<b>2.44</b>	<b>1.57</b>	<b>27.89</b>	<b>2.38</b>	<b>16.57</b>	<b>53.22</b>	<b>2.22</b>	<b>22.39</b>

**Table 2b: Ntendeka Colliery Reserve Statement as at March 2013 – 27.5 MJ/Kg**

(Please note: Table 2a, 2b and 2c should be read together)

RESERVE CLASSIFICATION	MTIS (Mt)	MINING METHOD	PRODUCT QUALITIES @ 27.5 CV							PRODUCT YIELD (%)	
			WashRD (g/cc)	Ash (%)	Moist (%)	Vols (%)	Fixed Carbon (%)	Sulph (%)	CV (MJ/KG)		
Proven	9.81	OPENCAST	1.64	16.24	2.46	20.83	60.20	1.31	27.52	71.2	
	0.47		1.53	13.63	1.45	23.63	61.29	1.36	27.50	72.4	
<b>Total OC Proven</b>	<b>10.28</b>		<b>1.64</b>	<b>16.19</b>	<b>2.44</b>	<b>20.88</b>	<b>60.22</b>	<b>1.31</b>	<b>27.52</b>	<b>71.2</b>	
Probable											
<b>Total OC Probable</b>											
<b>Total Opencast</b>	<b>10.28</b>			<b>1.64</b>	<b>16.19</b>	<b>2.44</b>	<b>20.88</b>	<b>60.22</b>	<b>1.31</b>	<b>27.52</b>	<b>71.2</b>
Proven			UNDERGROUND								
<b>Total UG Proven</b>											
Probable	5.76										
<b>Total UG Probable</b>	<b>5.76</b>										
<b>Total Underground</b>	<b>5.76</b>										
<b>TOTAL RESERVES</b>	<b>16.04</b>			<b>1.57</b>	<b>15.05</b>	<b>1.96</b>	<b>19.58</b>	<b>63.36</b>	<b>1.66</b>	<b>27.51</b>	<b>55.3</b>

**Table 2b: Ntendeka Colliery Reserve Statement as at March 2013 – 26.5 MJ/kg**

(Please note: Table 2a, 2b and 2c should be read together)

RESERVE CLASSIFICATION	MTIS (Mt)	MINING METHOD	PRODUCT QUALITIES @ 26.5 CV							PRODUCT YIELD (%)	
			WashRD (g/cc)	Ash (%)	Moist (%)	Vols (%)	Fixed Carbon (%)	Sulph (%)	CV (MJ/KG)		
Proven	9.81	OPENCAST	1.66	17.56	2.05	19.34	60.44	1.44	26.33	66.9	
	0.47		1.93	15.55	1.27	22.67	59.27	1.48	26.36	83.4	
<b>Total OC Proven</b>	<b>10.28</b>		<b>1.69</b>	<b>17.36</b>	<b>1.98</b>	<b>19.67</b>	<b>60.32</b>	<b>1.45</b>	<b>26.34</b>	<b>68.5</b>	
Probable											
<b>Total OC Probable</b>											
<b>Total Opencast</b>	<b>10.28</b>		<b>1.69</b>	<b>17.36</b>	<b>1.98</b>	<b>19.67</b>	<b>60.32</b>	<b>1.45</b>	<b>26.34</b>	<b>68.5</b>	
Proven			UNDERGROUND								
<b>Total UG Proven</b>											
Probable	5.76			1.66	17.13	1.86	17.72	63.29	2.12	26.51	66.0
<b>Total UG Probable</b>	<b>5.76</b>			<b>1.69</b>	<b>17.36</b>	<b>1.98</b>	<b>19.67</b>	<b>60.32</b>	<b>1.45</b>	<b>26.34</b>	<b>68.5</b>
<b>Total Underground</b>	<b>5.76</b>	<b>1.66</b>		<b>17.13</b>	<b>1.86</b>	<b>17.72</b>	<b>63.29</b>	<b>2.12</b>	<b>26.51</b>	<b>66.0</b>	
<b>TOTAL RESERVES</b>	<b>16.04</b>	<b>1.57</b>		<b>15.05</b>	<b>1.96</b>	<b>19.58</b>	<b>63.36</b>	<b>1.66</b>	<b>27.51</b>	<b>55.3</b>	

**Competent Persons Statement:**

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Ranaldo Anthony, an Executive Director of the Company. Mr Anthony has more than 12 years of experience in the South African coal industry, holds a B.Sc. Hons. (Geology) degree from the University of Natal and is an active member of the Geological Society of South Africa. The Geological Society of South Africa is a "Recognised Overseas Professional Organisation" ('ROPO') and is included in the list of ROPOs promulgated by the ASX. All work related to Mine planning, design and reserve determination was conducted by independent contractors, with sufficient qualifications, experience and knowledge, to meet the requirements of a Competent Person, and was collectively supervised and approved by Mr Ranaldo Anthony.

Ranaldo Anthony has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ranaldo Anthony consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## **ABOUT IKWEZI**

*Ikwezi Mining Ltd is focused on the exploration and development of coal projects in South Africa. Ikwezi has a 70% in the Ntendeka Colliery and a 60% interest in the Dundee, Acorn and Assegai projects. The Ntendeka Colliery is located in the KwaZulu Natal coal fields, has an existing JORC compliant resource of approximately 294 Mt and is in close proximity to rail and port infrastructure.*

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