



ASX Code: IKW

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Company Announcements Office
Australian Securities Exchange
Level 4 Exchange Centre
20 Bridge Street
Sydney NSW 2000

IKWEZI APPOINTS STEFANUTTI STOCKS AS OPENCAST MINING CONTRACTOR FOR NEWCASTLE PROJECT

Ikwezi Mining Limited (**ASX:IKW**, the '**Company**' or '**Ikwezi**') has appointed Stefanutti Stocks Mining Services ('Stefanutti Stocks') as its opencast mining contractor to conduct the opencast mining at the Ikwezi Newcastle project, located at Newcastle in KwaZulu-Natal ('the contract').

A member of the Stefanutti Stocks Group of Companies listed on the JSE Limited (JSE:ISIN), Stefanutti Stocks provides professional engineering services to a wide range of mining clients across the African continent in the fields of design, construction and operations of tailings disposal and recovery facilities. The company's services include the operation and management of waste/residue disposal and recovery facilities and open pit mining and materials handling operations. Over the past five years Stefanutti Stocks has expanded its mining services into surface mining where it is involved in open pit mining operations including the design and management of mine spoil dumps.

Ikwezi considered a number of criteria in choosing its preferred contractor including Stefanutti Stock's combined management experience, financial stability, capacity to meet production and cost targets and established track record of providing mining services to major mining houses including amongst others Anglo Gold, Harmony, Assmang, ARM, Norilsk, Goldfields and De Beers.

Stefanutti Stocks will operate within the criteria set out in Ikwezi's Social and Labour Plan. This seeks to promote employment and advance the social and economic welfare of local communities around the Newcastle Project.

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In terms of the contract, Stefanutti Stocks will ensure that it meets the SHEQ (Safety, Health, Environment and Quality) criteria set out in Ikwezi's SHEQ Management programme, creating a safe working environment for both their employees and the local communities around the Newcastle Project. As part of Ikwezi's drive to ensure that the local community remain an integral part of the operation and see real and substantial benefits from the operation, Stefanutti Stocks will also extend its own training initiatives to upskill workers recruited from the local municipalities in the area during the term of the contract. In addition, Stefanutti Stocks will work within the project's Environmental Management Plan, implementing measures to limit the impact of the extractive process.

Following the granting of its mining licence in February 2012, Ikwezi expects mining to commence at the Newcastle Project in mid-2012. Its wash plant, capable of processing 170 000t Run of Mine/month remains on track to be commissioned on site in Q2 2012.

"Stefanutti Stocks has been an integral part of Ikwezi's operations for the past eight months and has made a substantial contribution to the Newcastle Projects development," says Ikwezi MD, David Pile. "We look forward to a long, rewarding and mutually beneficial relationship with Stefanutti Stocks."

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