



ASX Code: IKW

30 April 2018

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

Short term funding arrangements and conclusion of mining contract

Ikwezi Mining Limited (ASX: IKW, Ikwezi Mining or Company).

Short term funding arrangement

On 30 April 2018, Ikwezi entered into a short-term unsecured loan facility agreement of ZAR 9.5 million (approx. AU\$ 1 million) from Osho SA Coal (Pty) Ltd, a related party. The loan facility will attract an interest rate of 10 percent per annum, with full repayment to be made on or before 31 August 2019. The loan will be drawn down by Ikwezi's operations as and when required.

Conclusion of mining contract

As previously announced, the Company selected CML Melger Mining Pty Ltd ("CML") as its mining contractor to start opencast mining operations. The Company has negotiated and successfully concluded a mining contract with CML. CML will undertake the mining operations for the production of ROM Coal, and perform all activities, including crushing and screening, which are ancillary to the mining operations, from the Central Mini Pit and any other pits as designated from time to time by Ikwezi.

CML Group has been active in bulk materials handling surface mining, civil engineering and earthmoving plant hire and normal/abnormal haulage since 1998. CML will be responsible for the supply of all personnel and equipment for the mining operations and will perform all short term planning and management of the site from where the mining operations will be carried out.

CML was selected and appointed as the contractor for the Project following a rigorous selection process involving a number of possible contractors. CML has confirmed the immediate and continued availability of personnel and equipment needed for the mining operations and affirmed compliance with the requirements of the Social and Labour Plan of Ikwezi.

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ABOUT IKWEZI

Ikwezi Mining Ltd is focused on the exploration and development of coal projects in South Africa. Ikwezi has a 70% stake in the Ntendeka Colliery. The Ntendeka Colliery is located in the KwaZulu-Natal coal fields and is in close proximity to rail and port infrastructure.

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Disclaimer regarding future matters and forward-looking statements

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