



mineral resources & energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

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Transalloys (Pty) Ltd
Clewer Road
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1035
Mpumalanga

South African
Designated National Authority
For the
Clean Development Mechanism
Of the
Kyoto Protocol to the United Nations
Framework Convention on Climate Change
Office of the Director General in the
Department of Mineral Resources & Energy
DNA Contact Address
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Attention: Mr. Theo Morkel

DESIGNATED NATIONAL AUTHORITY (DNA) FOR THE CLEAN DEVELOPMENT MECHANISM (CDM): LETTER OF APPROVAL FOR TRANSALLOYS MANGANESE ALLOY SMELTER ENERGY EFFICIENCY PROJECT

We refer to the application for the DNA's Letter of Approval for Transalloys Manganese Alloy Smelter Energy Efficiency Project, (herein referred to as the Project) submitted by Transalloys (Pty) Ltd. The DNA has noted that the project participant Highveld Steel and Vanadium Corporation Limited has changed the name of its legal entity to Evraz Highveld Steel and Vanadium Limited on the 06th July 2010.

On the 28th November 2006, the DNA issued a Letter of Approval for Transalloys Manganese Alloy Smelter Energy Efficiency Project confirming that the project activity assists in achieving sustainable development.

The Republic of South Africa has ratified the United Nations Framework Convention on Climate Change and is a signatory to the Kyoto Protocol and complies with its obligations under these international instruments.

The DNA is the authorised body in South Africa to issue Letters of Approval for CDM projects. South Africa participates voluntarily in the CDM and in the Project.

Based exclusively on the information contained in the Project Design Document and subject to the conditions set out herein;

We confirm that:

- a. the Project is located in South Africa;
- b. the boundary for the project activity is the physical boundary of the Transalloys manganese smelter which is approximately 14 kilometres west of eMalahleni in Mpumalanga province;
- c. the Project supports sustainable development.

We authorise:

- a. the participation of Transalloys Manganese Alloy Smelter Energy Efficiency Project, as a CDM Project;
- b. the name change for project participant Highveld Steel and Vanadium Corporation Limited to Evraz Highveld Steel and Vanadium Limited proponent to participate in the CDM Project;
- c. Transalloys (Pty) Ltd, as the project participant in the CDM Project;
- d. Transalloys (Pty) Ltd, if it is the legal owner of the project, to sell the title and all rights to the greenhouse gas emission reductions generated by this report.

This Letter of Approval is subject to the following conditions:

- a. Transalloys (Pty) Ltd warrants to the DNA that it is the legal owner of the Project. The DNA does not take any responsibility for the private contractual arrangements and property rights between or among project participants. The DNA may not be held liable in the event that ownership of the Project is disputed;
- b. the Project must be developed in accordance with the Project Design Document received by the DNA;
- c. the DNA retains the right to withdraw the authorisation granted in terms of the Letter of Approval in the event of non-compliance with the Project Design Document.

We will, to the extent possible, cooperate with Transalloys (Pty) Ltd the CDM Executive Board to facilitate the CDM project cycle. The granting of this Letter of Approval does not guarantee the registration of the Project as a CDM project by the CDM Executive Board.

By its acceptance of this Letter of Approval, Transalloys (Pty) Ltd indemnifies the DNA against any loss that Transalloys (Pty) Ltd may suffer as a result of project implementation.

Yours faithfully,

A handwritten signature in dark ink, appearing to be 'T. S. Mokoena', written over a horizontal line.

Adv. T Mokoena

Director-General

Date: 28/10/2021

DNA Letter of Approval

To: **Mr Henk Sa**
Ecosecurities South Africa (Pty) Ltd
Country Club Estate, Building 2
Woodlands Drive
Woodmead
South Africa

17 November 2006

South African
Designated National Authority
for the
Clean Development Mechanism
of the
Kyoto Protocol to the United Nations Framework
Convention on Climate Change



Office of the Director General in the
Department of Minerals and Energy
Contact: L Tyani 012 317 8227

**Designated National Authority (DNA) for the Clean Development Mechanism (CDM):
Letter of Approval for the Transalloys Manganese Alloy Smelter Energy Efficiency Project**


1. The DNA refers to the application for the DNA's Letter of Approval for the Transalloys Manganese Alloy Smelter Energy Efficiency Project, submitted to the DNA office by Ecosecurities South Africa (Pty) Ltd on behalf of Highveld Steel and Vanadium Corporation (Pty) Ltd, herein referred to as the Project.
2. South Africa has ratified the United Nations Framework Convention on Climate Change and the Kyoto Protocol and is in compliance with its obligations under these international instruments.
3. The DNA is the authorised body in South Africa to issue Letters of Approval for CDM projects.
4. South Africa participates voluntarily in the CDM and in the Project.
5. The DNA confirms that:
 - a. the Project is located in Witbank, in the Mpumalanga Province.
 - b. the boundary for the project activity is the physical boundary of the Transalloys Manganese Alloy Smelter in Witbank, and the project objective is to reduce electricity consumption per tonne of silicomanganese produced by 10-20% (0.5-1MWh) by replacing current furnaces with more efficient and new design of electric arc furnaces, electrode assemblies, and control and peripheral systems.
 - c. the project support sustainable development in South Africa.
 - d. the DNA will cooperate the CDM project cycle to the extent possible.

6. The DNA authorises:

- a. the participation of Highveld Steel and Vanadium Corporation Ltd Highveld Steel and Vanadium Corporation Ltd in the CDM Project;
- b. that by virtue of South Africa's national ownership of any and all greenhouse gas emissions reductions generated in the Republic within the framework of the abovementioned international instruments and in the event that, upon generation of such greenhouse gas emissions reductions, Highveld Steel and Vanadium Corporation Ltd becomes the private owner of the right title and interest in such greenhouse gas emissions reductions, and the sale of such right title and interest by Highveld Steel and Vanadium Corporation Ltd.

7. The duration of validity of this Letter of Approval shall be 24 months from the date hereof.
8. The authorisation granted in terms of this Letter of Approval is conditional upon: Project Development Document being in accordance with the Project Design Document as received by the DNA.
9. The DNA retains the right to withdraw the authorisation granted in terms of the Letter of Approval in the event of non-compliance with the conditions mentioned at paragraph 8, above.
10. The granting of this Letter of Approval does not guarantee the registration of the Project as a CDM project by the CDM Executive Board.
11. By its acceptance of this Letter of Approval, Highveld Steel and Vanadium Corporation Ltd indemnifies the DNA against any loss that Highveld Steel and Vanadium Corporation Ltd may suffer as a result of Highveld Steel and Vanadium Corporation Ltd implementation of the Project.

Yours faithfully

 [J F Rana]
Advocate Sandile Nogxina
Director General 28/11/06