The Manganese Segment Strategy

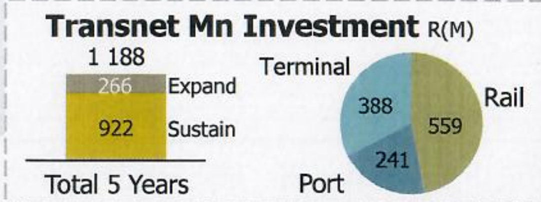
frames channel based focus areas for investment and partnership

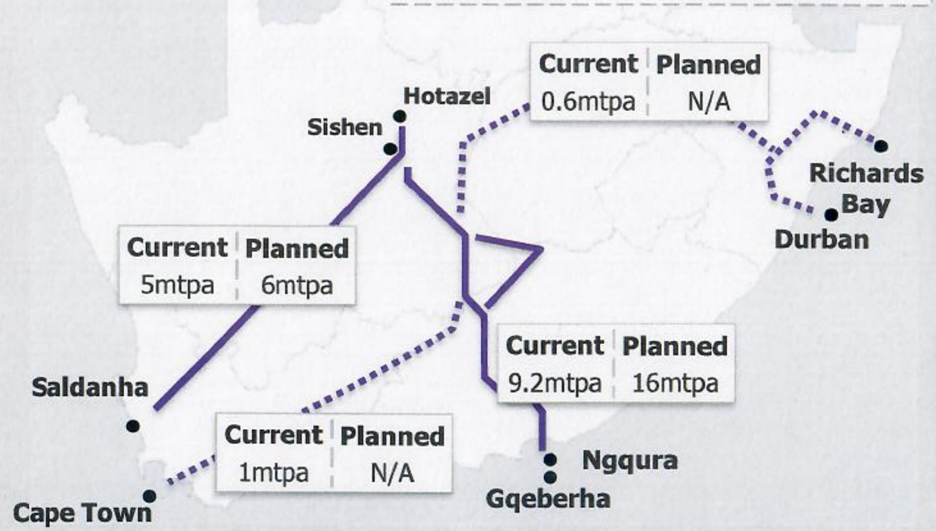
Demand for manganese export capacity remains **optimistic** with volumes expected to rapidly exceed **22 million tons per annum** in the short to medium term. Transnet will seek support from the private sector to develop a **world class 16mtpa Manganese export** facility at the **Port of Ngqura**, augmented by an increase in capacity to ~ **6mtpa** through the **Port of Saldanha**. In supporting further transformation of the industry Transnet will, through these partnerships, provide access to manganese export capacity for emerging miners.

Partnerships to Expand Export Capacity via Saldanha

Complemented by parallel investments in Iron Ore assets, Transnet will increase rail capacity between **Hotazel and Sishen**, stabilize rail performance between **Sishen and Saldanha**, and increase storage **capacity in Saldanha** via additional **back of port facilities to** for **6mtpa** of manganese.

Additional **berthing capacity** at the Port of Saldanha is under assessment and will consider both Iron Ore & Manganese capacity requirements.





Partnerships to Migrate and Expand Export Capacity via Ngqura

To ensure security of supply, Transnet will fast track **the development of the planned 16mtpa manganese export terminal in the Port of Ngqura** via a private partnership, to enable **the closure of the Port Elizabeth Bulk Ore Terminal**

Capacity in the rail corridor to **Ngqura** will be increased to cater for the increase in volumes to 16Mtpa

Indicative routing for illustrative purposes only

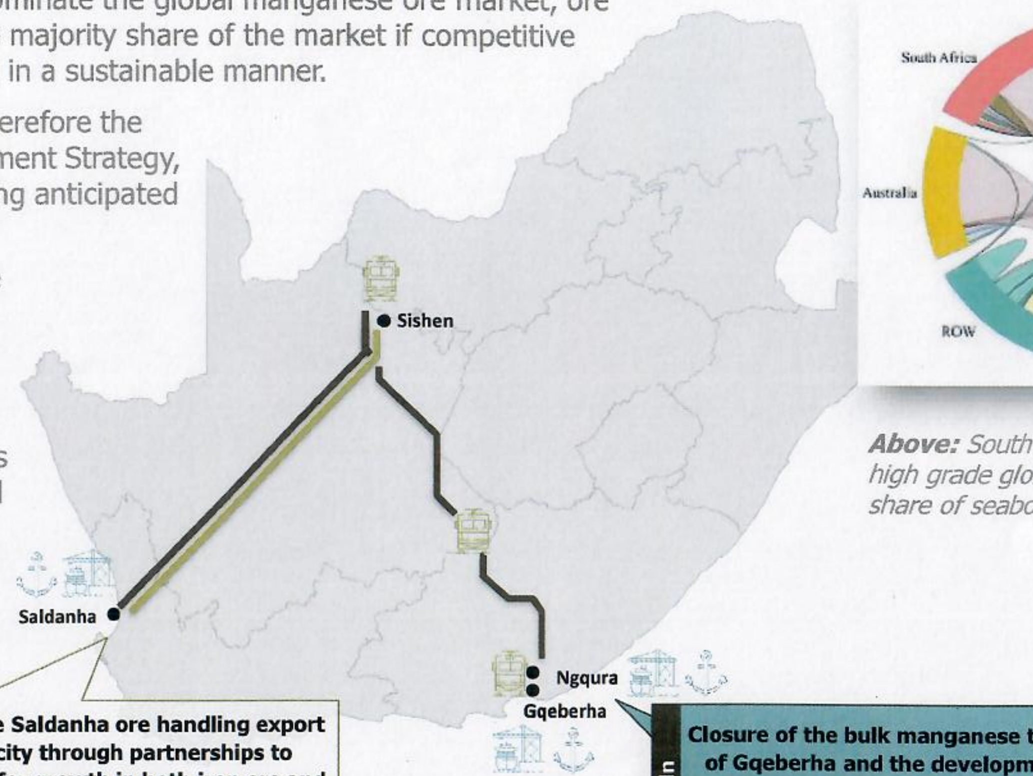
Manganese Export Consolidation through the Port of Ngqura

Segment Strategy Key Focus Area:
Manganese Dual Channel Export Strategy

While South Africa continues to dominate the global manganese ore market, ore miners can profitably maintain the majority share of the market if competitive logistics solutions can be provided in a sustainable manner.

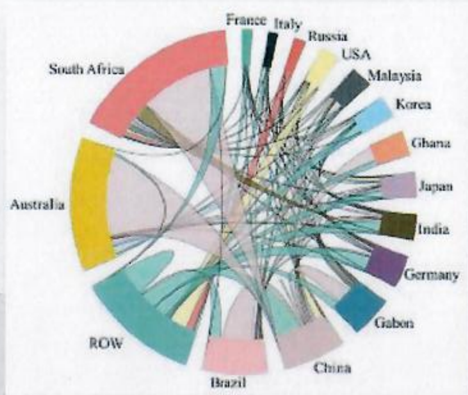
Reducing the cost of logistics is therefore the focal point of the Manganese Segment Strategy, and guides the approach to meeting anticipated demand of 22Mtpa.

This entails optimising manganese exports via two high-efficiency channels through the Port of Saldanha and a new 16mtpa bulk terminal at the Port of Ngqura, leveraging the inherent efficiencies of the Sishen-Saldanha heavy haul rail line, and the planned high-capacity upgrade of the SouthCor rail corridor.



Mn | Iron Ore — **Increase Saldanha ore handling export capacity through partnerships to provide for growth in both iron ore and manganese exports**

Mn — **Closure of the bulk manganese terminal at the Port of Gqeberha and the development of a new bulk manganese export terminal at Ngqura, currently envisaged as a 16mtpa facility**



Source: Sciencedirect.com

Above: *South Africa has 75% of mid - high grade global reserves and > 30% share of seaborne volumes*