

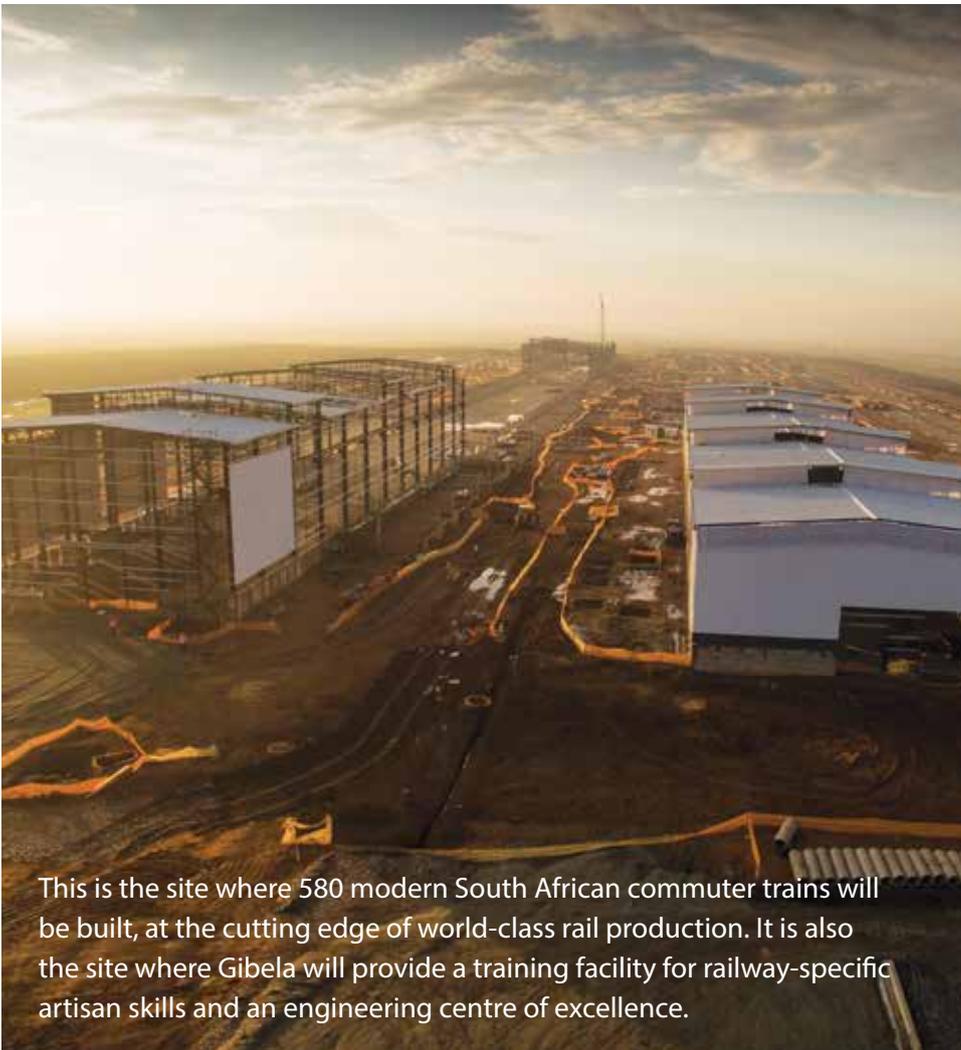


CONSTRUCTION
UPDATE #2
DECEMBER 2016



THE CONSTRUCTION OF GIBELA'S **R1 BILLION FACTORY**

at Dunnottar in Ekurhuleni, about 50km east of Johannesburg, is forging ahead.



This is the site where 580 modern South African commuter trains will be built, at the cutting edge of world-class rail production. It is also the site where Gibela will provide a training facility for railway-specific artisan skills and an engineering centre of excellence.

LATEST NEWS FROM SITE:

Visible progress is being made on a daily basis as the steel structure of the manufacturing buildings go up. Highlights of the construction programme include:

- All structural steel for the training centre has been erected, complete with side cladding.
- The concrete floor has been cast and exterior block work completed. The building is now ready for industrial fittings to be installed.
- Erection of the steel structure of the car body shell and fitting building and the central offices is under way.
- Foundations are being cast for the static test and filming buildings.



CONSTRUCTION PROGRAMME CONTRACTORS: PROCUREMENT FOR PACKAGES 5, 6 AND 7 IS FINALISED

AECOM is Gibela's engineering, procurement, and construction management (EPCM) contractor. Gibela, working with AECOM, has appointed a further eight construction contractors for different work packages.



PACKAGE 0 and 1	PACKAGE 2	PACKAGE 4	PACKAGE 5	PACKAGE 6	PACKAGE 7
Plant rescue, site clearing works and civils	Factory building	Rail infrastructure	Electrical reticulation, equipment, traction substation	Mechanical	Overhead cranes, transborder, rotation table
Trencon Construction	Trencon Construction and Black Jills JV	Appointment by end 2016	5a: ACTOM 5b: Tractionel Enterprise	Aster International SA (Pty) Ltd	7a: Pro crane services 7b: Kone Cranes (Pty) Ltd

A series of kick-off meetings have been held to align new contractors with Gibela's health, safety and environment, quality management, economic development and construction management procedures.

OUR COMMITMENT TO LOCAL EMPLOYMENT

Great effort has been placed on ensuring those working on site are from communities adjacent to the factory. Of the approximately 528 people employed on site so far, 322 people live in and around Ekurhuleni.

"56% of the bulk civil works has been completed – in line with the planned completion date"

Thierry Darthout, Vice-President: Operations

DRONE FOOTAGE
TO VIEW OUR CONSTRUCTION UPDATE IN MOTION, VISIT OUR WEBSITE AT WWW.GIBELA-RAIL.COM



GETTING TO KNOW LOCAL CONTRACTORS WORKING ON SITE

Gibela has made a commitment to enterprise and supplier development at each stage of the construction programme, firmly believing that it can facilitate the growth and transformation of society and communities adjacent to the facility. As such, Trencon – Black Jills JV has engaged the services of more than 10 – the local businesses for Packages 1 and 2, amongst them VDC Trading (VDC) and Dikarabo Capital.



Dikarabo Capital

Dikarabo Capital, 100% owned by businesswoman Dimakatso Makgato, was on-boarded for Package 2.

Dimakatso grew up in Soweto and has set up her business in Springs.

“I have always liked construction. I am one of those women who likes to challenge traditional stereotypes. When something is a challenge, I am immediately attracted to the possibilities that it can present.

“When this project came up, I was immediately excited about the opportunities. It has been a steep learning curve, but I know that, because Gibela’s bar is set so high, whichever project I participate in in future will be easier.”

Dimakatso and her team of 16 local employees’ scope of work includes brick-laying, plastering and painting.

She has been able to overcome challenges and learn new skills through her relationship with Trencon and other SMMEs on site.

“They have been great at showing me the ropes and guiding me to the point where I am confident enough to make certain decisions and planning on how to meet my next milestones on the project. If I think back to where I started and compare it to where I am now, I can definitely see growth,” she says.

As for working in a male-dominated industry, Dimakatso has learned that you cannot let yourself be discouraged.

“Anything a man can do, a woman can, too!” she says. “It is the kind of business you have to be hands-on with. You need to be visible at all times. Compared to other projects that I have been involved in, this is different. The environment, though challenging, has been very interesting and the lessons I have learned I can now apply to future business ventures.”

VDC Trading

VDC, a 100% empowered, Nigel-based company owned and managed by Roy Campbell, was brought on board for Package 1.

Roy learnt about the opportunities available to local suppliers during the supplier workshop held at the beginning of 2015 in Alra Park.

“All my life I have been involved in construction, so when the opportunity arose to be involved in Gibela’s project – and being unemployed at the time – I started up my own business with my wife. That is how VDC was born,” says Roy.

VDC initially started with site establishment in 2015 and their scope of work currently includes the brickwork.

“I started with three employees and now have 43 people working on this phase of the job,” says Roy. “All are from local communities like Alra Park, Kwa Thema, Springs and Daveyton; that’s huge!”

VDC’s biggest challenge is finding enough people with the right skills to work on site, a challenge with which it is persevering because providing jobs is ‘the highlight of every week’ for Roy.

Roy is grateful for the support with which Trencon has provided his business throughout the process.

“Through Trencon, I believe there is more to come and I am positive and confident about the opportunities that are in the pipeline and may present themselves.”



HEALTH AND SAFETY UPDATE

We have worked more than

500 000

lost-time injury free hours – a momentous achievement.



THE CONSTRUCTION PROJECT IN NUMBERS

As of 1 December 2016:

511 000 productive hours worked

4 043m³ of concrete have been cast



528 people active on site



522 tonnes of structural steel erected



5km piping installed

322 of these people are from local communities



35 plant vehicles and cranes active on site

