Driving local economic growth
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Offers a variety of industrial and commercial space

Driving local economic growth
Kathu Industrial Park provides a unique niche, low risk investment opportunity in a growing market.
Anglo American’s Kumba Iron Ore, as part of its Corporate Social Investment initiatives, launched an investigation into the establishment of an Industrial Park in the Kathu area of the Northern Cape.

A pre-feasibility study was conducted which served as motivation for further exploration of the initiative in partnership with the Industrial Development Corporation (IDC).

The primary objective of this initiative is to provide a support platform for industry in the Northern Cape. The park will create a positive and sustainable socio-economic impact in the greater Kathu area through economic growth, job creation and community development.
To create a **positive and sustainable socio-economic impact** in the greater Kathu area
What is the Kathu Industrial Park?

Due to extensive growth in the mining and renewable energy sectors, the area has not kept up with infrastructure development and expansion over recent years. Growth is expected to continue, which necessitates careful planning and the development of enabling infrastructure. The major demand for industrial and commercial space as a platform for economic development in the region remains one of the key challenges to address.

The Park will offer a variety of industrial and commercial space options, allowing for industrial, warehousing, commercial, office and retail premises.

The Kathu Industrial Park Project is attracting interest from blue chip multi-national tenants and will become a key catalyst for further economic and social development in the Northern Cape.

Where is the Kathu Industrial Park situated?

The town of Kathu, also known as the “Iron Ore Capital of South Africa”, is located in the northern part of the Northern Cape Province. It is approximately 600 km from Johannesburg, 1 000 km from Durban and 1 000 km from Cape Town. It is home to several iron ore and manganese mines, with the Sishen Iron Ore Mine being the biggest and one of the largest open pit mines in the world.

The Kathu Industrial Park is a new industrial and commercial development strategically located in Kathu, a town at the heart of the mining and renewable energy sectors in the Northern Cape. The identified site for the industrial park is conveniently situated directly off some of the main regional routes, with easy access to national roads connecting to Gauteng, Cape Town and Namibia.
Facilities

It is envisaged that the park will consist of the following facilities and services:

- Manufacturing
- Warehousing
- Meeting and conference facilities
- Canteens
- Training
- A medical centre
- One-stops induction centre
- A research laboratory
- A logistic distribution and consolidation centre
- Educational and social project facilities
- An incubation centre
- Workshops and offices
- Public transport facilities

All of the above will be developed on fully serviced land and infrastructure.
Facility Management Services

- Maintenance and repairs
- Firefighting
- Housekeeping
- Leasing
- Municipal services
- Security
- Access control
- Garden services
- Retail
Artist's impression of the Central Hub
The Kathu Industrial Park is designed by leading design and architectural companies. Design guidelines will ensure that businesses retain their own identity and branding, whilst also creating a consistent visual theme for the industrial park.

Turnkey buildings are designed to tenants’ needs and are developed to achieve optimised layouts and flows. Special attention is being paid to environmentally friendly designs and building methods, with ample green areas incorporated to preserve natural features of the site.
The Kathu Industrial Park offers exciting opportunities for tenants who are active in the mining, renewable energy and other sectors. Other tenants will include service providers and second tier suppliers as well as government agencies and social programmes.
The Kathu Industrial Park is conveniently located in close proximity to various mines, the existing Kathu industrial area, the Kathu CBD, the local airport, several renewable energy farms and a number of guest houses and hotels. It is one of the few available sites for industrial development left in the rapidly growing Northern Cape region.

A significant value proposition distinguishes the Kathu Industrial Park from what is currently available in the Northern Cape:

- Tenants will receive world-class facilities and services at a competitive price
- Buildings will be modular and of customised design
- Consolidation of shared infrastructure and services
- Economies of scale will ensure sustainability.

Synergies between tenants will unlock opportunities and increase efficiencies.

The Kathu Industrial Park logistics model is based on global best practice and provides supply chain benefits through shared services and infrastructure, outsourced logistics processes and the ability for tenants to focus on core competencies and quality.
Investors >>>

Given that Kathu is one of the fastest growing areas in South Africa, the project offers attractive return on investment opportunities for companies and organisations interested in investing in the Park.

There are a number of key value drivers that support the overall business case and sustainability of the development:

- Exponential growth of the mining industry in the Northern Cape resulting in shortage of industrial space and land
- Highly focused cluster concept supported by the mining sector
- Fit for purpose support platform to key sectors
- Development based on international best practice
- Strong institutional investors such as Anglo American’s Kumba Iron Ore and the IDC have already committed to the project
- Significant tenant pipeline
- Speed of implementation enabled through a detailed project development plan with EIA and regulatory and statutory processes well advanced
- Flexible investment structures can be accommodated.
Value Proposition: Investors

The Kathu Industrial Park provides:
• Strong co-investment
• Continued market growth
• Attractive returns
• Ensured sustainability.

Anglo American’s Kumba Iron Ore and the Industrial Development Corporation have already funded the following:
• Bankability study
• Regulatory and statutory processes
• Technical design and development.
The project is being progressed through a Joint Development Agreement between Anglo American’s Kumba Iron Ore and the Industrial Development Corporation. The purpose of the Joint Development Agreement is to enable the development and completion of a detailed Project Development Plan (PDP).

The PDP includes detailed technical studies such as geotechnical assessments and preliminary technical designs. In addition, all regulatory processes are included such as the Environmental Impact Assessment, Water Usage Licensing, Traffic Impact Assessment and the rezoning of land.

It is envisaged that the PDP will be completed by end of Q1 of 2015, after which it will be submitted back to assigned prospective investors for final approvals. A critical step in the process of developing the final PDP is an understanding of the detailed technical and operational requirements of all prospective tenants. Known prospective tenants are currently engaged in this requirement scoping process whilst newcomers can also still be accommodated.

Pre-leasing concepts and commitments are being discussed with prospective tenants during this time in order to finalise pre-lease agreements before conclusion of the PDP.
Environmental >>>

Kathu, meaning “town under the trees”, is named after the Camel Thorn trees which are prolific in the area. Kathu is host to one of only two Camel Thorn forests in the world. This protected area is located directly to the north of the town.

The Kathu Industrial Park will integrate with all relevant conservation requirements. The project will mitigate possible impacts on the environment through the development of an Environmental Impact Assessment.

Socio-Economic Development >>>

The key imperative of this initiative is to create a positive socio-economic impact in the greater Kathu region. The project will enable:
- Job creation
- Enterprise development
- Skills development and training
- Increased local investment.
Training >>>

The industrial park will host state-of-the-art training facilities. These facilities will be available to tenants of the park as well as external users, and are set to significantly advance training and skills levels in the region. Major synergies in this area can be explored between tenants of the park.

Incubation >>>

The Kathu Industrial Park will host an incubation centre to support the following functions:

- Enterprise development
- Supplier Development
- Mentorships
- Other support programmes
Driving local economic growth

Be part of the future of the Northern Cape. Contact our Project Office.

Project Office
info@kathuindustrialpark.co.za
www.kathuindustrialpark.co.za

Disclaimer
The Kathu Industrial Park is a greenfields project in conceptual stage and is currently in development phase subject to final approval and all information is for illustrative purposes only.