



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

FINAL BASIC ASSESSMENT REPORT

And

ENVIRONMENTAL MANAGEMENT PROGRAMME REPORT

SUBMITTED FOR ENVIRONMENTAL AUTHORIZATIONS IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 AND THE NATIONAL ENVIRONMENTAL MANAGEMENT WASTE ACT, 2008 IN RESPECT OF LISTED ACTIVITIES THAT HAVE BEEN TRIGGERED BY APPLICATIONS IN TERMS OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT, 2002 (MPRDA) (AS AMENDED).

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1. Important Notice

In terms of the Mineral and Petroleum Resources Development Act (Act 28 of 2002 as amended), the Minister must grant a prospecting or mining right if among others the mining “will not result in unacceptable pollution, ecological degradation or damage to the environment”.

Unless an Environmental Authorisation can be granted following the evaluation of an Environmental Impact Assessment and an Environmental Management Programme report in terms of the National Environmental Management Act (Act 107 of 1998) (NEMA), it cannot be concluded that the said activities will not result in unacceptable pollution, ecological degradation or damage to the environment.

In terms of section 16(3)(b) of the EIA Regulations, 2014, any report submitted as part of an application must be prepared in a format that may be determined by the Competent Authority and in terms of section 17 (1) (c) the competent Authority must check whether the application has taken into account any minimum requirements applicable or instructions or guidance provided by the competent authority to the submission of applications.

It is therefore an instruction that the prescribed reports required in respect of applications for an environmental authorisation for listed activities triggered by an application for a right or a permit are submitted in the exact format of, and provide all the information required in terms of, this template. Furthermore, please be advised that failure to submit the information required in the format provided in this template will be regarded as a failure to meet the requirements of the Regulation and will lead to the Environmental Authorisation being refused.

It is furthermore an instruction that the Environmental Assessment Practitioner must process and interpret his/her research and analysis and use the findings thereof to compile the information required herein. (Unprocessed supporting information may be attached as appendices). The EAP must ensure that the information required is placed correctly in the relevant sections of the Report, in the order, and under the provided headings as set out below, and ensure that the report is not cluttered with un- interpreted information and that it unambiguously represents the interpretation of the applicant.

2. Objective of the basic assessment process

The objective of the basic assessment process is to, through a consultative process—

- (a) determine the policy and legislative context within which the proposed activity is located and how the activity complies with and responds to the policy and legislative context;
- (b) identify the alternatives considered, including the activity, location, and technology alternatives;
- (c) describe the need and desirability of the proposed alternatives,
- (d) through the undertaking of an impact and risk assessment process inclusive of cumulative impacts which focused on determining the geographical, physical, biological, social, economic, heritage, and cultural sensitivity of the sites and locations within sites and the risk of impact of the proposed activity and technology alternatives on these aspects to determine:
 - (i) the nature, significance, consequence, extent, duration, and probability of the impacts occurring to; and
 - (ii) the degree to which these impacts —
 - (aa) can be reversed;
 - (bb) may cause irreplaceable loss of resources; and
 - (cc) can be managed, avoided or mitigated;
- (e) through a ranking of the site sensitivities and possible impacts the activity and technology alternatives will impose on the sites and location identified through the life of the activity to—
 - (i) identify and motivate a preferred site, activity and technology alternative;
 - (ii) identify suitable measures to manage, avoid or mitigate identified impacts; and
 - (iii) identify residual risks that need to be managed and monitored.

3. PART A Scope of assessment and Basic Assessment Report

3.1 Details of EAP

3.1.1 Details of the EAP

Name of The Practitioner: N.J. van Zyl
Tel No.: 082 8898696;
Fax No.: 086 6562942
e-mail address: klaaskraalbos@gmail.com

3.1.2 Expertise of the EAP.

The qualifications of the EAP

Current qualifications in this field were obtained through formal studies at the Cape Town Technicon, Nelson Mandela Metropolitan University and the University of the Orange Free State, which is the following:

- National Diploma Nature Conservation (1986)
- National Higher Diploma (B-Tech) Nature Conservation (1992)
- Master's Degree Environmental Management (MOB 750) (2001)

Further qualifications in this field were also obtained through short courses at the University of the Orange Free State, which is the following:

Environmental Impact Assessment (2001)
Wildlife Management through Veld Management (2001)
Resource evaluation and game ranch management (2003)
Arc GIS (2009)

Summary of the EAP's past experience.

With the implementation of the Mineral and Petroleum Resources Development Act 28 of 2002 Mr. van Zyl has started assisting small scale miners with all facets of applications for mining permits in terms of section 27 and prospecting rights in terms of section 16 of the MPRDA. Mr van Zyl has an excellent knowledge of the relevant acts applicable to the mining sector including the following:

- Mineral and Petroleum Resources Development Act 28 of 2002
- Mineral and Petroleum Resources Development Amendment Act 49 of 2008
- Mineral and Petroleum Resources Regulations 2004
- National Environmental Management Act 107 of 1998 as amended
- National Environment Laws Amendment Act 25 of 2014 as amended
- NEMA: Environmental Impact Assessment Regulations, 2014
- NEMA: Financial Provisioning Regulations, 2015
- NEMA: Waste Act 59 of 2008 as amended
- NEMA: Regulations regarding the Planning and Management of Residue Stockpiles and Residue Deposits, 2015
- National Water Act 36 of 1998 as amended (with special attention to section 21 water uses)

Since 2002 Mr. van Zyl completed more than 150 applications for mining permits and more than 100 applications for prospecting rights. The mineral regulations and environmental management for most of these projects were managed throughout the life of the project including:

- Applications – manual and Samrad
- Prospecting work programs including financial and technical competence
- Public participation process
- EIA and EMP's now BAR and EMPR's
- Annual Rehabilitation Plans
- Final Rehabilitation, Decommissioning and Mine Closure Plans including Risk Assessment Reports

- Execution and registration of rights including sec 42 diagrams for MPTR0
- Performance audits including reviews of Annual Closure Plans and Rehabilitation, Decommissioning and Mine Closure Plans together with financial quantum reviews.
- Application for closure certificate

Although Mr. van Zyl specializes in small scale mining operations and prospecting operations that requires investigation, assessment and communication according to the procedure as prescribed in regulations 19 and 20 of the EIA Regulations he also assists 5 mining rights with environmental management. Other sections of the MPRDA that Mr. van Zyl has experience in is:

- Section 102 applications and Section 20 applications
- Section 53 Applications and Section 11 Applications

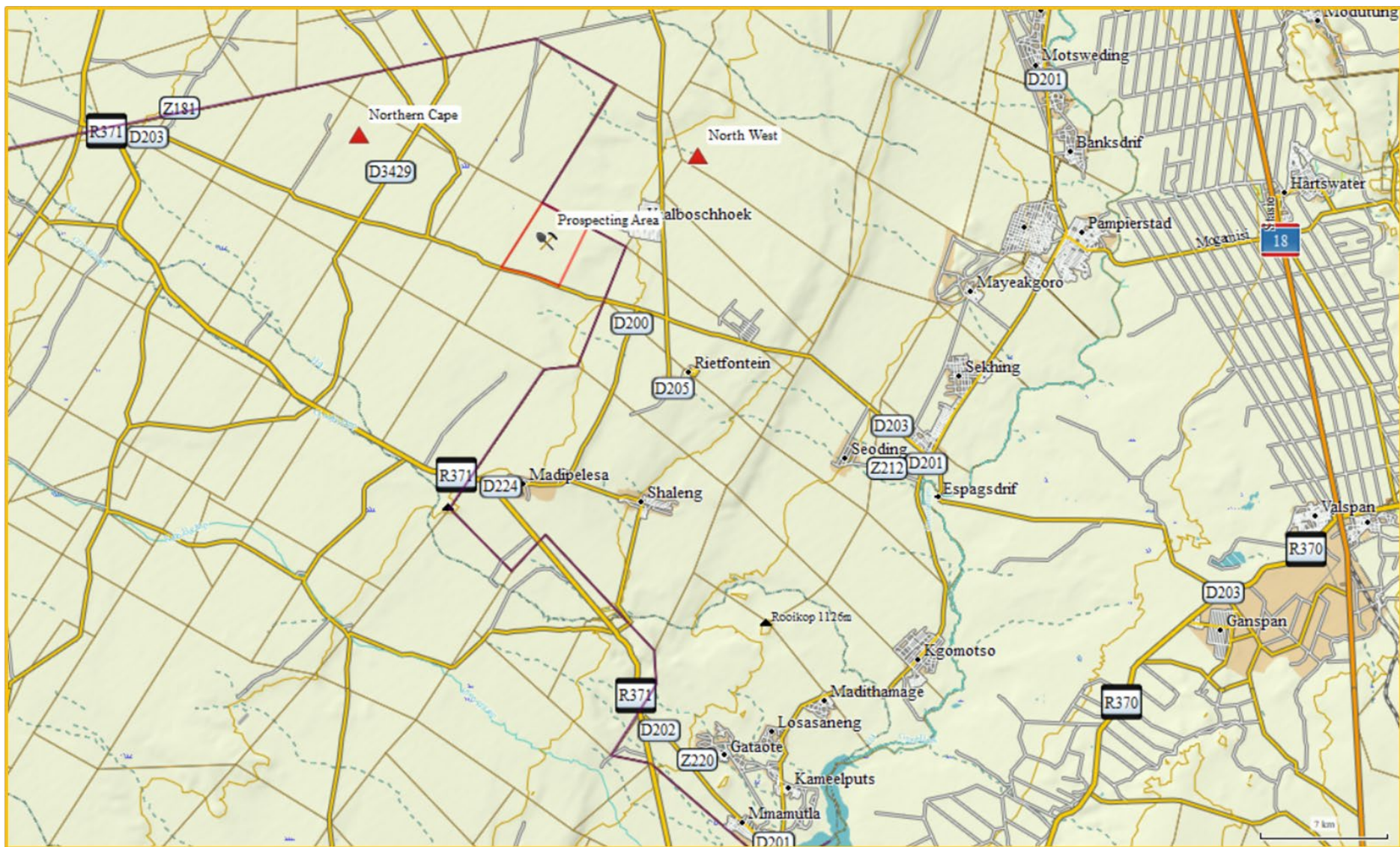
3.2 Location of the overall Activity.

| | |
|---|---|
| Farm Name: | Portion of Farm 21 No 21 |
| Application area (Ha) | 1085 Ha |
| Magisterial district: | Barkley West Northern Cape Province Frances Baard District Municipality Dikgatlong Local Municipality |
| Distance and direction from nearest town | 80 Km north of Barkly Wes |
| 21-digit Surveyor General Code | C00700000000002100000 |

3.3 Locality map (show nearest town, scale not smaller than 1:250000).

The proposed Prospecting Area is located on a 1085Ha portion of Farm 21 in the Frances Baard District Municipality and Dikgatlong Local Municipality of the Northern Cape Province. The property is registered in the name of Bruce Edward Hunt ID 4812215027081. LPI Code C00700000000002100000. The prospecting area is located approximately 80 Km north of Barkly Wes.

Figure a: Locality of Prospecting area



3.4 Description of the scope of the proposed overall activity.

The applicant, Vutomi Mining (Pty) Limited, wishes to undertake prospecting without bulk sampling activities for diamonds (kimberlite). Prospecting for kimberlite is a dynamic and result-driven operation which proceeds in phases, the outcome of which cannot be predicted or predetermined. The program could be stopped at any stage during the prospecting operation if the results are negative or noneconomical. Prospecting activities to be undertaken include non-invasive (i.e., desktop studies and ground geophysical surveys) and invasive (i.e., drilling) techniques.

3.4.1 Phase 1: Review of historical prospecting and production records:

Literature Study and Imagery Analysis

In order to direct the exploration program in an efficient manner, there will be a review of all information and data gathered by previous exploration in the surrounding area. A desktop study will also be undertaken of the diamond potential of the total area based on historical data and data from surrounding diamond mining. A site investigation of the target areas will be undertaken to identify infrastructure and determine any potential problems that may need to be addressed if this operation advances to a mining right phase.

Aerial photographs and satellite images will be studied to ascertain additional target areas. The aerial photographs will also be used to structurally and geologically map the prospecting area and surrounds.

Geological Mapping

Any anomalous features identified from the air will be mapped in detail. The various rock types and their contacts will also be mapped.

Geophysical Survey

A 5-line kilometer magnetic survey will be undertaken using a proton-5-magnetometer. The detail generated by this study will allow for the identification and investigation of potential kimberlite fissures.

3.4.2 Phase 2: Target Drilling:

Reverse circulation drill holes (usually up to 165mm in diameter) will be positioned at targets identified during Imagery Analysis, Geological mapping and the geophysical surveys. For each target identified only one RC hole is required and chip samples from the cyclone will be collected every meter and logging will be done by a qualified geologist who will record the lithology. A maximum of 5 boreholes are anticipated during this phase with an average depth of 100 m. Apart from gravel resources calculations the drilling information will be used to construct gravel thickness, overburden thickness and bedrock elevation contour plans. A resource calculation will not be possible at this stage but a detailed analysis of the chip samples and the presence of G10 garnets will be possible and also to obtain an idea as to what standard the pipe is mineralized.

For R.C.-drilling, at a rate of 50-100 meters/shift, a drill site will only be occupied during a portion of one shift. The drill-rig, drill-rods and compressor are mounted on the same truck chassis, which would drive to the drill-position using existing farm- and "twee-spoor tracks, and stay there until completion of the borehole. No drill pad will be required and no drill sumps as no water is used during RC drilling.

The cyclone for collecting the drill-cuttings is connected to the drill by a long pipe, enabling the cyclone to be positioned on the back of the supporting vehicle. Supporting vehicles (drill foreman, geologist, geological assistants) will park their

vehicles on the track. After the drilling procession has left the drill site, the vehicle tracks if any can be obliterated by one person with a rake in about 10 minutes. There will be no remaining evidence of drilling, only the numbered slab on the borehole-collar and experience has shown that within two-months or after rainfall event it is difficult to locate the numbered slab even with a GPS as there will be no sign of the drilling operation.

No surface disturbance will take place and the operation will not create any overburden or fine residue dumps. No water will be abstracted in terms of section 21(a) of National Water Act, 1998 (Act no. 36 of 1998) and no water reticulation will be laid-on to the mine work area(s) either. No processing plant and services will be developed on the prospecting area and no offices and accommodation will be provided onsite that need decommissioning. Roads, access control and fencing will remain as part of agricultural operations.

It is not possible to indicate this activity on the layout map Figure B as the initial prospecting in Phase 1 will identify potential targets for drilling if any.

3.4.3 Phase 4: Analytical Desktop Studies:

The project geologist monitors the program, consolidates and processes the data and amends the program depending on the results. This is a continuous process throughout the program and continues even when no prospecting is done on the ground.

Each physical phase of prospecting is followed by desktop studies involving interpretation and modelling of all data gathered. These studies will determine the manner in which the work program is to proceed in terms of activity, quantity, resources, expenditure and duration. A GIS based database will be constructed capturing all exploration data.

Figure b1: Location, and area (ha) of all the aforesaid main and listed activities, and infrastructure to be placed on site

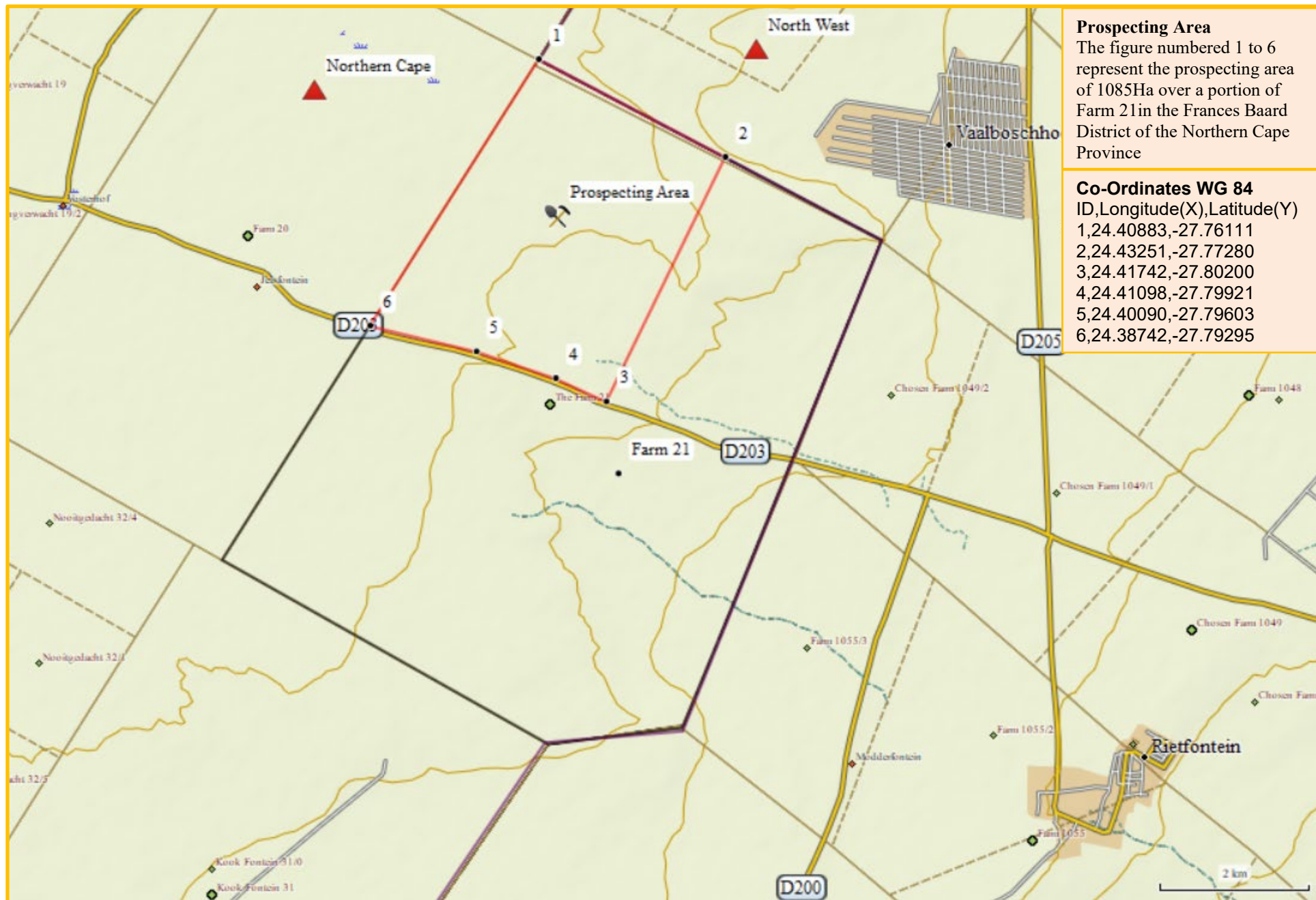


Figure b2: Site Plan showing landscape and existing agricultural activities - the location of the proposed drill traverses can only be determined after completion of non-invasive investigations



3.4.4 Listed and specified activities

| NAME OF ACTIVITY | Aerial extent | LISTED ACTIVITY | APPLICABLE LISTING NOTICE |
|--|----------------------|-----------------|--|
| Prospecting Activities (non-invasive) ¹ | 1085Ha | X | Activity 20 Listing Notice 1 (GN No. R. 327, 2017) |
| Desktop studies, Further feasibility study investigations and mineral resource | 1085Ha | NA | Not listed |
| Drilling Activities only RC drilling ² | ± 200 m ² | X | Activity 20 Listing Notice 1 (GN No. R. 327, 2017) |
| Chip Sampling Activities ³ | ±9m ³ | X | Activity 20 Listing Notice 1 (GN No. R. 327, 2017) |
| Drill traverses (temporary, jeep track roads less than 4m wide) | ± 600 m ² | NA | Not listed |
| Hydrocarbon storage | Less than | NA | Not listed |
| Sanitation requirements (Chemical) | ± 5 m ² | NA | Not listed |
| The rehabilitation, decommissioning and closure of the Prospecting Operation, which will only be required at final decommissioning and closure. ⁴ | 1085Ha | X | Activity 22 Notice 1 (GN No. R. 327, 2017) |

¹ Any activity including the operation of that activity which requires a **prospecting right** in terms of section 16 of the MPRDA, including associated infrastructure, structures and earthworks, directly related to prospecting of a mineral resource, including activities for which an exemption has been issued in terms of section 106 of the MPRDA.

² No drill pads or drill sumps required for RC drilling as all activities and sample collection restricted to the drill rig and support truck.

³ The estimated volume of material to be extracted from each drill hole is 1.8m³ (based on a diameter of drill hole of 165mm, and depth of drill hole of 100m). This total ±9m³ of material that will be extracted from the drill holes, and thereafter replaced during rehabilitation of the drill holes

⁴ The decommissioning of any activity requiring – (i) a closure certificate in terms of section 43 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)

3.4.5 Description of the activities to be undertaken

The following activities will be undertaken in a phased approach, whereby the results of each phase determine whether the subsequent phases will be undertaken:

Desktop Studies

In order to direct the exploration programme in an efficient manner, there will be a review of all geological and related information, relevant to prospecting for diamonds hosted in kimberlites information and data gathered by previous exploration in the surrounding area. A desktop study consisting of geological interpretation of all available geological data including any historic data as well as all airborne geophysical and remote sensing data will be undertaken of the diamond potential of the total area based on historical data and data from surrounding diamond mining.

A site investigation of the target areas will be undertaken to identify infrastructure and determine any potential problems that may need to be addressed if this operation advances to a mining right phase.

Aerial photographs and satellite images will be studied to ascertain additional target areas. The aerial photographs will also be used to structurally and geologically map the prospecting area and surrounds. Any anomalous features identified from the air will be mapped in detail. The various rock types and their contacts will also be mapped. A detailed geological and elevation map using topographic maps, aerial photography, geophysical data and satellite imagery will be compiled supported by field mapping. Surface geological mapping is not carried out routinely but will be required in the course of ground-truthing of remote sensing and historical geophysical results.

The detailed information is modelled three-dimensionally to determine subsurface topography. This information is then assessed by the geologist and other specialists (such as a geophysicist) as required, in order to determine the best prospecting techniques to be used in order to discover and subsequently test any kimberlites on the property.

Note that this activity is repeated at the end of each phase of prospecting, by the interpretation and integration of new prospecting information with the existing information set, in order to inform a decision on whether further work is warranted and if so, the specific scope of this additional work.

Ground Geophysical Surveys

Ground geophysical surveys involve the systematic measurement of magnetic, gravitational and electromagnetic fields over target areas of interest within the property, using appropriate instruments. The individual survey areas vary between 500 x 500 m to 1 x 1 km depending on the inferred size of any target. Magnetic survey lines are spaced at a maximum of 50 m apart and readings will be taken at a minimum of 5 m intervals along the lines.

Electromagnetic and gravity survey lines are spaced at a maximum of 100 m apart with readings taken at a maximum of 50 m along the lines using a proton-5-magnetometer. After data collection has been completed, data processing and visualization is carried out to allow the interpretation of the survey.

Target Drilling

Reverse Circulation drilling will be carried out on geophysical anomalies to test for the presence of kimberlite. The borehole depth will be determined by the geologist and will depend on the type of anomaly and the geological conditions, including overburden (the thickness of material that overlies the target kimberlite). One (1) borehole are anticipated to be drilled per anomalies. It is anticipated that no more than 5 anomalies will be present giving a total of 5 reverse circulation boreholes.

The proposed invasive prospecting activities will include the following:

- Drilling of approximately 5 holes in total for the extraction of sand, calcrete and gravel chips.
- The drill material (sand and stone chips) will be analysed on site i.e., the drill material is collected by cyclone on the support truck and placed in sample bags that is labeled to indicate the sequence and drilling depth (samples are taken every meter drilled).
- No drill platform or drill sumps is required for RC drilling and the complete operation is truck based with no surface disturbance except for a 165mm hole that will be filled with chips not needed for analyses and plugged.
- Access to the drill site will be via existing farm tracks. If no tracks area available, 'twee-spoor' tracks will be made by driving the drilling rig (4 x 4) to such a site. This

should be done under the supervision of an ECO;

The associated infrastructure and development that would be required includes the following:

- Accommodation will be provided off-site in one of the nearby towns, and not at the drill site.
- Access Roads: No new roads will be required. Equipment will be transported to site via the existing roads (including gravel and jeep track). Any new “spoons” required for driving the drill rig to the drill site will be rehabilitated directly after drilling by means of raking trampled surfaces (tracks).

Drilling Method

- The reverse circulation drilling machine is a modified percussion compressed air rig. The compressor that supplies the compressed air is a 900 cfm Atlas Copco.
- The 6m rods that are used have an inner barrel so they can handle two directions of flow. The air is forced down between the outer and inner barrel to the hammer. The hammer pulverises the rock and the particles are forced up the inner barrel to the cyclone where the air is removed out the top and the sample falls in to the bag at the bottom of the cyclone.
- The reason for using the reverse circulation technique is to collect representative samples at meter intervals drilled for on-site visual analysis.

Drilling Equipment

- The drilling equipment consists of a drill rig mounted on a truck chassis with compressor, water tank and all other drilling ancillaries such as compressor pipes, drill rods, etc.

Drilling Layout

- The location of the holes will be refined based on the outcomes of the geological mapping and modelling.

Drilling Programme

- Drilling will take place over a period of approximately 24 months.

Rehabilitation

- Rehabilitation is carried out on a continuous basis as work progresses. It consists mostly of backfilling drill holes with the drill chips and cleaning up of drill sites and tracks used for drilling.
- Such rehabilitation is undertaken manually by raking over the disturbed site (scarifying). This will be monitored continuously to ensure effective rehabilitation of disturbed areas. The rehabilitation work will be conducted in-house under the supervision of an ECO.

3.5 Policy and Legislative Context

| APPLICABLE LEGISLATION AND GUIDELINES USED TO COMPILE THE REPORT | REFERENCE WHERE APPLIED | HOW DOES THIS DEVELOPMENT COMPLY WITH AND RESPOND TO THE LEGISLATION AND POLICY CONTEXT |
|---|---|--|
| Legislation | | |
| <p>Constitution of South Africa, specifically everyone has a right;</p> <p>a. to an environment that is not harmful to their health or wellbeing; and</p> <p>b. to have the environment protected, for the benefit of present & future generations, through reasonable legislative and other measures that:</p> <p>i. prevents pollution and ecological degradation;</p> <p>ii. promote conservation; and</p> <p>iii. Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.</p> | Prospecting activities | The prospecting activities shall be conducted in such a manner that significant environmental impacts are avoided, where significant impacts cannot all together avoided be minimised and mitigated in order to protect the environmental right of South Africans. |
| <p>Minerals and Petroleum Development Resources Act, Act 28 of 2002 (MPRDA) section 16 (as amended)</p> <p>MPRDA Regulations as amended by GNR349 of 18 April 2011.</p> | Application to the DMR for a prospecting right in terms of Section 16 | The conditions and requirements attached to the granting of the Prospecting Right will apply to the prospecting activities. DMR is the Competent Authority (CA) for this NEMA and NEM:WA application |
| <p>National Environmental Management Act, No 107 of 1998 (as amended) (NEMA)</p> <p>GNR 983 Listing Notice 1 of 2014 (dated 8 December 2014), as amended by GNR 327 (dated 7 April 2017) Listing Notice 1, Activity 20</p> | Application to the DMR for Environmental Authorisation in terms of the 2014 EIA Regulations | <p>An Application for Environmental Authorisation must be submitted to DMR for an Environmental Authorisation.</p> <p>The listed activities that are triggered determine the Environmental Authorisation (EA) application process to be followed.</p> <p>The appropriate EA will be obtained before proceeding with any prospecting.</p> <p>Measures will be implemented to prevent any pollution occurring during the prospecting activities. The disturbed area shall be rehabilitated in such a way that is stable, non-polluting, non-eroded, free from alien invasive species and suitable for the agreed post closure land use.</p> <p>The compilation of this Basic Assessment Report and the Public Participation Process are required in terms of NEMA.</p> |

| | | |
|--|--|---|
| National Water Act (Act 36 of 2008) | NA | A Water Use Authorisation (License or GA) is only required for drilling within or within 500m of any drainage channels. No water use license is required for this application. Any water required for drilling activities will be obtained from a legal source within the area or brought in via a mobile water tanker. |
| National Environmental Management: Waste Act, Act 59 of 2008 (NEMWA)NEM: WA (as amended) Waste listed activities in GNR 921 (dated 29/11/ 2013) Regulations regarding the planning and management of residue stockpiles and residue deposits from a prospecting, mining, exploration or production operation in GNR 632 of 24 July 2015. | Part B: EMP General waste management measures as part of environmental awareness plan | No listed activities are triggered or included as part of the Environmental Authorisation (EA) application process. The generation of potential waste will be minimized through ensuring employees of the Applicant are subjected to the appropriate environmental awareness campaign before commencement of sand mining. All waste generated during the prospecting activities will be disposed of in a responsible legal manner. Proof of legal disposal will be maintained on site. |
| National Environmental Management: Biodiversity Act, 2004 (Act 10 of 2004) [NEMBA] National list of ecosystems that are threatened and in need of protection, 2011 (in GN 1002 dated 2 December 2011) | Section 3.8.4 | There are no listed Critically Endangered, Endangered or Vulnerable ecosystems on site. The site is located within an Ecological support area ESA and other natural areas |
| National Environmental Management: Biodiversity Act, 2004 (Act 10 of 2004) [NEMBA] Alien and Invasive Species List, 2016 (in GN No. 864 dated 29 July 2016) | Section 3.8.4 | Alien invasive vegetation management is included in the EMPr. |
| National Environmental Management: Air Quality Act, 2004 (Act 39 of 2004). National Dust Control Regulations in GN R827 of 1 November 2013 | Section 3.8.4 | Dust control measures are included in the EMPr |
| Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) [PAJA] | Decision by the Competent Authority | Gives effect to section 33 of the Constitution that requires that “Everyone has the right to administrative action that is lawful, reasonable and procedurally fair”. All administrative actions must be based on the relevant considerations |

| | | |
|--|--|--|
| National Heritage Resources Act, 25 of 1999 (“NHRA”) | Section 3.8.4(g) Section 3.8.8 Section 3.10 Section 4.4.4 | <p>According to the HIA (Appendix 3a) There are no known heritage resources on Farm 21 but the possibility of such resources occurring cannot be entirely ruled out. The probability, however, is very low for all types of heritage and because of the generally very small physical impacts expected from drilling, no significant impacts to any heritage resources are expected.</p> <p>The recommendations and mitigating measures from the report is included in the EMPr</p> <p>According to the PIA (Appendix 3b) The proposed invasive diamond prospecting activities - notably up to five boreholes plus short sectors of temporary access roads - are on a very small scale (footprint c. 200 m²) and the significance of potential impacts on local fossil heritage resources is likely to be minimal. There are no objections on palaeontological heritage grounds to authorization of the prospecting activities. No further specialist palaeontological studies or mitigation for the proposed diamond prospecting project are recommended, pending the potential discovery of scientifically important fossil material before or during the invasive phase. The recommendations and mitigating measures from the report is included in the EMPr</p> |
| Municipal Plans and Policies | | |
| District Municipality IDP | Relevant consideration | Used to identify relevant socio-economic background information as well as spatial development information. |
| Local Municipality IDP | | |

| Standards, Guidance and Spatial Tools | | |
|--|------------------------------------|--|
| Department of Environmental Affairs, Department of Mineral Resources, Chamber of Mines, South African Mining and Biodiversity Forum, and South African National Biodiversity Institute. 2013. Mining and Biodiversity Guideline: Mainstreaming biodiversity into the mining sector. Pretoria | Baseline environmental description | Used during desktop research to identify sensitive environments within the prospecting rights area. |
| BGIS (www.bgis.sanbi.org) | | |
| DEA Guideline on Need & Desirability (2017) | | |
| DEA Guideline on PPP DMR Guideline on Consultation with Communities and I&APs (undated) | Section 3.8.3 | Refer to Appendix 2: PPP Report |
| DEAT Integrated Environmental Management Information Series 5: Impact Significance (2002) | Section 3.8.4 | Used during desktop research to identify sensitive environments within the prospecting rights area. |
| DEAT Integrated Environmental Management Information Series 7: Cumulative Effects Assessment (2004) | Section 3.8.4 | Used during desktop research to identify sensitive environments within the prospecting rights area. |
| SANS 10103:2008 The Measurement and Rating of Environmental Noise with Respect to Land Use, Health, Annoyance and to Speech Communication | Management / Monitoring measures | Used to set the standard allowable for noise generation and control during drilling. |
| SANS 1929:2005 Edition 1.1 – Ambient Air Quality Limits for Common Pollutants | | Standard for dust fallout. The activity in question for this application is driving on gravel roads. |

3.6 Need and desirability of the proposed activities.

The aim of the prospecting activities is to locate and evaluate diamond deposits hosted in, or locally derived from kimberlite, which as an igneous rock can in theory be found within any other older host rocks. As the peak ages of kimberlite intrusion in northern South Africa were at roughly 1100 Ma and 500 Ma, any rocks older than these dates can host kimberlites. In addition, it has been well established that diamonds are most commonly present in economic concentrations in kimberlites found within cratonic regions and related tectonic blocks. The area applied for falls within the Kaapvaal Craton and thus has the generic potential to host diamondiferous kimberlites.

Kimberlites are known to occur in clusters, and hence the reason for applying for this prospecting right as it occurs in relatively close proximity to known diamond mines. Prospecting activities are therefore needed to:

- Confirm and obtain additional information concerning potential targets through non-invasive activities (desktop studies and ground geophysical surveys) and invasive (drilling) activities.
- Assess if the resource can be extracted through future mining in an environmentally socially and economically viable manner.

The prospecting activities themselves would not directly lead to job opportunities. Should prospecting activities prove that a feasible diamond resource mineral is present to allow for mining, a new mine may be developed which would generate extensive employment opportunities in an area where employment is needed.

3.7 Motivation for the overall preferred site, activities and technology alternative.

No site or technology alternatives have been considered for this prospecting application. The areas included in the prospecting rights application were identified through historical prospecting and production records for the area and from designated research. Diamond exploitation and exploration in the general area has been ongoing for many years, and kimberlites typically occur as clusters within larger kimberlite fields. The area applied for is located within relatively close proximity to known diamond mines, which is therefore considered highly prospective.

Geophysical methods have been proven to be very useful in detecting potential kimberlite targets and will therefore be used to identify optimal locations of potential bodies of economic interest within the prospecting area prior to drilling. Subsequent RC drilling has been proven to be a suitable technique for sampling and recovering material from kimberlites to test for economic potential.

3.8 Full description of the process followed to reach the proposed preferred alternatives within the site.

3.8.1 Details of the development footprint alternatives considered.

With reference to the site plan provided as figure b and the location of the individual activities on site, details of the alternatives considered with respect to the property on which, or location where activity is proposed to undertaken, the type of activity to be undertaken, the design or layout of the activity, the technology to be used in the activity, the operational aspects of the activity and the option of not implementing the activity is discussed below.

a) The property on which or location where it is proposed to undertake the activity; As discussed above, the prospecting location has been informed by historical prospecting and production records. As such the applicant believes there is a possibility of encountering diamond reserves on the property subject to this prospecting right application. The prospecting site has therefore been informed by

the locality of other kimberlite field in the area. Until such time that the non-invasive activities have been completed the exact location of the drill sites cannot be confirmed. However, the following restrictions will be applied to the final site selection:

- No drill site will be positioned within 500m of a structure.
- No drill site will be positioned within 100m of a graveyard.
- No drill site will be positioned within 100m of a water course.
- Where possible existing access roads will be utilised to access the drill sites.

b) The type of activity to be undertaken;

No activity (project) alternatives were considered, as the subject of this prospecting application is for diamonds, and has been informed by the locality of the surrounding kimberlite field and existing diamond mines.

The technologies that will be used to undertake the prospecting activities are based on the refinement of techniques employed previously by the company to explore and discover kimberlites. The prospecting activities proposed in the Prospecting Work Program (PWP) follow a phased approach, whereby the preceding phase determines if further work is warranted and as a result no alternatives are available to complete the proposed prospecting activities.

c) The design or layout of the activity;

The outcomes of the noninvasive Phase 1 prospecting activities will inform Phase 2 and the layout of the drill sites may therefore be refined based on the detailed findings of the ongoing desktop review and mapping exercises

Site establishment is done with closure in mind to ensure that only the required size is disturbed. No camp site will be erected on site, as existing establishments will be used for accommodation in the nearby town(s).

d) The technology to be used in the activity;

The prospecting methodologies have been chosen based on the applicant's past experience with diamond prospecting, and is considered to be standard practice for such diamond prospecting. The reason for using the reverse circulation drilling technique is to collect representative samples at meter intervals during drilling. The depth of the boreholes is anticipated to be on average 100 meters deep.

e) The operational aspects of the activity;

The non-invasive prospecting component will enable the applicant to clearly delineate areas which are regarded as suitable for further investigation without unnecessarily disturbing the prospecting area through invasive means.

During the invasive prospecting component of the project, the following key site activities related to drilling will be undertaken:

- Accommodation will not be provided on site but in one of the nearby towns.
- Establishment of the drill pads with equipment laydown area not required for RC drilling.
- Establishment of access for drill rig (e.g., drive the drill rig along the alignment of the proposed drill holes tree spoor track and parking area)
- Drilling operations (e.g., refueling and rock-chip sampling)
- Rehabilitation activities (e.g., scarifying disturbed areas)

Alternative time frames can be made to ensure that the impact on the day to day running of the inherent land use are minimised, for example drilling on cultivated land can be rescheduled post harvesting or not to coincide with breeding or hunting seasons or during raining season due to access problems.

Prospecting activities will be conducted during daylight hours to minimize exposure to light and noise pollution. If necessary certain drill sites can be timed to occur during school terms or holidays as may be required in certain instances by stakeholders.

The time of implementing drilling activities during the course of the day may also be reconsidered in consultation with landowners. Ideally drilling activities will occur continuously until such time that a hole is completed, with no drilling occurring during the night.

At present, no feasible alternatives to drilling are available and impacts associated with the drilling operation will be monitored and managed in terms of the EMPr.

f) The option of not implementing the activity.

The no-go alternative will mean that no prospecting activities are undertaken.

Drilling is required in order to investigate the potential and feasibility of a resource and also to generate a SAMREC compliant mineral resource statement. There is no potential for any future investment in a mine without the confirmation of the mineral resources which can only be obtained through drilling activities.

Should the prospecting right be refused, effectively a potential diamond resource will be sterilised. The socio-economic benefit and most notably the future employment potential of a mine development will also be lost if the prospecting activities are not implemented in order to determine the feasibility of any diamondiferous deposit that may occur within the area. This will mean that the possible existence of economically exploitable diamonds will not be known, and in turn none of the benefits associated with the project will be realised (e.g., job creation and stimulation of the local economy). The applicant would also not have the opportunity to utilise (exploit) the possible diamond reserves. Should the prospecting activities not be permitted, then the potential environmental impacts associated with site establishment and drilling would not occur, and the status quo would be maintained.

3.8.2 Details of the Public Participation Process Followed

The formal public participation process, which meets the requirements of the NEMA EIA Regulations and the MPRDA has been followed and include the following activities:

- Potential I&APs were notified about the project and of commencement of the Basic Assessment (BA) process and invited to registration as stakeholders by means of:
 - i. Letters of notification to directly affected landowners;
 - ii. Written notifications to other stakeholders including neighbors, Local and District Municipalities (including traditional authorities where applicable); and
 - iii. Media advertisements and site notices.
- Circulation of a Background Information Document (BID) with the notification letter to the landowner, neighbouring landowners and potential I&APs;
- Registered I&APs including the Relevant Government Department were given the opportunity to review and comment on the Draft Basic Assessment Report.
- Registered I&APs will be notified of the outcome of the environmental authorisation, with copies of the relevant documents and if required the appeal process to be followed.

3.8.3 Summary of issues raised by I&As only available after PPP

Refer Appendix 2 for details of the Public Participation Process that was followed and the comments received.

| Interested and Affected Parties | Date Comments Received | Issues raised | EAPs response to issues as mandated by the applicant | Section and paragraph reference in this report where the issues and or response were incorporated. |
|--|-------------------------------|-----------------------------|---|---|
| Landowner/s | | | | |
| Bruce Edward Hunt SA Hunt Farming | 25 January 2021 | Request D-Bar | All relevant documentation were provided and no further comments were received. | Not applicable |
| Lawful occupier/s of the land | | | | |
| NA | | | | |
| Landowners or lawful occupiers on adjacent properties | | | | |
| National Government of the Republic of South Africa | No comments | NA | NA | NA |
| Local authority | | | | |
| Dikgatlong Local Municipality | No comments | NA | NA | NA |
| Frances Baard District Municipality | No comments | NA | NA | NA |
| Communities | | | | |
| NA | | | | |
| Traditional Leaders | | | | |
| NA | | | | |
| Organs of state | | | | |
| SAHRA | 20 January 2021 | Request desktop AIA and PIA | Desktop studies completed and attached as Appendix 3a and 3b | Sect 3.8.4(g), 3.8.8, 3.10 and EMPr sec 4.4.4 |

3.8.4 The Environmental attributes associated with the alternatives.

a) Regional setting

The proposed Prospecting Area is located on a 1085Ha portion of Farm 21 in the Frances Baard District Municipality and Dikgatlong Local Municipality of the Northern Cape Province. The property is registered in the name of Bruce Edward Hunt ID 4812215027081. LPI Code C00700000000002100000. The prospecting area is located approximately 80 Km north of Barkly Wes (**Refer figure a and b**).

The area under investigation is fairly flat, sloping gently from the north-west (at 1 400m above mean sea level) towards the south-east, with an elevation at 1 340m above mean sea level.

b) Climate

Meteorological (climate data) is used as baseline input data to develop an understanding of the potential contribution of climatic factors on the identified impacts. The climate information (meteorological data) was obtained from the South African Weather Service (SAWS), Taung weather station.

- Wind Speed and Direction

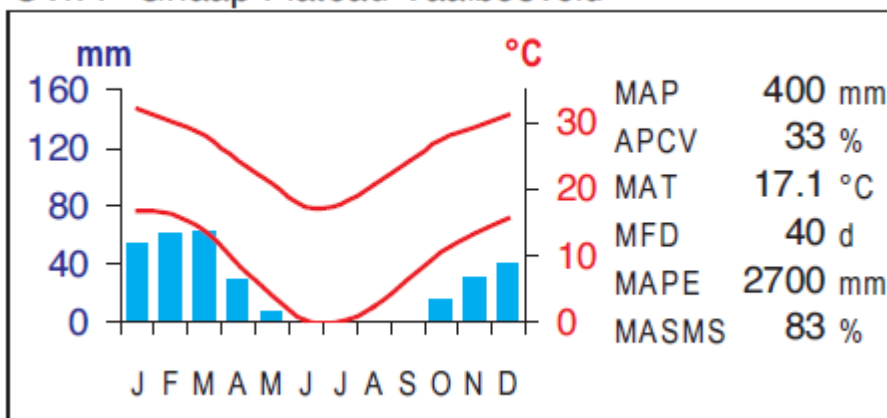
The predominant wind direction as measured at the Taung Weather Station, is from the north-north-west and wind speeds are higher during the spring and summer months (between 5.7 and 8.8m/s occur around 2% and 1% of the time respectively). Any emissions which might emanate from the prospecting activities are therefore likely to disperse in this direction and the impact will be more significant during the spring and summer months.

- Rainfall and Temperature

The site falls within a semi-arid rainfall region with relative low rainfall which slightly reduced the potential impacts associated with soil erosion. Rainfall is strongly seasonal with most rain occurring in the summer period (October to April). The peak rainfall months are December and January. Rainfall occurs generally as convective thunderstorms and is sometimes accompanied by hail. The overall range of the MAP for the entire Water Management Area is 100mm to 500mm.

Summer and autumn rainfall with very dry winters. MAP from about 300 mm in the southwest to about 500 mm in the northeast. Frost frequent to very frequent in winter. Mean monthly maximum and minimum temperatures for Koopmansfontein 36.3°C and -7.5°C for January and July, respectively. Corresponding values for Armoedsvlakte (near Vryburg) 36.6°C and -5.5°C for December and July, respectively. See also climate diagram for SVk 7 Ghaap Plateau Vaalbosveld.

SVk 7 Ghaap Plateau Vaalbosveld



c) Regional Geology

Much of the region of the north-eastern Cape Province is underlain by flat-lying Palaeozoic rocks of the Karoo Supergroup and the sub-vertical Proterozoic rocks of the Transvaal Supergroup. The Transvaal Supergroup consists of dolomitic rocks and mafic lavas. Permian Dwyka-Ecca Group tillites, shales and marine sediments form the base of the Karoo succession and are overlain by arenaceous continental sediments of the Beaufort and Stormberg Groups. The sedimentary rocks are capped by an accumulation of Cretaceous amygdaloidal basalt flows up to 1,700m thick belonging to the Drakensburg Group. Feeder dykes and sills of basalt are common within the underlying 1,000m of sediments. Kimberlite intrusions, some of which are diamondiferous, represent the final phase of igneous activity in the region. These were emplaced during the Cretaceous age in several parallel north-northeast and east-west trending structures.

Local Geology and Historic Information

The area applied for covers an area of 1085 Ha, and is situated approximately 30km West of Pampierstad and approximately 120km northwest of Kimberly, on the provincial border between the North West Province and the Northern Cape.

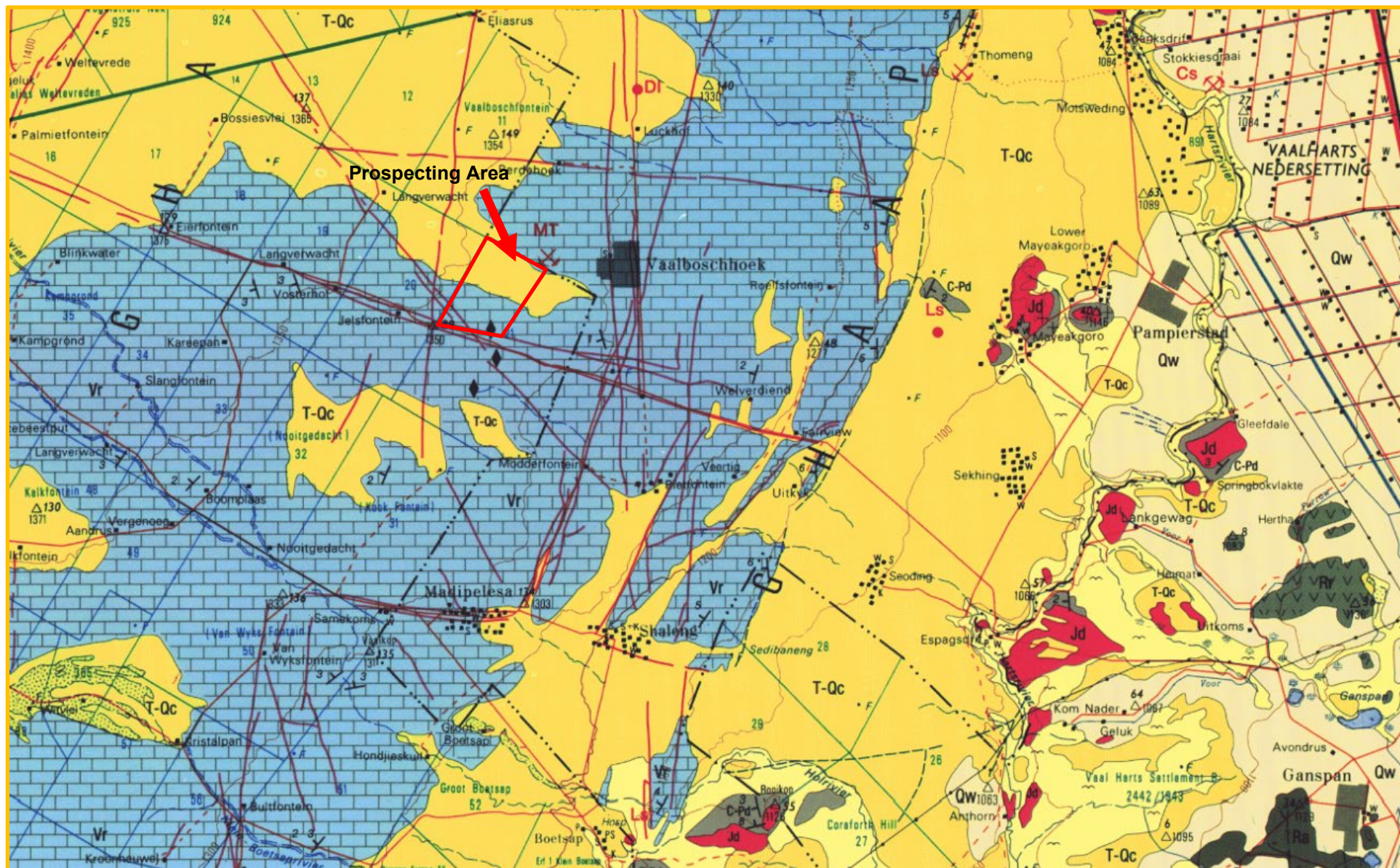
The area lies on the Kaapvaal craton, on the Eastern edge of the Griqualand West basin, and consists of dolomite, limestone and chert of the Reivilo formation (2567Ma). These shallow water carbonate deposits form the lower section of the Campbellrand Subgroup of the Ghaap Group, and are overlain by recent cover of calcrete and sand. Ghaap Group sediments are known to be underlain by lithologies of the Ventersdorp Supergroup. These are known to occur at a depth of approximately 400m from Sedibeng Diamond mine 30km to the south-east. Historically, several kimberlite occurrences are known in the area, and number of these have been exploited for diamonds in the past (e.g., the Bobbejaan and Bellsbank fissures on the edge of the Ghaap Plateau 30km to the SW). There have also been various alluvial diamond operations within the vicinity of the exploration area (e.g., Mahura Muthla 40km to the north), however the calcretised nature of the deposits has made them relatively difficult to mine. The GCS 1:250 000 geological maps report two kimberlites to the East of the exploration area (please refer to Figure c).

The detailed geology and economic potential of the area under application is currently unknown, though the area is perceived to have good potential for hosting economically viable kimberlites due to the proximity of current, or historically producing, hard-rock diamond mines. The regional geology is also conducive to the possibility of alluvial diamonds in paleochannels.

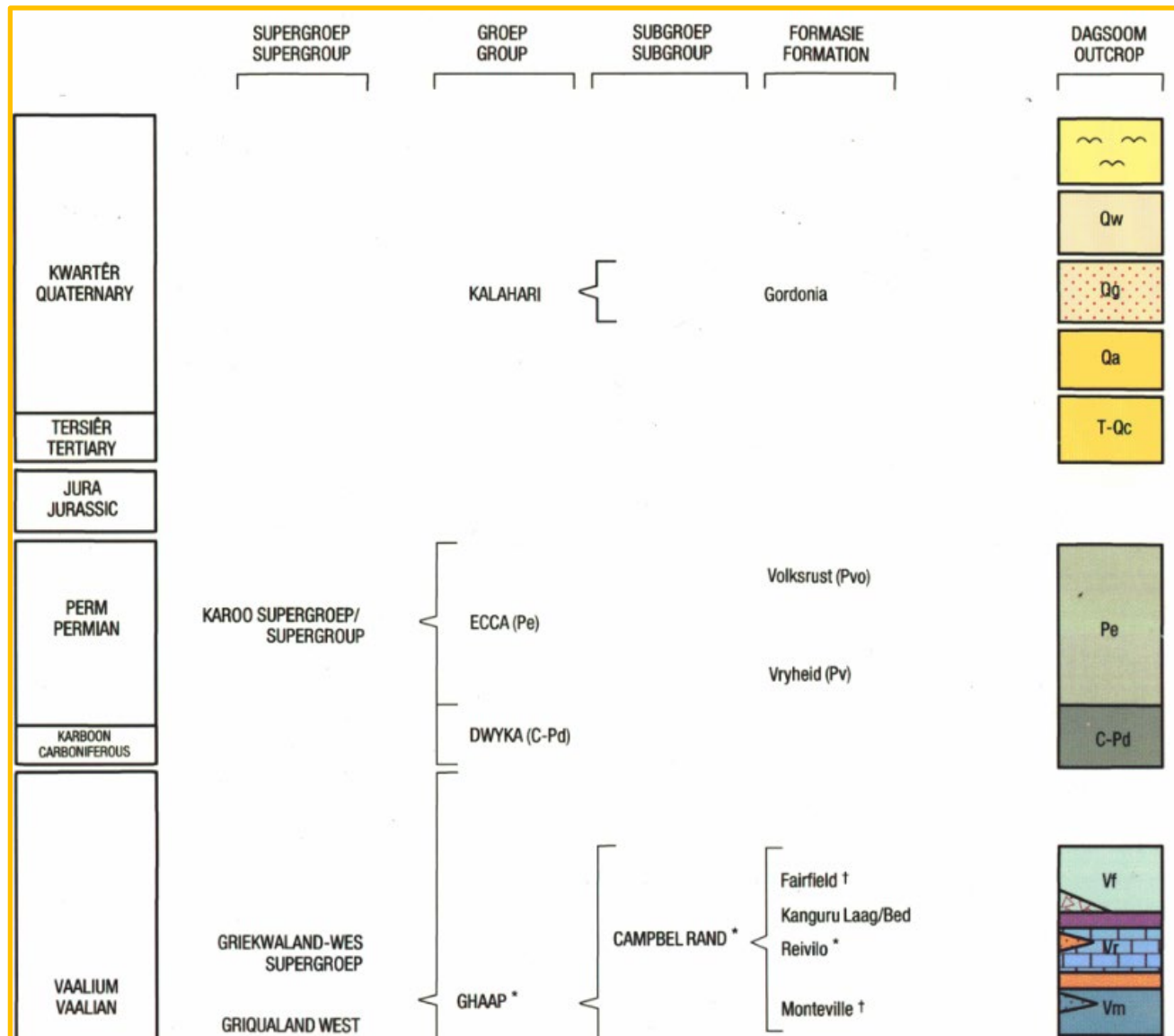
The Bellsbank and Bobbejaan kimberlite deposit occurrences in the vicinity of the prospecting area being applied for, are Group II 'fissures' (kimberlite dykes with an average width of 0.5m to 1m) and occasional blows (irregular shaped enlargements on the fissures, often with large amounts of wall rock included with the kimberlite to form a breccia). Fissures are not continuous intrusions, but systems of discrete, disc-like lenses of kimberlite that pinch and swell along the strike (typical lenses are 70-80m in diameter). Where one lens pinches out and disappears, the next is usually located to the side of the first, offset by several meters. The same offset, or en-echelon, pattern between lenses is evident vertically as well as horizontally.

This system is often repeated at a larger scale with fissure 'segments' (made up of groups of individual lenses) of hundreds of meters in length being separated by offsets of more than 100m in places. These larger offsets often coincide with major geological features, e.g., discontinuities in host rock lithologies such as faults and unconformities.

Figure c: 1:250 000 GEOLOGICAL SERIES 2724 CHRISTIANA



GEOLOGICAL LEGEND with regard to Diagram 3 above



d) Soil and land capability

The determination of the existing site specific and surrounding land use provides input into the process of impact identification and the establishment of closure objectives. Site specific land use has been confirmed as cattle farming and prospecting activities may present a disturbance to the cattle within the fenced property.

Rehabilitation objectives to restore the site to pre-prospecting state must consider safety matters and an effective re-vegetation effort in an attempt to reverse the impacts as far as is practicable.

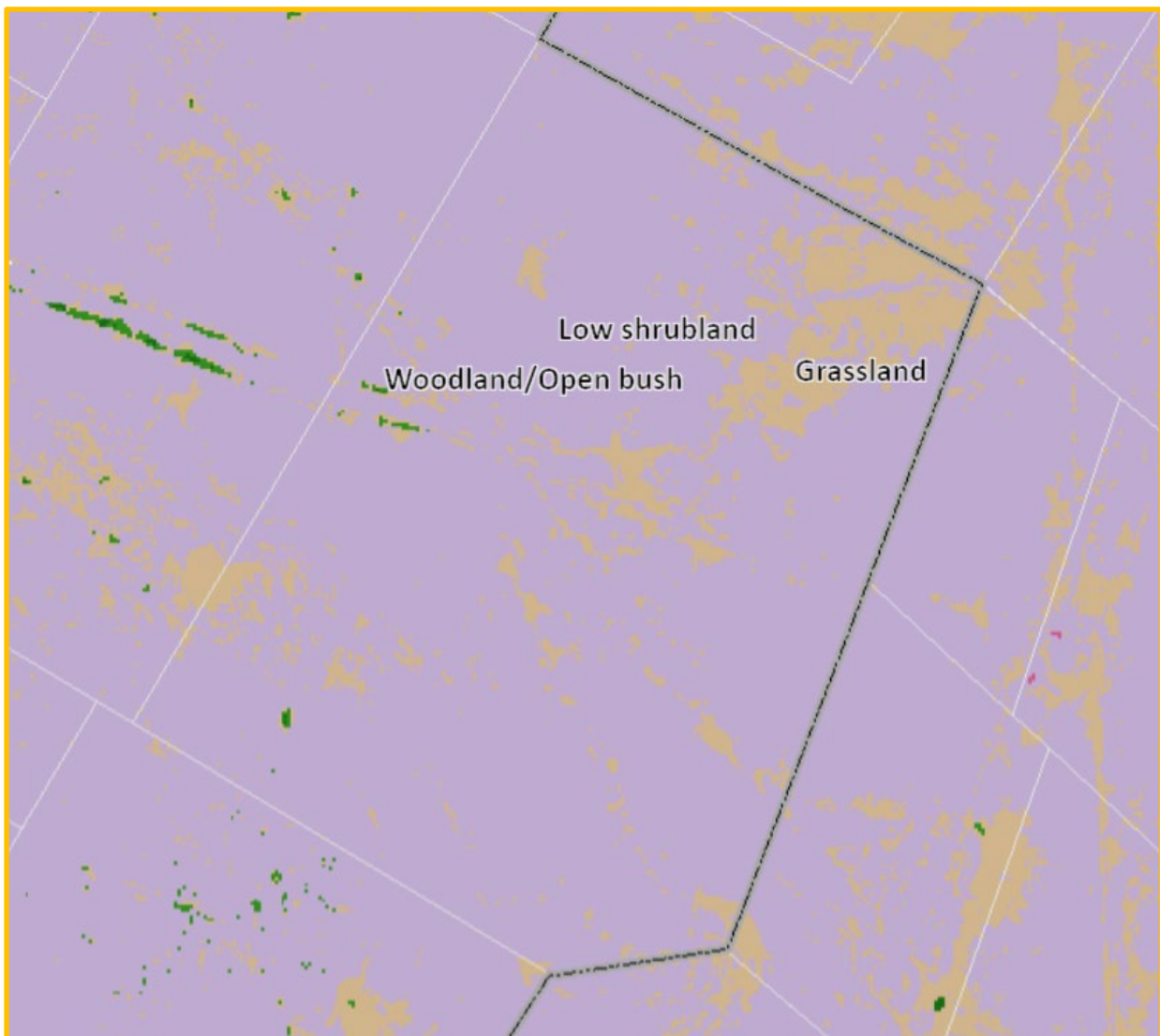
Soil

The land type memoirs and associated maps indicate that the proposed prospecting area lies mainly within the Fc with some Ae and Ag land types. Surface limestone of Tertiary to Recent age, and dolomite and chert of the Campbell Group (Griqualand West Supergroup, Vaalian Erathem) support shallow soils (0.1-0.25 m) of Mispah and Hutton soil forms.

Land Capability

According to the Agricultural Geo-Referenced Information System (AGIS) the prospecting site is classified as non-arable land with a moderate to low grazing capacity.

Figure d: Land Cover



e) Water Resources

The proposed prospecting site falls within the Lower Vaal Water Management Area, and falls within the Quaternary Catchment Areas C33A and C33B (Refer to Figure e). According to the Lower Vaal ISP (2004), the Lower Vaal WMA is dependent on water releases from the Middle Vaal WMA for meeting the bulk of the water requirements by the urban, mining and industrial sectors within its area of jurisdiction, with local resources mainly used for irrigation and smaller towns. Water quality in the Lower Vaal is strongly influenced by usage and management practices in the Upper and Middle Vaal WMA. Major rivers in the Lower Vaal Water Management Area include the Molopo, Harts, Dry, Harts, Kuruman and Vaal rivers, of which the Harts River is in close proximity to this prospecting area.

The Department of Water Affairs (DWA) considers this catchment area to be of moderate ecological sensitivity. Based on the information contained in the Overview of Water Resources Availability and Utilisation Report for the Lower Vaal Management Areas (DWA Report No: P WMA 10/000/00/0203, September 2003), the primary water use is agricultural irrigation, which comprises more than 80% of water use in the region.

Surface Water

As a result of the low rainfall, flat topography and sandy soils over much of the water management area, little usable surface runoff is generated in the water management area. The runoff which does occur is highly variable and intermittent. The Mean Annual Runoff of the Harts Sub Catchment is approximately 138 million m³/annum.

There is one major, non-perennial river in terms of the DWA Database to the south of the site, namely the Hol River.

Figure e show the water bodies on site and adjacent rivers and none of the rivers are classified in terms of the National Freshwater Ecosystem Protected Areas (NFEPA) or strategic surface water source area (SWSA).

Groundwater

The DWA (2003) reports groundwater utilisation to be of major importance in the Lower Vaal Water Management Area. Dolomitic aquifers occur in the uppermost reaches of the Harts River and Molopo River and extend north and eastwards into the Crocodile (West) and Marico, Upper Vaal and Middle Vaal Water Management Areas. Significant quantities of groundwater are abstracted in the area, mainly for agricultural irrigation purposes.

The nearest strategic groundwater source area is the Northern Ghaap Plateau area 60 Km to the west (Refer to Figure e).

Figure e: Water Resources



f) Biodiversity (Flora and Fauna)

According to the Northern Cape critical biodiversity area (CBA) map the area is classified as other natural areas with the southern section classified as Ecological support area (ESA) (Refer Figure f).

According to the South African National Biodiversity Institute's (SANBI) Biodiversity Geographical Information System (BGIS), the proposed prospecting site is located within the Eastern Kalahari Bushveld Bioregion of the Savanna Biome, Ghaap Plateau Vaalbosveld Vegetation Type (SVk7) (Refer to Figure g). The descriptions for the vegetation types were obtained from Vegetation Map of South Africa, Lesotho and Swaziland by Muchina & Rutherford, 2006).

Distribution Northern Cape and North-West Provinces: Flat plateau from around Campbell in the south, east of Danielskuil through Reivilo to around Vryburg in the north. Altitude 1 100-1 500 m.

Vegetation & Landscape Features Flat plateau with well-developed shrub layer with *Tarchonanthus camphoratus* and *Acacia karroo*. Open tree layer has *Olea europaea* subsp. *afri-cana*, *A. tortilis*, *Ziziphus mucronata* and *Rhus lancea*. *Olea* is more important in the southern parts of the unit, while *A. tortilis*, *A. hebeclada* and *A. mellifera* are more important in the north and part of the west of the unit. Much of the south-central part of this unit has remarkably low cover of *Acacia* species for an arid savanna and is dominated by the non-thorny *T. camphoratus*, *R. lancea* and *O. europaea* subsp. *africana*.

The conservation status is classified as "Least threatened" with a conservation target of 16%. This vegetation type is not conserved in statutory conservation areas but only about 1 % is already transformed with erosion very low.

Figure f: Threatened Ecosystems

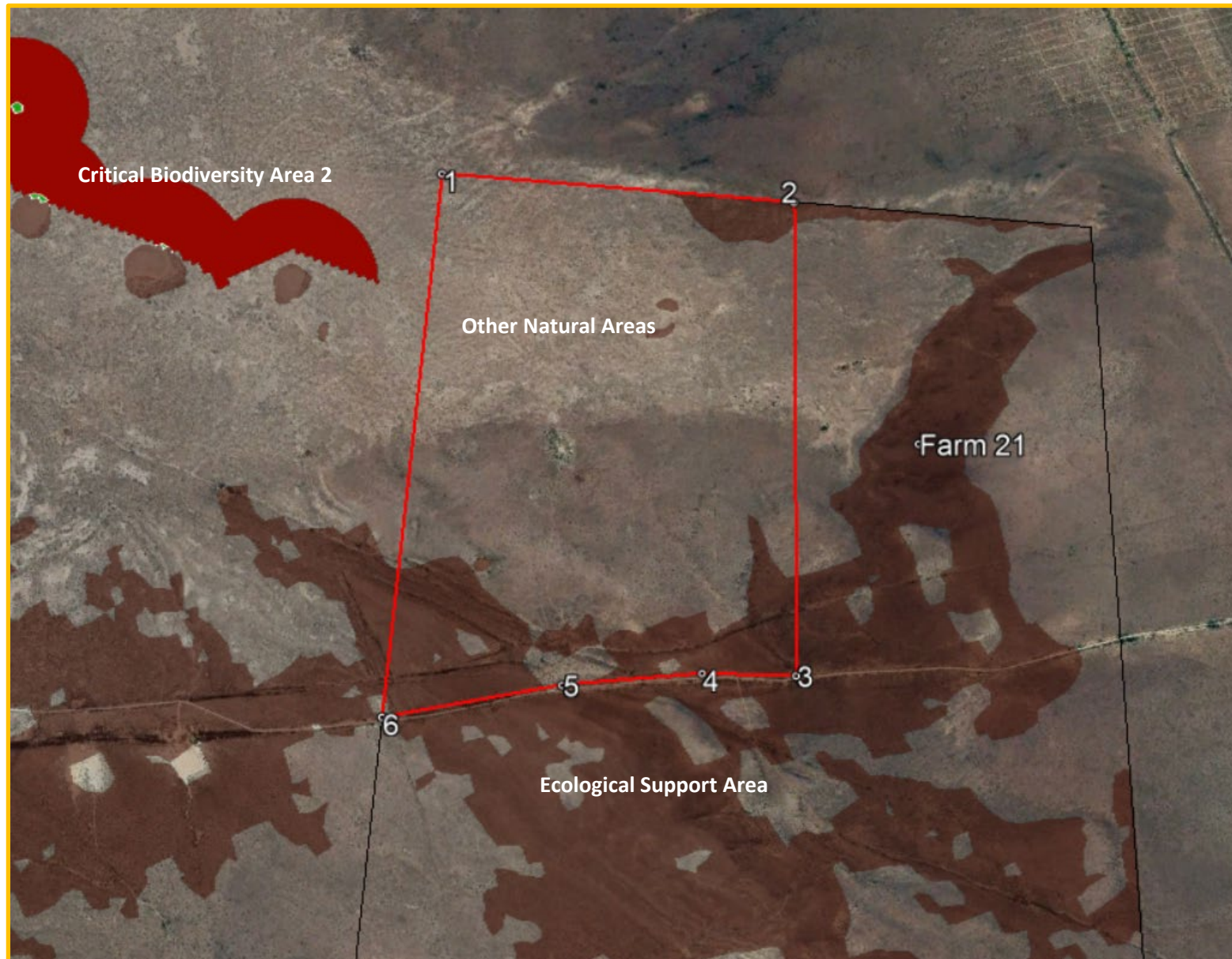
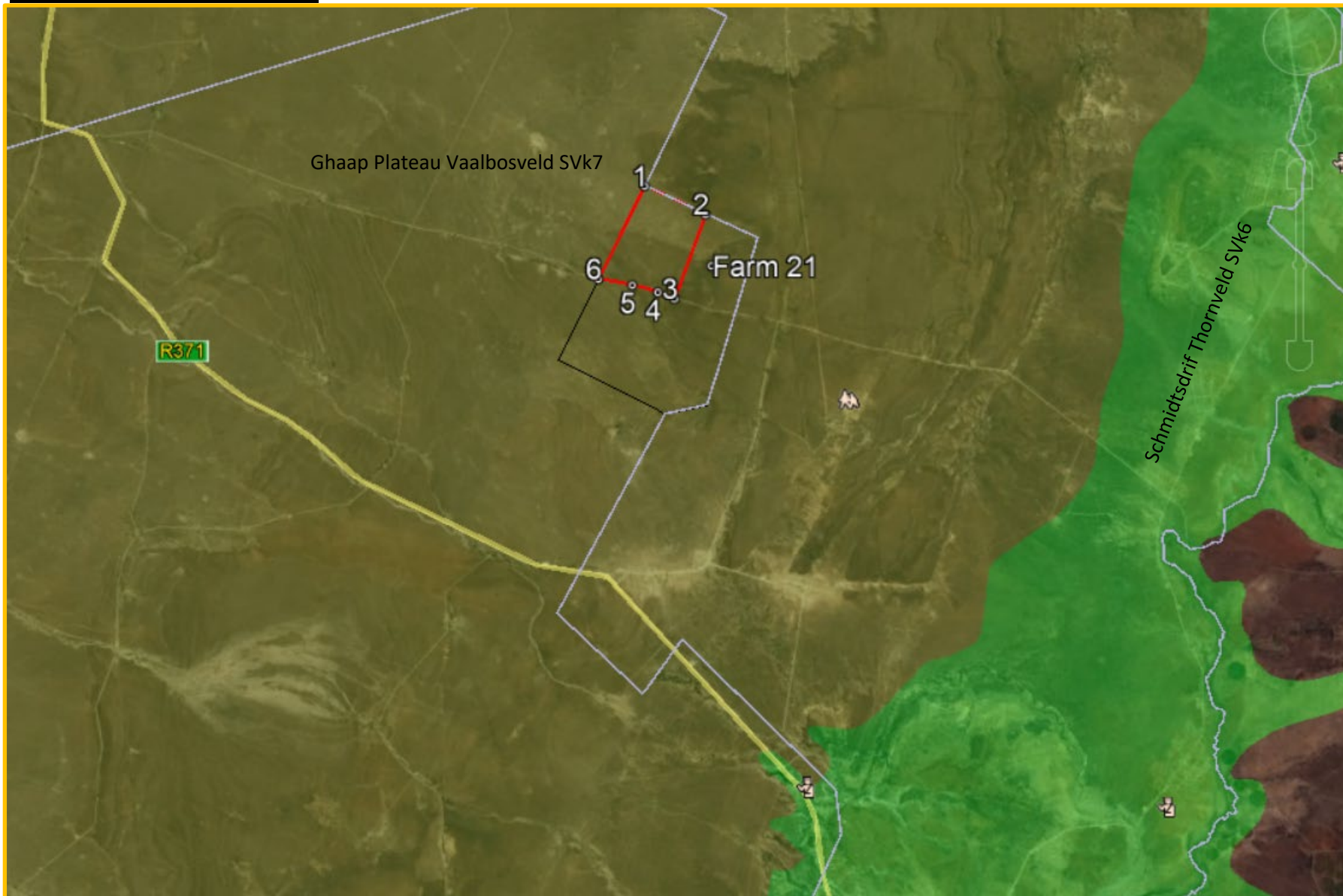


Figure g: Vegetation Types



g) Heritage/ cultural and paleontological resources

The AIA desktop survey revealed that many very important archaeological sites occur in the region and the internationally famous Taung Fossil Site is also nearby. The sites include artefacts scattered within the Vaal River gravels as well as rock shelters along the margins of the Ghaap Escarpment.

There are no known heritage resources on Farm 21 but the possibility of such resources occurring cannot be entirely ruled out. The probability, however, is very low for all types of heritage and because of the generally very small physical impacts expected from drilling, no significant impacts to any heritage resources are expected.

In the AIA (Appendix 3a) it is recommended that the project be allowed to proceed but subject to the following recommendations:

- Each drill site must be carefully examined for any signs of fossils, archaeology or graves prior to the arrival of the drilling rig. If any such materials are found then they should be avoided by at least 30 m; and
- If any previously unknown fossils, archaeological material or human burials are uncovered during the course of drilling then work in the immediate area should be halted. The find would need to be reported to the heritage authorities and may require inspection by an archaeologist. Such heritage is the property of the state and may require excavation and curation in an approved institution.

The PIA desktop survey (Appendix 3b) revealed that the proposed diamond prospecting activities might compromise potential occurrences of (1) well-preserved stromatolites at or near surface within the Precambrian carbonate bedrocks of the Reivilo Formation (Ghaap Group), (2) petrified wood or other fossils within any relict Cretaceous fluvial gravels, or (3) mammalian remains and other fossils within calcretised hardpans and karstic fissure infills. The kimberlite target rocks are generally not fossiliferous (apart from very rare sedimentary xenoliths) while fossil-rich crater lake beds are very unlikely to be preserved in this region due to landscape denudation since Cretaceous times.

The proposed invasive diamond prospecting activities - notably up to five boreholes plus short sectors of temporary access roads - are on a very small scale (footprint c. 200 m²) and the significance of potential impacts on local fossil heritage resources is likely to be minimal. There are no objections on palaeontological heritage grounds to authorization of the prospecting activities.

In addition, should any evidence of archaeological sites or remains (e.g., remnants of stone-made structures, indigenous ceramics, bones, stone artefacts, ostrich eggshell fragments, marine shell and charcoal/ash concentrations), unmarked human burials, fossils or other categories of heritage resources are found during the proposed activities, SAHRA APM Unit must be alerted immediately, and a professional archaeologist or paleontologist, depending on the nature of the finds, must be contacted as soon as possible to inspect the findings. If the newly discovered heritage resources prove to be of archaeological or paleontological significance a Phase 2 rescue operation might be necessary. A tabulated Chance Fossil Finds Procedure is appended to appendix 3b.

Due to the limited nature of the proposed prospecting activities, the impact of prospecting on significant heritage and palaeontological resources is determined to be low and a new application will be made to SAHRA for comment in terms of Section 38(8) should mining right be applied for. As mining activities are generally more intrusive than prospecting activities, this process may require additional heritage studies.”

h) Socio-economic

The following information relating to the socio-economic environment has been obtained from the Frances Baard District Municipality Integrated Development Plan (IDP).

- The Dikgatlong Local Municipality area is reported to have an unemployment rate of 39.7%. According to the IDP, unemployment is attributed to low levels of education.
- Agriculture and mining activities form the economic basis of the Dikgatlong Local Municipality.
- Due to the low level of transformation within the district municipality, economic development opportunities, including wildlife-related activities, tourism or livestock farming have been identified and nature-related tourism opportunities have been identified for the Dikgatlong Local Municipality area.
- Limited water availability has been identified as a threat to the future socio-economic development of the district.
- Future priority issues for the District Municipality include job creation and provision of housing and basic services.
- Statistics SA confirms that the Northern Cape’s largest economic contributors are mining and agriculture which contribute 32.2%, followed by manufacturing and construction which contributes 7.3%.

Socio-economic information detailed in this section of the report provides an understanding of the need for economic development which to create employment opportunities. The high unemployment rate within the municipal area serves as an indicator of this requirement. Though no local employment opportunities are expected during the prospecting phase, the confirmation of a viable mineral resource and the possible establishment of a mine may aid to address unemployment challenges faced by the project affected communities.

The identified economic development opportunity, which includes nature-related tourism for the Dikgatlong Local Municipality area, highlights the importance of unique faunal and floral habitat conservation initiatives.

i) Land Use

As a result of the land capability, cattle and game farming is the predominant land use in the area. Both commercial and subsistence cattle farming is the predominant income generating land use activity.

On a regional scale, the Frances Baard District Municipality reports it is a Diamond Fields area, and relies on diamond mining, tourism and agriculture for economic growth and job creation.

3.8.5 Impacts and risks identified including the nature, significance, consequence, extent, duration and probability of the impacts, including the degree to which these impacts can be avoided, managed or mitigated

As described earlier in this report, the prospecting activities will comprise of desktop and geophysical activities and dependant on the outcome of these phases, targets will be selected for drilling activities. The impact assessment therefore focuses only on the invasive aspects (drilling and associated activities) as these will have the potential to impact on the biophysical and social environment. The impact assessment is furthermore separated into three distinct phases, namely:

- Construction phase (Site establishment);
- Operational phase (Drilling), and.
- Decommissioning

3.8.6 Methodology used in determining and ranking the nature, significance, consequences, extent, duration and probability of potential environmental impacts and risks

Evaluating the impact of a risk is to determine the probability, severity, frequency and duration of the risk. These are all valuated separately and then combined to produce a risk impact; insignificant (1, green), medium (2, yellow) or significant (3, red). In some instances, the impact of a risk will be classified as uncertain due to lack of information. For a risk with a rating of 3 (i.e., significant), strategies are put in place to reduce the risk to 1 (insignificant) or 2 (medium, provided that the risk can be controlled with management actions).

To maintain the rating at 1 or 2, monitoring is implemented for a period of time to enable the confirmation of the risk as insignificant or as medium and under control.

At the time of final mine closure an application will be made to DMR for a mine closure certificate only when all risks have been confirmed as insignificant or medium and under control via management actions.

Evaluating the probability

There are no standard methods of evaluating the probability of occurrence. All methods used rely on some form of subjective judgment and, therefore, agreed criteria have to be used in the evaluation. Values are assigned for the probability of occurrence of the relative strength of the factors involved to each of the criteria. Three evaluation ratings are used, viz. 1 for unlikely, 2 for could be/could happen/unknown, and 3 for definite/has happened/highly likely.

Evaluating the severity

In evaluating the severity of a potential impact there are various criteria that can be applied to determine the level of risk associated with the consequences of an action occurring. These are the quantity of material/substance released and the probable size of the covered area or possible spread of impact. Combinations of descriptions for what are considered to be different levels of importance for the criteria can be integrated.

Values are assigned for the severity of the relative strength of the factors involved to each of the criteria. Three evaluation ratings are used, viz. 1 for insignificant, - natural and social functions and processes are not affected or minimally affected, 2 for medium significance - affected environment is notably altered; natural and social functions and processes continue albeit in a modified way and 3 for high significance - natural or social functions or processes could be substantially affected or altered to the extent that they could temporarily or permanently cease.

Evaluating the frequency

When evaluating the frequency of a potential impact any repetitive, continuous or time-linked characteristics of the impacts are taken into account. Values are assigned for the frequency of the factors involved to each of the criteria. Three evaluation ratings are used, viz. 1 for once off, 2 for intermittent, and 3 for ongoing/continuing/usually.

Evaluating the duration

The duration of a potential impact is based on the duration of the impact should the risk realise, i.e., the duration could be short-term, medium-term, long-term or permanent. Values are assigned for the duration of the factors involved to each of the criteria. Three evaluation ratings are used, viz. 1 for an instant/point in time, 2 for temporary/ intermittent, and 3 for forever.

Values are calculated, as a function of the probability, severity, frequency and duration for different risks. The individual scores are added and a risk impact is assigned. The calculated sums of the possible permutations of probability, severity, frequency and duration range from 4 to 12. Combinations with a sum total of 6 and less were rated as insignificant, while those rating 10 and higher were defined as significant. Risks with ratings in between 6 and 10 have medium outcomes.

Environmental Significance rating of insignificant (combined score 0-6)

An insignificant impact is likely to contribute to positive decisions about whether or not to proceed with the project. It will have little real effect and is unlikely to have an influence on project design or alternative motivation.

Environmental Significance rating of medium (combined score 7-9)

If left unmanaged, an impact of medium significance could influence a decision about whether or not to proceed with a proposed project. Mitigation measures should be implemented.

Environmental Significance rating of significant (combined score 10-12)

A significant impact could influence a decision about whether or not to proceed with the proposed project, regardless of available mitigation options.

3.8.7 The positive and negative impacts that the proposed activity (in terms of the initial site layout) and alternatives will have on the environment and the community that may be affected.

Positive Impacts

This application is for prospecting activities which fall under the mining sector and would therefore make a contribution to one of the main employment sectors. Mining and agriculture are the most contributing economic sector for the municipality at 32.2%. The prospecting activities themselves would not directly lead to job opportunities. Should the prospecting activities however prove to be financially viable, then mining activities would generate employment opportunities

Negative Impacts

The key potential negative impacts associated with the prospecting activity are those typically associated with drilling activities, refer table below for the impact assessment tables.

Impact Assessment Table

| DRILLING PHASE | | ENVIRONMENTAL SIGNIFICANCE | | | | | | | | | | | |
|-------------------------------------|--|----------------------------|----------|-----------|----------|------------|------------------|---------------------------|----------|-----------|----------|------------|--------------|
| PROJECT ACTIVITY | POTENTIAL ENVIRONMENTAL IMPACT / NATURE OF IMPACT | BEFORE MITIGATION | | | | | AFTER MITIGATION | | | | | | |
| | | Probability of occurrence | Severity | Frequency | Duration | TOTAL (SP) | SIGNIFICANCE | Probability of occurrence | Severity | Frequency | Duration | TOTAL (SP) | SIGNIFICANCE |
| Site Access | Disturbance of onsite wildlife and vegetation on access track | 1 | 1 | 1 | 1 | 4 | | 1 | 1 | 1 | 1 | 4 | |
| | Soil compaction from repeated use of access track to drill sites | 1 | 1 | 1 | 1 | 4 | | 1 | 1 | 1 | 1 | 4 | |
| Site Establishment | Destruction and/or loss of Cultural and Heritage Resources | 1 | 1 | 1 | 1 | 4 | | 1 | 1 | 1 | 1 | 4 | |
| | Noise Generation | 1 | 1 | 1 | 1 | 4 | | 1 | 1 | 1 | 1 | 4 | |
| | Wildlife and Vegetation disturbance from drilling operations | 2 | 1 | 1 | 1 | 5 | | 2 | 1 | 1 | 1 | 5 | |
| Drilling and Chip Sample Collection | Destruction or loss of Cultural and Heritage Resources | 1 | 2 | 1 | 1 | 5 | | 1 | 2 | 1 | 1 | 5 | |
| | Noise Generation | 3 | 2 | 1 | 1 | 7 | | 1 | 1 | 1 | 1 | 4 | |
| | Visual intrusion | 2 | 2 | 1 | 2 | 7 | | 2 | 1 | 1 | 1 | 5 | |
| | Dust fall & nuisance from activities | 1 | 1 | 1 | 1 | 4 | | 1 | 1 | 1 | 1 | 4 | |
| | Wildlife and Vegetation disturbance from drilling | 2 | 3 | 1 | 1 | 7 | | 2 | 1 | 1 | 1 | 5 | |

| | | | | | | | | | | | | | |
|-------------------------------------|--|---|---|---|---|---|--|---|---|---|---|---|--|
| Drilling and Chip Sample Collection | Surface water and groundwater use and contamination from drill fluids, hydrocarbon spills and drill maintenance activities | 2 | 2 | 2 | 1 | 7 | | 1 | 2 | 1 | 1 | 5 | |
| | Socio- economic impact | 2 | 2 | 2 | 1 | 7 | | 2 | 1 | 1 | 1 | 5 | |
| Removal of temporary infrastructure | Dust emission from decommissioning activities (vehicle entrained dust) | 2 | 1 | 1 | 1 | 5 | | 2 | 1 | 1 | 1 | 5 | |

3.8.8 The possible mitigation measures that could be applied and the level of risk.

The key measures taken to mitigate the key potential impacts are as follows:

Site Access

- Disturbance of onsite wildlife and vegetation on access track
The impacts of access on wildlife and vegetation have been assessed as being of **insignificance** even before mitigation. The impact can be reduced by only using existing farm roads and tracks. Vehicle's speed must take into account the possibility of collisions with fauna.
- Soil compaction from repeated use of access track to drill sites
The impacts of access on soil compaction have been assessed as being of **insignificance** even before mitigation. The impact can be reduced by the mitigating measure above and where new access tracks are required to get the drill rig to the drilling site, such compacted tracks must be scarified immediately after completion of the activity. All tracks and drill traverses (twee-spoor) will be scarified and any topsoil stockpiled removed to be spread over the disturbed area. Dual use access roads must be handed back to the landowner in a good state of repair.

Site Establishment

- Disturbance of onsite wildlife and vegetation on access track
The impacts of access on wildlife and vegetation have been assessed as being of **insignificance** even before mitigation. The impact can be reduced by only using existing farm roads and tracks. Vehicle speed must take into account the possibility of collisions with fauna.

Operational Phase

- **Cultural and Heritage Resources**

There are no known heritage resources on Farm 21 but the possibility of such resources occurring cannot be entirely ruled out. The probability, however, is very low for all types of heritage and because of the generally very small physical impacts expected from drilling, no significant impacts to any heritage resources are expected. No surface disturbance in the form of excavations or ground clearing will take place therefore, the impact will be of insignificance. The rating will remain the same after mitigation measures at insignificant.

The PIA desktop survey (Appendix 3b) revealed that the proposed diamond prospecting activities might compromise potential occurrences of (1) well-preserved stromatolites at or near surface within the Precambrian carbonate bedrocks of the Reivilo Formation (Ghaap Group), (2) petrified wood or other fossils within any relict Cretaceous fluvial gravels, or (3) mammalian remains and other fossils within calcretised hardpans and karstic fissure infills. The kimberlite target rocks are generally not fossiliferous (apart from very rare sedimentary xenoliths) while fossil-rich crater lake beds are very unlikely to be preserved in this region due to landscape denudation since Cretaceous times.

The proposed invasive diamond prospecting activities - notably up to five boreholes plus short sectors of temporary access roads - are on a very small scale (footprint c. 200 m²) and the significance of potential impacts on local fossil heritage resources is likely to be minimal. There are no objections on palaeontological heritage grounds to authorization of the prospecting activities.

Due to the limited nature of the proposed prospecting activities, the impact of prospecting on significant heritage and palaeontological resources is determined to be low and a new application will be made to SAHRA for comment in terms of Section 38(8) should mining right be applied for. As mining activities are generally more intrusive than prospecting activities, this process may require additional heritage studies.”

Mitigating measures include:

- Each drill site must be carefully examined for any signs of fossils, archaeology or graves prior to the arrival of the drilling rig. If any such materials are found then they should be avoided by at least 30 m; and
- If any previously unknown fossils, archaeological material or human burials are uncovered during the course of drilling then work in the immediate area should be halted.
- Should any evidence of archaeological sites or remains (e.g., remnants of stone-made structures, indigenous ceramics, bones, stone artefacts, ostrich eggshell fragments, marine shell and charcoal/ash concentrations), unmarked human burials, fossils or other categories of heritage resources are found during the proposed activities, SAHRA APM Unit must be alerted immediately, and a professional archaeologist or paleontologist, depending on the nature of the finds, must be contacted as soon as possible to inspect the findings. If the newly discovered heritage resources prove to be of archaeological or paleontological significance a Phase 2 rescue operation might be necessary. A tabulated Chance Finds Procedure is appended to appendix 3b.

- Drilling equipment moving on site will, where ever possible, be confined to established roads.
 - Where new access tracks (twee-spoor) are required to get the drill rig to the drilling site the activity will be limited to the smallest area that is necessary and by rehabilitating the disturbed area immediately after completion of the activity.
 - Furthermore, no clear scraping (dozing) will be carried out. Rather that surface vegetation be cleared to make way for the drilling rig leaving the roots intact so that vegetation can coppice and regrow.
 - Efforts to achieve satisfactory prospecting results will employ appropriate methodologies aimed at the protection and conservation of heritage resources;
 - All contractors and personnel involved in the prospecting activities will be made aware of the locations of all identified heritage resources, the necessity of avoiding impacts on such resources and the penalties for damaging them;
 - Personnel will be informed about the consequences of unlawful removal of cultural and historical remains and artefacts associated with heritage sites. It will be emphasised that archaeological artefacts such as potsherds, stone tools, grinding stones, etc. must be left in situ and undisturbed.
- Noise

Typical noise levels generated by various types of construction equipment are listed in the table below. Conservative attenuation conditions, related to intervening ground conditions and screening, have been applied.

Typical noise levels generated by construction equipment

| Equipment | Typical operational Noise level at given offset (dBA) | | | | | | | |
|----------------|---|-----|-----|-----|------|------|------|------|
| | 5m | 10m | 25m | 50m | 100m | 250m | 500m | 100m |
| Air compressor | 91 | 85 | 77 | 71 | 65 | 57 | 51 | 46 |
| Crane (mobile) | 93 | 87 | 79 | 73 | 67 | 59 | 53 | 47 |
| Dozer | 95 | 89 | 81 | 75 | 69 | 61 | 55 | 49 |
| Pump | 86 | 80 | 72 | 66 | 60 | 52 | 46 | 40 |
| Rock Drill | 108 | 102 | 94 | 88 | 82 | 74 | 68 | 62 |
| Trucks | 87 | 81 | 73 | 67 | 64 | 60 | 57 | 54 |

In South Africa, the noise impact on human receptors is evaluated in terms of the SANS 10103 guidelines for sound pressure levels as listed in the table below.

Noise level standards for various districts

| Type of District | Equivalent continuous rating level $L_{ReC}T$ for ambient noise - dBA | | | | | |
|---------------------------|---|---------|-------|---------------------------|---------|--------|
| | Outdoors | | | Indoors with windows open | | |
| | Day-night | Daytime | Night | Day- | Daytime | Night- |
| Rural districts | 45 | 45 | 35 | 35 | 35 | 25 |
| Suburban district | 50 | 50 | 40 | 40 | 40 | 30 |
| Urban traffic | 55 | 55 | 45 | 45 | 45 | 35 |
| Urban districts | 60 | 60 | 50 | 50 | 50 | 40 |
| Central business district | 65 | 65 | 55 | 55 | 55 | 45 |
| Industrial district | 70 | 70 | 60 | 60 | 60 | 50 |

Daytime and night-time refer to the hours from 06h00 to 22h00 and 22h00 to 06h00 Respectively

Taking into account the existing background noise levels of the general area which is rural in nature, the significance of the noise caused by the drilling rig travelling to and being established on each site, vehicles going to and from each drilling site and the voices of the drilling crew, the impact is assessed as being **insignificant** before mitigation. Although mitigation measure is put in place the significance rating remains the same at **insignificant** by limiting the activities to daylight hours (06h00 to 18h00) and not undertaking such activities at all on Sundays and public holidays, as well as by applying a separation distance of a minimum 500m, but preferably 1000m between drill sites and any dwellings. The vehicles on site are limited to three LDVs and one water truck. It must be noted that the speed limit for driving within a community and prospecting right shall be limited to 40Km/h.

- Visual

The visual impact of the operation is assessed as being of **Medium significant** significance before mitigation. The impact can be reduced to one of **insignificance** by taking into account available vegetation screening, the locations of visual receptors on the prospecting areas and adjacent properties and locating the drilling rig in a way that it is screened from points of visual reception wherever possible. If necessary, the operations can be screened from view by erecting a shade cloth barrier.

- Dust fall

Acceptable dust fall rates in terms of the National Dust Control Regulations (GN R. 827 of 1 November 2013) are presented in the table below. In terms of these regulations, the local air quality officer may prescribe a dust fall monitoring programme, the implementation of dust control measures and continuous ambient air quality monitoring for PM10.

Acceptable dust fall rates

| Restriction Areas | Dust fall rate (D) (mg/m ² /Day, 30- day average) | Permitted frequency of exceeding dust fall rate |
|----------------------|--|---|
| Residential area | D < 600 | Two within a year, not sequential months |
| Non-residential area | 600 < D < 1 200 | Two within a year, not sequential months |

The method to be used for measuring dust fall rate and the guideline for locating sampling points shall be ASTM D1739: 1970, or equivalent method.

It is important to note that people experience dust deposition as a nuisance effect, and that there are no direct human health implications because the dust is not inhaled. Heavy dust deposition can have detrimental effects on plants if the leaves are smothered to the extent where transpiration and photosynthesis are affected.

The impact of dust generation by vehicles travelling over unpaved areas is assessed as being of **insignificance** even before mitigation. The impact can be reduced by wet suppression and enforcement of low vehicle speeds. Separation of distance of minimum 500m, but preferably 1000m to be maintained between drill sites and dwellings will also reduce the impact of dust fall.

- Disturbance of wildlife and vegetation

Disturbance of wildlife and vegetation in areas where drilling is done is rated as being of **medium significance**. The impact can be reduced to **insignificant** by prior delineation of the drill site area via geophysical characterisation and drilling in order to minimise the area that needs to be explored.

Invasive drilling activities will be aligned in consultation with landowner not to coincide with the breeding or hunting season.

- Surface water and groundwater use and contamination

The impact of contamination with hydrocarbons and disturbance of water resources is assessed as being of **medium significant** before mitigation. The impact can be reduced to one of **insignificant** by ensuring that measures are put in place to prevent any drilling activities within 100m from a water course. Maintaining all equipment as per supplier specification and lining under the drill rig and diesel bowser with PVC plastic lining to contain any spillages, should it occur including having oil spill kit as a recovery measure.

- Socio- economic impact

The prospecting sites are located in a rural farming area with farm dwellings and tourism activities including hunting. Some landowners cherish the peaceful and quiet lifestyle of the area and friction between local residents and a crew of strangers is very possible. Conflict with other mining companies on the same property is also a possibility. The potential for conflict is assessed as being **significant**, but it can be reduced to one of **medium significance** by taking appropriate social management measures.

Most of the time will be spend on non-invasive activities that will be completed off-site. During field-investigations a maximum of three specialists will require access. All access will be arranged beforehand with landowner and the project manager will be present at all times and will report to the landowner when accessing and leaving the property. Indemnity will be signed by all mining personnel entering the property.

Any other mining companies operating legally will be listed as affected parties and consulted. Areas of operations will be demarcated and no overlapping will be allowed. Agreements between current mining operations and landowner will be respected and adopted as part of this operation. Co-ordinate invasive activities with existing mining activities to reduce the time of disturbances

Invasive drilling activities will be aligned in consultation with landowner not to coincide with the breeding or hunting season. Limiting the invasive activities to daylight hours (06h00 to 18h00) and not undertaking such activities at all on Sundays and public holidays.

Applying a separation distance of a minimum 500m, but preferably 1000m between drill sites and any tourism infrastructure and dwellings.

Available vegetation to be used as screening of the locations of visual receptors on the prospecting areas and tourism activities.

Locating the drilling rig in a way that it is screened from points of visual reception (tourism infrastructure, access roads) wherever possible.

Most of the time will be spend on non-invasive activities that will be completed off-site. During field-investigations a maximum of three specialists will require access. All access will be arranged beforehand with landowner and the project manager will be present at all times and will report to the landowner when accessing and leaving the property. Indemnity will be signed by all mining personnel entering the property.

Decommissioning phase:

Decommissioning of borehole sites will take place immediately after each borehole has been completed and the drilling rig is moved to the next site.

Assessment of potential cumulative impacts

The cumulative impact assessment considers a scenario where more than one drilling rig and drill site is in operation at any point in time throughout the duration of the prospecting programme.

- The cumulative noise impact of the proposed prospecting operations on the above sensitive receptors is assessed as being of significant significance before mitigation. The impact can be reduced to one of Medium significance by limiting the construction/setup activities to daylight hours (06h00 to 18h00) and not undertaking such activities at all on Sundays and public holidays;
- The cumulative visual impact on the above sensitive receptors is assessed as being of Significant significance prior to mitigation;
- Without mitigation, the potential cumulative impact of dust generation on the above sensitive receptors is assessed as being of Medium significance;

A total of 5 boreholes will potentially be drilled with a combined footprint area of <0.05 hectares maximum at the end of the prospecting programme once all holes have been drilled and then rehabilitated.

- Without mitigation, the potential cumulative impact of soil, surface water and groundwater contamination, as experienced by the sensitive receptors, is assessed as being of medium significance.

3.8.9 Motivation where no alternative sites were considered.

As discussed in previous sections, the proposed prospecting right area holds potential because of the presence of known kimberlite occurrences in the area as well as the diamond mining activities. The prospecting location has been informed by historical prospecting and production records for the area, as well as the most likely position of potential kimberlites within the kimberlite field. As such the applicant believes there is a possibility of encountering further diamond reserves within the prospecting area. The area included in this prospecting application is therefore regarded as the preferred site and alternative sites are not considered. The preferred site is informed by the most likely location of diamond deposits.

3.8.10 Statement motivating the alternative development location within the overall site. (Provide a statement motivating the final site layout that is proposed)

As discussed in previous sections, each of the prospecting phases is dependent on the results of the preceding phase. The location and layout of drill sites will be determined based on information derived from the desktop and geophysical surveys. Proposed drill sites will be selected so as to avoid known heritage sites, water courses, dwellings and infrastructure where practicable. Since the invasive prospecting phase (drilling) is the dependent on the outcomes of Phases 1, the final site layout will be finalised on completion of Phases1.

3.9 Full description of the process undertaken to identify, assess and rank the impacts and risks the activity will impose on the preferred site (In respect of the final site layout plan) through the life of the activity.

This BAR and EMPr were compiled through a detailed desktop investigation in order to determine the environmental setting in which the project is located. Input from stakeholders during the public participation process also assist the EAP in the identification of any additional impacts associated with the proposed prospecting activities. The methodology described above was used to assess the significance of

the potential impacts of the prospecting activities. The assessment of impacts is based on the experience of the EAP with similar projects. The applicant also has practical experience through exploration geologists and therefore the identification of impacts and assessment of their significance is informed by first-hand experience of drilling activities. The mitigation measures proposed are considered to be reasonable and based on the location of the prospecting area and must be implemented in order for the outcome of the assessment to be accurate.

3.10 Assessment of each identified potentially significant impact and risk

| NAME OF ACTIVITY | POTENTIAL IMPACT | ASPECTS AFFECTED | PHASE | SIGNIFICANCE Without mitigation | MITIGATION TYPE | SIGNIFICANCE With mitigation |
|-------------------------------|--|---|-----------------------|---------------------------------|---|------------------------------|
| Site Access | Disturbance of onsite flora and fauna | Loss of/ disturbance to flora and fauna | Construction | In-significant | <ul style="list-style-type: none"> Existing farm roads and tracks must be used as far as possible; Where new access tracks are required to get the drill rig to the drilling site, such tracks must be scarified during decommissioning; Vehicles speed must take into account the possibility of collisions with fauna. | In-significant |
| | Soil compaction from repeated use of access track to drill sites | Loss of soil resources | Construction | In-significant | <ul style="list-style-type: none"> All compacted roads and drill sites will be scarified and any topsoil stockpiled to be spread over the disturbed area. Dual use access roads must be handed back to the landowner in a good state of repair. | In-significant |
| Site Establishment | Noise | Noise Generation | Construction / Set-up | In-significant | <ul style="list-style-type: none"> Construction/setup, operational and decommissioning activities will be limited to daylight hours on Mondays to Saturdays and no activities on Sundays and public holidays. Separation of distance of minimum 500m, but preferably 1000m to be maintained between drill sites and dwellings. Noise abatement equipment, such as mufflers on diesel engines, will be maintained in good condition. If intrusive noise levels are experienced by any person at any point, the source of the noise will be moved if practical, or it will be placed in an acoustic enclosure, or an acoustic barrier will be erected between the source and the recipient. | In-significant |
| Site Establishment Activities | Wildlife and Vegetation disturbance from drill pad preparation | Vegetation and fauna disturbance | Construction / Set-up | Medium | <ul style="list-style-type: none"> Where new access tracks are required to get the drill rig to the drilling site, such tracks must be raked and revegetated during decommissioning. Vehicles speed must take into account the possibility of collisions with fauna. | In-significant |

| | | | | | | |
|---|------------------------------|---|-------------------|-----------------------|--|-----------------------|
| <p>Target drilling - Drilling - Drill maintenance & refueling - Chip sample collection & storage - Vehicle movements - Waste generation & management</p> | <p>Cultural and Heritage</p> | <p>Destruction or loss of Cultural and Heritage Resources</p> | <p>Operations</p> | <p>In-significant</p> | <ul style="list-style-type: none"> • Each drill site must be carefully examined for any signs of fossils, archaeology or graves prior to the arrival of the drilling rig. If any such materials are found then they should be avoided by at least 30 m; and • Should any evidence of archaeological sites or remains, unmarked human burials, fossils or other categories of heritage resources be found during the proposed activities, SAHRA APM Unit must be alerted immediately, and a professional archaeologist or paleontologist, depending on the nature of the finds, must be contacted as soon as possible to inspect the findings. • Drilling equipment moving on site will, where ever possible, be confined to established roads. • Furthermore, no clear scraping (dozing) will be carried out. Rather that surface vegetation be cleared to make way for the drilling rig leaving the roots intact so that vegetation can coppice and regrow. • Efforts to achieve satisfactory prospecting results will employ appropriate methodologies aimed at the protection and conservation of heritage resources; • All contractors and personnel involved in the prospecting activities will be made aware of the locations of all identified heritage resources, the necessity of avoiding impacts on such resources and the penalties for damaging them; • Personnel will be informed about the consequences of unlawful removal of cultural and historical remains and artefacts associated with heritage sites. It will be emphasised that archaeological artefacts such as potsherds, stone tools, grinding stones, etc. must be left in situ and undisturbed. • A safe distance of at least 100 metres will be maintained between the identified heritage resource and prospecting activities. • Where necessary, directional drilling will be practised to assess ore reserves situated below identified heritage resources. | <p>In-significant</p> |
|---|------------------------------|---|-------------------|-----------------------|--|-----------------------|

| | | | | | | |
|--|-----------|--------------------------------------|------------|----------------|---|----------------|
| | Noise | Noise Generation | Operations | Medium | <ul style="list-style-type: none"> • Activities will be limited to daylight hours on Mondays to Saturdays and no activities on Sundays and public holidays. • Separation of distance of minimum 500m, but preferably 1000m to be maintained between drill sites and dwellings. • Noise abatement equipment, such as mufflers on diesel engines, will be maintained in good condition. • If intrusive noise levels are experienced by any person at any point, the source of the noise will be moved if practical, or it will be placed in an acoustic enclosure, or an acoustic barrier will be erected between the source and the recipient. | In-significant |
| Target drilling - Drilling - Drill maintenance & refueling - Chip sample collection & storage - Vehicle movements - Waste generation & management | Visual | Visual intrusion | Operations | Medium | <ul style="list-style-type: none"> • The drilling rig and other visually prominent items on the site will be located in consultation with the landowner. • Make use of existing vegetation as far as possible to screen the prospecting operations from view. • If necessary, the operations can be screened from view by erecting a shade cloth barrier. | In-significant |
| | Dust fall | Dust fall & nuisance from activities | Operations | In-significant | <ul style="list-style-type: none"> • Separation of distance of minimum 500m, but preferably 1000m to be maintained between drill sites and dwellings. • Low vehicle speeds will be enforced on unpaved surfaces. | In-significant |

| | | | | | | |
|---|--|---|-------------------|-----------------------|--|-----------------------|
| <p>Target drilling - Drilling - Drill maintenance & refueling - Chip sample collection & storage - Vehicle movements - Waste generation & management</p> | <p>Wildlife and Vegetation disturbance from drilling</p> | <p>Vegetation and fauna disturbance from drilling</p> | <p>Operations</p> | <p>Medium</p> | <ul style="list-style-type: none"> • The drill sites will be informed by the findings of non-invasive prospecting. • The disturbance and clearance of vegetation at drill pad areas will be limited to the absolute minimum required. • The drill sites must be clearly demarcated, and no activities may take place outside of demarcated areas. • Drill holes must be backfilled as soon as is practically possible after drilling is completed. • Drill sites must be rehabilitated by scarifying disturbed and compacted areas and spreading topsoil. • Disturbed areas will be revegetated with locally indigenous species as soon as possible. • The design of the drill fluid sump must be such that it prevents fauna from gaining access to site and becoming trapped. • Invasive drilling activities will be aligned in consultation with landowner not to coincide with the breeding or hunting season. | <p>In-significant</p> |
| | <p>Soil</p> | <p>Contamination and disturbance of soil from drill pad preparation, compaction and soil disturbance due to topsoil stockpiling</p> | <p>Operations</p> | <p>In-significant</p> | <ul style="list-style-type: none"> • The impact on contamination can be reduced by the mitigating measure applicable to water contamination. • Limiting activities and clearance of the drill pad to the smallest area that is necessary. • No clear scraping (dozing) will be carried out unless absolutely necessary to establish a level drill pad. • All drill pads will be scarified and any topsoil stockpiled removed to be spread over the disturbed area immediately after completion of the activity. | <p>In-significant</p> |

| | | | | | | |
|---|--------------------------------------|--|-------------------|---------------|---|-----------------------|
| <p>Target drilling - Drilling - Drill maintenance & refueling - Chip sample collection & storage - Vehicle movements - Waste generation & management</p> | <p>Surface water and groundwater</p> | <p>Surface water and groundwater use and contamination from hydrocarbons</p> | <p>Operations</p> | <p>Medium</p> | <ul style="list-style-type: none"> • Proper vehicle maintenance. • Refuelling will be done with care to minimise the chance of spillages. • A spill kit will be available on each site where prospecting activities are in progress. • Any spillages will be cleaned up immediately. • Drilling muds will contain in lined drill sumps and this material will be removed from site and disposed in a licensed disposal facility. • Storm water must be diverted around the drill site to prevent ingress of storm water; • Waste materials generated on site must be stored in suitable lidded containers and removed off site to a suitable disposal facility. • Waste separation must be undertaken if practical for recycling. • Drilling water requirements will be less than twenty cubic meters per day for prospecting. • The water will be sourced on agreement from an existing authorized water user. • The department responsible for water resources shall be consulted with regards to any water use related agreement prior to drilling. • No water will be abstracted in terms of sec 21(a) of National Water Act, 1998. | <p>In-significant</p> |
|---|--------------------------------------|--|-------------------|---------------|---|-----------------------|

| | | | | | | |
|--|-------------------------------|--|-------------------|---------------|--|-----------------------|
| <p>Target drilling - Drilling - Drill maintenance & refueling - Chip sample collection & storage - Vehicle movements - Waste generation & management</p> | <p>Socio- economic impact</p> | <p>Conflicting land use and friction between local resident's land owners and construction personnel</p> | <p>Operations</p> | <p>Medium</p> | <ul style="list-style-type: none"> • Non-invasive activities will be completed off-site. • During field-investigations a maximum of three specialists will require access. • All access will be arranged beforehand with landowner and the project manager will be present at all times and will report to the landowner when accessing and leaving the property. • Indemnity will be signed by all mining personnel entering the property. • Any other mining companies operating legally will be listed as affected parties and consulted. Areas of operations will be demarcated and no overlapping will be allowed. • Agreements between current mining operations and landowner will be respected and adopted as part of this operation. • Co-ordinate invasive activities with existing mining activities to reduce the time of disturbances • Landowner will be updated with regard to the progress of implementing the PWP and any invasive operation and concurrent rehabilitation will be planned in consultation with landowner. • All operations will be carried out under the guidance of strong, experienced manager with proven skills in public consultation and conflict resolution. • All personnel will be made aware of the local conditions and sensitivities in the prospecting area and the requirements of the local residents. • There will be a strict requirement to treat local residents with respect and courtesy at all times. | <p>In-significant</p> |
|--|-------------------------------|--|-------------------|---------------|--|-----------------------|

| Assessment of Potential Cumulative Impacts | | | | | |
|---|---|-------------------------------------|--------|----------|---------------|
| Noise | Noise generation | Construction / set-up and operation | Medium | As above | Medium |
| Visual | Visual intrusion | Construction / set-up and Operation | Medium | As above | Insignificant |
| Dust fall | Dust fall & nuisance from activities | Construction / set-up and Operation | Medium | As above | Insignificant |
| Wildlife and vegetation | Soil and vegetation disturbance from drill pad preparation | Construction / set-up and Operation | Medium | As above | Insignificant |
| Surface water and groundwater | Soil, surface water and Groundwater contamination from hydrocarbons | Construction / set-up and Operation | Medium | As above | Insignificant |

3.11 Summary of specialist reports.

(This summary must be completed if any specialist reports informed the impact assessment and final site layout process and must be in the following tabular form): -

| LIST OF STUDIES UNDERTAKEN | RECOMMENDATIONS OF SPECIALIST REPORTS | SPECIALIST RECOMMENDATIONS INCLUDED IN THE EIA REPORT | REFERENCE TO APPLICABLE SECTION OF REPORT WHERE SPECIALIST RECOMMENDATIONS HAVE BEEN INCLUDED. |
|-----------------------------------|--|--|--|
| AIA Appendix 3a | <p>Each drill site must be carefully examined for any signs of fossils, archaeology or graves prior to the arrival of the drilling rig. If any such materials are found then they should be avoided by at least 30 m; and</p> <p>If any previously unknown fossils, archaeological material or human burials are uncovered during the course of drilling then work in the immediate area should be halted. The find would need to be reported to the heritage authorities and may require inspection by an archaeologist. Such heritage is the property of the state and may require excavation and curation in an approved institution.</p> | All | <p>Section 3.8.4(g) Section 3.8.8 Section 3.10 Sect 4.4.4</p> |
| PIA Appendix 3b | <p>No further specialist palaeontological studies or mitigation for the proposed diamond prospecting project are recommended here, pending the potential discovery of scientifically important fossil material before or during the invasive phase. Should substantial fossil remains - such as well-preserved stromatolites, vertebrate bones and teeth, shells or fossil wood - be encountered at surface or exposed during prospecting, the ECO should safeguard these, preferably in situ. They should then alert the South African Heritage Resources Agency. This is to ensure that appropriate action can be taken by a professional palaeontologist. A tabulated Chance Fossil Finds Procedure form part of the report</p> | | |

3.12 Environmental impact statement

3.12.1 Summary of the key findings of the environmental impact assessment;

The majority of the prospecting activities are non-invasive and hence will have no environmental or social impact. The invasive activities will entail the drilling of approximately 10 exploration holes; which will have a minimal environmental and social impact as each drill pad will be confined to an area of approximately 160m² per site. The total anticipated area for disturbance is anticipated at less than 1 Ha which need to be viewed in the context of the entire prospecting license area under application which covers 1085 hectares. The assessed impact ratings after implementation of the mitigation measures described above are as follows:

- Cultural and heritage – **insignificant**;
- Noise – **insignificant**;
- Visual impact – **medium significance, reducing to insignificant**
- Dust fall – insignificant;
- Disturbance of wildlife and vegetation – **medium significance, reducing to insignificant**;
- Contamination of surface water and groundwater – **medium significance, reducing to insignificant**;
- Soil – **medium significance, reducing to insignificant**; and
- Socio - economic impact – **significant** impact reducing to **medium significance**.

All of the identified impacts will occur for a limited period and the extent of the impacts will be localised. All of the identified impacts can be suitably mitigated with the residual impact ratings being of insignificant.

The conservation status of the vegetation types in the area is regarded as “Least Threatened”; and no threatened ecosystems are present (Refer to **Figure I & j**).

The main impacts associated with the drilling activities (site disturbance) can be suitable mitigated.

After drilling activities have been completed and the drill pads rehabilitated to predrilling status, the impacts will cease to exist

3.12.2 Final Site Map

Please refer to figures above for the Environmental Sensitivities Maps including the area of interest (AOI) for proposed prospecting activities

3.12.3 Summary of the positive and negative impacts and risks of the proposed activity and identified alternatives;

Positive Impacts

This application is for prospecting activities. Should favourable results be obtained from exploratory drilling, and it is believed that diamond mining will be economically viable; such mining would contribute to one of the main employment sectors of the Local Municipality. The prospecting activities themselves would not directly lead to job opportunities.

Negative Impacts

- Noise Generation from construction / set-up and operational activities of drilling;
- Visual intrusion caused by the drilling activities in the largely rural setting;
- Dust fall & nuisance from construction / drill site set-up;
- Wildlife and vegetation disturbance from drill pad preparation during the construction / set-up and operational phase as contractors rehabilitate one site and move to the next site and prepare it;

- Surface water and groundwater contamination from hydrocarbons during the construction/set-up and operational activities which include drill rig operation and use of vehicles on site; and
- Socio-Economic impact due to conflicting land uses during the construction / set-up and operational phase.

3.13 Proposed impact management objectives and the impact management outcomes for inclusion in the EMPr

- Provide sufficient information to strategically plan the prospecting activities as to avoid unnecessary social and environmental impacts.
- Provide sufficient information and guidance to plan prospecting activities in a manner that would reduce impacts (both social and environmental) as far as practically possible.
- Ensure an approach that will provide the necessary confidence in terms of environmental compliance.
- Provide a management plan that is effective and practical for implementation.
- Through the implementation of the proposed mitigation measures it is anticipated that the identified social & environmental impacts can be managed and mitigated effectively.
- Through the implementation of the mitigation and management measures it is expected that: Heritage/cultural resources can be managed by avoidance of known resources and through consultation with landowners/stakeholders. Contractor personnel will also be briefed of these sensitivities and consequences of any damage/removal of such features.
- Should the exploration program advance to a core drilling, trenching and bulk sampling stage, a Phase 1 HIA and PIA will be undertaken prior to areas being disturbed.
- Noise generation can be managed through consultation and restriction of operating hours and by maintaining equipment and applying noise abatement equipment if necessary;
- Visual intrusion can be managed through consultation with landowners /stakeholders and by suitable siting of drill pads and use of screens (natural vegetation or shade cloth etc);
- Dust fall can be managed by reducing driving speeds when driving on unpaved roads and the use of water during drilling;
- Wildlife disturbance and clearance of vegetation at drill pad areas will be limited to the absolute minimum required and disturbed areas will be re-vegetated with locally indigenous species as soon as possible;
- Surface water and groundwater contamination by hydrocarbons can be managed by conducting proper vehicle maintenance, refuelling with care to minimise the chance of spillages and by having a spill kit available on each site where prospecting activities are in progress;
- Socio - economic impact can be managed by employing strong, experienced personnel with proven skills in public consultation and conflict resolution during stakeholder consultation phases. All prospecting personnel will be made aware of the local conditions and sensitivities in the prospecting area and that they treat local residents with respect and courtesy at all times.

3.14 Aspects for inclusion as conditions of Authorisation.

It is the opinion of the EAP that the following conditions should form part of the authorisation:

- Maintain a buffer of 100m from a water course;
- Maintain a minimum 500m (preferably 1000m) buffer from any farm infrastructure or dwelling;
- Landowners and land occupiers should be engaged (re-consulted) at least 1 month prior to any site activities being undertaken once drill sites are known.

3.15 Description of any assumptions, uncertainties and gaps in knowledge.

This report has been completed to the best of the EAPs ability, based on his experience and on information currently available to the EAP as well as provided by the applicant.

Comment received on the draft BAR was reviewed and incorporated into this final BAR and EMPr. As such, the public perception of the proposed activity is known. In addition, comments and inputs received from the authorities and public, provided additional information which has been considered.

Mitigation measures are proposed which are considered to be reasonable and must be implemented in order for the outcome of the assessment to be accurate.

The location of drill sites is not yet known and will be identified through the phased approach of the prospecting programme. This assessment is therefore based on a desktop approach at a broad scale and assuming that drilling could occur anywhere around the anomalies identified for this programme.

In addition, landowners will be re-engaged at this stage to communicate the company's intent to progress to drilling and to discuss the proposed drilling activities and identified locations with the landowner at that point in time.

3.16 Reasoned opinion as to whether the proposed activity should or should not be authorised

3.16.1 Reasons why the activity should be authorized or not.

It is the opinion of the EAP that the proposed prospecting activities should be authorised. In reaching this conclusion the EAP has considered that;

- Based on historical prospecting results, there is a good possibility of encountering diamond deposits in the area.
- The exploration program will be developed in a stepwise manner commencing with non-invasive activities to bring refinement to understanding of the geological anomaly.
- Should the exploration program advance to include the need for exploration drilling, the environmental impacts associated with the limited drilling activities are deemed to be minimal provided that the proposed mitigation is implemented;
- The spatial extent of the physical impact is less than 1Ha over a prospecting right license area of 1085 Ha hectares;
- With appropriate care and consideration, the impacts resulting from drilling can be suitably avoided, minimised or mitigated;
- With implementing the appropriate rehabilitation activities, the impacts associated with the drilling activities can be reversed.
- Without implementation of prospecting activities, the knowledge concerning the potential mineral resource within the prospecting right area will not be confirmed.

3.16.2 Conditions that must be included in the authorisation

It is the opinion of the EAP that the following conditions should form part of the authorisation:

- Maintain a buffer of 100m from a water course;
- Maintain a 500m (preferably 1000m) buffer from any farm infrastructure or dwelling;
- Apply for an addendum to the EA if any Trenching or Bulk Sampling will be required.
- As part of the addendum conduct a heritage and palaeontology survey of the identified sites and access routes across undisturbed land once these are known and prior to any activities being undertaken at these sites;
- Landowners and land occupiers should be engaged (re-consulted) at least 1 month prior to any site activities being undertaken once drill sites are known

3.17 Period for which the Environmental Authorisation is required.

The authorisation is required for the duration of the prospecting right which is an initial 5 years plus a potential to extend the right by an additional 3 years. Normally there is also a time delay in the granting of applications for renewal therefore a total period of 10 years may be required.

3.18 Undertaking

An undertaking is provided at the end of this report.

3.19 Financial Provision

With the repeal of Section 41 of the MPRDA (Act 28 of 2002) that requires that the owner of a mine must make financial provision for the remediation of environmental damage, regulations pertaining to the financial provision for prospecting, exploration, mining or production operations under section 44, read with sections 24 of the National Environmental Management Act, 1998 (Act No.107 of 1998) were issued in 2015.

According to regulation 7 of the NEMA Financial Regulations (2015) the applicant or holder of a right or permit must ensure that the financial provision is, at any given time, equal to the sum of the actual costs of implementing the plans and report contemplated in regulation 6 and regulation 11(1). In terms of regulation 11(1) of the NEMA Financial Regulations 2015 the holder of a right or permit must ensure that a review is undertaken of the requirements for (a) annual rehabilitation, as reflected in an annual rehabilitation plan; (b) final rehabilitation, decommissioning and closure of the prospecting, exploration, mining or production operations at the end of the life of operations as reflected in a final rehabilitation, decommissioning and mine closure plan; and (c) remediation of latent or residual environmental impacts which may become known in the future, including the pumping and treatment of polluted or extraneous water, as reflected in an environmental risk assessment report.

Financial provision in terms of regulation 6(c) of the NEMA Financial Regulations (2015) are covered by the requirements for the actual costs of implementation of the measures required for final rehabilitation, decommissioning and closure of the mining operations at the end of the life of operations as reflected in the final rehabilitation, decommissioning and mine closure plan in terms of regulation 6(b) and attached as **appendix 1**.

3.19.1 Explain how the aforesaid amount was derived.

With the repeal of regulations 53 and 54 relating to financial provision in the Mineral and Petroleum Resources Development Regulations, 2004 determining the financial provision through the use of a standard rate or standard rehabilitation cost calculator is no longer applicable and replaced by regulation 6 of the NEMA Financial Regulations (2015).

According to regulation 6 of the NEMA Financial Regulations (2015) an applicant must determine the financial provision through a detailed itemisation of all activities and costs, calculated based on the actual costs of implementation of the measures required for—

- (a) annual rehabilitation, as reflected in an annual rehabilitation plan;
- (b) final rehabilitation, decommissioning and closure of the prospecting, exploration, mining or production operations at the end of the life of operations, as reflected in a final rehabilitation, decommissioning and mine closure plan; and
- (c) remediation of latent or residual environmental impacts which may become known in the future, including the pumping and treatment of polluted or extraneous water, as reflected in an environmental risk assessment report.

3.19.2 Confirm that this amount can be provided for from operating expenditure.

The amount determined by the competent authority needed for the implementation of the final rehabilitation, decommissioning and closure plan will be provided to DMR in the form of a bank guarantee and the plan will be revised on an annual basis in terms of regulation 11(1) of the Nema Financial Regulations 2015.

Provision for implementation of annual rehabilitation plan to be provided as part of the environmental audit report in terms of Regulation 34 (1)(b) of the NEMA EIA Regulations (2014) will be provided as part of the operational budget and proof of access to the necessary fund were provided as part of the PWP together with proof of access to the necessary financial resources.

3.20 Specific Information required by the competent Authority

3.20.1 Compliance with the provisions of sections 24(4)(a) and (b) read with section 24 (3) (a) and (7) of the National Environmental Management Act (Act 107 of 1998). the EIA report must include the: -

Impact on the socio-economic conditions of any directly affected person.

A full consultation process has been implemented during the environmental authorisation process. The purpose of the consultation is to provide affected persons the opportunity to raise any potential concerns. Concerns raised are captured and addressed within the public participation section of this report to inform the decision-making process. As the final positioning of the drill sites cannot be confirmed without completion of phase 1 of the prospecting work programme, a recommendation has been made to ensure that the directly affected landowners are re-consulted a minimum of 1 month prior to drilling. The purpose of the re-consultation is to allow for socio-economic impacts on directly affected persons to be raised and where possible addressed.

Impact on any national estate referred to in section 3(2) of the National Heritage Resources Act.

None as there will be no surface disturbance.

3.21 Other matters required in terms of sections 24(4)(a) and (b) of the Act.

A motivation for not investigating reasonable and feasible alternatives is provided in **Section h paragraph (ix)** above. The prospecting location has been informed by historical prospecting and production records for the area.

The proposed prospecting activities requested as part of this authorisation is the only current viable manner in which a mineral resource can be evaluated to determine its economic viability.

4. PART B Environmental Management Program Report

4.1 Details of the EAP,

This has already been covered. Refer **Section 3 paragraph (a)** of this document

4.2 Description of the Aspects of the Activity

This has already been covered. Refer **Section 3 paragraph (d)** of this document

4.3 Composite Map

This has already been covered. Refer Figure B.

4.4 Description of Impact management objectives including management statements

The main management objectives for the invasive drilling activities are:

- Avoid potential impacts by positioning the drill sites in a manner which avoids /minimise potential impacts. This can be achieved by implementing appropriate buffer zones;
- Reduce impacts through implementing realistic operational management measures such as imposing restrictions on the time of day when drilling can take place and adherence to the site EMPr; and
- Ensure that chemical and hydrocarbon spillages are avoided, where they cannot all together be avoided, minimised and mitigated.
- Establish appropriate waste management system
- Restore the physical impact of drilling through implementation of concurrent rehabilitation as and when drilling at one site is completed.

4.4.1 Determination of closure objectives.

- Objective 1 - To create a safe and healthy post-mining environment
 - Safe mining area
 - Limited residual environmental impact
- Objective 2 - To create a stable, free draining post mining landform, which is compatible with the surrounding landscape
 - Economically viable and sustainable land fit for grazing, as close as possible to its natural state.
- Objective 3 – To provide optimal post-mining social opportunities
 - Optimised benefits for the social environment
 - Minimal negative aesthetic impact

4.4.2 Volumes and rate of water use required for the operation.

No water will be abstracted in terms of section 21(a) of National Water Act, 1998 (Act no. 36 of 1998) as only RC drilling will take place that do not require water.

4.4.3 Has a water use license has been applied for?

No – Refer 4.4.2.

4.4.4 Impacts to be mitigated in their respective phases

Measures to rehabilitate the environment affected by the undertaking of any listed activity

| ACTIVITIES | SIZE AND SCALE OF DISTURBANCE | COMPLIANCE WITH STANDARDS | TIME PERIOD FOR IMPLEMENTATION |
|---|---|---|--|
| Pre-Construction Phase Non-invasive activities | 1085Ha Total prospecting area | Environmental Awareness Plan | Before and during prospecting activities |
| MITIGATION MEASURES <ul style="list-style-type: none"> • All operations will be carried out under the guidance of a strong, experienced manager with proven skills in public consultation and conflict resolution, including environmental coordinator where applicable. • All prospecting personnel will be made aware of the local conditions and sensitivities in the prospecting area and the fact that some of the local residents may not welcome the prospecting activities in the area. • There will be a strict requirement to treat local residents with respect and courtesy at all times. | | | |
| Construction Phase Site Access and Access Roads (jeep track roads less than 4m wide) | ±600m ² | Approved PWP & Environmental Authorisation; NEMA Section 2 Principles. | Before and during prospecting activities |
| MITIGATION MEASURES <ul style="list-style-type: none"> • Existing farm roads and tracks must be used as far as possible; • Where new access tracks are required to get the drill rig to the drilling site, such tracks must be raked / scarified during decommissioning; • Vehicles speed must take into account the possibility of collisions with fauna. | | | |
| Operational phase Target Drilling - Chip sample collection & storage | Max. 5 drill holes 165mm diameter and average depth of 100m Chip samples 9m ³ in total collected in plastic bags to be analysed off site. No surface disturbance and total area for cleaning 200m ² | Approved PWP & Environmental Authorisation; NEMA Section 2 Principles. | During prospecting activities |

MITIGATION MEASURES

- The parking of drilling rig and other visually prominent items on the site will be located in consultation with the landowner;
- Make use of existing vegetation as far as possible to screen the prospecting operations from view; and
- If necessary, the operations can be screened from view by erecting a shade cloth barrier.
- Low vehicle speeds will be enforced on unpaved surfaces.
- Maintain a buffer of 500m between drill sites and dwellings.
- Each drill site must be carefully examined for any signs of fossils, archaeology or graves prior to the arrival of the drilling rig. If any such materials are found then they should be avoided by at least 30 m
- Should any evidence of archaeological sites or remains, unmarked human burials, fossils or other categories of heritage resources be found during the proposed activities, SAHRA APM Unit must be alerted immediately, and a professional archaeologist or paleontologist, depending on the nature of the finds, must be contacted as soon as possible to inspect the findings.
- Efforts to achieve satisfactory prospecting results will employ appropriate methodologies aimed at the protection and conservation of heritage resources;
- All contractors and personnel involved in the prospecting activities will be made aware of the locations of all identified heritage resources, the necessity of avoiding impacts on such resources and the penalties for damaging them;
- Personnel will be informed about the consequences of unlawful removal of cultural and historical remains and artefacts associated with heritage sites.
- It will be emphasised that archaeological artefacts such as potsherds, stone tools, grinding stones, etc. must be left in situ and undisturbed.
- A safe distance of at least 100 metres will be maintained between the identified heritage resource and prospecting activities.
- Where necessary, directional drilling will be practised to assess ore reserves situated below identified heritage resources.
- Rake trampled to remove any spoor or tracks.
- Final clean-up around drilling operation

| | | | |
|--|---|--|--|
| <p>Operational phase Waste Management: - Drill maintenance & refuelling - Vehicle movements - Waste generation & management</p> | <p>All waste management facilities of day personnel contained on drilling rig and support vehicle with no footprint</p> | <p>SANS 10103 guideline GN R. 827 (NEM:AQA) GN R. 704 (NWA) NEMA</p> | <p>Immediately in case of spills Upon cessation of the individual activity</p> |
|--|---|--|--|

- Oils and lubricants must be stored within sealed containment structures.
- Fuel storage must be contained in mobile bowsers.
- Any mechanical equipment maintenance must be undertaken on drip trays or UPVC sheets to prevent spills/ leaks onto the soil.
- Refuelling will be done with care to minimise the chance of spillages.
- A spill kit will be available on each site where prospecting activities are in progress; and any spillages will be cleaned up immediately.
- Underneath the drill rig or any equipment with potential oil spillages shall be lined with plastic liner to prevent soil and water contamination.
- When not in use, a drip tray must be placed beneath mechanical equipment and vehicles.
- Avoid hydrocarbon spills by employing proper vehicle maintenance.
- Waste materials generated on site must be stored in suitable lidded containers and removed off site to a suitable disposal facility.

| | | | |
|--|--------------------|---|--|
| Decommissioning phas Final Rehabilitation and removal of temporary infrastructure | 200 m ² | Environmental Authorisation; NEMA Section 2 Principles | Ongoing during construction and operation phase. |
| <ul style="list-style-type: none"> • Due to the remote location of the site, dust emissions are unlikely to be a source of nuisance; however, the site must be wetted if required. • The trampled site should be rehabilitated by raking to remove any spoor and tracks and capping of drill hole. | | | |

4.5 Impact Management Outcomes

| ACTIVITY (whether listed or not listed). | POTENTIAL IMPACT | ASPECTS AFFECTED | PHASE In which impact is | MITIGATION TYPE | STANDARD TO BE ACHIEVED |
|--|---|---------------------------------|------------------------------------|--|---------------------------------|
| General prospecting | Conflict with other land users | Social | Life of operation | Control through monitoring & management | Impact minimised and mitigated. |
| Site Access | Disturbance of onsite flora and fauna | Fauna and Flora | Construction | Remedy through restriction and rehabilitation | Impact minimised and mitigated. |
| | Soil compaction from repeated use of access road to drill sites | Soil resources | | Remedy through rehabilitation | |
| Drilling Chip sample collection & storage | Vehicle and drill noise disturbing on-site flora and fauna | Noise | Operational | Control through management and monitoring | Impact mitigated |
| | Dust emissions from drilling and general site activities (vehicle entrained dust) | Air quality | | Control through management and monitoring | Impact mitigated |
| | Trampling of vegetation | Fauna and Flora | | Control through management and monitoring Remedy through restriction and rehabilitation | Impact mitigated |
| | Destruction or loss of Cultural and Heritage Resources | Cultural and Heritage Resources | | Avoid through restriction, management and monitoring | Impact avoided |

| | | | | | |
|--|--|------------------------|---------------------|--|------------------|
| Vehile maintenance & refuelling Waste generation & management facilities | Surface and ground water contamination From hydrocarbons | Soil and water | Live of operation | Avoidance through management and monitoring | Impact avoided |
| Removal of temporary infrastructure and drill site rehabilitation | Dust emissions (vehicle entrained dust) | Air quality | Decom missioning | Control through management and monitoring | Impact mitigated |
| | Erosion due to slow recovery of vegetation | Soil and vegetation | | Remedy through restriction and rehabilitation | Impact mitigated |

4.6 Impact Management Actions

| ACTIVITY whether listed or not | POTENTIAL IMPACT | MITIGATION TYPE | TIME PERIOD FOR IMPLEMENTATION | COMPLIANCE WITH STANDARDS |
|--|---|--|--|--|
| General prospecting | <ul style="list-style-type: none"> • Conflict with other land users | Control through monitoring & management | Concurrently with prospecting activities | Remain within the ambits of the Prospecting Works Programme and Environmental Authorisation. |
| Site Access | <ul style="list-style-type: none"> • Disturbance of onsite flora and fauna • Soil compaction from repeated use of access road to drill sites | Remedy through restriction and rehabilitation | Immediately on cessation of drilling. | |
| Drilling Chip sample collection & storage | <ul style="list-style-type: none"> • Vehicle and drill noise disturbing on-site flora and fauna • Dust emissions from drilling and general site activities (vehicle entrained dust) • Trampling of vegetation • Loss of Cultural and Heritage Resources | Control through management and monitoring Remedy through restriction and rehabilitation | Concurrently with prospecting activities as far as possible, otherwise immediately on cessation of drilling. | |
| Drill maintenance & refuelling Waste generation & management facilities | <ul style="list-style-type: none"> • Soil, surface and ground water contamination From hydrocarbons | Avoidance through management and monitoring | | |
| Removal of temporary infrastructure and drill site rehabilitation | <ul style="list-style-type: none"> • Dust emissions (vehicle entrained dust) | Control through management and monitoring | | |

4.7 Financial Provision

4.7.1 Describe the closure objectives and the extent to which they have been aligned to the baseline environment described under the Regulation.

- Objective 1 - To create a safe and healthy post-mining environment
 - Safe mining area
 - Maintain affected environment in a stable condition that will not be detrimental to the safety and health of humans and animals and that will not pollute the environment or lead to the degradation thereof.
 - No potentially dangerous areas; secured if required
 - Limited residual environmental impact
 - No surface and/or groundwater contamination
 - Waste management practices not creating or leaving legacies
 - Develop a landscape that reduces the requirement for long term monitoring and management
- Objective 2 - To create a stable, free draining post mining landform, which is compatible with the surrounding landscape
 - Economically viable and sustainable land fit for grazing, as close as possible to its natural state.
 - Improve Land use with an increased production with regard to grazing.
 - Minimise disturbance of ecology due to loss of habitat and noise/visual/dust
 - Minimise risk of erosion from either increased base flow or prospecting operations:
 - Management of air emissions to minimise nuisance effects; implementation of dust suppression activities.
 - Increase of land with agricultural potential: Contain all activities on drill rig and support vehicle with no surface disturbance and minimal trampling of vegetation
 - Prevent long term changes in land use: revert back to mainly stock farming (grazing).
 - Prepare area to promote natural re-establishment of vegetation that is self-sustaining, perpetual and provides a sustainable habitat for local fauna and successive flora species
- Objective 3 – To provide optimal post-mining social opportunities
 - Optimised benefits for the social environment
 - Maintain positive and transparent relationships with stakeholders: maintaining communication channels to all stakeholders and forums.
 - Provide stakeholders with relevant information: making all information available to stakeholders and providing information to authorities as per legislative requirements.
 - Undertaking environmental management in accordance with the implementation, maintenance and auditing of an environmental management system.
 - Minimal negative aesthetic impact
 - Maintain affected environment in an improved state containing no foreign debris or other materials.

The legal framework within which all the above lies entails:

- Defining and meeting closure standards.
- Complying with legislation.
- Sufficient financial provision for mine closure activities.
- Monitoring and plan for latent environmental impact.

4.7.2 Confirm specifically that the environmental objectives in relation to closure have been consulted with landowner and interested and affected parties.

The closure objectives were reported in the draft BAR as well as the Final Rehabilitation, decommissioning and mine closure plan Including Environmental Risk Assessment and was made available to all registered interested and affected parties.

4.7.3 Provide a rehabilitation plan that describes and shows the scale and aerial extent of the main mining activities, including the anticipated mining area at the time of closure.

Refer Final Rehabilitation, decommissioning and mine closure plan Including Environmental Risk Assessment appendix 1.

4.7.4 Explain why it can be confirmed that the rehabilitation plan is compatible with the closure objectives.

The closure objectives are to return the land disturbed by drilling activities back to its original condition. The rehabilitation plan provides the detail on how this will be achieved. Through experience, it can be confirmed that effective rehabilitation of drill sites is possible and achievable with the rehabilitation plan set out in appendix 1.

4.7.5 Calculate and state the quantum of the financial provision required to manage and rehabilitate the environment in accordance with the applicable guideline
As per Part A, Section (s) (i) of this report

4.7.6 Confirm that the financial provision will be provided as determined.
As per Part A, Section (s) (ii) of this report.

4.8 Mechanisms for monitoring compliance with and performance assessment against the environmental management programme and reporting thereon, including

| SOURCE ACTIVITY | IMPACTS REQUIRING MONITORING PROGRAMMES | FUNCTIONAL REQUIREMENTS FOR MONITORING | ROLES AND RESPONSIBILITIES (FOR THE EXECUTION OF THE MONITORING PROGRAMMES) | MONITORING AND REPORTING FREQUENCY and TIME PERIODS FOR IMPLEMENTING IMPACT MANAGEMENT ACTIONS |
|----------------------------|--|---|---|--|
| All Prospecting Activities | N/A | Ensure that the prospecting programme is being implemented in line with the approved prospecting works programme | Site Manager and Geologist | Annual Submit a prospecting progress report to DMR |
| | All commitments contained in the BA Report and accompanying EMPr | Ensure commitments made within the approved BAR and EMPr are being adhered to. | Site Manager and independent EAP | Annual Undertake and submit an environmental performance audit to DMR |
| Site establishment | Visual inspection of soil erosion and/or compaction | All exposed areas, access roads, the drill site and soil stockpiles must be monitored for erosion on a regular basis and specifically after rain events. | Site Manager Contractor (or sub-contractors) | Weekly, and after rain events Weekly monitoring reports to be signed-off by the Site Manager Corrective action to be confirmed and signed-off by the Site Manager Consolidated monthly monitoring reports (including confirmation of corrective action taken, with photographic evidence) to be submitted to the Site Manager. |
| Drilling Activities | Visual inspection of biodiversity impacts | Visual inspection of drill site activities and other possible secondary impacts <ul style="list-style-type: none"> • Ensure that the fire brake is maintained. • Rehabilitation of drill pads • Records of water intersections on borehole logs • Monitor groundwater quality and level within 500m from a drill site (If any). • Control and minimise the development of new access tracks • Appropriate storage and handling of topsoil | | |

| | | | | |
|-------------------------------|--|---|---|--|
| Drilling Activities | Visual inspection of pollution incidents, the integrity of secondary containment structures and waste management Housekeeping & maintenance | <ul style="list-style-type: none"> • All secondary containment structure will be inspected on a daily basis to confirm the integrity thereof and to identify potential leaks timeously. • All spill incidents will be reported and corrective action taken in accordance with an established spill response procedure. • Standard waste management practices must be implemented to prevent contamination and littering. | Site Manager Contractor (or sub-contractors) | <p>Daily Weekly monitoring reports to be signed-off by the Site Manager Corrective action to be confirmed and signed-off by the PSM Consolidated monthly monitoring reports (including confirmation of corrective action taken, with photographic evidence) to be submitted Report incidents in terms of the relevant legislation, including the MPRDA, NWA and NEMA.</p> |
| Post Drilling Post Closure | Groundwater Revegetation Stability Soil erosion Alien invasive species | <ul style="list-style-type: none"> • Inspection of all rehabilitated areas to assess whether soil erosion is occurring and if re-establishment of vegetation is successful and to implement corrective action where required. • Identify any areas of subsidence around drill holes and under take additional backfilling if required. | Site Manager | <p>Bi-Annual A final audit report for site closure must be submitted to the DMR for approval</p> |

4.9 Indicate the frequency of the submission of the performance assessment/ environmental audit report.

An external environmental performance audit and the BA & EMPr performance assessment shall be conducted annually interchangeably by an independent environmental assessment practitioner and internal environmental assessment practitioner, respectively.

4.10 Environmental Awareness Plan

4.10.1 Manner in which the applicant intends to inform his or her employees of any environmental risk which may result from their work.

Training is part of its Induction process and environmental Management System (EMS). The induction includes:

- Awareness training for contractors and employees;
- Job specific training – training for personnel performing tasks which could cause potentially significant environmental impacts;
- EMS training;
- Comprehensive training – on emergency response, spill management, etc;
- Specialised skills; and
- Training verification and record keeping

Before commencement of the prospecting activities all employees and contractors who are involved with such activities should attend relevant induction and training. It is standard practice for employees and the employees of contractors that will be working on a new project or at a new site to attend an induction course where the nature and characteristics of the project and the site are explained.

The training course should include key information abstracted from the EMP pertaining to the potential environmental impacts, the mitigation measures that will be applied, the monitoring activities that will be undertaken and the roles and responsibilities of contractors' and personnel.

The full EMP document is also made available to attendees.

4.10.2 Manner in which risks will be dealt with in order to avoid pollution or the degradation of the environment.

Environmental risks and how to manage them are dealt with in the induction course referred to in section (m) (i) above. If an incident of environmental pollution or damage does occur it is analysed and appropriate prevention and/or mitigation measures are developed. These measures are added to the EMP and conveyed to the relevant personnel.

All unplanned incidents with the potential to cause pollution or environmental degradation or conflict with local residents will be reported to the Mineral Resources Manager within 24 hours.

Hydrocarbon Spills

Hydrocarbon spills that are considered to be emergency incidents are large-scale spills (cover a surface area >1m²), resulting from situations such as; a leaking diesel bowser, an oil drum that is knocked over, large spillages from equipment, etc.

Activities that are involved in the clean-up of such instances include:

- The containment of the spill,
- The removal of all contaminated material, and
- The disposal (at a licenced hazardous disposal facility) or bioremediation (at a licenced facility) of this material.

Fire

There is the potential for fire to occur in the following locations of the drill site:

- Veld fires across vegetated areas; and
- Vehicles and equipment.

Veld fires: Any person who observes the fire must report it to the fire brigade immediately and then to their supervisor. If possible, additional personnel may be sent to contain the fire, but only if the lives of the personnel will not be endangered.

Vehicles and Equipment: Fire extinguishers will be available at the site where drilling activities will take place and in the vehicles. All staff members will be trained in the use of fire-fighting equipment.

4.11 Specific information required by the Competent Authority

Not applicable at this stage

5. Undertaking

The EAP herewith confirms

- the correctness of the information provided in the reports
- the inclusion of comments and inputs from stakeholders and I&APs
- the inclusion of inputs and recommendations from the specialist reports where relevant; and
- that the information provided by the EAP to interested and affected parties and any responses by the EAP to comments or inputs made by interested and affected parties are correctly reflected herein.



Signature of the environmental assessment practitioner:

N.J. van Zyl

Name of company: **Private Enterprise**

Date: **25 March 2021**

-END-

**Appendix 1: Final Rehabilitation, decommissioning and mine closure plan
Including Environmental Risk Assessment**

Appendix 2: Public Participation Process

Appendix 3a: AIA

Appendix 3b: PIA