

# **BACKGROUND INFORMATION DOCUMENT**

## **SRK Mining (Pty) Ltd**

### **PROPOSED PROSPECTING ACTIVITIES FOR DIAMONDS OVER THE FARM KAROETJIES KOP 150 IN THE MATZIKAMA LOCAL MUNICIPAL AREA WESTERN CAPE PROVINCE**

**REFERENCE: WC30/5/1/1/2/10429PR**

**DATE: June 2023**

#### **INTRODUCTION AND BACKGROUND**

The surf zone (31,49 meters below the low water mark) as well as an average 800m wide coastal strip from just below the Soutriver in the south up to Kleinzee in the north were inaccessible to small-scale diamond miners like SRK Mining a local company from Koekenaap, due to mining rights issued to DeBeers/West Coast Resources for the last 50 years or more. Not only were the coastal strip inaccessible but the complete farms registered in the name of Emerald Panther (West Coast Resources) adjacent to this coastal strip is still covered by prospecting rights in the name of DeBeers/West Coast Resources including the Remainder of the Farm Karoetjies Kop 150.

In December 2022 the Mining Right issued to DeBeers/West Coast Resources lapsed and SRK Mining utilised this opportunity to apply for a prospecting right over a small portion of the historic mining right to determine if any viable resources were left behind by the large companies. It is general knowledge that some deposits regarded as not viable for large companies can be viable to small scale miners as can be seen from the numerous illegal diggers now operating along the west coast and within abandoned mining operations.

This prospecting operation will concentrate mostly on the historic working by DeBeers as some of the results on recovery of diamonds for these areas were made available (refer Figure 3). These areas are mostly situated within Portion 1 of the Farm Karoetjies Kop 150 belonging to the State and the only land use is uncontrolled recreational activities with ad hoc campsites during the crayfish season. Most of the tracks were developed as a result of these informal camping and the only permanent infrastructure, Silverdoos and Jurg se Kaia, was also developed as informal campsites. This infrastructure is now leased from the Department Public Works by one of the mining companies operating in the area.

Due to the small scale of this prospecting project no new infrastructure will be developed and existing tracks will be utilised. The closure objective of historic mining operations was only to make the area safe with no regard to preparation of the area for revegetation and therefore natural rehabilitation of the transformed areas due to trenches are very slow and is further hampered by the continuous use of the areas as campsites. During this operation the same areas will also be used for the mobile infrastructure like containers for secure storage and parking area for equipment. The environmental impact due to infrastructure areas will be the same as for the informal campsite during the easter and summer holidays.

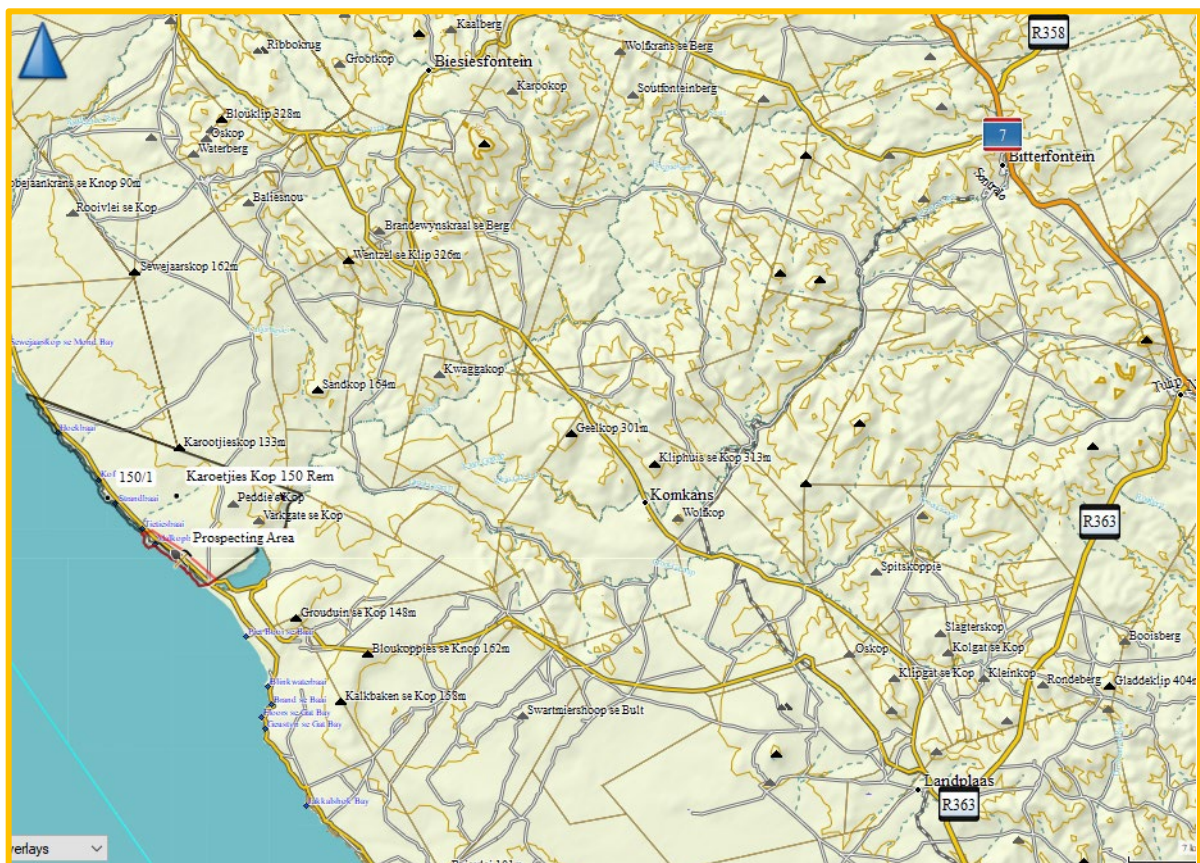
Mitigating measures will however be provided for rehabilitation of these areas as part of the final rehabilitation, decommissioning and closure plan now a requirement under the National Environmental Management Act (NEMA). The social impact on the customary recreational activities will also be mitigated with no prospecting during the summer and easter holiday and all excavations made safe to allow for open access during these periods. The presence of an authorised and environmental responsible company on site will also help to mitigate the problem of illegal diggers, crayfish poaching, littering, illegal hunting, and plant (firewood) collection a common occurrence along the west coast.

The DEFF screening tool that incorporates more than a 100 data sets from different specialist fields will be used to identify environmental sensitive areas. This sensitivity will be assessed as part of the Site Sensitivity Verification report and as part of the assessment of the receiving environment. Where the impact cannot be avoided mitigating measures will be put in place together with financial provision for rehabilitation, decommissioning and closure of the project.

It must also be noted that this prospecting program is only for preliminary evaluation with relative low impact on the environment therefore only a basic assessment is required but if the results are favourable an application for bulk sampling (trenches) may be required. This will however be a completely new application involving a complete scoping and EIA process together with a completely new round of consultation (PPP) with registered interested and affected parties

The total prospecting area is 296Ha and located within the West Coast District Municipality and Matzikama Local Municipality of the Western Cape Province (Refer to Figure 1).

**Figure 1: Locality plan with major Towns and Routes**



The proposed prospecting activity triggers listed activities in terms of the National Environmental Management Act, Act 107 of 1998 (NEMA) Environmental Impact Assessment (EIA) Regulations of 2014 all as amended, and therefore requires an Environmental Authorisation (EA) from the Department of Mineral Resources (DMR), before prospecting may commence.

## **PROPOSED PROSPECTING ACTIVITIES**

Prospecting for Diamonds is a dynamic and result-driven operation which proceeds in phases, the outcome of which cannot be predicted or predetermined.

The evaluation of a diamond deposit is the process followed to establish economic viability and to identify the “footprint” of the deposit. The “footprint” is a profile of the type of diamonds present, which may be important for market planning. Economic sensitivity analyses indicate that all diamond deposits are most sensitive to diamond value and grade, and these are the dominant factors that influence the decision to proceed with a project.

A risk decision is made each time a project moves or does not move from one phase to the next. The way risk decisions are managed is to enter the available geological data into economic models with variables such as operating costs, capital costs, recovery factors, dilution, stripping ratios, etc. The effect of changes in parameters such as diamond values, new technology, royalties, etc., can then be recognised in terms of their effect on the potential return on investment for the project. In this way, projects that are most likely and least likely to be viable can be prioritised, held, or abandoned.

Note that this exploration program is only for reconnaissance exploration (preliminary evaluation) to determine the location and footprint of potential paleo channels and diamond traps that will require an evaluation phase of Bulk sampling (Trenching). The outcome of this exploration program is to determine the number, location, footprint, and volume for a bulk sampling exercise for macrodiamond content, subject to positive initial results.

Before the bulk sampling exercise is implemented an application in terms of Section 20 of the MPRDA will be submitted together with an application for amendment of the environmental authorisation. A new consultation process will be conducted with all registered interested and affected parties as part of this amendment process.

The following is a summary and brief description of the activities to be undertaken for each phase of work planned during this reconnaissance exploration program (preliminary evaluation):

### **Construction Phase: Development of infrastructure and logistics**

- Access and service roads: Access to the exploration works will be via existing farm tracks as shown in Figure 1 and Figure 3. Existing tracks will also be used for service roads, or if required driving off-road will be possible without clearing any vegetation. Leaving roots intact will prevent soil loss and enable vegetation to coppice and regrow. Incremental clearing of ground cover will take place to avoid unnecessary exposed surfaces.
- Water supply: No process water is required as part of the preliminary evaluation phase.
- Electricity supply: No Electrical supply is required as part of the preliminary evaluation phase.

- Logistics: No permanent infrastructure is present or will be required due to the small scale of operations and the proximity of Koekenaap where the companies HQ is located.
- No workshops or service and wash bay are required. The earth moving contractor will be responsible for maintenance of equipment off-site. Emergency maintenance will be done with the necessary pollution prevention mitigating measures.
- Limited waste management facilities will be provided during the invasive phase at each of the active sampling areas and will consist of the following:
  - Plastic containers for domestic waste, which will be transported daily to the companies HQ in Koekenaap;
  - Temporary storage area for the collection of the small volume of waste (lubrication products and other hazardous chemicals) before it is removed to the companies HQ in Koekenaap; and,
  - Hydrocarbon management systems that will consist of a mobile fuel trailer in bunded parking area and drip trays for stationary equipment as part of the laydown area to be developed on any of the transformed areas.

### **Operational Phase:**

The objective of this preliminary evaluation phase is to determine a ballpark estimate of grade and size and thus possible in-situ value of the deposit. This is normally established by collecting mini samples by the most cost-effective method available.

The results of historic exploration have indicated a series of small but very promising target areas mainly along sandy beaches across the entire coastal strip of the prospecting area which are potentially linked to paleo channels within the area. Minimal work is planned along the rocky shores due to the absence of paleo channels and prospecting will concentrate around the sand beaches with historic diamond prospecting trenches. At most of the historic sampling sites overburden has been removed and due to the relative shallow overburden prospecting pits is the most common technique, and will be employed on areas where bedrock elevation is less than 5 meters. Provision is however also made for reverse circulation drilling where bedrock elevation is more than 5 meters and up to 10 meters.

Pit development will be the same as for trench development (Bulk Sampling) but on a much smaller scale as shown in the diagrams below. After results are logged the pit will be backfilled immediately for security and safety reasons before the project moved to the next pit position. In case of sudden closure of the project there will only be one open pit to be dealt with as part of final decommissioning and rehabilitation.

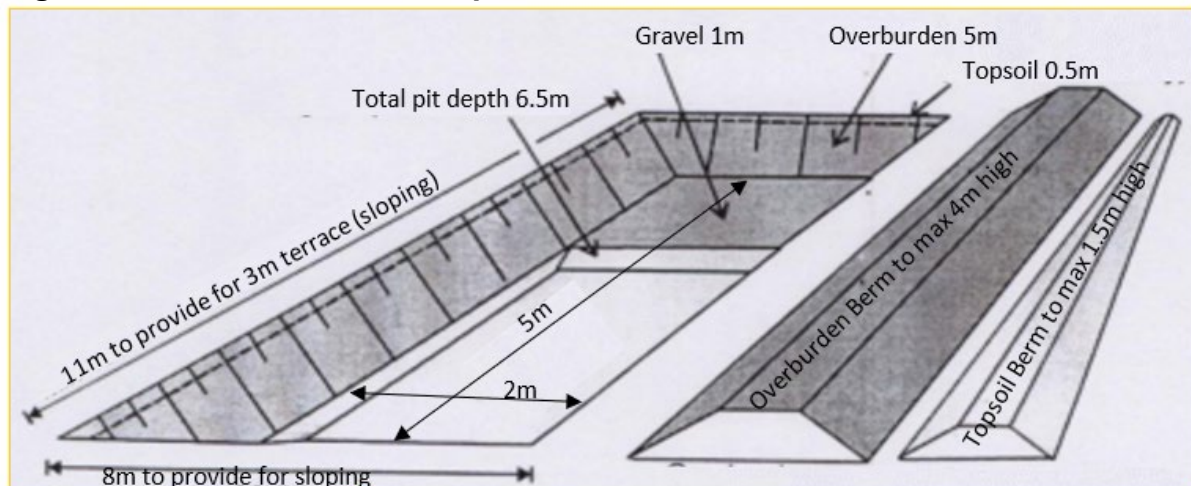
The following volumes requiring earthmoving is only an estimation (Refer figure 2):

- Pit floor to inspect and logged the bedrock: 5.0m long and 2.0m wide (10m<sup>2</sup>)
- Depth of Topsoil to be stockpiled separate from overburden: 0.5m
- Depth of Overburden to be stockpiled separate from topsoil: Max 5m but information on surrounding area has shown that bedrock elevation is rarely more than 2m with little or no topsoil. For planning purposes, an average depth of 3m is used
- Depth of Gravel to be logged and photographed: 1m
- Total Depth of Prospecting Pit: 3-6.5m
- Footprint including sloping: 11m long x 8m wide (88m<sup>2</sup>)
- Volume topsoil: 88m<sup>2</sup> X 0.5m = 44m<sup>3</sup>
- Volume overburden (average for 88m<sup>2</sup> top & 10m<sup>2</sup> bottom): 40m<sup>2</sup> X 3m = 120m<sup>3</sup>
- Volume gravel: 10m<sup>2</sup> X 1m = 10m<sup>3</sup>

Total footprint of surface disturbance from 10 Prospecting pits: 880m<sup>2</sup> (<0.1Ha)

Total earthmoving from 10 Prospecting pits: 44m<sup>3</sup> topsoil + 120m<sup>3</sup> overburden X 10 pits = 1640m<sup>3</sup>

**Figure 2: Schematic Pit Development**



**Note that this exploration program is only for preliminary evaluation and gravel from the pits is not taken out and processed but left intact and closed after logging of results therefore no Section 20 permission is required.**

**The outcome of this exploration program is to determine the number, location, footprint, and volume for a potential bulk sampling exercise for macrodiamond content, subject to positive initial results.**

**If an evaluation phase of Bulk sampling (Trenching) is required an application in terms of Section 20 of the MPRDA will be submitted together with an application for amendment of the environmental authorisation to provide for the additional exploration activities.**

#### **Decommissioning and Closure Phase:**

Planning for closure and restoration from the beginning of an operation makes the process easier; waste can be removed as it is created; excavations and surface disturbance can be planned so that topography restoration is less complicated; and, topsoil can be re-used at shorter intervals. The decommissioning and closure phase at the end of the life of the mine will consist of implementing the Final Rehabilitation, Decommissioning and Closure Plan that form part of the BAR. Rehabilitation is carried out on a continuous basis as part of the annual rehabilitation plan. The rehabilitation work will be conducted in-house under the supervision of an ECO and be monitored continuously to ensure effective restoration and revegetation of rehabilitated areas.

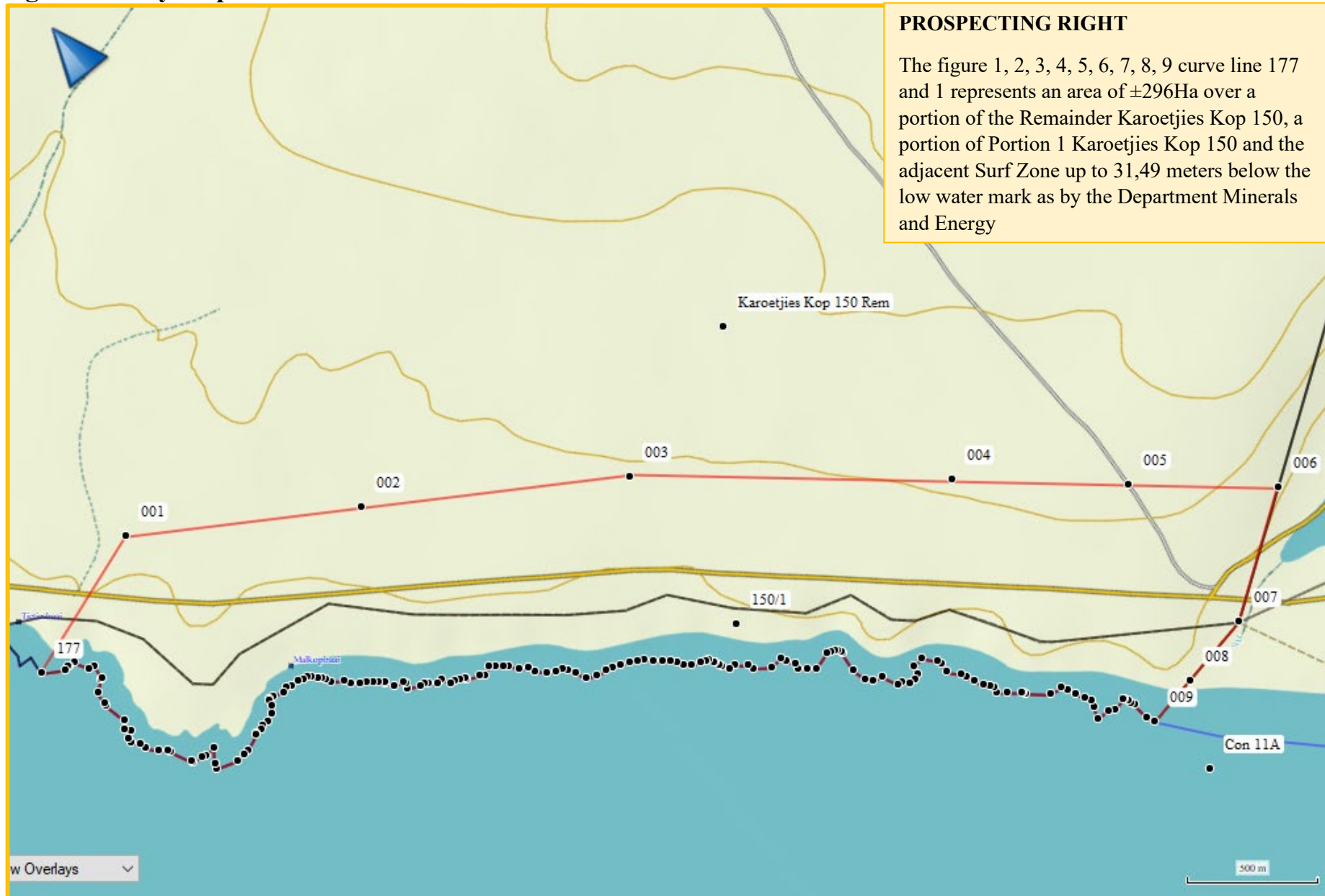
The post closure objective is to restore the historic disturbances and profile existing trenches where sampling has taken place and prepare the area for natural revegetation to facilitate its pre-prospecting land use for stock grazing. Re-vegetation of the disturbed areas on virgin land will follow a process of natural plant succession starting with pioneer plants. Post prospecting topography for most of the area will follow the original landform shape. Rehabilitation will involve backfilling of the small pits and shaping to construct the required profile and compacted areas will be ripped to promote natural re-vegetation. The operation will not create any overburden or fine residue dumps. 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.



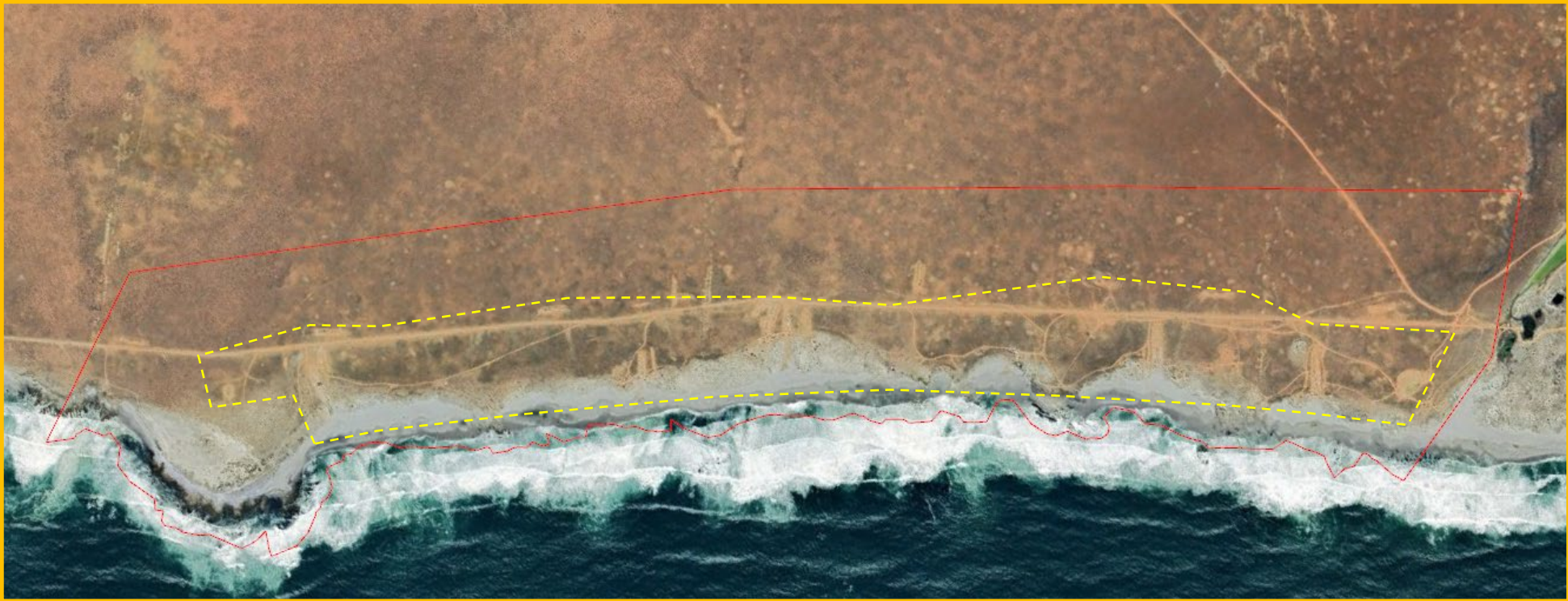
**Table 1: Prospecting activities with timeframes**

Phase	Activity	Skill(s) required	Timeframe	Outcome	Timeframe for outcome	What technical expert will sign off on the outcome?
<b>Non-invasive Activities</b>						
1	Literature Study	Geologist Geophysicist	Month 1-12	Maps, plan Digital data & Report	Month 24	Geologist Geophysicist
	Imagery Analysis Geological Mapping					
	Ground Resistivity measurements (Optional)		Month 13 -24	Bedrock elevation contours and potential diamond traps		
<b>Invasive activities</b>						
2	Preliminary evaluation Prospecting Pits where bedrock elevation is less than 5 meters Reverse Circulation drilling where bedrock elevation is more than 5 meters and up to 10 meters	Geologist Drill foreman Earth Moving Sub- contractor	Month 24-36	Diamond Ore Characterization (DOC) study for metallurgical purposes including mineral chemistry studies of the indicator minerals	Month 48	Geologist
<b>Pre-Feasibility studies and reporting</b>						
3	Analytical Desktop Study Application for Evaluation phase Bulk sampling (Trenching) if necessary.	Geologist	Month 48-60	Maps, Final Exploration Report with mapping	Month 60	CEO/Geologist Mining engineer

**Figure 3a: Layout plan**



**Figure 3b: Landscape showing proposed prospecting area (Red polygon) and historic exploration (Yellow polygon) the main target to be re-evaluated**





## BASIC ASSESSEMENT REPORT & ENVIRONMENTAL MANAGEMENT PROGRAMME FOR PROSPECTING ACTIVITIES

To undertake the proposed prospecting activities on the site the applicant needs to obtain an Environmental Authorisation (EA) from the DMRE to lawfully undertake activities that are triggered (Table 2) in the Listing Notices of the EIA Regulations, 2014 as amended, promulgated in terms of the NEMA.

Mitigation measures will be implemented to prevent disruption to the day to day running of the farms and to minimize any negative environmental impacts. Where such impacts are unavoidable, they shall be mitigated through close liaison with the lawful occupiers of the land and through specialists' input. Disruption to informal recreational activities during easter and festive season will be prevented with no invasive exploration over these periods and all unsafe areas backfilled.

The potential environmental impacts associated with the proposed prospecting activities will be managed through a comprehensive Environmental Management Plan (EMP).

**Table 1: Listed activities which are triggered by the proposed prospecting operation**

NAME OF ACTIVITY	Aerial extent Ha or m <sup>2</sup>	LISTED ACTIVITY	APPLICABLE LISTING NOTICE	WASTE MANAGEMENT
<p>The operation directly relates to prospecting of a mineral resource (diamonds) and requires a prospecting right in terms of section 16 of the MPRDA</p> <ul style="list-style-type: none"> <li>• Refer to Figure 1, 3 and 4: Mine Layout</li> <li>• Accessing the site via existing tracks and access roads to the area.</li> <li>• Prospecting pits will be developed as shown in Fig 2</li> <li>• After results are logged the pit will be backfilled immediately for security and safety reasons before the project moved to the next pit position.</li> <li>• In case of sudden closure of the project there will only be one open pit to be dealt with as part of final decommissioning and rehabilitation.</li> <li>• No water will be extracted or used during exploration activities.</li> <li>• No processing will take place and no Tailings and Fine residue (slimes) dumps will be created.</li> <li>• Temporary stockpiling of topsoil, and overburden in separate stockpiles as shown in Fig 2.</li> <li>• Mobile refuse collection containers and ablution facilities</li> </ul>	<p>Total Area ±296Ha Disturbance footprint &lt;0.1Ha, &amp; volume ±1640m<sup>3</sup>.</p>	<p>Yes</p>	<p>GNR 983 Listing Notice 1 of 2014 (dated 8 December 2014), as amended by GN 517 GG 44701 (dated 11 June 2021): Activity 20: Any activity including the operation of that activity which requires a prospecting right in terms of section 16 of the MPRDA, as well as any other applicable activity as contained in this Listing Notice or in Listing Notice 3 of 2014, required to exercise the prospecting right.”;</p>	<p>NA</p>

<p>The rehabilitation, decommissioning and closure of the Prospecting Operation, which will only be required at final decommissioning and closure.</p>	<p>±1Ha</p>	<p>Yes</p>	<p>GNR 983 Listing Notice 1 of 2014 (dated 8 December 2014), as amended by GNR 327 (dated 7 April 2017):  <b>Activity 22:</b> 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)</p>	
<p>The continuous establishment and reclamation of temporary stockpiles resulting from activities which require a prospecting right</p>	<p>10 Pits combined have a stockpile volume of 1640m<sup>3</sup></p>	<p>Yes</p>		<p>GNR 633 (dated 24/07/2015): Category A: Residue stockpiles or residue deposits (15) The establishment or reclamation of a residue stockpile or residue deposit resulting from activities which require a prospecting right or mining permit in terms of the Mineral and Petroleum Resources Development Act. 2002 (Act No. 28 of 2002).   GNR 632 (dated 24/07/2015): Regulations regarding the Planning and Management of Residue Stockpiles and Residue Deposits from a Prospecting, Mining, Exploration or Production Operation</p>

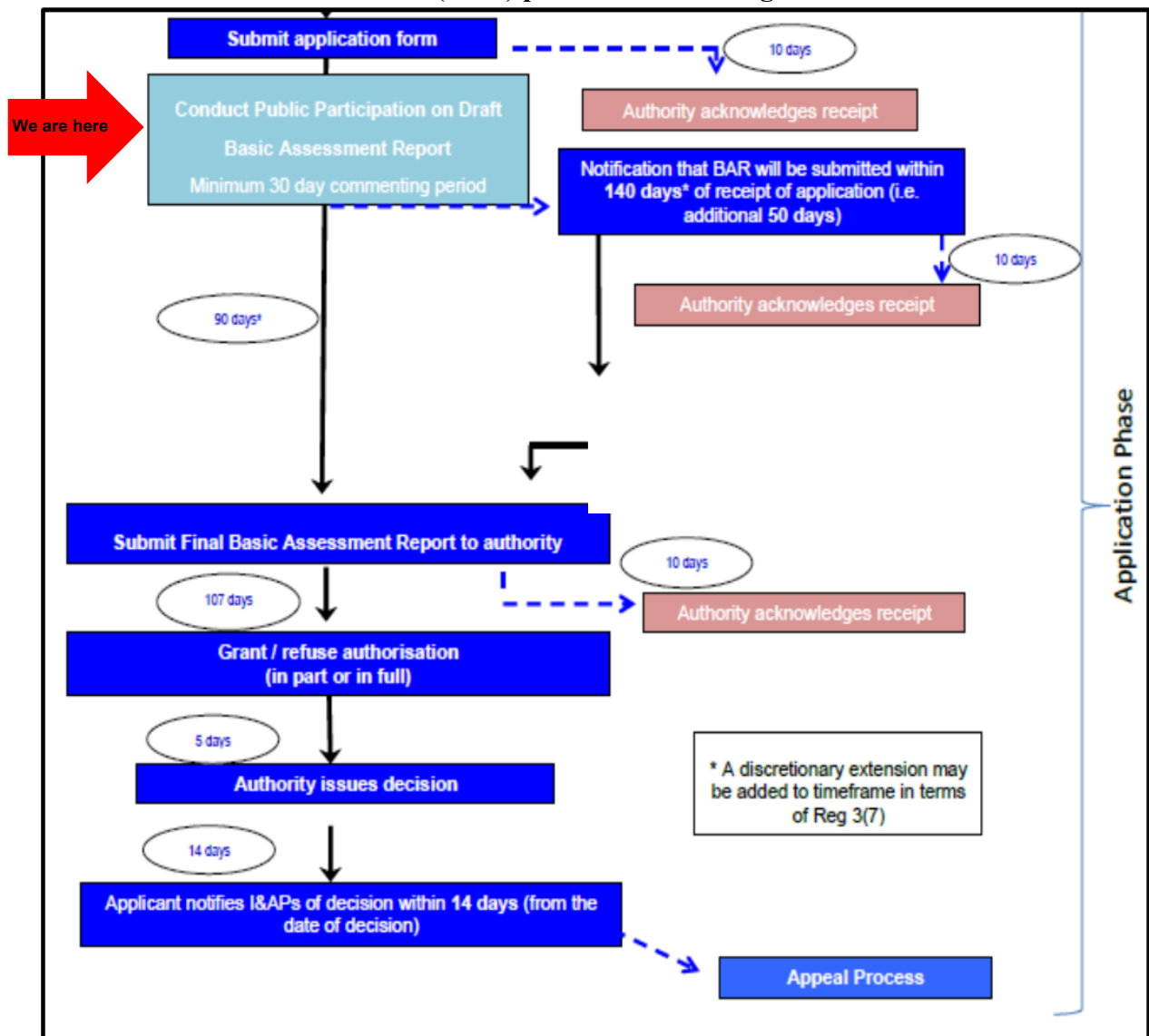
OTHER ACTIVITIES				
Access (temporary, jeep track roads less than 4m wide)	< 1Km	No	NA	
Associated infrastructure not considered to be listed activities will be developed on transformed areas including:				
Parking areas included bunded parking for fuel bowser	< 0.5Ha	No	NA	
Storage Facilities				
Waste Management Facilities				
Ablution Facilities				
Storage of fuel for the earth moving equipment will be in a bunded area and will be less than 80m <sup>3</sup>	<80m <sup>3</sup>	No	NA	

## PURPOSE OF THIS BACKGROUND INFORMATION DOCUMENT

The purpose of this Background Information Document (BID) is to:

- Consult potential stakeholders and provide them with an opportunity to register as Interested and Affected Parties (I&APs).
- Provide potential interested and affected parties (I&APs) with details on the proposed project and prospecting activities to be undertaken
- **Obtain stakeholder (IAP's) comments regarding potential impacts associated with the prospecting activities and contribution how these should be managed, and incorporate these into a detailed Environmental Management Plan.**

### Outline of the Basic Assessment (BAR) process that is being undertaken





## **PUBLIC PARTICIPATION PROCESS**

The Public Participation Process (PPP) offers Interested and Affected Parties (I&APs) the opportunity to familiarise themselves with the proposed project and the BAR process being undertaken, and provides them with opportunities to:

- Raise issues of concern and suggestions for enhanced benefit;
- Contribute their local knowledge to the project;
- Ask questions related to the project or the BA Process; and to
- Comment on the proposed project and on the documentation made available as part of the BAR process.

This proposed prospecting operation and BAR process is being announced through:

- Providing this BID to all landowners of the properties covered by this application and adjacent to the project area.
- By an advertisement published in the Local Newspaper and by site notices that will be placed at the application site and other public places. I&APs responding to these notices will then also be provided with this BID.

As part of this BID, potential I&APs are invited to register and comment on the proposed project by completing the Registration and Comment sheet below, and return it to the address provided

**You will only be registered as an I&AP and receive the Draft Basic Assessment and any further correspondence relating to this application if you return the attached Registration and Comment sheet.**

Application to register as I&A Party and written comments should be submitted to the contact person listed below:

**SRK Mining (Pty) Ltd  
WC30/5/1/1/2/10429PR  
PO. Box 255, Springbok, 8240;  
Email: vanzyl.eap@gmail.com**

## **WAY FORWARD**

The EAP will make the **Draft BAR and EMPr** available from **15 June 2023** to all **registered I&AP** for a **30-day period** to supply **comments and inputs**. Comments received on the draft BAR and EMPr will be collated and responded to in a **finalised BAR and EMPr** which will be submitted to the DMRE for decision making (along with copies of the original written comments received by our office). Upon receipt of the **decision from the DMRE**, all **registered I&APs will be informed of the decision** and of their right to an appeal and the **details of the appeal process**.

**REGISTRATION FORM AS INTERESTED AND AFFECTED PARTY  
AND  
QUESTIONNAIRE IN RESPECT OF PROSPECTING RIGHT APPLICATIONS**

The information below is requested purely for use in the compilation of the Environmental Management Plan. Any personal information obtained from this document will only be in accordance with applicable data protection laws including the Protection of Personal Information Act, 2013 (POPI), and shall not be used for marketing purposes

The completed form should be returned to	<b>SRK Mining (Pty) Ltd</b> <b>PO. Box 255, Springbok, 8240;</b> <b>Email: vanzyl.eap@gmail.com</b> <b>DMR Reference: WC30/5/1/1/2/10429PR</b>
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Please complete this section if you wish to register as interested and affected party and return the completed form to the contact details above

**Title, Name and Surname (respondent):**

<b>Postal Address:</b>		<b>Postal Code:</b>	
<b>Tel:</b>		<b>Fax:</b>	
<b>Cell:</b>		<b>E-mail:</b>	

**Organisation Represented (if any):**

<b>I have the following direct business, financial, personal, or other interest in the approval or refusal of the application.</b>	

Please complete this section if you wish to provide preliminary comments on the proposed development that should be considered as part of the Draft BAR & EMPr and return the completed form to the contact details above

<b>Your Comments</b>	
1.	Please provide a description on the current land use and location within the area under Consideration (e.g.: Crop production, cattle farming etc.)
2.	Do access roads, if any, pass through other privately-owned property, if so, what are the requirements to use such road (e.g.: permission from neighbors or other surface owners?)
3.	Please provide information on how you consider the proposed activities will have an impact on you or your socio-economic condition.
4.	Please make proposals as to how the potential impacts in 3 above can be managed, avoided, or remedied.

5.	Please provide information on the location of the environmental features on site that may be impacted by the proposed activities.
6.	Is there to your opinion any concern regarding the biophysical, heritage or cultural environment that may be impacted during the proposed activities.
7.	Please make proposals as to how and to what standard the impacts in 6 above can be remedied, managed, or avoided.
8.	Is the project area to your knowledge subjected to any land claims or developments
9.	If you are the owner of the property, are you the sole owner or are there other individuals, trusts or companies that share legal title? If so, please provide contact details so that we can consult them too:
10.	Is there any tribal authority or tribal community near the project area that we should communicate with?
11.	Please inform the local newspaper name(s) which are most used in the project area:
12.	Please indicate whether you have an objection, comment, or approval regarding the proposed project with reasoning.
13.	Any other comment not included above.
14.	I suggest that the following person(s) should be included in this public participation process [please provide contact details]:
<b>Thank you for your participation</b>	