

NOTICE OF INTENT TO DEVELOP (NID) & BACKGROUND INFORMATION DOCUMENT (BID) Northern Cape Base Metals Pty Ltd

PROPOSED PROSPECTING ACTIVITIES FOR BASE METALS OVER PROPERTIES IN THE NAMA KHOI LOCAL MUNICIPAL AREA NORTHERN CAPE PROVINCE

REFERENCE: NC30/5/1/1/2/13271PR

DATE: March 2023

INTRODUCTION AND BACKGROUND

The applicant, **Northern Cape Base Metals Pty Ltd** (Reg. No 2022/599368/07) proposes to undertake prospecting activities for Base Metals on the following properties:

Farm	Portion	Size		LPI Code	Deed	Owner
		Property	Application			
Plot 2100 Concordia	Remainder	83611.1684	13769	C05300020000210000000	T56485/2016CTN	Nama Khoi Local Municipality
Gezelschap Bank 71	Remainder	3632.0666	3632.0666	C05300000000007100000	T45727/1987CTN	Markus Andries
Gezelschap Bank 71	2	2669.5682	2669.5682	C05300000000007100002	T45727/1987CTN	Markus Andries
Eendop 69	Remainder	7214.2978	7214.2978	C05300000000006900000	T4249/2019	Transfontier Game Properties (pty) Ltd.
Eendop 69	1	4282.66	4282.66	C05300000000006900001	T4249/2019	Transfontier Game Properties (pty) Ltd.
Naip 68	Remainder	4938.8409	189	C05300000000006800000	T556/2000CTN	Naip Boerdery CC
Naip 68	2	7559.7471	3391	C05300000000006800002	T75929/1999CTN	Naip Boerdery CC
Naip 68	4	3656.1804	2430	C05300000000006800004	T64358/2013	Archer Robert Coenraad

The total prospecting area is ± 37578 Ha and located within the Namakwa District Municipality and Nama Khoi Local Municipality of the Northern Cape Province (Refer to Figure 1).

PROPOSED PROSPECTING ACTIVITIES

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 and Energy (DMRE), before prospecting may commence.

Prospecting for Base Metals is a dynamic and result-driven operation which proceeds in phases, the outcome of which cannot be predicted or predetermined. Prospecting activities will consist of non-invasive (desktop studies and ground geophysics) and invasive (drilling) prospecting methods. Prospecting activities may be terminated at any stage if the results are negative and/or the mineralisation is uneconomic.

Proposed prospecting methods:

- Desktop study work and assessment of historical data
- Geological field mapping (optional)
- Geophysics
- Soil Sampling programmes (optional)
- Initial Diamond (or reverse-circulation) drilling to identify the presence of mineralisation
- Consolidation and interpretation of data; possible geological modelling
- Resource Diamond (or reverse-circulation) drilling (if warranted)

- Mineral Resource estimation (if warranted)
- Pre-feasibility studies (if warranted)
- Implementation of Rehabilitation programs
- Closure if warranted
- Mineral right, environmental and legal work; reporting
- Raising of finance and associated reporting

The proposed 5-year programme will be conducted along the following best practice guidelines:

Quality assurance and quality control to ensure that all work is carried out according to international best practice standards will be provided by the following methods:

- Peer review of all technical work by the Project Manager, the Project Geologist and the Competent Person.
- Review of all written documentation by the Competent Person and the Project Manager as a minimum.
- All work carried out according to written procedures, which have been signed off by an independent Competent Person, who can then complete a technical audit, if required, after the work has been completed.
- The data acquisition and reporting will be in accordance with the guidelines of the JORC/SAMREC Code.

Figure 1: Locality plan with major Towns and Routes



The prospecting activities will take place in three phases (Refer table 1 and 2). The only invasive activities would be drilling. The following is a summary and brief description of the activities to be undertaken for each phase of work.

Construction Phase:

Access to the exploration sites will be via existing farm tracks as shown in Figure 3 and no new roads will be developed. The only process water required is for diamond core drilling, and all water will be obtained from a legal source and trucked to the drill sites. No infrastructure will be required due to the small scale and simple prospecting methods and the availability of infrastructure in the adjacent Towns.

Waste management facilities will not be required due to the specific nature of the prospecting operation or the solid waste disposal facilities of the Local Authority will be used. No service and wash bay are required as no equipment except for the drilling equipment will be used during prospecting activities. The drilling contractor will be responsible for maintenance of equipment off-site.

Operational Phase:

Drilling targets generated during the non-invasive phase will be tested by boreholes. The number of drilling targets is yet unknown but expected to be perhaps 8 boreholes (total drilling 3200m). Further investigation of targets, where the initial drilling results are encouraging will include follow up drilling (Say) 12 boreholes totalling 4800 meters.

For reverse-circulation (RC) drilling, chips (approaching 100% recovery) will be collected by cyclone in standard plastic tubes for meter samples, from which representative samples for assay purposes say 500 gram will be separated by a standard sampling method. The remaining chips will be stored for tests at a later stage.

With regard to Diamond Drilling, cores will be split and quartered where sampling is warranted. One quarter will be dispatched to the assay lab, one quarter kept for a permanent record, and the remaining half kept for future test work.

Existing tracks will be used for access by the drill rig, or if required driving off-road will be possible without clearing any vegetation. For RC-drilling normally no drill pad will be required and for diamond drilling each drill pad will be restricted to an area of about 160m². Due to the sparse vegetation no clearing would be necessary for the development of drill pads.

For RC-drilling, at a rate of 50-100 meters/shift, a drill site is anticipated to 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 and stay there until completion of the borehole. The cyclone for catching the drill-cuttings is connected to the drill by a long pipe, enabling the cyclone to be positioned either on the track or in a natural clearing of vegetation.

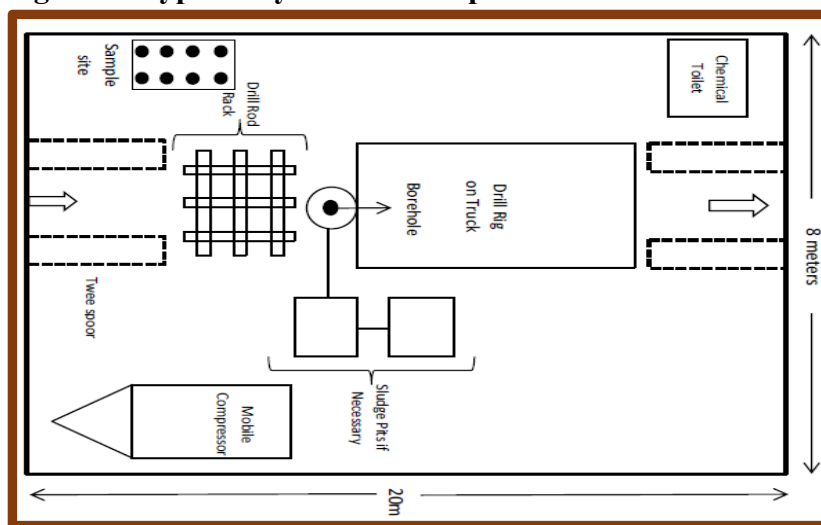
Supporting vehicles (drill foreman, geologist, geological assistants) will park their vehicles on the track. After the drilling procession has left the drill site, the vehicle tracks are usually obliterated by one person with a rake within a very short time. For most areas, especially flat sandy terrain, the next thunder-shower or stormy wind should wipe out all remaining evidence of drilling, leaving only the numbered slab on the borehole-collar.

For Diamond Drilling at a drilling rate of about 10 meters/shift, each diamond drill site is anticipated to be occupied for one or two weeks. The drilling equipment consists of a drill rig with compressor, water tank and all other drilling ancillaries such as compressor pipes, drill rods, etc. Each diamond drill pad will be restricted to an area of about 160 square meters, i.e.,

the total disturbed area will only be about 160 square meters (Figure 2). The drill sumps from which water is pumped into the hole for lubrication and to catch return water (recycling of water), will be lined with a thick plastic liner to prevent seepage of the drilling water into the subsurface layers. The standard borehole casing also serves that role by sealing off broken or unconsolidated formations, along with preventing the collapse of unstable formations into the borehole. The plastic liner will be re-used at other drill sites. The sumps will be demarcated with danger tape or other appropriate means.

Rehabilitation procedures will start for each site concurrent with drilling on the next sites. Drilling mud captured in the sumps will be dried and stored in leak proof receptacles, and drill spoils will be removed from site and disposed of at a suitably licenced Municipal waste disposal facility. Drilling lubricants (cutting oil) comprising non-polluting, biodegradable chemicals will preferentially be used during drilling.

Figure 2: Typical layout of a drill platform



Rehabilitation will be carried out on a continuous basis as work progresses according to the Annual Rehabilitation plan and Final Decommissioning Rehabilitation and Closure plan that form part of the EA. The success of implementing the annual rehabilitation plan will be monitored to ensure effective restoration and revegetation of disturbed areas. The rehabilitation work and monitoring will be conducted in-house under the supervision of an ECO.

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; drilling pads 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, included in the BAR.

Table 1: Anticipated prospecting activities with estimated timeframes

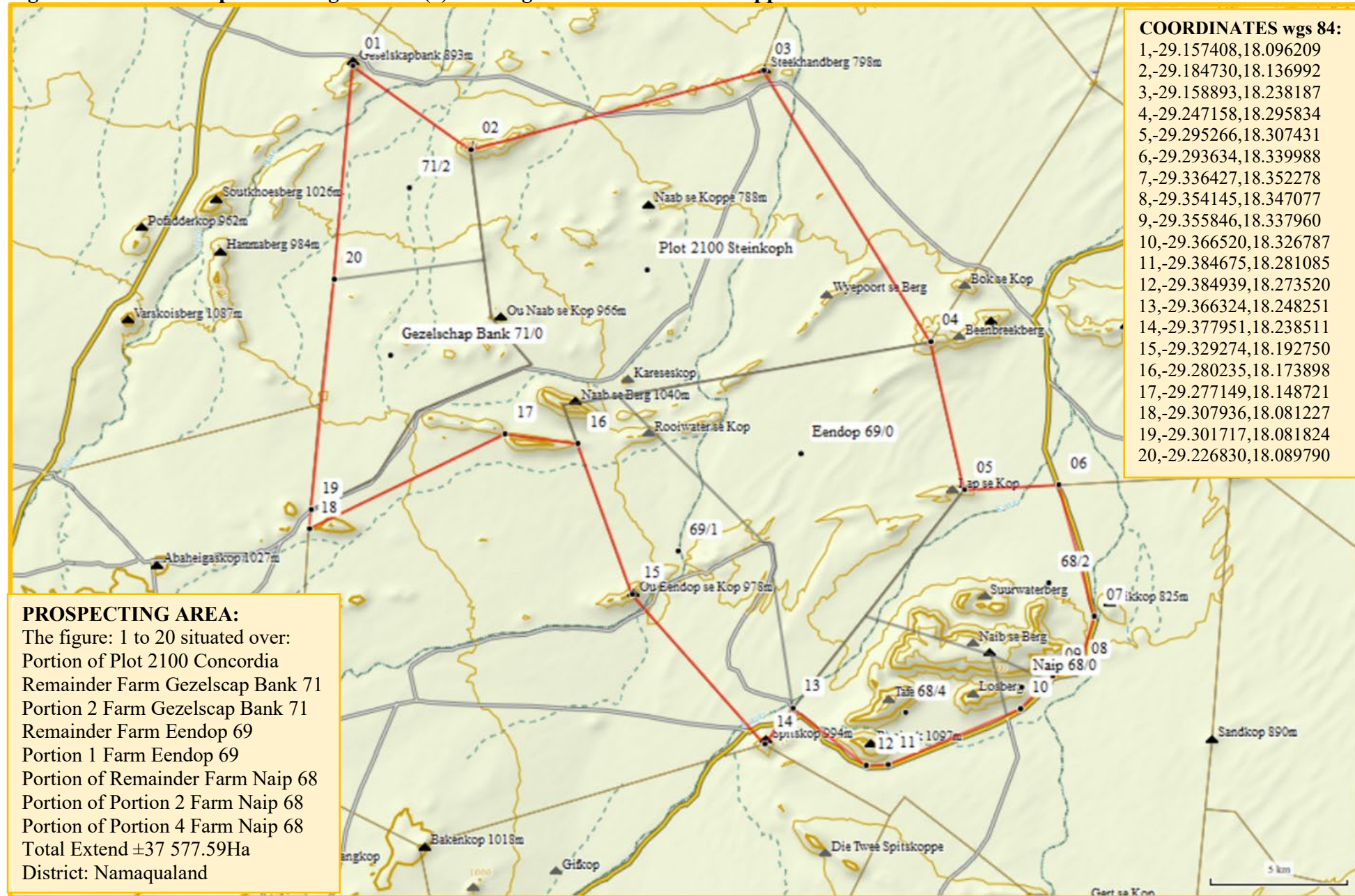
Activity		Phase 1: Year 1				Phase 2: Year 2				Phase 3: Year 3				Phase 4: Year 4				Phase 5: Year 5			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Desktop Studies	1																				
Mapping	2																				
Ground Geophysics (optional)	3																				
Airborne Geophysics																					
Soil Sampling (optional)	4																				
Initial Drilling	5																				
Resource Drilling	6																				
Mineral Resource Estimation (initiated)	6																				
Pre-feasibility (initiated)	6																				
Reporting	6																				
Rehabilitation, Compliance & Stock exchange reporting																					

Table 2: Anticipated prospecting activities with estimated timeframes

Phase	Activity	Skill(s) required	Timeframe	Outcome	Timeframe for outcome	What technical expert will sign off on the outcome?
Phase 1 2years	NON - INVASIVE Site establishment off-site	Foreman, site manager	0-3	Office, communications & staffing	3 months	Local manager
	Literature survey	geologist	3-6	All past information & results. Initial report	6 months	Geologist
	Aerial Survey	Drone operator Geophysicist	6-9	Aeromagnetic, EM surveys	9 months	Geophysicist
	Geological mapping	Samplers, geologist	6 - 15	Geological map of prospecting area	15 months	Geologist
	Geophysical survey	Geophysicist	12 - 18	Follow up survey	18 months	Geophysicist
	Interpretation	Geophysicist, Geologist	18 - 21	Sections, plans and report	21 months	Geologist
	Drilling plans	Driller, geologist	21 - 24	Exact locations, orientations, contract	23 months	Contracted driller Site manager
2years	INVASIVE PROSPECTING RC drilling	Foreman, driller, labour, geologist	24 - 32	Drill samples, assay	32 months	Geologist & compliance officer
	Diamond drilling	Labour, sampler driller, geologist	32 - 40	Foreman, labour, driller, geologist	40 months	Contractor and site manager
	Assay & results	Chemical analyst and geologist	26 - 41	Lab technician, geologist	41 months	Assay laboratory manager
	Specialist core studies	Several specialists	40 – 44	Mineralogy, rock mechanics	44 months	Mineralogist, mining engineer
	Other minerals investigation	Geologist	43 - 48	Spatial plans of all data	48 months	Geologist
	Metallurgical testwork	Sampler, consulting metallurgist, mineralogist	42 - 45	Information on crushing, milling, recovery and equipment	45 months	Metallurgist
	Interpretation of results	Data technician, geologist, engineers	42 - 48	Technical reports	48 months	Geologist, mining engineer
Phase 3 1year	NON-INVASIVE Completion of all site work, restoration	Labour, Environmentalist	48 - 51	Restoration of site	51 months	Geologist, environmentalist
	Geological modelling	Geologist	48 - 51	Geological report	51 months	Geologist

	Additional studies, resources	Specialized inputs	48 – 52	Modeling, ore resources	52 months	IT & Resource specialists
	Valuation, financing	Mineral economist	52 - 55	Financial analysis, funding options	55 months	Mineral economist
	Completion Report / PFS and for additional licencing	All disciplines	55 - 60	Pre-feasibility report and resource statement	60 months	Geologist, mining engineer, mineral economist. Senior management

Figure 3: Plan contemplated in regulation 2(2) showing the land to which the application relates



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 3) 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 further reduced through close liaison with the lawful occupiers of the land and through specialists' input.

The potential environmental impacts associated with the proposed prospecting activities are managed through a comprehensive Environmental Management Plan

Table 3: Listed activities which are triggered by the proposed prospecting operation

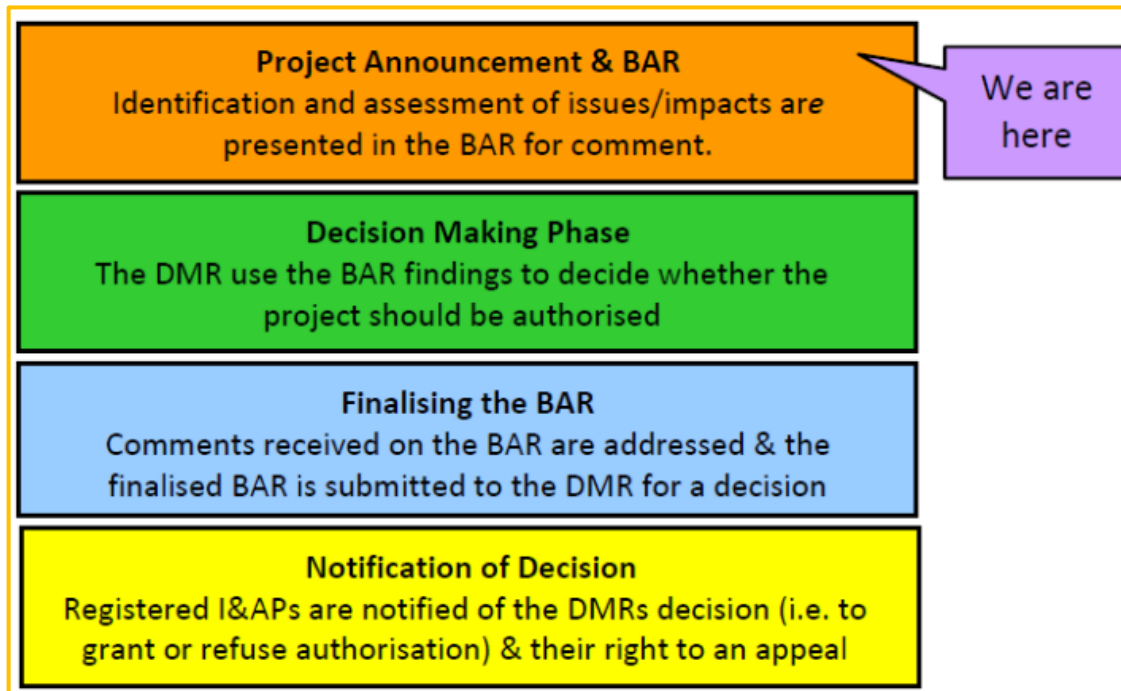
NAME OF ACTIVITY	Aerial extent of the Activity Ha or m ²	LISTED ACTIVITY	APPLICABLE LISTING NOTICE	WASTE MANAGEMENT AUTHORISATION
Prospecting Activities Non-invasive	±37578Ha	Yes	LN 1 - GNR 517 of 2021 Activity 20 Any activity including the operation of that activity which requires a prospecting right in terms of section 16 of the Mineral and Petroleum Resources Development Act, as well as any other applicable activity as contained in Listing Notice 1 or in Listing Notice 3 of 2014, required to exercise the prospecting right.”;	No
Drilling Activities including drill platforms	< 1Ha 160m ² per platform refer Fig 2	Yes		No
Chip & Core Sampling		Yes		No
Soil- and Stream Sampling	< 5Ha total disturbance ±25Kg per sample	Yes		No
Drill traverses (tracks)	950m tracks ±3.5m wide	Yes		No
Hydrocarbon storage	± 5m ³	No Total volume < 80m ³	Not listed	No
Sanitation requirements (Chemical toilets)	± 5 m ²	No		No

PURPOSE OF THIS BACKGROUND INFORMATION DOCUMENT

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

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

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 Interested & Affected Parties in terms the EIA Regulations (Reg 41(2)(b)).
- By an advertisement published in the Local Newspaper
- By site notice that will be placed at the application site and other public places.

I&APs responding to these advertisement and site notices will then also be provided with this BID.

As part of this BID, I&APs are invited to register and comment on the proposed project in any of the following manners:

- Complete the Registration and Comment sheet below, and return it to the address provided; or
- Mail, fax or e-mail your comments and request to be added to the register of interested and affected parties to the contact person listed below.

WAY FORWARD

Please note that in terms of the NEMA EIA Regulations (Reg 43(1)) only registered interested and affected parties is entitled to comment, in writing, on all reports or plans submitted to such party during the public participation process and to bring to the attention of the proponent or applicant any issues which that party believes may be of significance to the consideration of the application,

provided that the interested and affected party discloses any direct business, financial, personal or other interest which that party may have in the approval or refusal of the application.

In terms of the NEMA EIA Regulations (Reg 43(2)) only State departments that administers a law relating to a matter affecting the environment (Provincial Department of Environment, DWA and SAHRA) are automatically registered as interested and affected.

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, or if you request that your name be added to the register of registered I&APs.

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

Any submission by I&APs should please include the following information:

- DMR's Reference No. **NC30/5/1/1/2/13271PR**;
- The I&APs name, contact details (postal address, fax number and e-mail address); and
- An indication of any direct business, financial, personal or other interest which they may have in the application.

Northern Cape Base Metals (Pty) Ltd

NC30/5/1/1/2/13271PR.

PO. Box 255, Springbok, 8240;

Email: vanzyl.eap@gmail.com

Cell: 082 8898696

The Draft Basic Assessment Report (D-BAR), Environmental Management Plan (EMPr) and Final Rehabilitation, decommissioning and mine closure plan (Closure Plan) will be available to all registered Interested and Affected Parties (I&AP) from 17 March 2023 and the deadline for the 30-day comment period on the plans is the 16 April 2023.

Comments received 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 the decision of DMRE 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 information below is requested purely for use in the compilation of the Environmental Management Plan		For Attention: Northern Cape Base Metals (Pty) Ltd PO. Box 255, Springbok, 8240; Email: vanzyl.eap@gmail.com Cell: 082 8898696	
DMR Reference: NC30/5/1/1/2/13271PR			
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):			
Capacity (e.g., owner, tenant, etc.):			
Postal Address:			
		Postal Code:	
Tel:		Fax:	
Cell:		E-mail:	
Organisation Represented (if any):			
I have the following interest(s) in this application (direct business, financial, personal or other):			

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	
Your Comments	
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 neighbours 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 community near your farm that we should communicate with?
11.	Please inform the local newspaper name(s) which are most used in your area:
12.	Please indicate whether or not you have an objection, comment or approval in regard to the proposed project.
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 if possible]:
Thank you for your participation	