



JAGERSFONTEIN DEVELOPMENTS

TO: PROPERTIES MANAGER

SOUTH AFRICAN HERITAGE RESOURCES AGENCY

ATTENTION ZAIDA ALLIE

BY EMAIL: zallie@sahra.org.za

CC mnkhasi@sahra.org.za

**DONATION OF THE HISTORICAL JAGERSFONTEIN OLD PIT ("JAGERSFONTEIN PIT" OR "PIT")
TO THE SOUTH AFRICAN HERITAGE RESOURCE AGENCY ("SAHRA").**

Dear Ms Zaida Allie

1 INTRODUCTION

- 1.1 Jagersfontein Developments (Pty) Ltd ("**JD**") is the owner of Portions 15 and 16 of the Farm Jagersfontein 14 IS ("**Farm Jagersfontein**"), situated in the Jagersfontein Town ("**Jagersfontein**"), Free State Province, with the Jagersfontein Pit located on Portion 15 of the Farm Jagersfontein ("**Portion 15**").
- 1.2 JD's tailings processing operations involve the processing of 11 tailings dumps ("**Tailings Dumps**") at its plant, situated 400 metres south-west of the Pit. The Tailings Dumps were previously owned by De Beers Consolidated Mining Ltd and created as a result of previous mining operations on the Farm Jagersfontein
- 1.3 This letter is in respect of the intention of JD to engage with SAHRA in relation to the offer to donate the Jagersfontein Pit to the SAHRA, given the Pit's cultural and heritage qualities and the need to preserve South Africa's heritage resources in accordance with the National Heritage Resources Act 25 of 1999 ("**NHRA**").

2 BACKGROUND

2.1 Historical Background and Significance of the Jagersfontein Pit

- 2.1.1 We thought it important to set out the history around the Jagersfontein Pit as it speaks to its heritage significance, which SAHRA in its previous engagement with JD may already be appreciative of.

Postal Address: P.O. Box 263, Durbanville, 7550 | Site Physical Address: 1 President Street, Jagersfontein, 9974

Head Office Physical Address: Amber Place 3, Amber Close, Bloemhof, Bellville, 7530

Telephone: 021 913 9745 | Fax: 086 629 6922 | Email: info@jagersfontein.co.za | Website: www.jagersfontein.co.za

Directors: J Malherbe; JM Eaglestone; CF Potgieter; HJ van Zuydam; S Puwani; R Göbel | REG NR.: 2010/015335/07 | VAT NR.: 4050256819

2.1.2 Diamonds were discovered in the Jagersfontein area in 1868 with the Jagersfontein Diamond Mine being proclaimed in 1871. The Jagersfontein Pit was created by various parties over a period of 40 years from 1870, through opencast mining on Portion 15 . The last entity which mined the Pit utilising opencast mining was the Jagersfontein Mining and Exploration Company.

2.1.3 Given the limited technology available at the time, the mine became the largest hand-dug pit in the world. Mining ceased in 1913 and between 1913 and 1970 underground mining took place intermittently on Portion 15 and the adjacent properties. As the diamond grades reduced over time, it resulted in the end of mining within the Jagersfontein Pit.

2.2 It is understood by JD from its engagement with the community of Jagersfontein, that the community places historical value to the Pit and that it is crucial in the history around the establishment of Jagersfontein and the sense of origin and belonging associated with the Jagersfontein Pit.

2.3 **Jagersfontein Pit Risks and vulnerability**

2.3.1 The Jagersfontein Pit, which has a depth of approximately 800m, is currently in a serious state of degradation and geologically very unstable as material on the sides of the Pit's rim is dislodging ("**break-backing**") and falling into the Pit. The risks posed by the Pit, which are further detailed below, were previously assessed by Mr HAC Meintjies and Dr G Howell of SRK Consulting (South Africa) (Pty) Ltd in the report entitled "Review of Jagersfontein Pit Stability and Backfilling Options" (Report Number 445072/1, April 2012).

2.3.2 Despite its historic value and significance, the Pit unfortunately poses a significant risk to Jagersfontein and the communities therein, as well as to JD's Tailing Operations in that the Pit, with time, will break back and the increased rim will affect property and structures close to the Pit, if not managed carefully.

2.3.3 JD has fenced Portion 15 and, for obvious safety reasons, access is denied to the public. The break-backing zone however extends beyond Portion 15. If the Pit is not appropriately managed, neighbouring land owners would face risks from the break-backing.

2.3.4 Every time there is a significant break-backing event, there will be vibration shock waves associated with the event (as have already been communicated by community members to JD). These shock waves could behave similarly to very small earthquake tremors and cause

Postal Address: P.O. Box 263, Durbanville, 7550 | Site Physical Address: 1 President Street, Jagersfontein, 9974

Head Office Physical Address: Amber Place 3, Amber Close, Bloemhof, Bellville, 7530

Telephone: 021 913 9745 | Fax: 086 629 6922 | Email: info@jagersfontein.co.za | Website: www.jagersfontein.co.za

Directors: J Malherbe; JM Eaglestone; CF Potgieter; HJ van Zuydam; S Puwani; R Göbel REG NR.: 2010/015335/07 | VAT NR.: 4050256819

damage to houses and structures close to the Pit. The continuance of break-backing may require the rehousing residents in the zone of influence.

3 JD ENGAGEMENT WITH SAHRA

3.1 JD and SAHRA have had several correspondence and engagements in relation to the Jagersfontein Pit stemming from the measures required by JD to mitigate the above risks related to the deterioration of the Pit while at the same time attempting to preserve its heritage qualities as best as possible. A brief summary of JD's engagement with SAHRA is as follows –

3.1.1 JD was issued with a permit by SAHRA on 3 June 2013 in terms of section 35(4) of the National Heritage Resources Act 25 of 1999 ("**NHRA**") under Case ID 308, following application by JD for the backfilling of the Jagersfontein Pit, subject to certain conditions ("**Permit** "). The Permit was however suspended by SAHRA on 24 June 2013 as the decision was appealed by the Jagersfontein Community Trust ("**JCT**") and subject to pending High Court Application by the JCT due to the communities opposition for the backfilling of the Pit in the light of its heritage value to Jagersfontein; and

3.1.2 During 2018 and 2019, JD engaged with SAHRA in respect of an application in terms of section 38 of the NHRA for the proposed backfilling of the Pit. A detailed motivation was submitted in this regard in support of the application, which detail emphasised the reason for embarking on the Pit backfilling (which is for purposes of rehabilitation and mitigation of risk arising from the deterioration of the Pit) while maintaining as much heritage as possible.

4 JAGERSFONTEIN PIT DONATION TO SAHRA

4.1 As noted above, JD wishes to notify SAHRA of its intention to donate the Jagersfontein Pit to SAHRA to ensure an important cultural and archaeological resource can be preserved for future generations.

4.2 It is believed that such donation would go towards preserving the Pit and place the Pit within the protection afforded to the national estate¹ under the NHRA.

4.3 The donation would take the form of a deed of donation of Portion 15 in accordance with section 21(5)(b) of the NHRA, whereby JD will transfer the Jagersfontein Pit located thereon including the environmental liabilities and obligations associated with the Pit, to SAHRA considering the

¹ NHRA section 3.

exceptional cultural and heritage qualities and the need to preserve the Jagersfontein Pit ("**Deed of Donation**").

- 4.4 The donation would also be in line with the purpose of the NHRA and SAHRA's mandate specified therein. The general principles of heritage resource management² as set out under the NHRA provide that heritage resources have a lasting value and provide evidence of the origins of South African society, it must therefore be carefully managed to ensure its survival as it is non-renewable and irreplaceable resource. The state, which includes SAHRA has an obligation to manage heritage resources in the interest of all South Africans.
- 4.5 Given the risks and deterioration the Pit, and the various assessments commissioned by JD indicating that the backfilling of the Pit is the only sustainable way of mitigating the risks associated with the Pit and rehabilitating both the Pit and Portion 15, should SAHRA not be willing to accept donation of the Pit and management thereof, JD will be required, in observing its duty of care under the National Environmental Management Act 108 of 1997 and to prevent any harm to people and the environment that could potentially arise from the Pit, to pursue the necessary authorisations permitting it to backfill the Pit.

5 WAY FORWARD

- 5.1 JD looks forward to engaging further with SAHRA in relation to the proposed Deed of Donation of the Pit and the consideration related thereto.
- 5.2 Please can SAHRA confirm their acceptance to engaging further in this regard and when a meeting can be scheduled to discuss the possibility of donation further.
- 5.3 Should you have any queries or concerns, please do not hesitate to contact us by email **mdv@lawdva.com**

Yours faithfully,



JAGERSFONTEIN DEVELOPMENTS

² NHRA section 5.