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31 July 2015

Dear Interested and Affected Party,

NOTICE OF AN ENVIRONMENTAL IMPACT ASSESSMENT (EIA) PROCESS IN SUPPORT OF AN MINING RIGHT APPLICATION FOR THE PROPOSED "GELUK MINE"

ENVIRONMENTAL IMPACT ASSESSMENT PROCESS AND INTEGRATED WATER USE- & WASTE MANAGEMENT LICENSE APPLICATION FOR THE MINING OF IRON- AND VANADIUM ORE ON THE FARMS GELUK 512KS, GELUK OOS 513KS AND IRONSTONE 847KS IN THE MAGISTERIAL DISTRICT OF TUBATSE/MAKHUDUTHAMAGA (DMR REF No. LP 30/5/1/2/3/2/1/10107EM)

Rakhoma Mining Resources (Pty) Ltd (Rakhoma) is in the process of applying to the Department of Mineral Resources: Limpopo Region (DMR) for a Mining Right in order to mine Iron Ore and Vanadium Ore with respect to the farms Geluk 512KS, Geluk Oos 513KS and Ironstone 847KS situated in the Magisterial District of Makhuduthamaga /Greater Tubatse. The mining operation is to be referred to as "Geluk Mine". The Mining Right will cover a total area of 3165.32 hectares.

The farms under application are some 36km west of Steelpoort via the R555/Jane Furse Road in an area known as Magnet Heights in the Sekhukhune District of the Limpopo Province, South Africa.

Rakhoma is required to undertake and submit a Scoping and Environmental Impact Assessment (EIA) in accordance with the National Environmental Management Act (Act 107/1998) (NEMA), as amended and the EIA Regulations of 2014 to the DMR. The mine project requires environmental authorisation and several permits/license for water use and waste management before the mine project can be commissioned.

The Naledzi Group Pty Ltd has been appointed as the independent environmental consulting group to undertake the Scoping and EIA process and obtain the necessary environmental authorisation, water and waste permits. This includes:

- Obtain a Water Use License (WUL) under the provisions of the National Water Act (Act 36/1998) from Department of Water and Sanitation (DWS) for development of a mine within 500m of a wetland and other related uses;
- Obtain Environmental Authorisation under the provisions of the NEMA from DMR;
- Obtain a Waste Management License (WML) permit under the provisions of the National Environmental: Waste Act (Act 59/2008) (NEMWA) and its 2014 amendment from DMR

As of December 2014 DMR has been delegated the powers to grant environmental authorisation and waste management licenses under the National Environmental Management Act (Act 107/1998) (NEMA) and as inserted under the NEMWA. Thus DMR is the competent authority in this application. The approvals and permits will be obtained through an integrated authorisation process approach.

As part of the EIA process, we are required to inform Interested and Affected Parties (I&Aps) about the proposed project to solicit their views, comments and recommendations on the project.

You are hereby invited to register as an I&AP and to participate in this integrated process for a WULA, EIA process and WML by completing the enclosed Comments and Registration Form sheet in the

enclosed Background Information Document (BID). Please submit your name, contact information and interest in the matter to Ms. Marissa Botha and/or Mr. Desmond Musetsho at the following details;

Contact us on 015 296 3988 or send us your comments by email to botham@naledzi.co.za / dmusetsho@naledzi.co.za or either by fax number to 015 296 4021.

You may:

- Register as an I&APs
- Submit any comments/view on the project on the comments and registration form provided;
- Notify any other parties/stakeholders that you might be affected or interested in the project by encouraging them to register.

Thank you in advance for your participation.

Sincerely,

Marissa Botha

For Naledzi Group Pty Ltd

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