

26 November 2018

KHWARA MANGANESE (PTY) LTD
DMR REFERENCE NUMBER: NC 30/5/1/2/2/ (10122) MR

**ENVIRONMENTAL AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL
MANAGEMENT ACT, 1998 (NEMA) AS AMENDED, AND THE ENVIRONMENTAL IMPACT
ASSESSMENT (EIA) REGULATIONS, 2014 IN RELATION TO AN APPLICATION FOR A MINING RIGHT
ON PORTION 2 OF THE FARM WESSELS 227, REMAINING EXTENT, PORTION 3 AND PORTION 4 OF
THE FARM DIBIAGHOMO 226**

Dear Interested and Affected Party

Khwara Manganese (Pty) Ltd (Khwara) held a prospecting right for manganese on Portion 2 of the farm Wessels 227 and the Remaining Extent and Portions 3 and 4 of the farm Dibiaghomo 226, north of Black Rock in the Northern Cape Province. The prospecting right expired on 24 June 2017. On the adjacent farm (Portion 1 of Lehating 741), Lehating Mining (Pty) Ltd (Lehating) holds the mining right and have an approved environmental management programme from the Department of Mineral Resources (DMR) for manganese and iron ore (approved October 2013). Lehating also holds an environmental authorisation, issued by the Department of Environment and Nature Conservation in September 2014 in terms of the National Environmental Management Act, 107 of 1998 (NEMA). It is important to note that the construction of the Lehating Mine commenced in September 2017.

Prior to the expiry of its prospecting right, Khwara applied to the DMR for a mining right over the above portions of the farms Wessels 227 and Dibiaghomo 226. The Khwara resource will be accessed and mined from the Lehating Mine (underground). Approved surface infrastructure at the Lehating Mine will be used to support the mining of the underground resource on the farms Wessels 227 and Dibiaghomo 226 and as such no surface infrastructure will be established as part of the proposed Khwara project.

SLR Consulting (South Africa) (Pty) Ltd (SLR) an independent environmental consulting company was appointed by Khwara to manage the environmental assessment process.

This letter serves to inform you that the DMR has granted Khwara a positive environmental authorisation for the proposed underground mining of manganese and iron resources under NEMA Listing Notice 2: Activity Number: 17 of GNR. 984 of 2014. The positive environmental authorisation was granted on 12 November 2018 and received on 19 November 2018. A copy of the environmental authorisation including the reasons for the DMR's decision are included in Annexure A. Information regarding the holder of the environmental authorisation is provided in Table 1 below.

Table 1: Environmental authorisation holder information	
Name of holder (entity)	Khwara Manganese (Pty) Ltd
Responsible person	Jeff Leader
Postal address	PO Box 655286, Benmore, 2010
Telephone number	082 499 8001





SLR Consulting (South Africa) (Proprietary) Limited
Registered Address: Unit 7, Fourways Manor Office Park,
1 Macbeth Avenue, Fourways, 2191
Postal Address: PO Box 1596, Cramerview, 2060, South Africa

Reg. No: 2007/005517/07
Vat No: 4630242198

Directors: B Stobart, F Fredericks, D Junak

Fourways Office: Physical Address: Unit 7 & 9, Fourways Manor Office Park, 1 Macbeth Avenue, Fourways
Postal Address: PO Box 1596, Cramerview, 2060  +27 11 467 0945  +27 11 467 0978

Cape Town Office: Physical Address: Unit 39, Roeland Square, 30 Drury Lane, Cape Town
Postal Address: PO Box 10145, Caledon Square, 7905  +27 21 461 1118  +27 21 461 1120

Somerset West Office: Unit D3, Building 5, Fairways Office Park, Niblick Way, Somerset West
 +27 21 851 3348

Should you want to appeal against any aspect of the DMR decision; Interested and Affected Parties need to lodge an appeal in terms of the NEMA, National Appeal Regulations R.993 of 2014 with, inter alia, the appeal administrator within 20 calendar days (excludes the period of 15 December to 05 January as per appeal regulations) from receipt of this notification (i.e. on or before 07 January 2019) by means of the methods outlined in Table 2 below.

Table 2: Appeal method	
Appeal to the Department of Environmental Affairs	
Attention:	Directorate Appeals and Legal Review
Electronic:	The word format of the appeal and the supporting documentation must be submitted to Mr Ziyaad Hassam (appealsdirector@environment.gov.za)
By Facsimile:	012 359 3609
By post:	Private Bag X 447, Pretoria, 0001
By hand:	Environmental House, 473 Steve Biko Road and Soutspansberg, Arcadia, Pretoria, 0083
Copy of the lodged appeal to the DMR	
Attention:	Regional Manager: Northern Cape Region
Email:	pieter.swart@dmr.gov.za
By Facsimile:	053 807 1700,
By post:	Private Bag X 6093, Kimberley, 8300
By hand:	Perm Building, 65 Phakamile Mabija Street, Kimberley, 8301

The procedure pertaining to the administration and processing of appeals in terms of Chapter 2 of the NEMA, National Appeal Regulations R.993 of 2014 is outlined in Annexure B. A copy of the official appeal form as well as assistance regarding the appeal processes is obtainable from the office of the appeal authority at: Tel (012) 399 9000, Email: (appealsdirector@environment.gov.za).

If you have any queries please do not hesitate to contact the undersigned.

Kind regards



Natasha Smyth

Tel: 011-467-0945, Fax: 011-467-0978

nsmyth@slrconsulting.com

ANNEXURE A: ENVIRONMENTAL AUTHORISATION



SLR Consulting (South Africa) (Proprietary) Limited

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 +27 21 851 3348

 slrconsulting.com



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

Private Bag X 6093 Kimberley, 8300; Tel: 0538071700; Fax: 0538328593
65 Phakamile Mabija, 1st Floor Permanent Building, Kimberley 8300

Enquiries: Kgaudi Shapo Ref No: NC 30/5/1/2/2/ (10122) MR
E-mail address: kgaudi.shapo@dmr.gov.za
Mine Environmental Management

REGISTERED MAIL

The Directors

Khwara Manganese (Pty) Ltd

P. O. Box 2098

Kathu

8446

For attention: Jeff Leader

E-mail: jpleader@intekom.co.za

Cell: (082) 499 8001

Fax: 086 577 8636

Dear Sir/ Madam

APPLICATION FOR AN ENVIRONMENTAL AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT 107 OF 1998) AS AMENDED ("NEMA") AND THE ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 201, AS AMENDED FOR ACTIVITIES RELATED TO MINING RIGHT AND ASSOCIATED INFRASTRUCTURE IN RESPECT OF MANGANESE ORE AND IRON ORE ON PORTION 2 OF THE FARM WESSELS 227; REMAINING EXTENT; PORTION 3 (PORTION OF PORTION 1) AND PORTION 4 (PORTION OF PORTION 2) OF THE FARM DIBIAGHOMO 226, SITUATED IN THE MAGISTERIAL DISTRICT OF KURUMAN NORTHERN CAPE REGION.

With reference to the above mentioned application, please be advised that the Department has decided to grant an environmental authorisation in terms of regulation 20(1) (a)/24(1) (b) of the Environmental Impact Assessment Regulations, 2017 ("EIA Regulations") as amended. The environmental authorisation and reasons for the decision are attached herewith.

interested and affected parties, in writing within 14 (fourteen) calendar days, of the date of the Department's decision in respect of your application and the provisions regarding the making of appeals must be provided for in terms of the National Appeal Regulations, 2014.

Should you wish to appeal any aspect of the decision, you must submit the appeal to the Minister of Environmental Affairs, within 20 days from the date of notification, and such appeal must be lodged as prescribed by Chapter 2 of the National Appeal Regulation, 2014, by means of one of the following methods:

By post: Attention: Appeals Directorate and Legal review
The Minister of Department of Environmental Affairs
Private Bag X 447
PRETORIA
0001

By facsimile: (012) 359 3609; or

By hand: Environmental House, Corner Steve Biko and Soutspanberg,
Arcadia, Pretoria, 0083

An electronic copy (word document format) of the appeal and it supporting documents must also be submitted to Mr Ziyaad Hassam (appealsdirectorat@environment.gov.za).

3 A prescribed appeal form, as well as assistance regarding the appeal processes is obtainable from the office of the appeal authority/ at: Tel. (012) 39 9000, E-mail: appealsdirectorat@environment.gov.za

Should you decide to appeal, you must comply with the National Appeal Regulations, 2014 in relation to notification of all registered interested and affected.

Kind Regards

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REGIONAL MANAGER: MINERAL REGULATION

NORTERN CAPE REGION

DATE.....*Will Dav*.....



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

Private Bag X 6093 Kimberley, 8300; Tel: 0538071700; Fax: 0538328593
65 Phakamile Mabija, 1st Floor Permanent Building, Kimberley 8300

Enquiries: Kgaudi Shapo Ref No: NC 30/5/1/2/2/ (10122) MR
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REGISTERED MAIL

The Directors

Khwara Manganese (Pty) Ltd

P. O. Box 2098

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For attention: Jeff Leader

E-mail: jpleader@intekom.co.za

Cell: (082) 499 8001

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Dear Sir/Madam

APPLICATION FOR ENVIRONMENTAL AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT 107 OF 1998) (AS AMMENDED) (NEMA) AND THE ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2017: ACTIVITIES RELATED TO MINING RIGHT AND ASSOCIATED INFRASTRUCTURE IN RESPECT OF MANGANESE ORE AND IRON ORE ON PORTION 2 OF THE FARM WESSELS 227; REMAINING EXTENT; PORTION 3 (PORTION OF PORTION 1) AND PORTION 4 (PORTION OF PORTION 2) OF THE FARM DIBIAGHOMO 226, SITUATED IN THE MAGISTERIAL DISTRICT OF KURUMAN NORTHERN CAPE REGION.

Your application in the above regard refers.

DECISION ON ENVIRONMENTAL AUTHORISATION

By virtue of the powers conferred on it by the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA") and the Environmental Impact Assessment Regulations, 2017, ("EIA Regulations") the competent authority herewith **grants** environmental authorisation to the

A handwritten signature in black ink, appearing to be a stylized 'J' or similar character.

dated 06th November 2017.

The granting of this environmental authorisation is subject to compliance with the conditions set out in Section E below.

A. DETAILS OF THE APPLICANT FOR THIS ENVIRONMENTAL AUTHORISATION

Khwara Manganese (Pty) Ltd

P. O. Box 2098

Kathu

8446

For attention: Jeff Leader

E-mail: jpleader@intekom.co.za

Cell: (082) 499 8001

Fax: 086 577 8636

The abovementioned applicant is the holder of this environmental authorisation and is hereinafter referred to as "the applicant".

B. LIST OF ACTIVITIES AUTHORISED

Government Notice No. R.325 of 07 April 2017 –

Listing Notice 2: Activity Number: 17

Description:

Any activity including the operation of that activity which requires a mining right as contemplated in terms of section 22 of the Mineral and Petroleum resources Development Act, 2002 (Act No. 28 of 2002), including (a) associated infrastructure, structures and earthworks, directly related to extraction of a mineral resource, or (b) including activities for which an exemption has been issued in terms of section 106 of Mineral and Petroleum resources Development Act, 2002 (Act No. 28 of 2002); the primary processing of a mineral resource including winning, extraction, classifying, concentrating, crushing screening or washing; but excluding the secondary processing of a mineral resource, including the smelting beneficiation, reduction, refining, calcining or gasification of the mineral resource in which case activity 6 in the Listing Notice applies.

PROPERTY DESCRIPTION AND LOCATION

The listed activities will take place on portion 2 of the Farm Wessels 227; Remaining extent; portion 3 (portion of portion 1) and portion 4 (portion of portion 2) of the farm Dibiaghomo 226,

approximately 1.6 kilometres North east of the town Black Rock.

The SG digit codes are: C0410000000022700002; C0410000000022600000; C0410000000022600000; C0410000000022600003; and C0410000000022600004

Co-ordinates of the boundary of the property/ies are those that are described in the final site layout map attached hereto hereinafter referred to as "the site".

	LONGTUTE	LATITUTE
A	22°50'51.02"E	27°02'21.82"S
B	22°55'2.76"E	27°04'59.48"S
C	22°52'27.03E	27°06'43.25"S
D	22°50'17.72E	27°05'54.24"S

D. DETAILS OF THE ENVIRONMENTAL ASSESSMENT PRACTITIONER

SLR Consulting (South Africa) (Pty) Ltd

Natasha Smyth and Alex Pheiffer

Tele: 011 467 0945

Cell: 083 226 8570

E-mail: nsmyth@slrconsulting.com

E. CONDITIONS OF AUTHORISATION

1. SCOPE OF AUTHORISATION

1.1. The holder of the EA shall be responsible for ensuring compliance with the conditions contained in the EA. This includes any person acting on the holder's behalf, including but not limited to an agent, servant, contractor, subcontractor, employee, consultant or any person rendering a service to the holder of EA.

1.2. Any changes to, or deviation from the project description set out in this EA must be approved in writing by this Department before such changes or deviation may be effected. In assessing whether to grant such approval or not, the Department may request such information as it deems necessary to evaluate the significance and impacts of such changes or deviation and it may be necessary for the holder of the EA to apply for further authorisation in terms of the EIA Regulations.

indicated in the EA and or on the approved EMPr. No surface infrastructure will be established and no service or technology will occur at Khwara Mine (Pty) Ltd, the facilities and services will be utilized from Lehating Mine.

- 1.4 Where any of the holder of the EA contact details change including the name of the responsible person, physical/postal address or telephonic details, the holder of the EA must notify the Department as soon as the new details become known to the holder of the EA.
- 1.5 The EA does not negate the responsibility of the holder to comply with any other statutory requirements that may be applicable to the undertaking of such activity (ies).
- 1.6 The holder of the EA must ensure that all areas where the authorised activities occur have controlled access to ensure safety of people and animals.
- 1.7. The holder of the EA must implement an Emergency Preparedness Plan and review it bi-annually when conducting audit and after each emergency and major incident. The holder must notify the competent authority in writing, within 24 hours thereof of the occurrence.
18. The holder of an authorisation as the case may be, must apply for an closure certificate upon the lapsing, abandonment or cancellation of the right in question, cessation of the mining, the relinquishment of the portion of the mining of the land to which a right . An application for a closure certificate must be made to the Regional Manager in whose region the land in question is situated within 180 days of the occurrence of the lapsing, abandonment, cancellation, cessation, and relinquishment.

2 APPEAL OF AUTHORISATION

2.1 The holder of EA must in writing, within 14 (fourteen) calendar days of the date of this decision and in accordance with EIA Regulation 4(2)-

2.2 Notify all registered I&APs of –

2.2.1 The outcome of the application;

2.2.2. The date of the decision;

2.2.3. The date of issue of the decision and;

2.2.4 The reasons for the decision as included in Annexure 1 and this Annexure 2 (Departmental Standard Conditions).

against the decision in terms of the National Appeals Regulations,

- 2.4 Draw the attention of all registered I&APs to the manner in which they may access the decision.

3 COMMENCEMENT OF THE ACTIVITY (IES)

- 3.1 In order to ensure safety, all employees must be given the necessary personnel protective equipment (PPE).
- 3.2 This EA must be provided to the site operator and the requirements thereof must be made fully known to him or her.
- 3.3 Hauling routes for construction vehicles and machinery must be clearly marked and appropriate signaling must be posted to that effect. Furthermore, movement of construction vehicles and machinery must be restricted to areas outside of the drainage line or wet areas.
- 3.4 Appropriate notification sign(s) must be erected at the construction site, warning the public (residents, visitors etc.) about the hazard around the construction site and presence of heavy vehicles and machinery.
- 3.5 Construction must include design measures that allow surface and subsurface movement of water along the drainage lines so as not to impede natural surface and subsurface water flow, and drainage measures must promote the dissipation of storm water runoff.
- 3.6 No vegetation clearance will take place at the mining area and mitigation measures must be implemented to reduce the risk of erosion and alien species invasion.
- 3.7 The holder of EA must note that in terms of the National Forest Act, 1998 (Act No .84 of 1998) protected plant species, also listed in Northern Cape Nature Conservation (NCNCA) Act no. 9 of 2009 must not be cut, disturbed, damaged, destroyed and their products must not be possessed, collected, removed, transported, exported, donated, purchased or sold unless permission is granted by the Department of Agriculture, Forestry and Fisheries.
- 3.8 Where construction will take place (e.g. material lay down areas), topsoil and subsoil must be protected from contamination or pollution. Stockpiling must not take place in drainage lines or areas where it will impede surface water runoff.



contaminated soil must be removed to a licensed waste disposal facility and the site must be rehabilitated to the satisfaction of the Department and Department of Water and Sanitation. The opportunity for the onsite remediation and re-use of contaminated soil must be investigated prior to the disposal and this Department must be informed in this regard.

- 3.10 An integrated waste management approach must be implemented that is based on waste minimization and must incorporate avoidance, reduction, recycling, treat, reuse and disposal where appropriate. Uncontaminated rubble generated on the premises can be re-used as back filling material on site. Ensure that no refuse or rubble generated on the premises is placed, dumped or deposited on the adjacent properties or public places and open space.
- 3.11 In terms of sections 28 and 30 of NEMA, and sections 19 and 20 of the National Water Act, 1998 (Act No. 36 of 1998), any costs incurred to remedy environmental damage must be borne by the person responsible for the damage. It is therefore imperative that the holder of the EA reads through and understand the legislative requirements pertaining to the operation. It is the applicant's responsibility to take reasonable measures which include informing and educating contractors and employees about environmental risks of their work and training them to operate in an environmentally acceptable manner.
- 3.12 Where mining activities will take place construction vehicle must be serviced and maintained in the manner whereby no excessive smokes is released, noise production is reduced to acceptable levels, and to prevent oil leaks. Contaminated soil must be remediated on site or removed to an authorised landfill site.
- 3.14 Residents (if any) on the property (ies) and surrounding areas must be informed if any unusually noisy or activities are planned.
- 3.15. Dust suppression measures must be implemented on all exposed surface to minimize and control airborne dust.
- 3.16 Mixing of cement, concrete, paints, solvent, sealants and adhesive must be done in specified areas on concrete aprons or on protected plastic linings to contain spillage or overflow onto soil to avoid contamination of underground water and environmental damage.



these must immediately be reported to the South African Heritage Resource Agency (SAHRA) and or Northern Cape Heritage Resource Agency (NCHRA) (in accordance with the applicable legislation). Heritage remains uncovered or disturbed during earthworks must not be further disturbed until the necessary approval has been obtained from the South African Heritage Resource Agency (SAHRA) and or Northern Cape Heritage Resource Agency (NCHRA).

Heritage remains include: archaeological remains (including fossil bones and fossil shells); coins; middens, indigenous and/or colonial ceramics; any articles of value or antiquity; marine shell heaps; stone artifacts and bone remains; structures and other built features; rock art and rock engravings; shipwrecks; and graves or unmarked human burials. A qualified archaeologist must be contracted where necessary (at the expense of the applicant and in consultation with the relevant authority) to remove any human remains in accordance with the requirements of the relevant authority. Before the site can be disturbed by development it is incumbent on the developer to ensure that a Heritage Impact Assessment (HIA) is done as per section 38(8) of the NHRA.

- 3.18 Care must be taken to ensure that the material and excavated soil required for backfilling are free of contamination from hydrocarbons.
- 3.19 Hydraulic fluids or chemicals required during construction must be stored in a concrete lined surface with bund walls and shall be designed in such a manner that any spillage can be contained and reclaimed without any impact on the surrounding environment. Should any spills occur it should be cleaned immediately by removing spillage together with the polluted solids and dispose it in the authorised disposal site permitted of such waste. The regional office of the Department of Water and Sanitation must be notified within 24 hours of an incident that may pollute surface and underground water resources.
- 3.20. Chemical sanitation facilities or system such as toilets that do not rely on the seepage of liquids must be provided with a ratio of 1 for every 15 workers. These must be placed such that they prevent spills or leaks to the environment and must be maintained according to the operating instructions and the content thereof must be disposed of at an authorised waste water treatment works.
- 3.21 The holder of EA must ensure that any water uses listed in terms of section 21 of National Water Act, 1998 (Act 36 of 1998) must get authorization from Department of Water and

note that in terms of Section 19 (1) of the national Water Act, 1998 (Act No. 36 of 1998). "An owner of land , a person who occupies or uses the land on which – (a) any activity or process is or was performed or undertaken; or (b) any other situation exists, which caused or is likely to cause pollution of a water source must take all reasonable measures to prevent any such pollution from occurring, continuing or recurring." Therefore any pollution incident (s) associated with the proposed project shall be reported to the relevant Regional Office of the DMR and Department of Water and Sanitation within 24 hours.

- 3.22. This EA does not purport to absolve the holder of EA from its common law obligations towards the owner of the surface of land affected.
- 3.23. The holder of EA must ensure that rehabilitation of the disturbed areas caused by operation(s) at all times comply with the approved EMPr.
- 3.24. This EA may be amended or withdrawn at any stage for non-compliance and provides no relief from the provisions of any other relevant statutory or contractual obligations.
- 3.25. The holder of EA must note that in terms section 43A of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008), residue deposit and residue deposit must be deposited and managed in a prescribed manner on any site demarcated for that purpose in the approved EMPr. No person may temporary or permanently deposits residue stockpile or residue deposit on any area or site other than on site indicated on the approved EMPr.
- 3.26. The holder of EA must note that in terms section 20 of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008), no person may commence, undertake or conduct a waste management activity, except in accordance, with the requirements of norms and standards determined in terms of section 19(3) for that activity or a waste management license is issued in respect of that activity if license is required.
- 3.27. An appeal under section 43(7) of the National Environmental Management Act NEMA), Act 107 of 1998 (as amended) suspend an EA or exemption or any provisions of conditions attached hereto, or any directive unless the Minister directs otherwise.
- 3.28 Should you be notified by the Minister of a suspension of the authorisation pending appeal procedure, you may not commence/continue with the activity (ies) until such time that the Minister allows you to commence with such activity (ies) in writing.

notification at any reasonable time and at such frequency as may be determined by the Regional Manager. Environmental Management Inspector or Environmental Management Resource Inspector within his or her mandate in terms of section 31D, may – question any person; issue a written notice inspect any document (books or record or any written or electronic information); copy or make extracts from any document (book or record or written or electrical information); take photographs or make audio-visual recordings; dig or bore into the soil or take samples and carry out any other prescribed duty not inconsistent with this Act and any other duty that may be prescribed in terms of a specific environmental management Act. Environmental Management Inspector or Environmental Management Resource Inspector without a warrant may enter and search any vehicle, vessel or aircraft or search any pack-animal or any other mechanism of transport, on reasonable suspicion.

- 3.30 The waste storage site must have a firm, impermeable, chemical resistant floors and a roof to prevent direct sunlight and rain water from getting in contact with the waste.
- 3.31 The storage of hydrocarbons must have bund walls with adequate capacity to contain the maximum volume that is stored in the area. Uncontaminated storm water must be prevented from coming into contact with the waste and must be diverted away from the storage site.
- 3.32 Subject to the commencement and duration requirements of the MPRDA and NEMA for the listed mining activity is valid for the period for which the aforesaid right is issued provided that this activity must commence within 10 years. If the commencement of the proposed activity does not occur within the specified period, the EA lapses and a new application for EA in terms of the NEMA and the EIA Regulations should be made for the activity to be undertaken. The activity (ies) must take place on the property (ies) which will be issued on the mining permit.
- 3.33 The commissioning and decommissioning of individual activity within the overall listed mining activity must take place within the phases and timeframes as set out in EMP or EMPr.
- 3.34 The listed activity (ies), including site preparation, must not commence within 20 (twenty) calendar days of the date of the notification of the decision being sent to the registered I&APs. In the event that an appeal is lodged with the appeal administrator, the effect of this environmental authorisation is suspended until such time as the appeal is finalized.

by other authorities, it is upon the holder of EA to bring it to the attention of the Department for resolution.

3.36 If the EA holder is not the surface owner must before commencement of the mining activities consult with the land owners for reasonable compensation of damages such as loss of grazing, stock theft, fire hazard that may be associated with the listed activity/ies.

3.37 Notwithstanding the provision of any other law, no person is civilly or criminally liable or may be dismissed, disciplined, prejudiced or harassed on account of having refused to perform any work if the person is good faith and reasonable believed at the time of the refusal that the performance of the work would result in an imminent and serious threat to the environment.

4 MANAGEMENT OF ACTIVITY (IES)

4.1 A copy of the EA and EMPr must be kept at the property or on site office where the activity (lies) will be undertaken. The EA and EMPr must be produced to any authorised officials of the Department who request to see it and must be made available for inspection by any employee or agent of the holder of the EA who works or undertakes work at the property (ies). Access to the site must be granted to any authorised official representing a competent authority. The environmental authorisation and EMP must be available on site to the aforesaid authorised official on request at all times.

4.2. The content of the EMPr and its objectives must be made known to all contractors, subcontractors, agent and any other people working on the site, and any updates or amendments to the EMPr must be submitted to the Department for approval.

4.4. Regular monitoring and maintenance of storm water drainage facilities must be conducted at all times, if damaged as directed by the Department or any other relevant authority.

4.5 A buffer zone of 100 meters between the activity (ies) and the residential areas, cemeteries or burial grounds must be clearly demarcated and maintained.

4.6 The holder of the EA must prevent nuisance conditions or health hazards, or the potential creation of nuisance conditions or health hazards.

management facilities licensed to handle such wastes and all recyclable waste are collected by licensed waste management facilities for recycling, reuse or treatment.

- 4.8 The holder of the EA must ensure that all liquid wastes, whose emissions to water or land could cause pollution are diverted to sewer, after testing water quality and receiving written approval from the relevant local authority.
- 4.9 Mining vehicles must be serviced and maintained in a manner whereby excessive smoke and noise production is reduced to acceptable levels, and to prevent oil leaks. Drip trays must be placed under each stationary equipment or vehicles to avoid soil contamination which may lead to water pollution.
- 4.10 Non-compliance with any condition of this EA or EMPr may result in the issuing of a directive in terms of section 28 and or a compliance notice in terms of section 31L of NEMA.
- 4.11 Should it be discovered or come to the attention of the Department that the EA has been obtained through fraud, non-disclosure of information or misrepresentation of a material fact, the Department will suspend your EA in terms of the provisions of regulation 38(1) of the EIA Regulations.
- 4.12 Only listed activities that are expressly specified in the section B that forms part of this EA may be conducted. Additional or new activities not specified herein must be applied for by the holder of the EA and authorised by the Department before such activities may be commenced with. This condition is also applicable in the case of the amendment, addition, substitution, correction, and removal or updating of any detail in the aforesaid EMPr.
- 4.13 Any changes to or deviations from the activity description set out above must be approved in writing by the competent authority before such changes or deviations may be effected. In assessing whether to grant such approval or not, the competent authority may request information as it deems necessary to evaluate the significance and impacts of such changes or deviation and it may be necessary for the EA holder to apply for further authorisation in terms of the regulations.



with the conditions set in the approved EMPr. The historical liability in the mining area form part of mining right.

4.15 The holder of the EA must ensure that the names and contact details of the ECO is made available to the Regional Manager within 30 days of commencement. The holder of EA must also ensure that an ECO is always available on site to ensure that activity (ies) at all times comply with the issued EA and approved EMPr.

4.16 The ECO must:

- 4.15.1. Keep and maintain a detailed incidents register (including any spillages of fuels, chemicals or any other material;
- 4.15.2. Keep a complaint register on site indicating the complaint and how the issues were addressed, what measures were taken and what the preventative measures were implemented to avoid re-occurrence of complaints;
- 4.15.3. Keep records relating to monitoring and auditing on site and avail them for inspection to any relevant authorised officials;
- 4.15.4. Keep copies of all environmental reports submitted to the Department;
- 4.15.5. Keep the records of all permits, licences and authorisations required by the operation; and
- 4.15.6. Compile a monthly monitoring report and make it available to the Department if requested.

4.17 The duties and responsibilities of the ECO should not be seen as exempting the holder of the EA from the legal obligations in terms of the NEMA and NEMWA.

4.18 The footprint of the activity (ies) must be limited on the areas authorised for the actual construction works and operational activities and all areas outside of the footprint must be regarded as a "no go" areas.

4.19 Erosion and soil loss must be prevented by minimizing the construction site exposed to surface water run-off. Where necessary erosion stabilizing action such as gabions or re-vegetation must be implemented to prevent further habitat deterioration.



- 4.20 The holder of the EA must ensure that all personnel who work with hazardous waste are trained to deal with these potential hazardous situations so as to minimise the risk involved. Records of training and verification of competence must be kept by the holder EA.
- 4.21 In order to prevent nuisance conditions, the holder of the EA must ensure that all storage skips and bins are not overfilled.
- 4.22 The holder of the environmental authorisation must annually assess the environmental liabilities of the operation by using the master rates in line with the applicable Consumer Price Index (CPI) at the time and address the shortfall on the financial provision submitted in terms of section 24P of NEMA.
- 4.23 The holder is responsible for ensuring compliance with the conditions EA by any person acting on his/her behalf, including an agent, servant, contractor, sub-contractor, employee, consultant or any person rendering a service to the holder of the EA.
- 4.24 A person convicted of an offence of failure to comply with compliance notice is liable to a fine not exceeding five million rand or to imprisonment for a period not exceeding 10 years or to be both such fine and such imprisonment.
- 4.25 The applicable requirements with respect to relevant legislation pertaining to occupational health and safety must be adhered to.
- 4.26 Should the holder of the Authorisation ever cease, he/she must take required actions as prescribed by legislation at the time and comply with all the relevant legal requirements administered by any relevant and competent authority at that time.
- 4.27 If any soil contamination is noted during mining period of the proposed activities, the contaminated soil must be removed to a suitable waste disposal facility and the site must be rehabilitated to the satisfaction of the competent authority and Department of Water and Sanitation. The opportunity for the on-site remediation and re-use of contaminated soil must be investigated prior to disposal and this competent authority must be informed in this regard.
- 4.28 Notwithstanding the Companies Act, 2009 (Act No.71 of 2008) or the Close Corporations Act, 1984 (Act No.69 of 1984), the directors of a company or members of a close corporation are jointly and severally liable for any negative impact on the

corporation which they represent including damage, degradation or pollution.

F. APPEALS

Appeals must comply with the provisions contained in the National Appeal Regulations 2014.

1. An appellant must –

1.1. submit an appeal in accordance with Regulation 4 to the appeal administrator, within 20 (twenty) calendar days from the date the applicant notified registered I&APs of this decision;

1.2. If the appellant is the applicant, provide any registered I&AP, any Organ of State and the decision-maker with a copy of the appeal lodged with the appeal administrator;

1.3. If the appellant is a person other than the applicant, provide any registered I&AP, any Organ of State and the decision-maker with a copy of the appeal lodged with the appeal administrator;

1.4. The applicant (if not the appellant) the decision-maker, I&APs and Organ of State must submit their responding statement, if any, to the appeal authority and the appellant within 20 days from the date of receipt of the appeal submission.

2. The appeal form/s must be submitted by means of one of the following methods:

By post: Attention: Appeals Directorate and Legal review

The Minister of Department of Environmental Affairs

Private Bag X 447

PRETORIA

0001

By facsimile: (012) 359 3609; or

By hand: Environmental House, Corner Steve Biko and Soutspanberg,
Arcardia, Pretoria, 0083

An electronic copy (word document format) of the appeal and its supporting documents must also be submitted to Mr Ziyaad Hassam.

obtainable from the office of the appeal authority/ at: Tel. (012) 399 9000, E-mail: appealsdirector@environment.gov.za

G. DISCLAIMER

The Department of Mineral Resources in terms of the conditions of this environmental authorisation shall not be responsible for any damages or losses suffered by the holder, developer or his/her successor in any instance where construction or operation subsequent to construction is temporarily or permanently stopped for reasons of non-compliance with the conditions as set out herein or any other subsequent document or legal action emanating from this decision.

Your interest in the future of our environment is appreciated.

Yours faithfully



Mr Pieter Swart

Regional Manager, Mineral Regulation (Northern Cape)

DATE OF DECISION: 12/11/2018

REASONS FOR THE DECISION

In reaching its decision, the competent authority, inter alia, considered the following:

- a) The information contained in the, Environmental Authorisation application form received by the competent authority on the 12th May 2017, Environmental Impact Assessment Report (EIAR) and Environmental Management Programme ("EMPr")/closure plan received by the competent authority on the 06th November 2017;
- b) Relevant information contained in the Departmental information base, including, the Department's circular on the One Environmental Management System dated 8 December 2014;
- c) The objectives and requirements of relevant legislation, policies and guidelines, including Section 2 of the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA") as amended;
- d) The comments received from Interested and Affected Parties ("I&APs") and the responses provided thereon, as included in the (EIAR) dated the 06th November 2017;
- e) This application was submitted in terms of the 2017 NEMA Environmental Impact Assessment Regulations ("EIA Regulations") as amended;
- f) The sense of balance of the negative and positive impacts and proposed mitigation measures;
- g) No site visits were conducted. The competent authority had sufficient information before it to make an informed decision without conducting a site visit; and
- H) The financial provision to the amount of **R2 261 213. 00** which is in line with mining activities for the rehabilitation and/ or management of negative environmental impact.

All information presented to the competent authority was taken into account in the consideration of the application for environmental authorisation. A summary of the issues which, according to the competent authority, were the most significant reasons for the decision is set out below.

1. Exemption

No Exemption from NEMA and its Regulation was granted to the applicant by the competent authority. No Public Participation Process ("PPP") in accordance with Regulation 4(3) in terms of the National Exemption Regulations and Regulation 41 in terms of the EIA Regulation 2017 (as amended) was conducted by the Department of Mineral Resources; the applicant and the Environmental Assessment Practitioner did the PPP and the



Department was satisfied with the documentation that was submitted as a proof of the whole process.

2. Public Participation

No deviations requested and accepted by the Department from certain requirements of Regulation 41 of Government Notice No. R. 326.

The PPP conducted as part of the Basic Assessment process included:

- identification of and engagement with I&APs;
- registered letter and e-mails
- Newspaper adverted notice;
- fixing a notice board at the site and any alternative site where the listed activity/ies;

All the concerns raised by I&APs were responded to and adequately addressed during the PPP. Specific management and mitigation measures have been considered in this environmental authorisation and in the EMP/closure plan to adequately address the concerns raised.

The Department concurs with the Environmental Assessment Practitioner's responses to the issues raised during the PPP and has included appropriate conditions in this environmental authorisation.

3. Alternatives

No mining method alternatives are being considered due to the depth of the ore body and the mining method that will already be established from the Lehating Mine will be used for the mining activities. The service or technology considered will be utilised from Lehating Mine.

4. Impacts, assessment and mitigation measures

4.1. Activity Need and Desirability:

Khwara Mine will support the national SA economy at a macro level by gearing exports that will leverage foreign income to the country. The direct economic benefits will be derived from continued wages, taxes and profits.



4.2. Regional/ Planning Context:

The mining will create job and increase regional economic development.

4.3. Services/ Bulk Infrastructure:

All services and mining method will be operating from Lehating Mine and no bulk infrastructure will be occurred on the mining area only underground mining will take place.

4.4. Cumulative:

During mining the ambient level will increase, this may cause a disturbance to any nearby potential receptors. The mitigation measure will be implemented at Lehating Mine, no noise impacts are expected because no surface activities are planned at Khwara Mining (Pty) Ltd.

4.5. Biophysical Impacts:

All services and technology will be occurred at Lehating Mine, no waste or infrastructure will take place on site.

4.6. Biodiversity:

No surface disturbance will take place, the mining activities will be underground mine.

4.7. Visual / Sense of Place:

The mining activity will not require the establishment of any surface infrastructure the landscape character will remain unchanged.

4.8. Dust and smoke:

The numbers of emission sources have been identified on the surrounding project area, however, no surface disturbance will be planned..

4.9. Noise:

Noise may be generated from distant sources such as mining, prospecting and traffic roads, however, no noise impacts will be expected because no surface activities are planned.

4.10. Health Issues (including HIV & Aids):

Employees will be advised and educated on the health and social issues.



4.11. Heritage / Archaeological / Built Environment:

Since the mining activity will not require the surface disturbance heritage and culture will not be affected.

4.12. Socio-economic:

The mine will contribute towards employment, procurement, skills development and taxes on a local, regional and national scale.

4.13. Offsets:

The EA holder must before commencement of the mining activities consult with the neighbouring farm for the impact that may emanate from mining activity.

4.14. Stewardship Agreements:

EA holder will make the EA condition known to all people working in the mining area.

4.15. Rehabilitation plan and Closure objectives:

To maintain the pre-mining or baseline state as far as possible. No surface disturbance will take place as no surface infrastructure will be established. Prevent the loss of third party groundwater supply. Allow for the continued use of the current land use (grazing). Mine closure will be achieved efficiently, cost effectively and in compliance with the law. The social and economic impacts resulting from mine closure are managed in such a way that negative socio-economic impacts are minimised.

In summary the development will result in both negative and positive impacts.

Negative Impacts:

The proposed activities have very low significance since these are short term activities. The probability of occurrence of an impact was determined and most of these activities can be controlled and impacts can be reduced or avoided. The probability was also used basing on looking at other prospecting activities of similar nature. Generally prospecting activities have low impact on the environment. The planned activities negative impacts can be controlled and avoided or minimised therefore the layout does not require revision. Changes in plan will be discussed with the farmers and approvals will be signed.

Positive impacts:

The positive impacts of the activities are the creation of employment which is really required in the region. It will prevent the sterilization of any ore reserves.

a) NEMA Principles

The NEMA Principles (set out in Section 2 of NEMA, which apply to the actions of all Organs of State, serve as guidelines by reference to which any Organ of State must exercise any function when taking any decision, and which must guide the interpretation, administration and implementation of any other law concerned with the protection or management of the environment), inter alia, provides for:

- the effects of decisions on all aspects of the environment to be taken into account;
- the consideration, assessment and evaluation of the social, economic and environmental impacts of activities (disadvantages and benefits), and for decisions to be appropriate in the light of such consideration and assessment;
- the co-ordination and harmonisation of policies, legislation and actions relating to the environment;
- the resolving of actual or potential conflicts of interest between Organs of State through conflict resolution procedures; and
- the selection of the best practicable environmental option.

b) Conclusion

In view of the above, the NEMA principles, compliance with the conditions stipulated in this environmental authorisation, and compliance with the EMP/closure plan, the competent authority is satisfied that the proposed listed activity/ies will not conflict with the general objectives of Integrated Environmental Management stipulated in Chapter 5 of NEMA and that any potentially detrimental environmental impacts resulting from the listed activity/ies can be mitigated to acceptable levels.

-END-



ANNEXURE B: THE APPEAL PROCEDURE IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT NO. 107 OF 1998): NATIONAL APPEAL REGULATIONS 993 OF 2014

CHAPTER 2

ADMINISTRATION AND PROCESSING OF APPEALS

4. Appeal Submission

(1) An appellant must submit the appeal to the appeal administrator, and a copy of the appeal to the applicant, any registered interested and affected party and any organ of state with interest in the matter within 20 days from:

- (a) the date that the notification of the decision for an application for an environmental authorisation or a waste management licence was sent to the registered interested and affected parties by the applicant; or
- (b) the date that the notification of the decision was sent to the applicant by the competent authority, issuing authority or licensing authority, in the case of decisions other than those referred to in paragraph (a).

(2) An appeal submission must be -

- (a) submitted in writing in the form obtainable from the appeal administrator; and
- (b) accompanied by -
 - (i) a statement setting out the grounds of appeal;
 - (ii) supporting documentation which is referred to in the appeal submission; and a statement, including supporting documentation, by the appellant to confirm compliance with regulation 4(1) of these Regulations.

5. Responding Statement

The applicant, the decision-maker, interested and affected parties and organ of state must submit their responding statement, if any, to the appeal authority and the appellant within 20 days from the date of receipt of the appeal submission.

6. Appeal Panel

(1) If the appeal authority reasonably believes that expert advice must be sought or that an appeal panel must be appointed, the appeal administrator must source an independent expert or constitute an independent appeal panel, or both, within 10 days from the date of receipt of an instruction from the appeal authority.



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- (2) The appeal panel contemplated in subregulation (1) may consist of such number of independent experts and with such expertise as the Appeal Authority may deem necessary under the circumstances;
- (3) The expert or appeal panel must provide advice to the appeal administrator within 10 days from the receipt of an instruction from the appeal administrator.

7. Recommendations and Decisions on Appeals

- (1) The appeal administrator must make a recommendation on the appeal to the appeal authority within 30 days of receipt of the responding statement referred to in regulation 5 of these Regulations, in the event that an independent expert has not been sourced or an independent appeal panel has not been constituted.
- (2) The appeal administrator must make a recommendation on the appeal to the appeal authority within 10 days of receipt of the advice referred to in regulation 6(2) of these Regulations, in the event that an independent expert has been sourced or an independent appeal panel has been constituted.
- (3) The appeal authority must reach a decision on an appeal, and notify the appellant , applicant , and any registered interested and affected party, within 20 days of the recommendation on the appeal by the appeal administrator
- (4) The decision contemplated in subregulation (3) must contain written reasons for the decision.

8. Communication

- (1) A person may deliver documents in terms of these regulations by using one of the delivery methods referred to in section 47D of the Act.
- (2) In order to meet the time periods determined in these regulations, the person referred to in subregulation (1), must also email, fax or hand deliver the document to the recipient, if the document is delivered by ordinary mail or registered mail.