24 February, 2014

Our Ref:

D382

Your Ref:

D382\_00\_RevE\_AnnouncementLetter\_ALkkgc\_20140204

## Attention:

Dear Sir / Madam

NOTICE OF AN INTEGRATED WATER USE LICENCE APPLICATION AND BASIC ASSESSMENT PROCESS FOR THE PROPOSED PILLAR MINING PROJECT AT ATCOM EAST SECTION OF THE **IMPUNZI** COMPLEX. WITHIN EMALAHLENI LOCAL MUNICIPALITY. MPUMALANGA – MDEDET REF NR: 17/2/3N-346

Glencore South Africa's Arthur Taylor Colliery Opencast Mine (ATCOM), a section of the iMpunzi Complex is proposing to expand their mining operations to incorporate new mining reserves. The proposed new mining venture includes the opencast mining of historical underground bord and pillar operations, previously owned by BHP Billiton Energy Coal South Africa (BECSA). These operations are collectively referred to as ATCOM East.

The iMpunzi Complex is an operational mine located 23km south east of eMalahleni in the Mpumalanga Province, near the towns of Ogies and Kriel. Mining at ATCOM East will be a combination of truck and shovel and dragline. The ATCOM East mining operations will be mined in five opencast operations, namely:

- Steenkoolspruit Pit (already has an approved WUL, therefore not included in this application);
- River South Pit;
- River West Pit:
- Vandyksdrift (VDD) West Pit; and
- VDD South Pit.

Prior to Glencore Operations South Africa's commencement with the proposed pillar mining project, several environmental authorisations and licences are required. One such authorisation is the Water Use Licence (WUL) which is required from the Department of Water Affairs (DWA) under the provisions of the National Water Act (NWA, Act 36 of 1998) for mining through wetlands at ATCOM East. Jones & Wagener (J&W) has been appointed as the independent consultant to undertake the Integrated Water Use License Application Process (IWULA) for mining through these wetland areas. An update of the existing iMpunzi Integrated Water and Waste Management Plan (IWWMP) is also being undertaken to support the Integrated Water Use License Application process.

Furthermore, a Basic Assessment (BA) authorisation is required from the Mpumalanga Department of Economic Development, Environment and Tourism (MDEDET) for mining through wetlands in terms of the Environmental Impact Assessment Regulations (EIA) 543-546

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under the provisions of the National Environmental Management Act (NEMA, Act 107 of 1998) as amended. An Environmental Management Program Report (EMPR) amendment process is also required by the Department of Mineral Resources (DMR) in terms of the provisions of the Mineral and Petroleum Resources Development Act (MPRDA, Act 28 of 2002). The Scoping component of the EMPR amendment process will also be undertaken by Jones and Wagener (J&W).

You are invited to register as an Interested and/or Affected Party (I&AP) and to participate in this IWULA and BA process by completing the registration and comment sheet in the enclosed Background Information Document (BID). Please return the comment sheet at the latest by 31 March 2014 for this initial public notification process, although submissions and public participation will continue throughout the process.

Kindly send your reply to Anelle Lotter or Sibongile Bambisa at J&W on fax number 012 667-6129 or e-mail to anelle@jaws.co.za / sibongile@jaws.co.za. You are also welcome to contact us on (012) 667-4860.

Yours faithfully

Anelle Lötter for Jones & Wagener

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