

## mineral resources

Department: Mineral Resources REPUBLIC OF SOUTH AFRICA

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From: Mineral Regulation

Enquiries: W Magwaca

The Directors KTB Mining (Pty) Ltd P.O.Box 3226 Kimberley 8300

2015/11/15-

08:35 an

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Email: paul@fga-geology.com

## Sir/Madam

APPLICATION FOR PROSPECTING RIGHT IN TERMS OF SECTION 16 OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT, 2002 AS AMENDED BY SECTION 12 OF ACT 49 OF 2008 AND ENVIRONMETAL AUTHORIZATION IN TERMS OF NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT 107 OF 1998) AS AMENDED: ON PORTIONS 1, 2, 3, 6, 8, AND 9 OF THE FARM VOETPADDRIFT NO. 128, THE REMAINING EXTEND, PORTIONS 1, REMAINDER OF PORTION 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 AND 13 OF THE FARM VOETPADS DRIFT WEST NO. 130, AND PORTIONS 1, 18, 31, 34, 52, 53, 54, 56, 58, 59, 60, 65, THE REMAINDER OF PORTION 91 AND 92 OF THE FARM DOORNS NO. 131, SITUATED WITH THE ADMINISTRATIVE DISTRICT OF KIMBERLEY.

 This is to inform you that your application for a prospecting right in terms of section 16 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) ("Act") as amended and the Environmental Authorization in line with NEMA Regulations for Diamonds (in Kimberlite, Alluvial and General) has been accepted.

- 2. In terms of section **12 (d)** of the Act, you are directed to comply with the following instructions:
  - a. Upload on to SAMRAD system and Submit the relevant environmental reports required in terms of chapter 5 read with Regulation 19(1) of the National Environment Management Act, 1998, on or before the 28<sup>th</sup> March 2016.
  - b. Notify and consult with the landowner, lawful occupier and any interested and affected party and include the result of the consultation in the environmental reports in line with Regulation 41(2) read with Section 24J of National Environment Management Act, 1998.
  - c. Lodge an application in terms of National Water Act, 1998 (Act 36 of 1998) with the Department of Water Affairs with immediate effect.
- 3. Be advised that the Minister may having regard to the type of mineral concerned and the extent of the proposed prospecting project, direct the applicant to give effect to the objects of the section 2(d) of the Act. In order to comply with section 2(d) read together with 17(4) you are thus directed to submit the following documents within 60 days from the date of this letter, i.e. on or before the **12<sup>th</sup> February 2016**.
  - a. Duly signed shareholders agreements with your empowerment partner in which provision <u>shall</u> be made for entrepreneurs, local community and employees,
  - b. Share certificates,
  - c. Details relating to the equity by the BEE shareholders,
  - d. Any other agreement relating to the BEE shareholding including the voting pool agreement where applicable,
  - e. Articles and memorandum of association of the company

4. Further note that the acceptance of your application does not grant you the right to commence with prospecting activities. It only signify that your application will be processed, evaluated and the Minister or his delegate will make a decision within 197 days from the lodgement of your application.

Yours faithfully

REGIONAL MANAGER: MINERAL REGULATION NORTHERN CAPE REGION DATE: 11 11 000