

Annexure A

DMR Prospecting Right Application Acceptance Letter

For the Sandham/Hartfell/Bullsrund Prospecting Right Application BAR&EMP Report
22/01/2016



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

Private Bag X 6050, Kimberley, 8300, 85 Phokamile Mabija Street, 1st Floor Permanent Building, Kimberley, 8301
Tel: 053 407 1713 Fax: 053 432 9671 Email: Boitumelo.Jackals@dmr.gov.za Ref: NC 30/5/1/10/11724 PR

From: Mineral Regulation Enquiries: B Jackals

Per Registered Mail

The Directors
Genet Manganese (Pty) Ltd
PO Box 13180
Leraatsfontein
Witbank
1038

Fax: 086 552 6500

Dear 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 ENVIRONMENTAL AUTHORIZATION IN TERMS OF NATIONAL ENVIRONMENTAL MANAGEMENT ACT, ACT 107 OF 1998 AS AMENDED: REMAINING EXTENT OF FARM SANDHAM NO. 171; REMAINING EXTENT AND PORTION 1 OF FARM HARTFELL NO. 172 AND REMAINING EXTENT, PORTIONS 1 AND 2 OF FARM BULLSRUN NO. 164, WITHIN THE ADMINISTRATIVE DISTRICT OF POSTMASBURG.

1. 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 **manganese ore, iron ore and copper** 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 (Basic Assessment Report) required in terms of chapter 5 read with Regulation 19(1) of the National Environment Management Act, 1998 on or before **26 February 2016**.

Applicant: Genet Manganese (Pty) Ltd

Ref: 11676PR

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 No 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 15 January 2016.

a. Duly signed shareholders agreements with your empowerment partner in which provision shall 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 167 days from the date of lodgement.

Yours faithfully

RFH
rot. mufusasa
REGIONAL MANAGER:
MINERAL REGULATION
NORTHERN CAPE REGION
DATE: 14/10/2015

Applicant: Genet Manganoes (Pty) Ltd

Ref: 11724PR