KANGALA EXTENSION PROJECT





PURPOSE OF THIS DOCUMENT:

- ➤ This Background
 Information Document
 (BID) provides you, as
 an Interested and
 Affected Party (I&AP),
 an overview of the
 proposed project.
- The BID invites you, as an I&AP, to participate in the required Public Participation Process.
- > The BID provides you, as an I&AP with an opportunity to contribute and participate in the formulation of the Scoping and Environmental Impact Assessment (EIA) Reports.
- The BID also provides you, as an I&AP an opportunity to provide the project team with your comments, concerns and objections to the proposed project.

BACKGROUND INFORMATION DOCUMENT

Project Introduction:

Universal Coal Development I (hereafter referred to as UCDI), has appointed Environmental Impact Management Services (Pty) Ltd (EIMS) as the Environmental Assessment Practitioner (EAP) to assist with compiling the necessary reports and undertaking the statutory consultation processes, in support of the proposed development of a new coal mining operation - hereafter referred to as the proposed Kangala Extension Project.

It is anticipated that several listed activities contained in the National Environmental Management Act (Act 107 of 1998) (NEMA), National Water Act (Act 36 of 1998) (NWA) and the National Environmental Management Waste Act (Act 59 of 2008) (NEMWA) will be triggered by the proposed Kangal Extension Project and these will be confirmed during the Authority pre-application meetings and Scoping Phase of this project.

Aim of the Background Information Document (BID):

The aim of the BID is to:

- Provide an overview of the Environmental Authorisation (EA)/ Water Use Licensing (WUL) Applications as well as the public participation processes which will be undertaken for the proposed Kangala Project which includes the development of a new coal mining operation as well as the proposed amendments to existing authorisations/licences/ and rights (if required);
- The EA Application process shall be undertaken in terms of the EIA Regulations, 2014 (GNR 982) promulgated under the National Environmental Management Act (Act 107 of 1998 – NEMA) as amended. A full EIA process will be followed which involves a Scoping phase which is the 'feasibility' and largely desk-top assessment stage of the project, followed by more detailed assessments in the Environmental Impact Report (EIR) phase;
- Allow I&APs the opportunity to obtain a broad understanding of the proposed project and to request or share information; and
- Provide details on how I&AP's can register their interest in and submit comments on, the project. It is important to note that only registered I&AP's will receive further communication regarding the project for the duration of the EIA process (i.e. invitation to review and comment on the Scoping and EIA Reports and associated appendices).

LOCATION, SCALE, AND EXTENT OF THE PROPOSED PROJECT:

The project footprint is in Victor Khanye Local Municipality, located within the Nkangala District Municipality, Mpumalanga Province. The project area covers portions 14, 15, 16, 18, 19, 20, 22, 23 and 24 of the Farm Strydpan 243 IR. The project area is situated approximately 7.5km south-east of the town Delmas and approximately 5km south-east of the town Eloff. Please refer to affected property map at the end of this BID (Figure 3).

PROJECT DESCRIPTION:

UCD1 wishes to develop a new opencast coal mining operation covering an extent of 251 hectares (ha), adjacent to the existing Universal Coal's Kangala Colliery on various portions of the Farm Strydpan 243 IR - herein referred to as the Kangala Extension Project. The proposed Kangala Extension Project is anticipated to use a standard truck and shovel mining method based on strip mining design and layout. The existing Coal Handling and Processing Plant (CHPP) at the Kangala Colliery will be utilised for the proposed Kangala Extension Project. It is expected that no new surface infrastructure such as offices, dams, stores facility, workshops, or change house will be required for the project.

The proposed project includes inter alia the following application processes with associated activities:

- New Environmental Authorisation (Scoping and Environmental Impact Report (S&EIR)) for:
 - Development of new opencast pit
- Section 102 Amendment
 - o Revised Mine Works Programme (MWP) to include new opencast pit; and
 - Revised consolidated Environmental Management Plan Report (EMPr) to include new opencast pit.
 - Revised Social and Labour Plan (SLP) to include new opencast pit;
- Water Use License
 - o Water Use License application for various water uses.

LISTED ACTIVITIES APPLICATION:

The proposed project must be authorized in terms of a number pieces of South African environmental legislation, namely:

- The Mineral and Petroleum Resources Development Act (MPRDA, Act No. 28 of 2002);
- The National Environmental Management Act (NEMA, Act No. 107 of 1998);
- The National Environmental Management Waste Act (NEMWA, Act No, 59 of 2008); and
- The National Water Act (NWA, Act No. 36 of 1998).

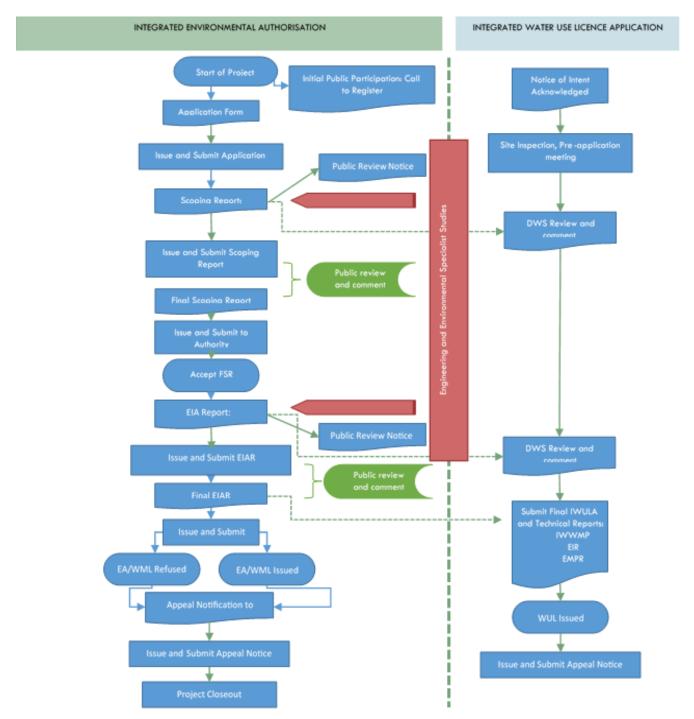
Where relevant, these pieces of core legislation stipulate the required studies, reports and legal processes to be conducted and the results thereof submitted to the relevant authorities for approval prior to commencement. It is anticipated that the following approvals will be required:

- Environmental Authorisation (EA) in terms of the 2014 NEMA EIA regulations (GNR 982, GNR 983, GNR 984 and/or GNR 985);
- Amendment to existing EMP (NEMA GNR 982, Chapter 5, Section 31 (Part 2 Amendment));
- Waste Management Licence (WML) in terms of the NEMWA (GNR 921, Category B11) (if required);
- Water Use License (WUL) in terms of the National Water Act (Act 36 of 1998)

The following listed activities, in accordance with the above pieces of legislation, are currently anticipated to be triggered by the proposed new opencast mining operation. The applicability of each of these listed activities (or the requirement for any additional listed activities) will be assessed during the initial Authority consultation process as well as during the scoping phase.

- NEMA GNR 983: Activities 9, 14, 19, 24, 27, 28, 31, 45, 46, 48, 56, 67.
- NEMA GNR 984: Activities 15, 17.
- NEMA GNR 985: Activity: 12.
- NEMWA GNR 921: B7, B10 and B11

INTEGRATED EIA PROCESS



TYPICAL IMPACTS ASSOCIATED WITH THESE ACTIVITIES:

Potential impacts resulting from the development of a new coal mining operation:

- Impacts on surface water resources;
- · Impacts on groundwater resources;
- Impacts on ecology (fauna and flora);
- Impacts on soil;

- Impacts on wetlands and aquatic ecology;
- Impacts on air quality and climate change;
- Impacts on heritage;
- Economic impacts; and
- · Visual impacts.

The above-mentioned impacts should not be construed as the only impacts that will be identified during the course of the EIA. Based on public consultation, specialist input and further detailed assessments, additional impacts will likely be identified and assessed.

All potential impacts will be identified and assessed following an impact assessment methodology guided by the requirements of the NEMA EIA Regulations (2014). The broad approach to the significance rating methodology is to determine the environmental risk (ER) by considering the consequence (C) of each impact (comprising Nature, Extent, Duration, Magnitude, and Reversibility) and relate this to the probability/likelihood (P) of the impact occurring. This determines the environmental risk. In addition, other factors including cumulative impacts, public concern, and potential for irreplaceable loss of resources, are used to determine a prioritisation factor (PF) which is applied to the ER to determine the overall significance (S).

Furthermore, based on the identified impacts and their ratings, mitigation and management measures are recommended for the applicant and these are included in an Environmental Management Programme (EMPr) towards ensuring that any negative impacts that cannot be avoided are minimised and managed in a manner that is not detrimental to the environment, and positive impacts maximised.

Specialist studies will be utilised to guide the assessment of the potential impacts, namely: groundwater, surface water, soils, biodiversity and aquatic ecology, noise, air quality and climate change, visual, heritage, economics and social impact assessments. Any additional specialist studies required by the Competent Authority will be undertaken if necessary and relevant existing specialist studies will be utilised to inform the study.

HOW TO GET INVOLVED:

Should you feel that you may be interested in or affected by this project, it is essential that you register as an Interested and Affected Party (I&AP) in which case you will be kept informed regarding the project and afforded an opportunity to participate in the process. Please note that only registered I&APs will be included in future correspondence regarding the project and associated updates.

You may register and/or comment as an I&AP in any of the following ways:

- 1. Complete the attached I&AP registration form and questionnaire and return it to EIMS via email, fax or post;
- 2. Via telephone call addressed to the contact person stipulated at the end of this document; and/or
- 3. Submit written comments in a format of your choosing to EIMS via email, fax or post.

It is important to note that the EIA process is guided by legally stipulated timeframes and as such, in order to ensure your continued and valuable involvement in the project, we request that your registration requests and any preliminary comments are submitted to EIMS (contact details provided below) by **no later than 10 September 2018**.

Please note that further to the above, all registered I&APs will also be notified in due course of the availability of the Scoping Report and Environmental Impact Report upon which comments will be solicited.

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