Environmental Impact Management Services (Pty) Ltd

Registration Number: 92/05927/07 Directors: A. Smith, L. Whitlow



2016-01-27

DMR Ref: GP 30/5/1/1/3/2/1 (10415) EM

(GP) 30/5/1/1/2 (10415) PR

EIMS Ref: 1048/BGW/bgw

Attention: Mr. James Stuart of New Modder Township (Pty) Ltd

NOTIFICATION REGARDING AN APPLICATION FOR A PROSPECTING RIGHT ON A PORTION OF PORTION 1 OF THE FARM MODDERFONTEIN 76 IR IN THE GAUTENG PROVINCE

On behalf of our client Atoll Metal Recovery (Pty) Ltd:

This letter serves as notification of an application for a prospecting right on a portion of Portion 1 of the farm Modderfontein 76 IR, of which New Modder Township (Pty) Ltd is the registered landowner.

Environmental Impact Management Services (Pty) Ltd (EIMS) has been appointed by Atoll Metal Recovery (Pty) Ltd (Atoll) (the applicant) to assist in preparing and submitting a Basic Assessment Report (BAR) and undertaking a Landowner and Public Consultation Process in support of the Prospecting Right Application. Notice is hereby given of an application for a Prospecting Right in terms of Section 16 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) (MPRDA) and an Application for Environmental Authorization in terms of Chapter 6 of GNR 982 promulgated under the National Environmental Management Act (Act 107 of 1998) (NEMA) to prospect for aggregate and dolomite over a portion of portion 1 of the farm Modderfontein 76IR which is located approximately 5 km east of Benoni and 5 km north of Brakpan, in Gauteng, South Africa.

A previous Prospecting Right Application was submitted by the Applicant under reference number GP 30/5/1/1/2/10382 PR. Following the results of the public consultation for that application, the size of the proposed prospecting area has been reduced and an amended application has now been submitted under reference number GP 30/5/1/1/3/2/1 (10415) EM.

A brief summary of the project is provided below. For more information, including a map of the application area, please refer to the attached Background Information Document (BID). The applicant has applied for a Prospecting Right that will enable them to ascertain if economically viable deposits of aggregate (Quartzite, conglomerate, diamictite, sandstone) and dolomite exist within areas applied for. The area has been disturbed by previous mining activities. No invasive prospecting activities will be required, only desktop evaluation of existing data. As such no significant environmental impacts are expected should the proposed prospecting be undertaken.

This notification is in accordance with Section 79 of the MPRDA and Chapter 6 of GNR 982 of the NEMA, which requests that the Applicant notify in writing and consult with the landowner or lawful occupier and any other affected party. In this regard, we would like to ask the landowner to please notify any property occupiers about the proposed development or send us the occupiers' contact

Page 1 of 2

REGIONAL OFFICE: 1st Floor, 44 Pearce Street, Berea, East London

PO Box 19731, Tecoma, 5214, South Africa

Tel: (043) 721 1485. Fax: (086) 571 9047

Environmental Impact Management Services (Pty) Ltd

Registration Number: 92/05927/07 Directors: A. Smith, L. Whitlow

details so that we may notify them and include them in the Public Participation Process for this project.

In order to ensure that you have the opportunity to comment on the proposed project we request that you complete the attached I&AP registration form and questionnaire and send it to EIMS at the contact details below. In order for us to adhere to the legal timeframes for the application process, we respectfully request that you ensure that your comments are submitted by no later than 11th February 2016.

Contact person: Zizo Siwendu E-mail: modderfontein@eims.co.za

Fax: 011 787 3059 Tel: 011 789 7170

Postal address: P.O. Box 2083; Pinegowrie; 2123

Reference no: 1048

Please feel free to contact the undersigned if you have any queries or concerns.

Sincerely, Zizo Siwendu.

REGIONAL OFFICE: 1st Floor, 44 Pearce Street,

ATOLL MODDERFONTEIN PROSPECTING RIGHT

Atoll Metal Recovery (Pty) Ltd

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 Basic Assessment Report (BAR).
- 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

DMR Reference Number: GP 30/5/1/1/3/2/1 (10415) EM (GP) 30/5/1/1/2 (10415) PR

Project Introduction:

Environmental Impact Management Services (Pty) Ltd (EIMS) has been appointed by Atoll Metal Recovery (Pty) Ltd (the applicant) to assist in preparing and submitting a Basic Assessment Report (BAR) and undertaking a Public Participation Process, in support of a Prospecting Right Application.

Aim of the Background Information Document (BID):

The aim of the BID is to:

- Provide an overview of the Environmental Authorisation Process which will be undertaken for the proposed Atoll Modderfontein Prospecting Right in terms of the Mineral and Petroleum Resources Development Act (MPRDA, Act 28 of 2002, as amended) and the National Environmental Management Act (NEMA, Act 107 of 1998).
- Allow I&AP's the opportunity to obtain a broad understanding of the proposed project as well as register and submit any initial comments or concerns with regard to the proposed project.
- Notify I&AP's of the compilation of a Basic Assessment Report (BAR) which will address all comment received and in turn will be submitted to the Relevant Authority for decision making.

LOCATION, SCALE, AND EXTENT OF THE PROPOSED PROJECT:

The proposed Atoll Modderfontein Prospecting Right area is located over a portion of portion 1 of the farm Modderfontein 76IR which is located approximately 5 km east of Benoni and 5 km north of Brakpan, in Gauteng, South Africa. The application area being applied for (or area of interest) is approximately 86.55 ha in extent. A locality map is included as Figure 1.

PROJECT DESCRIPTION:

The applicant has applied for a prospecting right that will enable them to ascertain if economically viable deposits of aggregate (Quartzite, conglomerate, diamictite, sandstone) and dolomite exist within areas applied for. The area is disturbed by previous mining activities. Due to the nature of data collection and the historical borehole datasets, no invasive sampling/drilling will be necessary. As such there will be no disturbance on the land as a result of the proposed prospecting right.

The application will follow a phased approach, where the prospecting work program is divided into several sequential phases. At the end of each phase there will be a brief period of compiling and evaluating results. The results will not only determine whether prospecting proceeds, but also the manner in which it will go forward. The applicant will only action the next phase of prospecting, once satisfied with the results obtained in the previous phases.

The project will therefore only include the following non-invasive activities:

Data Collection and Literature Survey

The proposed prospecting area is known to have detailed borehole drilling over the area. The literature survey will involve the gathering of existing information in the form of historical borehole information, cadastral maps, geological maps, and geophysical surveys. Furthermore, the information pertaining to previous exploration or mining will be consulted and integrated.

Data Capture, Database Development

The data collected during the first year will be collated and captured in a database for use in spatial mapping (GIS) and modelling of the geological resource.

Topographical/Geophysical Survey

Cadastral surveys of the surrounding areas will be obtained from the Surveyor General's Office, as a benchmark for locality reference. The topography of the prospecting Right Area will be surveyed to determine the original ground level (OGL), positions of historic prospecting; the locality of historic waste rock dumps and their dimensions will be determined

to obtain 3-dimensional points for accurate calculations. The surveys will include the positions of previously drilled borehole/test pits emanating from past exploration of the area.

Resource Modelling

A 3-dimensional geological model will be constructed from which the extent of the resources can be determined. This would reveal the volume of suitable aggregate, dolomite and topsoil within the area.

DURATION OF ACTIVITY:

The Atoll Modderfontein Prospecting Right is scheduled to take place over 5 years.

NEMA LISTED ACTIVITIES APPLICATION:

The listed activities applied for under the NEMA process in terms of Government Regulation (GNR) (983), are as follows:

Activities directly related to prospecting of a mineral resource, including the operation of that activity which
requires a prospecting right in terms of section 16 of the Mineral and Petroleum Resources Development Act,
2002 (Act No. 28 of 2002), including associated infrastructure, structures and earthworks.

TYPICAL IMPACTS ASSOICATED WITH THESE ACTIVITIES:

Due to the availability of historical geological data, only non-invasive prospecting techniques will be utilized. Site access will only be required for the topographical and geophysical surveys. Potential impacts that may occur as a result of the proposed prospecting activities are:

- Potential for deterioration and damage to existing roads or access tracks;
- Safety and security risks to landowners and lawful occupiers;
- · Interference with existing landuses; and
- Generation and disposal of waste.

The above potential impacts, although unlikely, have been identified as possibly occurring when the site is accessed to undertake topographical and geophysical surveys. Should such impacts occur, they would however be of very limited significance due to their non-invasive nature. The identified impacts shall however be assessed in detail during the compilation of the Basic Assessment Report (BAR) which shall also include appropriate avoidance and mitigation measures. The compilation of the BAR shall also take into account the results of consultation with I&AP's.

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&AP's will be included in future correspondence regarding the project and associated updates.

You may register as an I&AP in any of the following ways up until 11th February 2016:

- 1. Complete the attached I&AP registration form and questionnaire and return it to EIMS via email, fax or letter;
- 2. Via telephone call addressed to the contact person stipulated at the end of this document.

I&AP's are invited to submit any comments, queries or concerns regarding the project within the stipulated timeframes provided. Comments may be submitted by registered I&AP's 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 letter;
- 2. Submit written comments in a format of your choosing to EIMS via email, fax or letter;

It is important to note that these are legally stipulated timeframes and as such we request that you ensure that registration requests and comments are submitted to EIMS (contact details provided below) by no later than 11th February 2016, in order to ensure your continued and valuable involvement in the project.

Please note that all registered I&AP's will be also afforded an opportunity (a period of 30 days) to review the BAR once this document has been completed and to provide any additional comment, queries or concerns regarding the project at that time.

Environmental Impact Management Services (Pty) Ltd

Contact Person: Zizo Siwendu

Reference Number: 1048 Atoll Modderfontein Prospecting Right
Postal Address: P.O.Box 2083, Pinegowrie, 2123

Telephone: (011) 789 7170 / Fax: (011) 787 3059

E-mail: modderfontein@eims.co.za

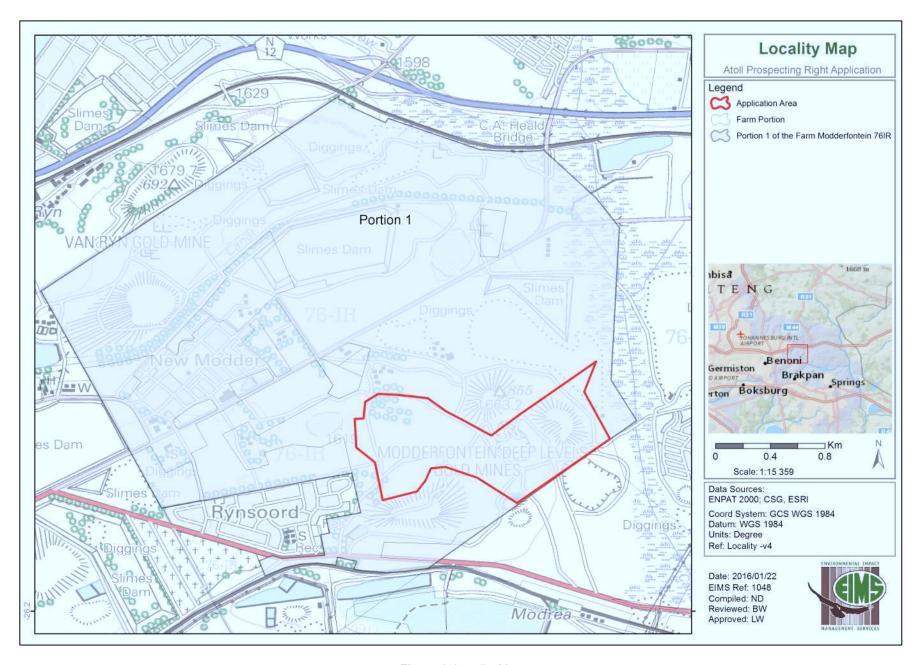


Figure 1: Locality Map

INTERESTED AND AFFECTED PARTIES REGISTRATION FORM

EIMS Ref #:	1048 Modderfon Prospecting Righ Application GP 30/5/1/1/3/2/	t	PLEASE COMPLETE AND RETURN TO: Environmental Impact Management Services (Pty) Ltd Attention: Zizo Siwendu	ENVIRONMENTAL IMPACT
DMR Ref #:	EM (GP) 30/5/1/1/2 (10415) PR	Fax: (011) 787-3059 Phone: (011) 789-7170 E-Mail: Modderfontein@eims.co.za Postal Address: P. O. Box 2083, Pinegowrie, 2123, South Africa	MANAGEMENT SERVICES
Project Title:	Modderfontein P	rospecting F	Right Application	
	input and particip	oation. Thi	ffected Parties (I&AP's) for the abo s form will be submitted to the con the decision making process.	
Title	Full name and sui		and doctors making process.	
Contact details	Tel (w)		Tel (h)	
	Fax		Cell	
	E-mail Postal Address			
	r ootar / taar ooo			
Organization and/o	or proporty dooorij	ntion (if		
landowner/ lawful of	or <u>property descri</u> occupier)	ption (II		
		osed project	t (you are welcome to add additional	pages if required):
			below. These responses will be ut	
Environment	al Impact Assessr	nent Proce	ss. Please submit additional pages required.	s if more space is
Are you a land own occupier within the area?				
Are you aware of a	anv			
communities which application area, p and possible conta	n exist within the rovide detail			
Are you ewere of s				
Are you aware of a authorities within, or	ana strib al			
the application are and possible conta	or affected by, a, provide detail			

Please can you provide us with a description of the receiving environment? (including land uses such as farming, grazing etc; vegetation; topographical features; Infrastructure; sensitive flora/fauna).					
Are you aware of any land developments (current or proposed) within the application area that may be relevant to the proposed prospecting operation?					
Are you aware of any cultural of heritage features within the application area and surrounds, please provide detail?					
Please describe any bio-physical and/or socio-economic impacts that you believe should be considered during the study?					
Do you have any specific concerns, comments or objections to the proposed project, if so could you please provide us with information?					
General Comments:					
EIMS respectfully requests that you please sign this letter and return it to EIMS at the details provided to confirm that you have received notification with regard to the above, and to ensure that your comments, concerns and various inputs are recorded. All comments, queries, and concerns must be received via this I&AP registration form and questionnaire or alternate means. Please note that only registered I&AP's will included in future correspondence regarding this EIA process.					
SignedDateDate					

List of REGISTERED LETTERS/ Lys van GEREGISTRI	EERDE BRIEWE
Full tracking and tracing/Volledige volg en spoor	测 标志 (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Name and address of sender/ Naam en adres van afsende	r: Environmental Impact Management Services (Pty) Ltd. 1048Zizo
Name and address of addresee/ Naam en adres van afsender	Affix Track and Trace customer copy/Plak Volf-Spoor kli ntafskrif
Mr James Stuart, Landowner, P. O. Box 302, Boksburg East, 1478	REGISTERED LETTER (with a dominate insurance option) RC 055 081 560 ZA A 800K COPY

******* *** FAX TX REPORT *** *******

TRANSMISSION OK

JOB NO. DEPT. ID 2491 1048

DESTINATION ADDRESS

0119143353

SUBADDRESS

DESTINATION ID

27/01 17:48

ST. TIME TX/RX TIME

05' 29

PGS. RESULT 8 OK

Environmental Impact Management Services (Pty) Ltd

Registration Number: 92/05927/07

Director: A. Smith, L. Whitlow

P.O. Box 2083, Pinegowrie 2123, South Africa Telephone: (011) 789-7170

E-mail: mail@eims.co.za

Block 5, 5 Hunter Avenue Ferndale, Randburg, South Africa

Facsimile: (011) 787-3059 Web: http://www.eims.co.za



FAX					
То:	New Modder Township (Pty) Ltd	From:	Zizo Siwendu		
Att:	James Stuart	Pages:	1 of 8		
Fax:	011 914 3353	Date:	27 January 2016		
Phone:		Ref:	1048		
Cc:		Fax:	011 787 3059		
Re:	NOTIFICATION REGARDING AN APPLICATION FOR A PROSPECTING RIGHT ON A PORTION OF PORTION 1 OF THE FARM MODDERFONTEIN 76 IR IN THE GAUTENG PROVINCE				

Dear Landowner,

Please find attached notification regarding an application for a Prospecting Right on a portion of portion 1 of the farm Modderfontein 76 IR, in the Gauteng Province.

Should you have any queries or concerns, please do not hesitate to contact EIMS.

Sincerely, Zizo Siwendu.

modderfontein@eims.co.za

From:

modderfontein@eims.co.za

Sent:

27 January 2016 03:13 PM

To:

'vandyk@absamail.co.za'

Cc: Subject: bradley@eims.co.za Notification regarding an application for a Prospecting Right on a portion of

portion 1 of the farm Modderfontein 76 IR in the Gauteng Province

Attachments:

1048_Landowner Initial Notification_16-01-26_Zizo.pdf

Tracking:

Recipient

Read

'vandyk@absamail.co.za'

Read: 2016/01/27 04:22 PM

bradley@eims.co.za

Dear Landowner,

Please find herewith attached notification regarding an application for a Prospecting Right on a portion of portion 1 of the farm Modderfontein 76 IR, in the Gauteng Province.

Should you have any queries or concerns, please do not hesitate to contact EIMS.

Sincerely, Zizo Siwendu.



Leaders in Environmental Management

Environmental Impact Management Services (Pty) Ltd. Block 5, Fernridge Office Park, 5 Hunter Road, Ferndale, Randburg, 2194 PO Box 2083, Pinegowrie, 2123

Tel: +27 11 789 7170

Fax: +27 11 787 3059

Email: modderfontein@eims.co.za