



RAKHOMA MINING RESOURCES (PTY) LTD

REG. NO 2005/012691/07

Van Eck Road
Ferrobank
eMalahleni
P.O.BOX 567 eMalahleni, 1035

**MINUTES OF THE MEETING WITH TRADITIONAL
LEADERS
HELD ON FRIDAY 11 MARCH 2016 AT 09:00 AM
BURGESFORT, KHUMULA LODGE**

**Rakhoma Mining Resources (Proprietary) Limited
Registration Number 2005/012691/07**

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Colin Tsvhase, Jacques Nell, Dr Martin van Wijngaarden (Netherlands), Mbokodo Mahalela

THE AGENDA

1. OPENING AND WELCOME
2. INTRODUCTIONS
3. PROJECT BACKGROUND
4. RESPONSE FROM THE CHIEFS
5. EIA PROCESS
7. WAY FORWARD
8. CLOSURE

OPENING AND WELCOME

Mrs Ngobeni M: Opened the meeting officially.

APOLOGISE

Ms Ngobeni conveyed an apology from Mr. CM Tshivhase.

INTRODUCTIONS

Participants introduced themselves. Three entities were represented, i.e Rakhoma, the Traditional Leaders and Naledzi Group (Environmental).

PROJECT BACKGROUND

Mrs. M. Ngobeni gave a detailed background on the project, by highlighting that when Rakhoma started the project they consulted with 2 traditional leaders within the area and later were later informed that there was a much larger group of 25 traditional leaders and communities that had to be included. The traditional leaders and community then organised themselves to form Leolo Community Forum which would represent inclusively the traditional leaders and the community.

Ms Ngobeni then highlighted the status of the Company's rights and applications with the DMR over Geluk 512KS, Geluk Oos 513KS, and Geluk Ironstone 847KS. It was further highlighted that the prospecting was done and a Mining Permit was approved in October 2014 and remains valid.

Ms Ngobeni explained that a meeting with the traditional leadership had been called as opposed to a meeting with the various community forums so as to re-align the consultation process which has been marred by the divisions within the community and the various forums.

It was noted that from the meeting held on the 18th October 2015, there were numerous issues that arose from both meetings with Lemico and Leolo namely:

- Funding to the forums be reinstated
- Renegotiate structure with the traditional leaders
- Benefits to community (workers at the mine)

These issues were taken back to the Company and the following must be noted. Firstly, although the Company is committed to funding the community any future funding will only be linked to mining activities taking place.

Secondly, it was necessary to ensure that the area was conducive for investment and that the security of equipment and mine personnel and the continuity of the project could be guaranteed by the stability and a unified community.

Further it was highlighted that it is necessary for the traditional leadership and the community to separate the consultation between the Company and the community and the consultation on environmental issues and the EIA process as a whole.

The Mining Right Application submitted by the Company was discussed and it was highlighted that the Company was in the EIA phase which required input from the community and that it was critical that the Community supports this process and allows it to take place.

DISCUSSIONS

Mrs Ngobeni stated that although Rakhoma has been issued a 2 years mining permit it was of critical importance that the traditional leadership and community supports the company in its Mining Right Application, to ensure continuity and long term sustainability of the project.

Kgoshi Ratau indicated that the majority of the traditional leaders present at the meeting are supportive of the project and want it to proceed. He stated that as a community they are willing protect the Company.

Kgoshi Mogashoa indicated that Rakhoma should come with its equipment and start working as the traditional leaders will ensure protection of all the equipment that the company brings to site.

Kgoshi Masha indicated that the Company should communicate the commencement date, as this project has been in the pipeline for over 3 years without progress. He highlighted that the traditional leaders are willing to assist in that regard. He further indicated that the community is starving and this project would help them.

Kgoshi Malekane indicated that the traditional leaders are now united and want the project to start as soon as possible and where necessary they will enforce the law if anyone interferes with the project or trespasses the site. He further highlighted that it is necessary that the Company visits Kgoshi Mogashoa and discuss the concerns that he has.

Kgoshi Seopela indicated that the traditional leaders would like to be informed of the developments on the project on a continuous basis, this would also assist to deal with any disgruntled members within the communities.

Ngobeni highlighted the following that firstly she was not in a position to report on the commencement and would require instructions from the Company. Further it was recommended that the traditional leadership confirm in writing their support for the project as this may become useful. She further indicated that the company will endeavour to meet with the traditional leaders that were not present at the meeting namely Kgoshi Mogashoa and Kgoshi Maphopha.

It was requested that the Company should make an effort to speed up the process as the community will lose faith in the traditional leadership as this mine has been spoken of for years. It was recommended that the Company should commence with the fencing followed by a sword turning event.

Ms Ngobeni highlighted that the issues raised will be taken back to the Company and feedback will be given

ENVIRONMENTAL IMPACT ASSESSMENT PROCESS

Naledzi Group (Environmental) was appointed to serve as independent environmental consultants and undertake the necessary environmental impact assessment studies for the project, on behalf of Rakhoma.

Mr. K.D. Musetsho gave background to the EIA processes, and highlighted the need for the process to be streamlined from the beginning. He pointed out that the company has not yet completed the EIA process due to the fact the specialists were chased from the site and that if the EIA process is not complete it hinders the mining project from commencing. He also indicated that at the moment he cannot mention what will be the consequences of the mining activities in the area since the studies are incomplete. He promised the traditional leaders that the next time the studies are conducted he will inform them prior. Mr. Musetsho also enquired about the necessity of a site visit before the submission of the application.

Kgoshi Senamela enquired about the consequences that will be caused by traffic during the project. Mr. Musetsho responded highlighting that this would be part of the specialist report on traffic and the specialist would consider the impacts and the various options available hence the need for an EIA process.

WAY FORWARD

After discussions, the following was agreed upon:

- (a) The Traditional Leadership confirmed their support for the Project and confirmed that they will either provide letter or stamps on the minutes confirming their support for the project and their support to the Mining Right Application.
- (b) The Traditional leadership supported that the EIA process continue and that community meetings be scheduled. It was resolved that the EAP will also prepare letters for the traditional leaders to sign as confirmation of their approval and support for this process. This will be followed by community consultation meeting that will take place within the community.
- (c) Petrol money for the traditional leaders that attended the meeting will be discussed with the Company and feedback will be provided.
- (d) The traditional leaders will be informed of the commencement date once this has been confirmed by the Company.

K.S. Senamela

KGOSI KGOLOKO S. SENAMELA
SENAMELA TRIBAL AUTHORITY
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[Handwritten signature]

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NJ Makua

**BAKWENA-BAFOKENG-BA MAKUA
TRADITIONAL COUNCIL**
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**KGOSHI M.J. MAKUA
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APPENDIX A: ATTENDANCE REGISTER

[Handwritten signature]
Malekane
Nkoane Morgan Malekane

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M.V. Maepa

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Makua m.p

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**Balokwa Ba Magolego
Tribal Authority**

 PO Box 250
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 Date
 18/03/2016

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Moses Masha

**MASHA NKOTWANE
TRADITIONAL COUNCIL
KGOSHIGADI M.G MASHA**
 18 MAR 2016
 P.O BOX 474 NGWAABE 1058
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Masha P.L.

BALOKWA BA MAGOLEGO MASHA
 P.L. MASHA
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**BATUBATSE BA MOHLOGOPELA
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 KGOSHI: TSHESANE
 DATE

[Handwritten signature]

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[Handwritten signature]
Kgosi Malomang
M.S.

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— Kgosi Moretsele
M.E

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DATE 18/03/2016

BA MORETSELE TRIBAL AUTHORITY
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— KGOSHI Moretsele M.E

8 | THE PROPOSED GELUK MINE PROJECT MEETING MINUTES

KGOSHI M.E RATAU *[Handwritten signature]*

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M M MASHA

PHALANE TRIBAL AUTHORITY
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Nkwtwane III
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Chief M. Masha
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Matgeru No. 2

DEPARTMENT OF CO-OPERATIVE GOVERNANCE,
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