

PUBLIC PARTICIPARION REPORT FOR THE PROPOSED PROSPECTING RIGHTS APPLICATION FOR COAL IN DUNHAUSER MAGISTRATE DISTRICT, KWAZULU NATAL PROVINCE

REF NO: KZN 30/5/1/1/2/ 10807 PR



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1. Project Information

The applicant, (**KE NYAKA BONA KA MAHLO**), intends to prospect for coal. **Ke Nyaka Bona Ka Mahlo trading** has lodged an application with DMR for a prospecting right on the following farm names:

Portion 1, 2, 3, 4, 8, 9 & Remaining Extent of ALLETTA 4350 GT, Portion 7 of MORGENSTOND 3347 GT, Portion 1 & Remaining Extent of MOUNTAIN TOP 8954 GT, Remaining Extent of ST CUTHBERTS 12444 GT.

An integrated application for an environmental authorisation and waste management licence was submitted to the DMR in respect of a prospecting right application in KZN province (DMR Ref: 30/5/1/1/2/ 10807 PR) accepted on 24 October 2018.

Before a coal mine can be planned and built, a number of tests and surveys must be conducted to ensure that the project is economically viable, technically feasible, and environmentally sound.

Ke Nyaka Bona ka Mahlo Trading appointed Basia Environmental Consultant (BEC) as the independent Environmental Assessment Practitioner (EAP) to facilitate the environmental authorisation process for its proposed coal prospecting project located in the magisterial district of Danhauser. BEC has undertaken site assessment and public participation process, together with associated stakeholders and landowner's engagement.

Anyone who is interested or affected by the proposed project has the right to participate and is encouraged to do so. Although the deadline for comments and registering was closed on the 2 December 2018. A detailed account of the process followed is elaborated in the following section and issues and/or concerns raised are documented and addressed where possible.

2. Description of the Receiving Environment and Regional Setting

The proposed area is along the R621 towards, and Dundee has a relatively small economic activity but is largely driven by the existing mining activities. It is a typical farmsteads and rural settlement characterized by subsistence farming, an array of livestock farming and economic activities in the form of small-medium scale businesses e.g. tuck shops, brickyards, fuel service station, etc. As a typical rural settlement a large number of the population is not employed. Residents of the area rely on the larger urban centres of Dundee, Dannhauser, and Newcastle for employment opportunities and higher order goods and services. Recently, the mining sector does provide employment, which is another contributing factor in terms of the economic development to the districts growth. This is because many mines are closing due to different number of reasons. Figure 1 shows the locality map of the proposed area.

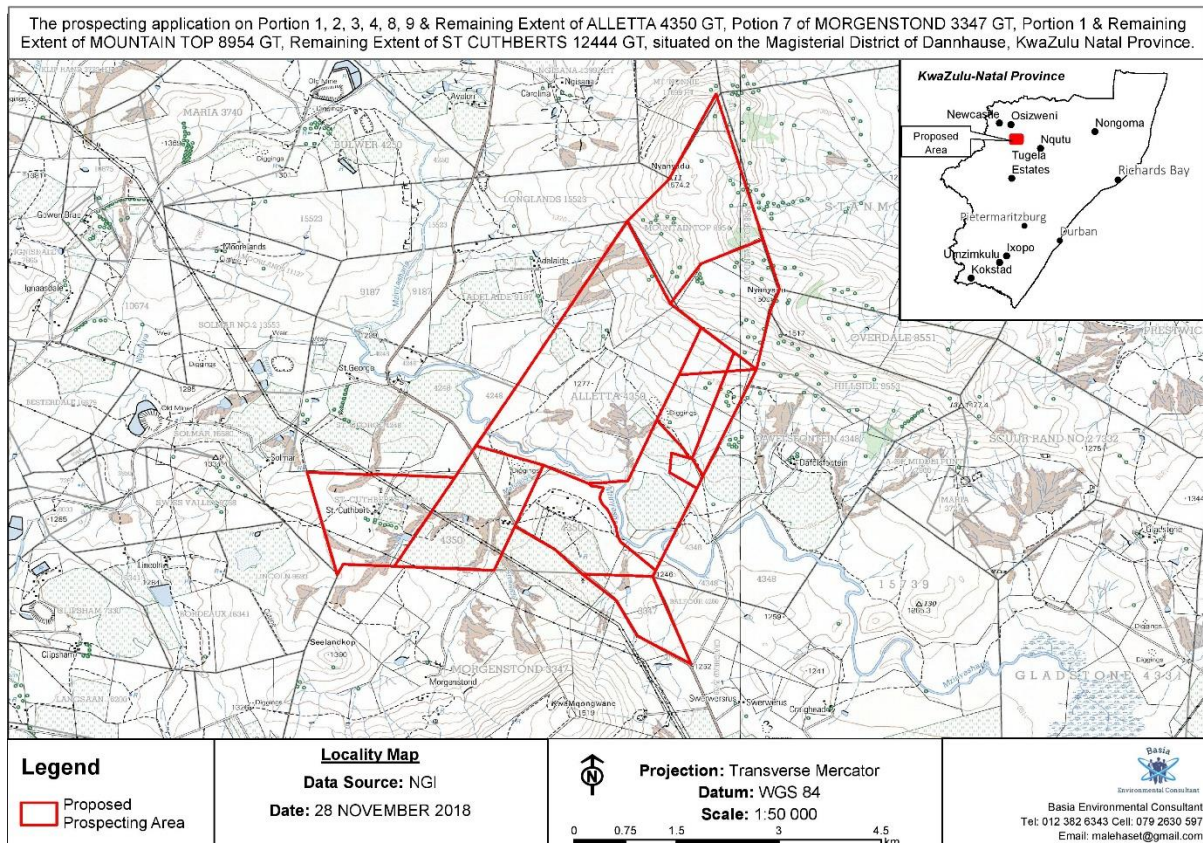


Figure 1 : Locality map of the proposed area in KwaZulu Natal

The larger portion of the proposed area is at Dannhauser Local Municipality which is located within the administrative boundaries of Amajuba District Municipality (ADM). It is the smallest municipality within the District Municipality and covers an area of approximately 1516 km². The smaller portion of the proposed area falls under Endumeni Local Municipality (see figure 2). The main towns are Dannhauser, Hattingspruit, Inverness, Kilegethe, Klipbank, Milford, Normandien, Nyanyadu, Rutland, Tendeka and Witteklip.

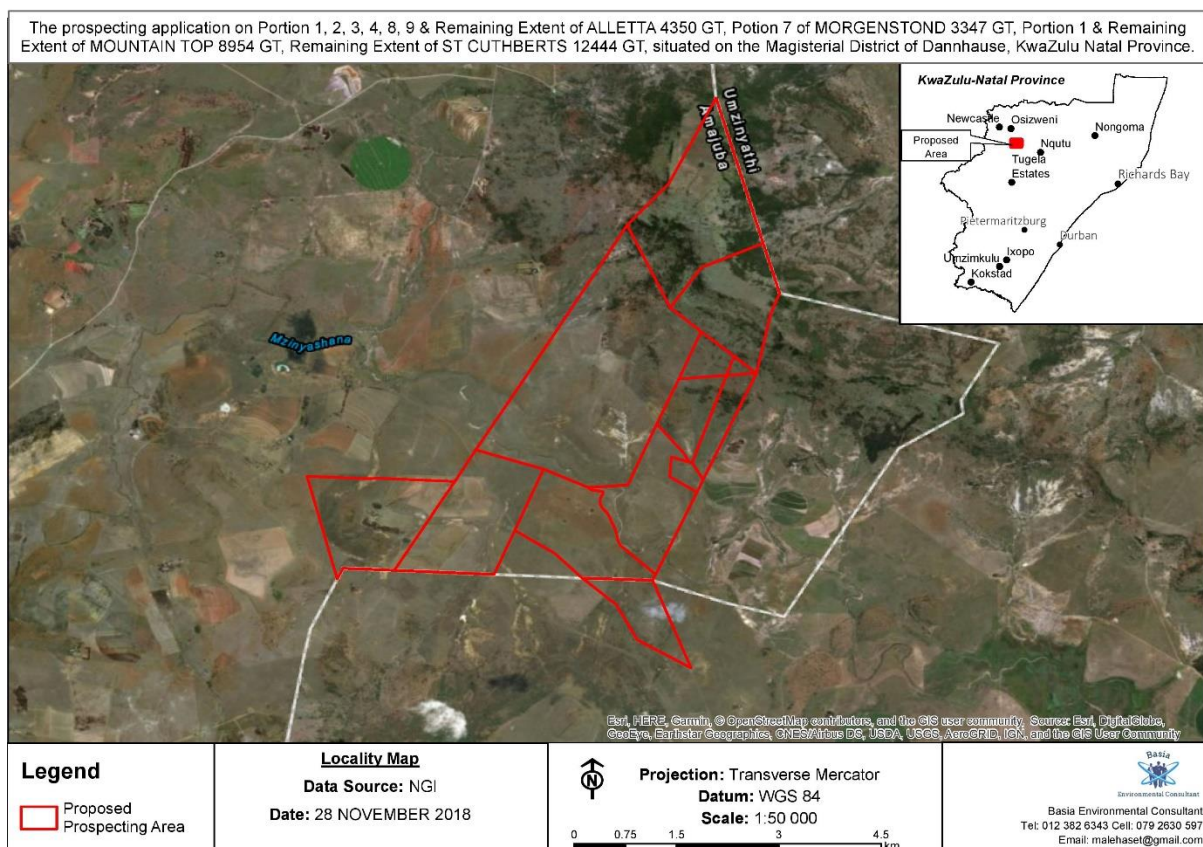


Figure 2. Locality map showing the boundary of UMzinyathi and Amajuba district municipalities

2.1 Surface water

The Thukela River rises in the Drakensberg mountains very close to the border with Lesotho and meanders through central KwaZulu-Natal and discharges into the Indian Ocean. Mzinyashane river falls within the Thukela Water Management Area (Quaternary catchment V320, see figure 3) at the Middle Buffalo River. Dundee, Sibongile, Hattingspruit and Washbankspruit towns are located at the Mzinyashane River catchment. Industries in the aforementioned town paces a greater demand on the water from the river, also adding an impact on it and its tributaries. Mzinyashane river passing through the proposed land for prospecting for coal. Other identified areas that add an impact on the river water resources includes Newcastle, Dundee, Estcourt, Ladysmith, and Mandini (SAPPI). There are also several coal mines located near the river catchment and its tributaries. The catchment has a large rural population of 171 000, with a relatively high population density of 43 per km².

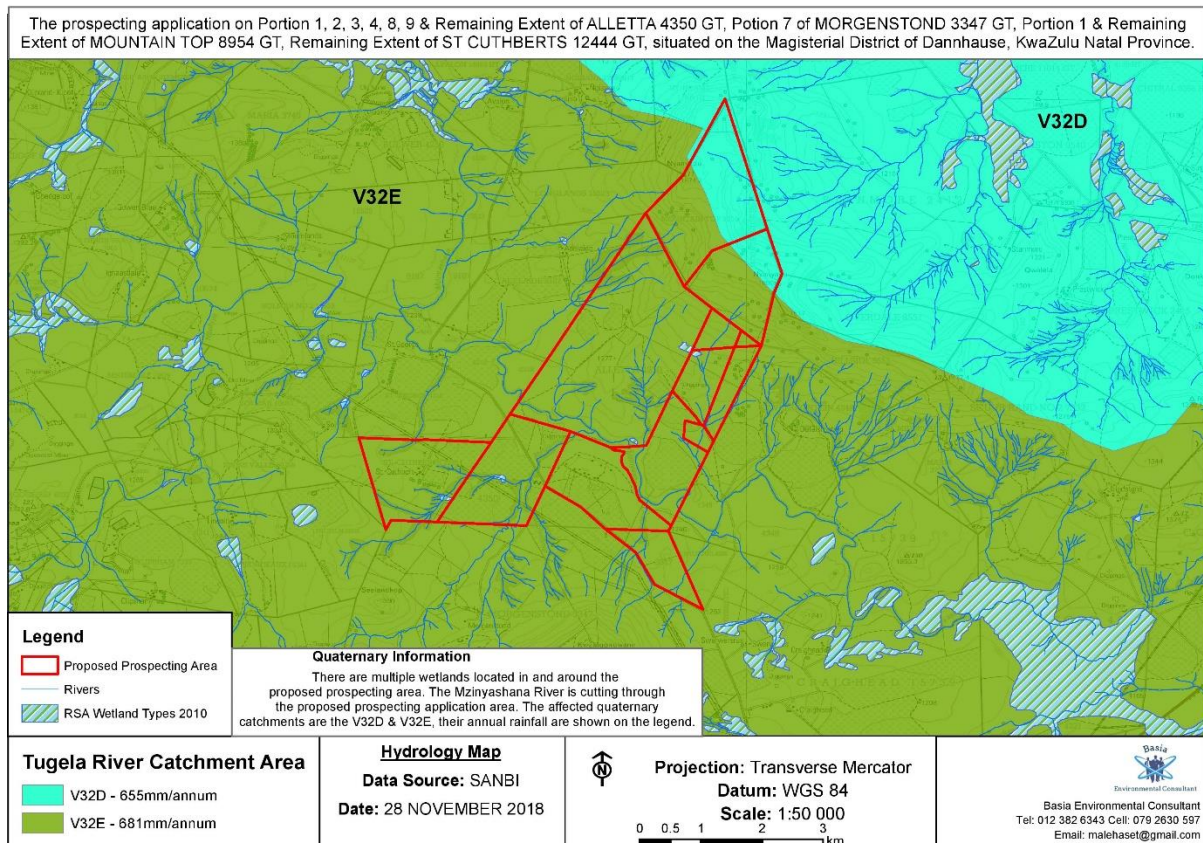


Figure 3: Hydrology map of the area

2.2. Climate

Dunhauser normally receives about 671mm of rain per year, with most rainfall occurring mainly during mid-summer. It receives the lowest rainfall (1mm) in June and the highest (133mm) in January. It receives the lowest rainfall (1mm) in June and the highest (133mm) in January. The monthly distribution of average daily maximum temperatures (centre chart below) shows that the average midday temperatures for Dannhauser range from 18.5°C in June to 26.2°C in January. The region is the coldest during July when the mercury drops to 2.1°C on average during the night. Consult the chart below (lower right) for an indication of the monthly variation of average minimum daily temperatures. The variation in the precipitation between the driest and wettest months is 78 mm. The variation in annual temperature is around 10.6 °C (see table below)

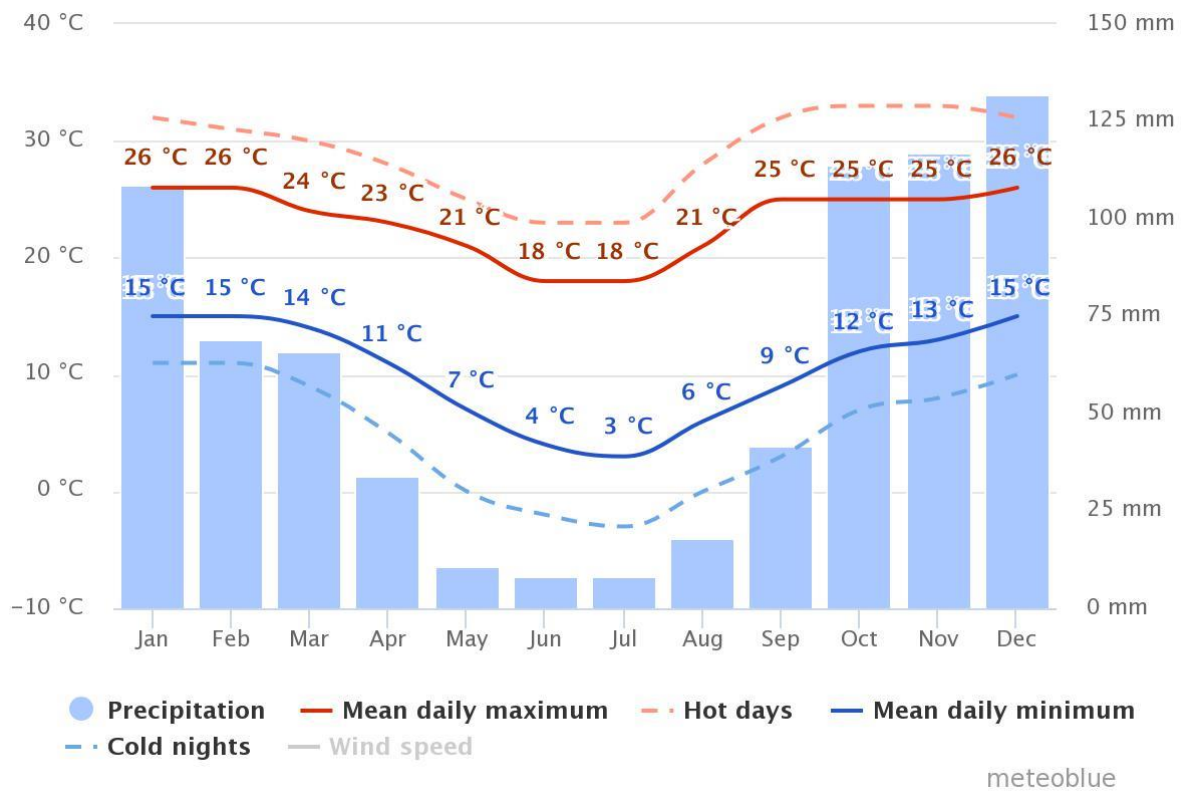


Table 1. Danhauser weather by month in 2018.

	January	February	March	April	May	June	July	August	September	October	November	December
Avg. Temperature (°C)	21	20.5	19	16.5	13.2	10.3	10.2	13.2	16.1	18.4	19.4	20.7
Min. Temperature (°C)	14.6	14.2	12.8	9.2	4.9	1.7	1.6	4.6	8	11.1	12.5	13.8
Max. Temperature (°C)	27.4	26.8	25.3	23.9	21.5	18.9	18.9	21.9	24.2	25.8	26.4	27.6
Avg. Temperature (°F)	69.8	68.9	66.2	61.7	55.8	50.5	50.4	55.8	61.0	65.1	66.9	69.3
Min. Temperature (°F)	58.3	57.6	55.0	48.6	40.8	35.1	34.9	40.3	46.4	52.0	54.5	56.8

	January	February	March	April	May	June	July	August	September	October	November	December
Max. Temperature (°F)	81.3	80.2	77.5	75.0	70.7	66.0	66.0	71.4	75.6	78.4	79.5	81.7
Precipitation / Rainfall (mm)	136	117	83	41	15	8	10	21	40	83	107	121

2.3. Geology

The site consists of a series of horizontally layered sedimentary units of the Vryheid formation located within the Ecca Group of the Karoo Supergroup. These sediments comprise successions of sandstones, shales, mudstones, carbonaceous shales and coal seams of the Permian Ecca Group, Karoo Supergroup. The Ecca Group overlies rocks of the Dwyka Group. The Vryheid Formation can be subdivided into a lower fluvial-dominated deltaic interval, a middle fluvial interval and an upper fluvial-dominated deltaic interval. These subdivisions correspond approximately to the “lower sandstones”, the “coal zone” and the “upper sandstones”. The sediments comprise coarse-grained to pebbly sandstones that transition into fine-grained sediments and coal seams. The coal seams originated as peat swamps developed on broad abandoned alluvial plains. The different lithofacies of the Vryheid Formation are mainly arranged in upward-coarsening cycles, which are deltaic in origin.

Table. Typical geological cross section

Depth from (m)	Depth to (m)	Target zone
0	3	Overburden
3	25	Shale
25	46	Sandstone
46	128	Ingogo dolerite sill
128	220	Sandstone intercalated with shale
220	221	Top Coal Seam
221	223	Sandstone and shale parting
223	224	Bottom Coal Seam
224	Not determined	Sandstone intercalated with shale

2.4. Topography

The area between the watershed and the escarpment edge is characterised by relatively flat to steep terrain, with slopes varying from 0.76 to 15.2 %. The steep escarpment is characterised by sparse grassveld vegetation, and a few shrubs and small trees. Runoff from this area is likely to be high due to the shallow soils, steep terrain, and thin vegetation cover.

2.5. Soil and land capacity

The soil agricultural potential of the area varies but may fall within six main ratings, ranging from high potential to very low potential land. However, the larger percentage of land, about 70% can be considered as moderate agricultural land, particularly with regards to crop production. Some portions are located on the steep, rocky slopes. The major soil types covering the proposed area are Loam Soil, Sandy Clay Loam, Silt Loam and Silty Clay soils. Most of the area comprises of Arenite and small portions are covered in Dolerite and Shale rocks.

The grasslands are mainly found within the commercial farms and these serve as the grazing areas for livestock farming. Subsistence agriculture mainly exists within the traditional council areas. The predominant land use categories in the area include settlements, commercial farmlands, conservation and mining.

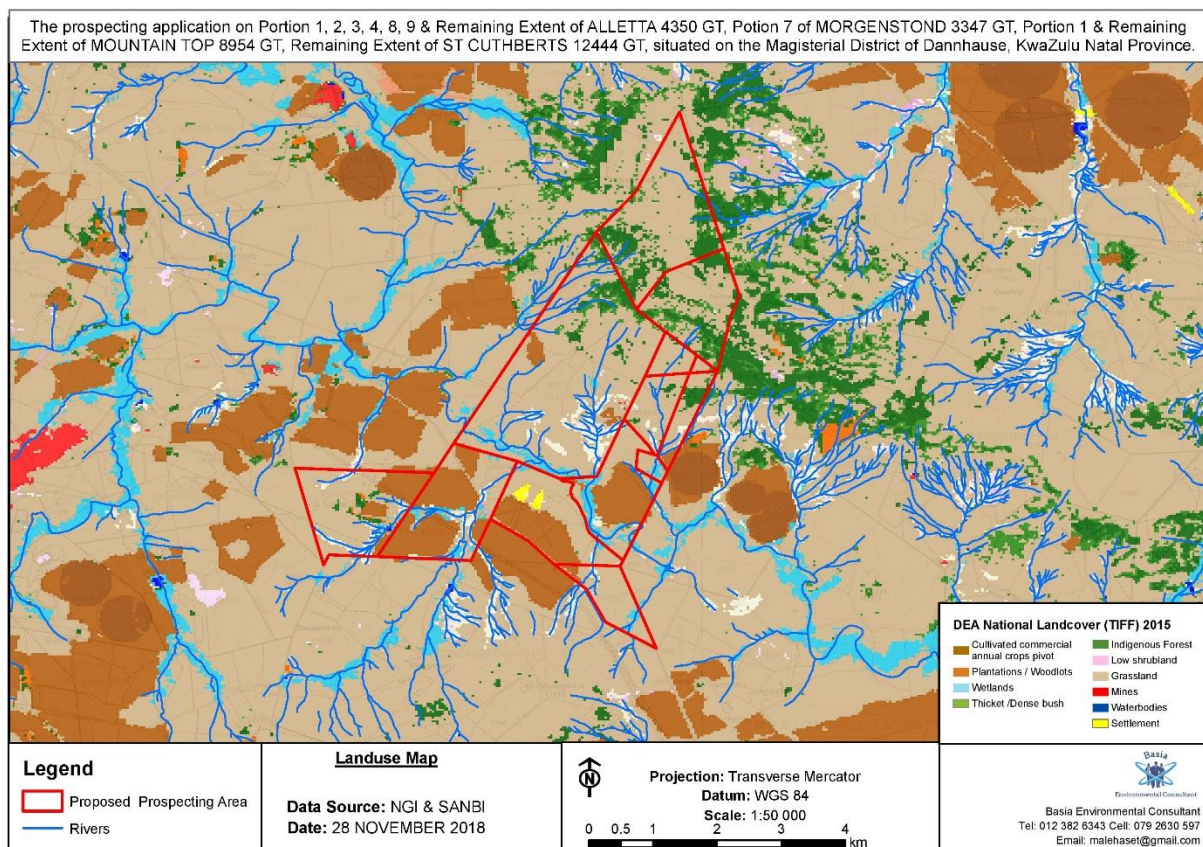


Figure 4: Land use map of the proposed area

2.6. Fauna and Flora Assessment

Two biomes traverse in the Grassland and Savannah biomes. The dominant biome is the Grassland biome which accounts for more than 99% of the total area. Vegetation types within the area varies significantly but is dominated mainly by five vegetation types. These include the Northern KwaZulu-

Natal Moist Grassland; KwaZulu-Natal Highland Thornville and the Low Escarpment Moist Grassland.
No species of concern are expected on site

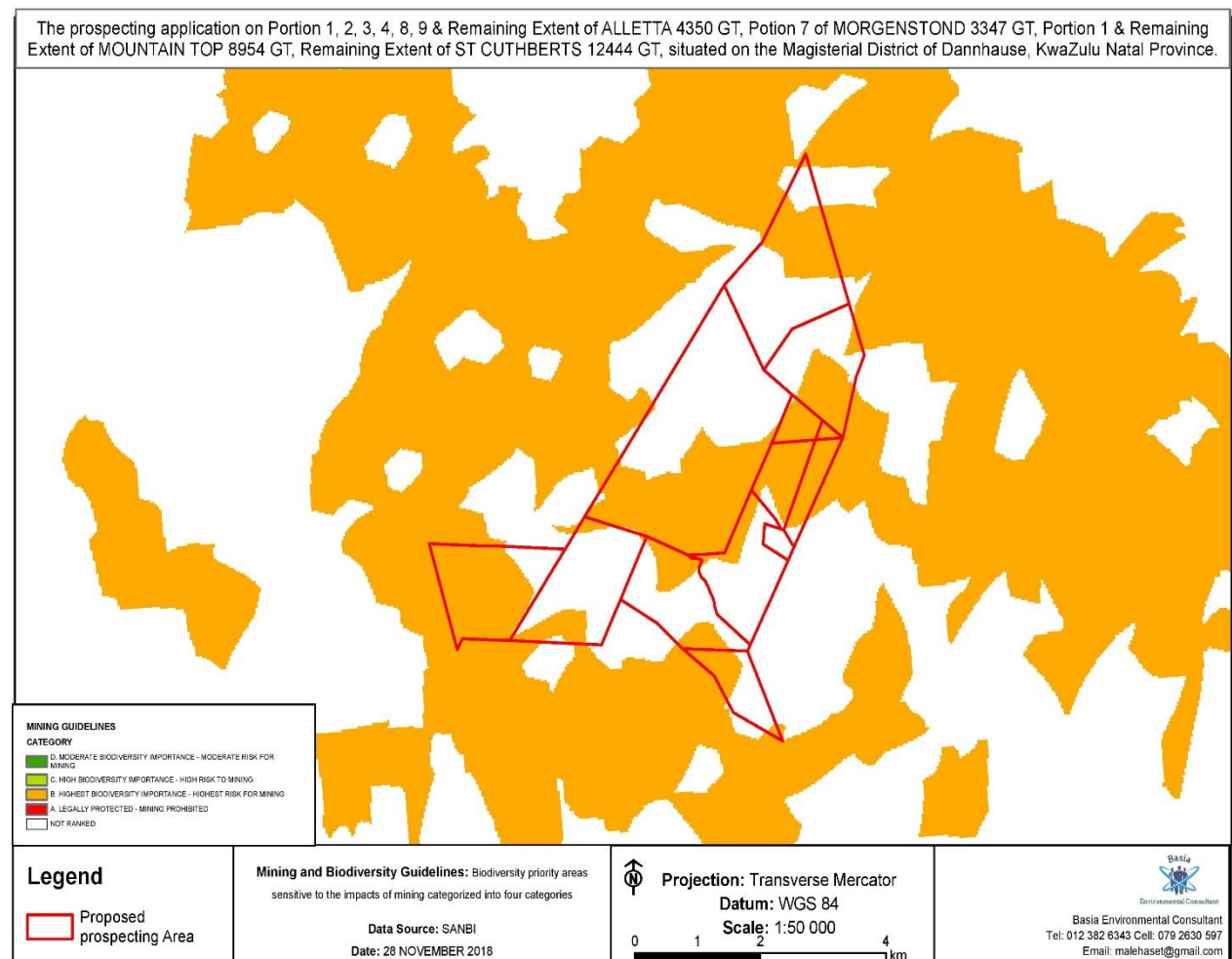
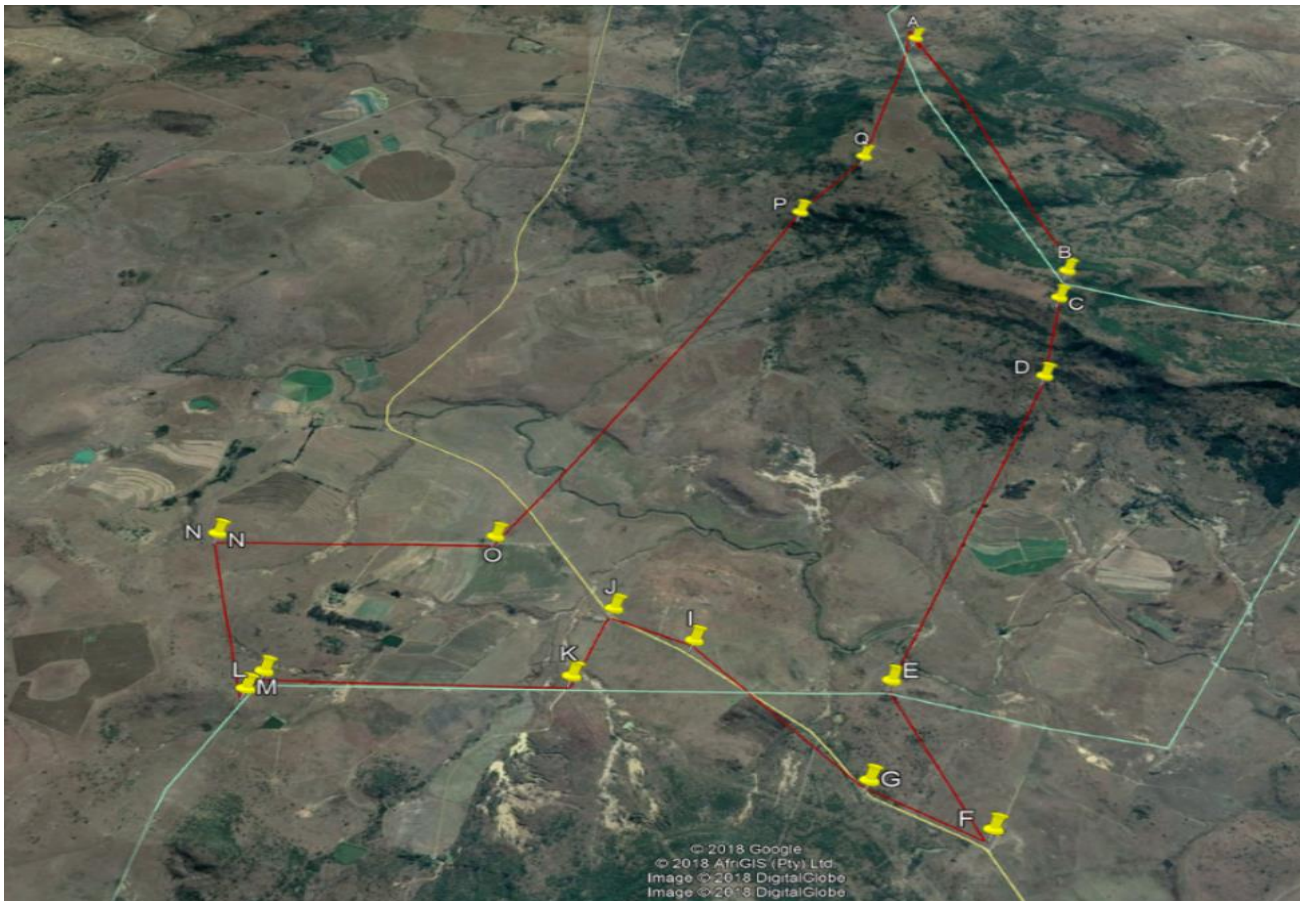


Figure 5: Vegetation sensitivity map

3. Baseline information and site assessment

3.1. Environmental and Socio-economic conditions

Show the satellite image of the area proposed for application. The proposed for prospecting is highlight by red polygon. The light green line (seen in figure 2) is the boundary of Dunhauser and Dundee which falls in different district Municipality, namely Amajuba and Unzinyathi district municipality.





The proposed land for prospecting is occupied by at least three farm owners, the farmers are mainly focused on livestock as compared to crop farming. Several domestic livestock such as ducks, sheep, goats, cattle and horses were mainly observed on the affected farm lands. Farm Alleta is the major affected farm because it extends over a large proportion of the proposed land. There are a few

building structures on the farm of which they are mainly used for dwellings and housing livestock and storage and horse stables.

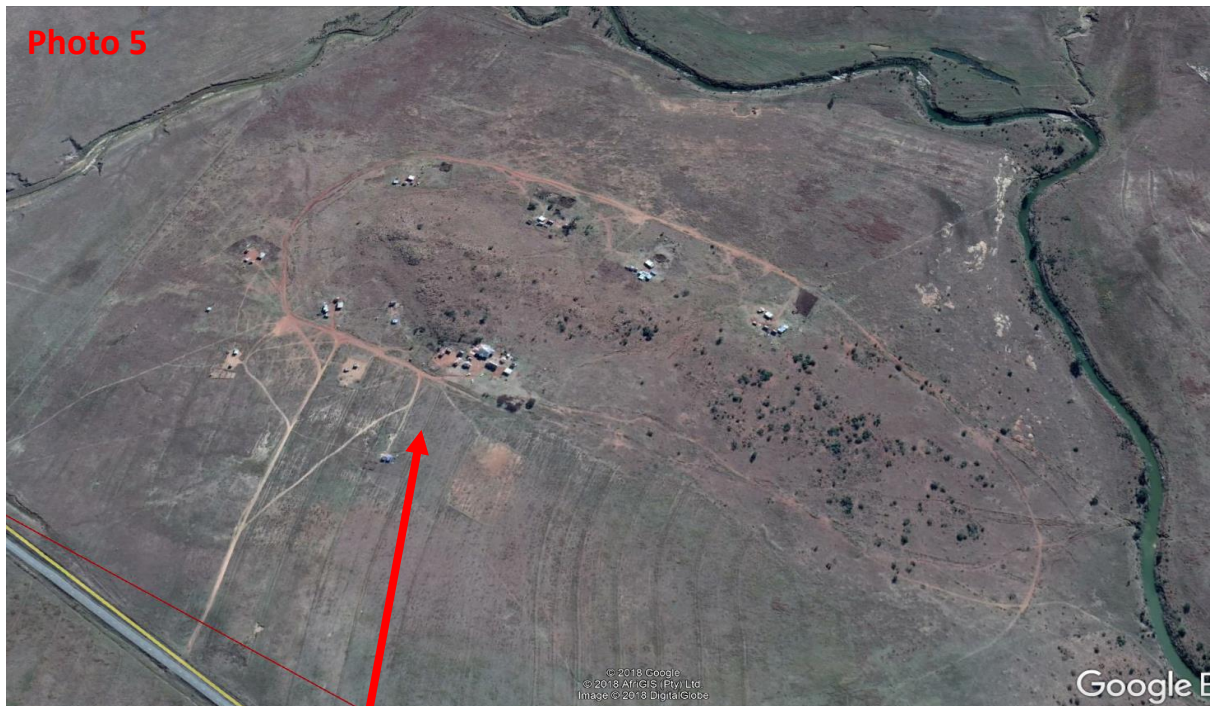
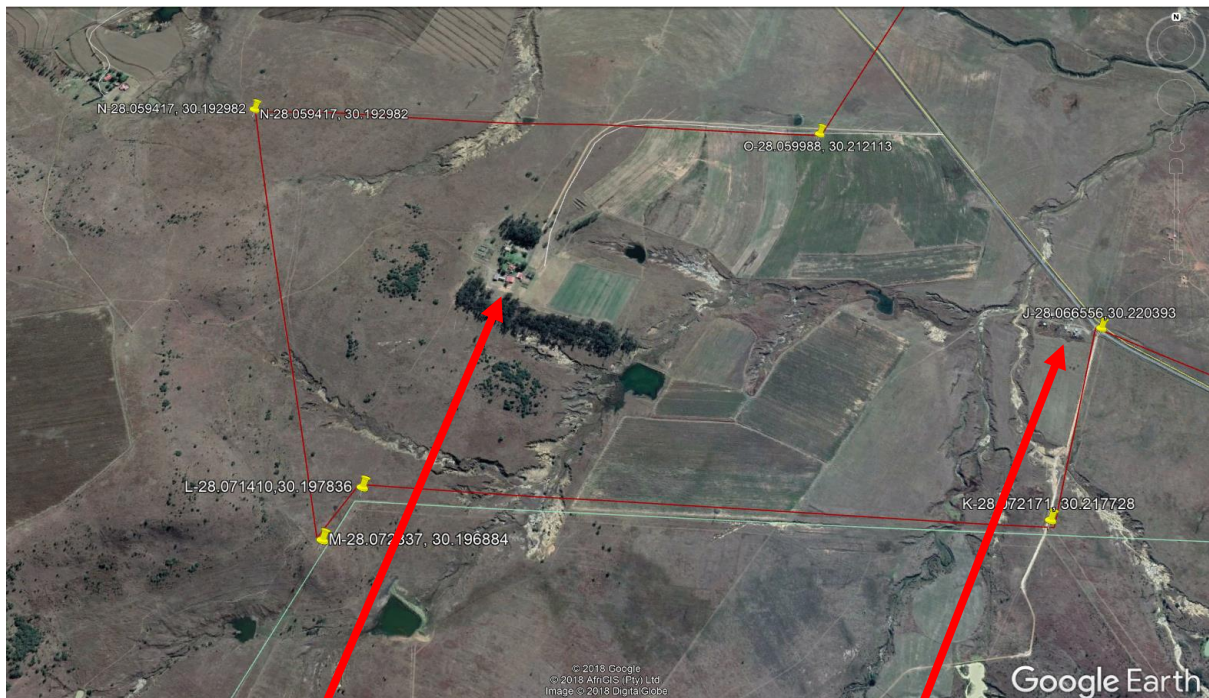


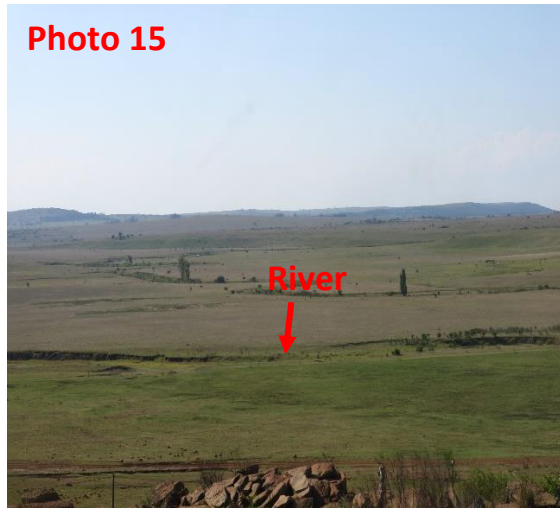
Photo .. An overview of the most clustered community in the vicinity of the proposed land. Other homestead at the Southern portion of Alleta farm. The community is constituted of about 11 houses in total. Most of the homestead are improperly built and they pose a risk to people who live in them. The homestead in photo 7 is located approximately 2.5 km North western direction from the clustered community.



The communities in the area depends mainly on wood and coal fire to cook and perform other domestic need that require energy. Electricity is available at the area. However, most residents do not afford to buy electricity and they have to travel over a long distance to buy it.



The other farm that is within the proposed land is St. Cuthberts which hosts two homestead that are used for dwelling, the remaining portions are used for livestock grazing. Also domestic livestock such as chickens, sheep, goats, cattle and horses were mainly observed on the affected farm lands.



As it can be seen in figure 1-2 the area is dissected by a meandering “perennial” river called Mzinyashane. Mzinyashane river falls within the Thukela Water Management Area (Quaternary catchment V320) at the Middle Buffalo River. Photo 1-1 show Mzinyashane river passing through Alletta farm, however the stream was dry during the site visit.





Photo 19-20 show the land scape, vegetation and grazing land at the Alleta farm facing south (photo 1) towards St. Cathberts farm. Photo 20 is showing the northern landscape facing the Mountain top farm. The vegetation in the area frequently burned on annual basis to enhance turnaround time for fresh grass growth and ability of livestock to graze. In addition, the vegetation is largely alien species that are common in many parts of the country.

4. Public participation process

Public participation process is primarily aimed at affording Stakeholders and Interested and Affected Parties (I&APs) the opportunity to gain an understanding of the project. In addition, the purpose of consultation with the landowner, affected parties and communities is to provide them with the necessary information about the proposed project so that they can make informed decisions as to whether and to which degree the project will affect them. In addition, the purpose of consultation with the Stakeholders and I&APs is to provide the competent authority with the necessary information in order for them to make informed decisions. The stakeholder and landowner's engagement process, as part of the Environmental Authorization process, is conducted in terms of NEMA (as amended) which provides clear guidelines for stakeholder engagement during an EIA. One of the general objectives of integrated environmental management set out in Section 23(2) of NEMA is to ensure the "adequate and appropriate opportunity for public participation in decisions that may affect the environment". Hence, BEC has taken a full responsibility for the compilation of the PPP report, Basic Assessment Report (BAR) and Environmental Management Programme (EMPr).

The objective of the Public Participation Process (PPP) is to meet all legal requirements, to ensure that where possible all Interested and Affected Parties (I&APs) are informed of the proposed project, comments and issues are captured and responded to, a database is compiled containing information of the I&APs and that registered I&APs are communicated with an on-going basis in an open an honest manner. Public Participation Process is conducted along the guidelines given in terms of Chapter 6 of the National Environmental Management Act, 107 of 1998 (amended) and the Environmental Impact Assessment Regulations of 2017. It forms an integral part of the EIA Process and is influenced by:

4.1. Process followed during PPP

The following processes were undertaken to facilitate the public participation for the prospecting rights application, the announcement of the proposed project commenced on 2nd December 2018 and the I&AP registration and comment submission were closed on the 2nd December 2018. However due to late newspaper advertisement the registration and comments will be open until 9 December 2018.

Newspaper advertisement

A newspaper advertisement was published in the Newcastle Advertiser on the 9 November 2018. requesting Interested and Affected Parties (I&APs) to register with, and submit their comments and concerns regarding the proposed project. A content of a newspaper advertisement is attached in Appendix 2.

4.2. Site Notices

Printed and laminated site notices were placed in conspicuous area around the proposed sites and villages in the vicinity. About 10 (A2) notices were placed. The site notices gave a brief description of the project and Interested and/or Affected Parties were invited to register on the database of the proposed project and to raise any issues concerning the proposed project, and to submit any comments or concerns about the project within 30 days. Copies of the site notices and photographic evidence of the site notices are attached as Appendix 3.

4.3. Identified I&APs

The list below shows the identified relevant stakeholders who were requested to register and comment on the proposed project. The BID and comment sheet were sent to relevant representing officers. Also see appendix 5 for more details and dialogues.

- Department of Cooperative Governance and Traditional Affairs (DCGTA)
- Department of Water and Sanitation
- Department of Agriculture and fisheries
- Department of environmental affairs
- Local and district municipality
- Traditional leaders (I guess DCGTA can provide lead contacts)
- South African Heritage and Resource Agency

The register and email communication is provided in appendix 5.

4.4. Hand-deliver notifications

House owners (within 100 meters of the proposed site), in the proximity and community member were directly approached and the EAP explained the proposed project while distributing the BID and requested the I&APs to comment on the project by filling the comment sheet (see appendix 4). The

BID gives a full description of the proposed project and invites the I&APs to register on the database and raise concerns or comments (see appendix 1).

4.5. Comments and Response Report

Issues, comments and/or suggestions submitted by I&APs by e-mail, fax, post or telephonically are captured in the Comment and Response Report.

Company/person	Contacts	Comment
Buffalo coal Frank Talbot	frank.talbot@buffalocoal.co.za Mobile: (+27)836548528 Fax:- (+27)34 212 123	The concern that the proposes area is where Buffalo coal have mining permits. Action: After an intensive desktop study and overlaying of maps, it was established that the sites only share a boundary with buffalo coal sites. Frank further assisted us with information of historic mining activities in the area.
Buffalo coal Dineo Nyambose	Phone: 034 212 1455 Fax: 034 212 1232 Email: dineo.nyambose@buffalocoal.co.za	Requested to be added as an I&AP Action: Registered
KZN EDTEA	Poovie.moodley@kznedtea.gov.za	Requested that the Newcastle EDTEA be informed also. Action: EDTEA Newcastle office was noticed.
Community and ward councillor	See appendix 7	No objections on the proposed project. Issues such as employment opportunities and poverty eradication were being raised. The community is off great hope that the mine can bring change to their socio-economic condition.

5. Public Meetings

The purpose of the public meeting is to inform I&APs of the proposed development, discuss any issues or concerns they may have, obtain their inputs and comments and allow them an opportunity to register to participate in the process. However, the meeting deemed unnecessary since there were no major issues raised and the residents of I&APs are scattered over a long distance. The majority of the houses were physically approached together with the ward counselors and farm owners.

6. Land owners consent

A consent form together with BID and comment sheet were distributed to affected farm owners. Furthermore, communication through emails and telephone was established.

Only one land owner has responded with a consent letter. Others have promised to send them, but we haven't received them. A follow up is continuously undertaken. The other farm is still under land reclaim process and the owner promised that as soon as the process is done, he will grant us a permission.

7. Correspondence with I&APs

Correspondence with I&APs will be maintained on an ongoing basis throughout the process and any comments, concerns or issues captured will be attached in the Comments and Response Report.

8. Way Forward

All registered I&APs will be informed about a way forward and the public participation report will be incorporated on the final Basic Assessment report.

Follow up and further engagement with land owners will be conducted.

A Basic Assessment Report and Environmental Management Plan must commence.