

APPENDIX 8: MOTIVATION

Other matters required in terms of Sections 24(4)(a) and (b) of the Act:

(The EAP managing the application must provide the Competent Authority with details, written proof of an investigation as required by Section 24(4)(b)(i) of the Act and motivation if no reasonable or feasible alternatives, as contemplated in sub-regulation 22(2)(h), exist. The EAP must attach such motivation as Appendix.)

(i) Details of all alternatives considered:

With reference to the site plan provided as Appendix 4 and the location of the individual activities on site, provide details of the alternatives considered with respect to:

(a) The property on which or location where it is proposed to undertake the activity:

The registered description of the land to which the prospecting right application relates:

<u>Farm Name</u>	<u>Title Deed</u>	<u>In Extent</u>
A portion of Portion 16 of the Farm T'Keikams Poort 71	T17620/2004	5 251.6159 Ha

Alternatives considered:-

Tsebepix has considered the following alternatives:

- The Geological formation that supports the possibility that the minerals applied for could be found within the area.
- The availability of farms within the area that is not already occupied by existing prospecting or mining rights.
- The availability of infrastructure, such as a road network, in the immediate surrounding area, which could be utilized to allow easy access to the site.

Taking the above into consideration, Tsebepix opted to apply for a portion of the property as above.

(b) The type of activity to be undertaken:

Prospecting activities for Copper, Zinc, Lead, Gold, Silver, Diamond General, Sulphur, Pyrite, Molybdenum, Iron, Niobium, Phosphate, Salt, Rare Earths, Zirconium, Nickel Ore and Platinum Group Metals are to take place in the form of percussion drilling and core drilling.

Alternatives considered:-

The only alternative land use is livestock farming; however the applicant's main economic activity is prospecting / mining and for this reason does not favour any other alternative land use.

(c) The design or layout of the activity:

Infrastructure: No offices and storerooms will be established at the site as Tsebepix shall make use of facilities in the town of Prieska.

Invasive prospecting: The proposed locality of the boreholes was placed on a 200m x 200m grid in three centralized areas.

Alternatives considered:-

Infrastructure: The only alternative considered was the establishment of offices and storerooms on the farm under application. As Tsebepix aims to minimize its impact on the natural environment as much as possible this option was decided against.

Invasive prospecting: The drilling of boreholes over the entire property was considered, but taking into account that Tsebepix aims to minimize its impact on the natural environment as much as possible this option was decided against.

(d) The technology to be used in the activity:

A percussion drill rig will be used during phase 4 of the prospecting activities and a core drill rig during phases 6 and 8 of the prospecting activities.

Alternatives considered:-

There are no alternatives to these types of drill rigs that will ensure high quality samples for analysis.

(e) The operational aspects of the activity:

Tsebepix aims to minimize its impact on the natural environment as much as possible and as such has opted to only use drilling as an invasive prospecting method.

Alternatives considered:-

Tsebepix considered conducting bulk sampling as part of its prospecting activities. To ensure the prospecting activities are cost effective, Tsebepix opted to only conduct drilling activities during its initial prospecting period.

(f) The option of not implementing the activity:

Five measures of economic impacts can be used to demonstrate the potential effect of the proposed prospecting operation on the local economy:

- Employment - The extent of employment can be measured as number of jobs or in terms of full time equivalents.
- Payroll income - The gross remuneration of employees in terms of salaries and wages.
- Capital Expenditure (CAPEX) - The total amount spent on the purchasing of fixed assets and total spent on construction.
- Operating expenditure and maintenance (OPEX) - The total amount spent locally by businesses on goods and services, excluding salaries and wages as well as rents or interest.
- Revenue - The total value of sales arising from business activity at the prospecting operation.

The abovementioned positive impacts will be lost if the proposed prospecting project is not developed.