

# Background Information Document (BID)

Background Information Document for Prospecting Right Application by Chipo Holdings (Pty) Ltd in respect of Coal on All Portions of the farm Nooitgedacht 208 JS, situated in the Magisterial District of Steve Tshwete in Mpumalanga Province.

DMRE REF: MP 30/5/1/1/2/17896 PR



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## 1. PROJECT BACKGROUND

On all portions of the farm Nooitgedacht 208 JS in the Magisterial District of Steve Tshwete in the Province of Mpumalanga, Chipo Holdings (Pty) Ltd proposes to conduct coal prospecting activities. The proposed prospecting activities were considered to be listed activities under the 2017 Environmental Impact Assessment (EIA) Regulations of 2017, which were published in accordance with the National Environmental Management Act (NEMA), No. 107 of 1998. An independent Environmental Assessment Practitioner must therefore carry out the EIA process (EAP). In accordance with the EIA Regulations of 2017, Chipo Holdings (Pty) Ltd has appointed Singo Consulting (Pty) Ltd, an independent consulting company, to carry out the environmental impact assessment (EIA) process and assess any potential effects of the proposed project.

## 2. PROJECT LOCATION

The proposed prospecting activities will be undertaken in all portions of the farm Nooitgedacht 208 JS within the Magisterial District of Steve Tshwete in Mpumalanga Province. The proposed site is located approximately 13.24 km East of Stofberg and 32.54 km North East of Roossenekal. Refer to figure 1 below.

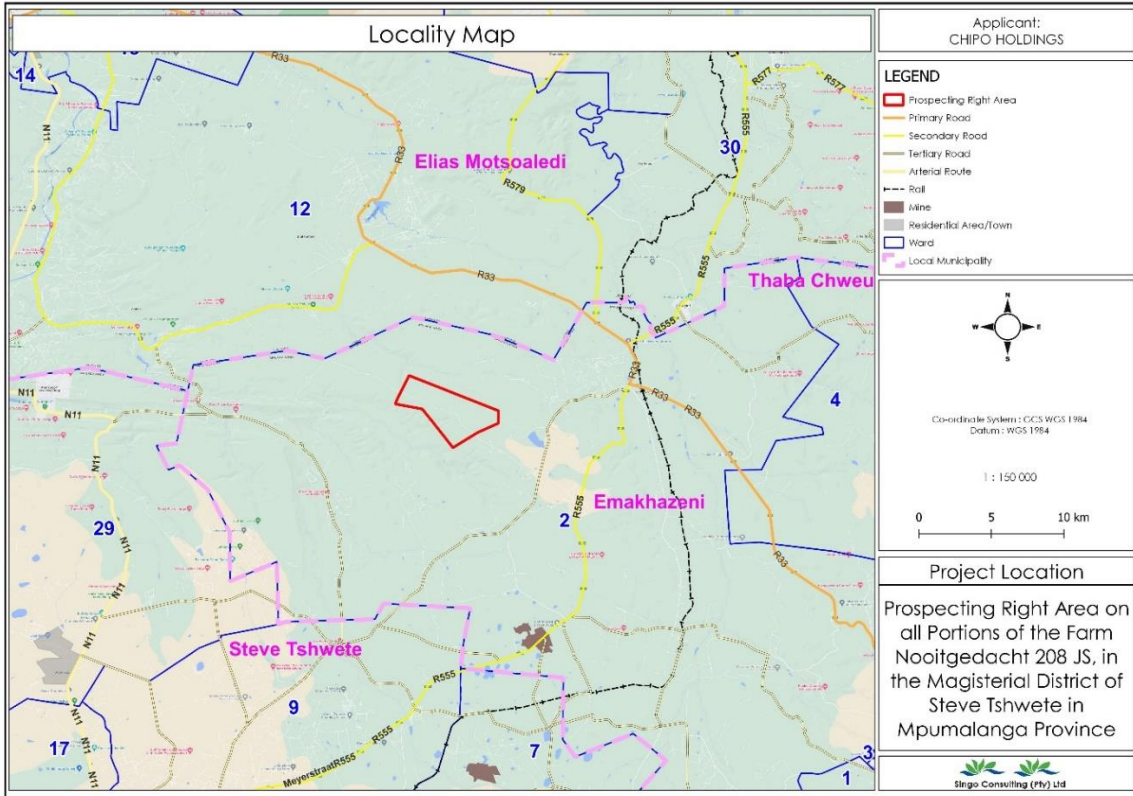


Figure 1:Locality Map

### 3. DESCRIPTIONS OF THE PROPOSED ACTIVITIES

Prospecting is the process of looking for signs that point to the presence of mining reserves below the surface. Usually, coal seams are searched to see if they can be mined profitably. Utilizing non-invasive methods such as maps, historical data, geophysics, ground truthing, and geochemistry, it is possible to increase the confidence in a coal deposit.

The siting for drilling can be done after the local geology is established. Diamond-tipped, hollow drill "bits" that create various amounts of "core" depending on the extent of the drill program are used while drilling with reasonably large machines. Because they can cut through even the hardest of rocks, diamond-tipped bits are utilized. The resulting core is cylindrical and often only measures a few inches in diameter. Each meter of core is labelled with the depth it came from and the hole it came from, if there were multiple drill holes, and the specifics of each drill hole, including direction and depth, are meticulously noted.

Following the acquisition of the core, samples are sent to a lab facility to be "assessed," which is essentially an evaluation of the ore body's physical and chemical characteristics in the rock. The records of where the assayed drill core was taken from and this assaying data are used to reinterpret the data and define the phases of follow-up drilling. By assessing the size and grade of the "strike" and "dip," various drilling techniques are utilized to increase confidence in the deposit if drilling continues.

The goal is to create a 3D resource model that depicts the location and structure of the coal seams underneath. All of this data is utilized to create a "official resource estimate," a non-biased report that must be created by a "Qualified Person" (QP). The "Official Resource Estimate" will list the types of coal resources (measured, indicated, and inferred), along with their quantities and grades.

Prospecting activities will be undertaken in different phases of which each is dependent on the preceding phase. Each phase will provide information that will determine whether the prospecting activities should be continued or abolished. The prospecting phases are as follows:

Phase 1: Literature Review and Field Mapping;

Phase 2: Geophysical Survey;

Phase 3: Discovery Drilling and Sampling;

Phase 4: Sample analysis/ Assaying;

Phase 5: Preliminary economic assessment;

Phase 6: Resource drilling and sampling;

Phase 7: Pre-feasibility study.

Other activities associated with the proposed prospecting:

- ✓ Site Access
- ✓ Access roads
- ✓ Drill station establishment
- ✓ Core Drilling
- ✓ Project scheduling

#### 4. THE EIA PROCESS

The proposed ore prospecting activities have triggered activities listed in Listing Notice 1 (GNR 327, amended as GNR 517) of the EIA Regulations and therefore require a Basic Assessment Process to be undertaken

##### 4.1 LISTED ACTIVITIES

NAME OF ACTIVITY	Aerial extent of the Activity Ha or m <sup>2</sup>	LISTED ACTIVITY	APPLICABLE LISTING NOTICE	WASTE MANAGEMENT AUTHORISATION  (Mark with an X)
<p>Any 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).</p> <p>Establishment of prospecting site camps comprising of the:</p> <ul style="list-style-type: none"> <li>- drill site with sumps</li> <li>- parking for the drill rig,</li> <li>- parking for vehicles,</li> <li>- equipment storage,</li> <li>- geologist logging area,</li> <li>- water storage,</li> <li>- waste bins and</li> <li>- portable toilets.</li> </ul>	<p>Extent of application area: 1 781.46 Hectares</p>	<p>Activity 20</p>	<p>GNR 517 Listing Notice 1 (June 2021)</p>	<p>N/A</p>

## 4.2 THE PROJECT'S EIA PROCESS

As discussed above the proposed prospecting activities have triggered activity in Listing Notice 1 (GNR 327, amended as GNR 517) and therefore a Basic Assessment process must be undertaken. Refer to figure 2 for Basic Assessment.

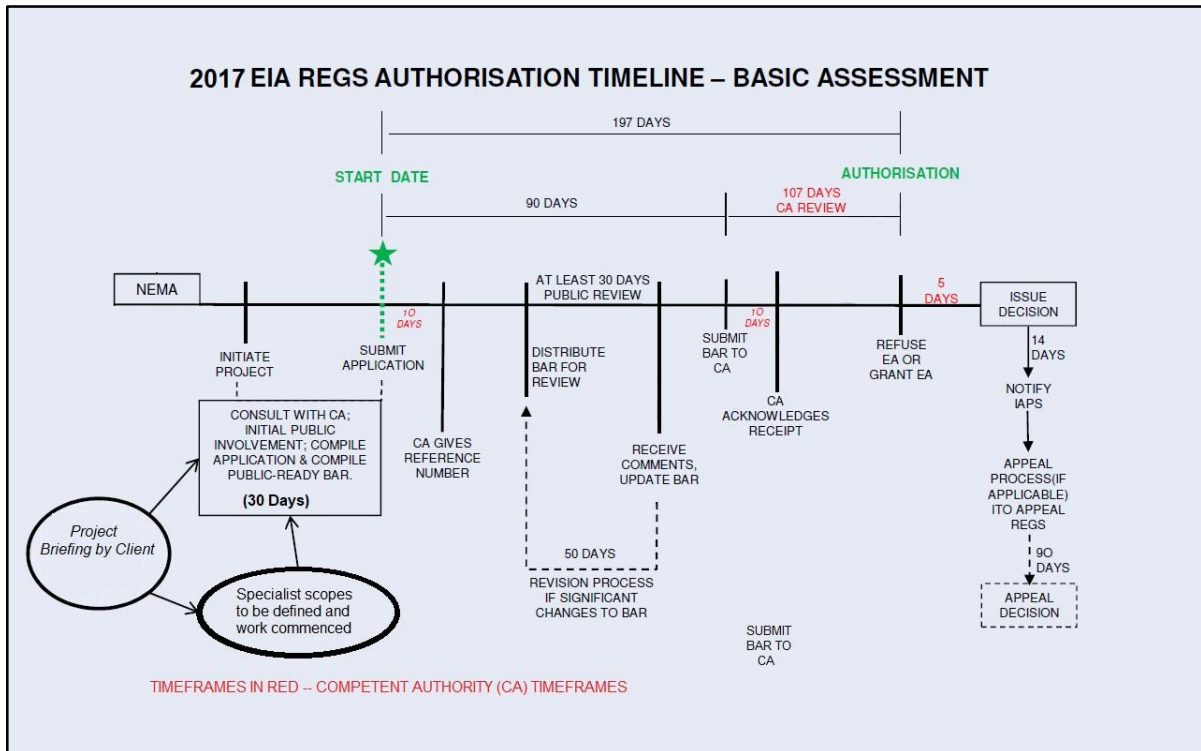


Figure 2: Basic Assessment Process

## 5. PROBABLE IMPACTS

- ✓ South African coal reserve mapping
- ✓ Loss of Vegetation;
- ✓ Loss of habitats;
- ✓ Loss of pasture;
- ✓ Loss of arable land;
- ✓ Water Contamination;
- ✓ Dust Generations;
- ✓ Introduction of alien invasive plants; and Land use conflicts.

## 6. PUBLIC PARTICIPATION PROCESS

Identification, invitation, and interaction with potential, registered interested and affected parties are all steps in the public participation process (I&APs). The I&APs (potential and registered) shall be informed about the intended prospecting operations using fixed notices, newspaper advertisements, and written notices, as per Chapter 6 of the EIA Regulation of 2017 (GNR 326). (SMS, WhatsApp, emails, etc.).

In accordance with this regulation, the Basic Assessment Report and the Environmental Management Programme Report must be delivered to the registered I&APs with a minimum of 30 days to examine them.

After the public participation process is over, an I&APs registration will be kept and submitted to the Mpumalanga Department of Mineral Resources and Energy. The final reports that will be delivered to the Mpumalanga DMRE will include all of the correspondence that has been received.

What Public Participation is not?

- Not a public relations exercise;
- Not a means to satisfy personal grievances – rather to record issues related to the proposed activities and to respond to them.

What is expected from the Public?

- The Public is expected to participate and be involved in the decision making by giving relevant comments to the project in order for adequate mitigations to be implemented.



## 6.1 HOW CAN YOU GET INVOLVED

- By responding (by phone, fax or e-mail) to our invitation and confirm your involvement in the process;
- By completing the attached comment sheet/ form and mailing or faxing before the 30 days' public participation time period is over; and
- By telephonically contacting consultants if you have a query, comment on the project during the public participation process period.

## 6.2 NOTICE OF ENVIRONMENTAL REPORT:

The Environmental Reports will be made available to all registered Interested and Affected Parties through emails and Public Library for review for a period of 30 days from the **13<sup>th</sup> of March 2023 to 14<sup>th</sup> of April 2023**. Electronic copies of the DBAR and EMPR will be made available upon request via emails, Dropbox link, Google drive, We Transfer, etc. from Singo Consulting (Pty) Ltd using the contact details of the EAP below.

## 6.3 HOW TO CONTACT US

In order to participate in the process and/or provide comments and or to register as an Interested and Affected Party (I&APs) pertaining to the above-proposed activity, you are invited to contact Singo Consulting (Pty) Ltd within the prescribed time period running until the **14<sup>th</sup> of April 2023**. We may be contacted as follows:

Principal EAP	Kenneth Singo (Pr.Sci.Nat; Reg. EAP) <a href="mailto:kenneth@singoconsulting.co.za/">kenneth@singoconsulting.co.za/</a> 013 692 0041
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Fax	086 514 4103
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SEE THE COMMENT SHEET APPENDED TO THIS BID. YOU MAY PROVIDE COMMENTS IN YOUR OWN LETTER HEAD OR ANY FORMAT BESIDES OUR PROVIDED COMMENT SHEET.

**REGISTRATION & COMMENT SHEET**

Prospecting Right and Environmental Authorization application for coal on all portions of the farm Nooitgedacht 208 JS, situated in the Magisterial District of Steve Tshwete in Mpumalanga Province (DMRE Ref: MP 30/5/1/1/2/ 17896 PR).

Attention: **Miss Mazithi Mangcu**

Email: [mazithi@singoconsulting.co.za](mailto:mazithi@singoconsulting.co.za)

Title	Name	Surname	
Company			
Designation			
Address			
Tel No.		Fax No.	
E-mail		Cell No.	
I would like to receive my notifications be (mark with "X"):	Post:	<input type="checkbox"/>	E-mail: <input type="checkbox"/>
	SMS:	<input type="checkbox"/>	Fax: <input type="checkbox"/>
<b>Please indicate why you would have an interest in the above-mentioned project.</b>			
<b>Please provide your comments and questions here:</b>			
<i>Please feel free to attach a separate document</i>			
<b>Please add any person you think may be interested and affected parties:</b>			
Full name		Company	
Address			
E-mail		Contact No.	