

# Background Information Document (BID)

Background Information Document for Prospecting Right Application by Chipo Holdings (Pty) Ltd in respect of Coal on Portion 1, 2 and the Remaining extent of the farm Stroomwater 96 JS, situated in the Magisterial District of Thembisile Hani in Mpumalanga Province.

DMRE REF: MP 30/5/1/1/2/17897 PR



## PREPARED BY:



Office 870, 5 Balalaika Street, Tasbet Park Ext 2,  
eMalahleni (Witbank), 1040  
EAP.: Dr Kenneth Singo  
Tel No.: +27 13 6920 041  
Fax No.: +27 86 5144 103  
Email.: [kenneth@singoconsulting.co.za/](mailto:kenneth@singoconsulting.co.za/)  
[admin@singoconsulting.co.za](mailto:admin@singoconsulting.co.za)  
Envir. Tech.: Miss Mazithi Mangcu  
Cell No.: +27 74 884 1000  
Email.: [mazithi@singoconsulting.co.za](mailto:mazithi@singoconsulting.co.za)

## PREPARED FOR:



21 Corridor Hill Crossing,  
9 Langa Crescent, Witbank, Mpumalanga, 1035  
Contact person.: T. Naledi  
Tel No.: +27 13 692 3052  
Fax No.: +27 86 439 7969  
Cell No.: +27 64 750 7216  
Email.: [thabo.sebeya@gmail.com](mailto:thabo.sebeya@gmail.com)

## TABLE OF CONTENTS

TABLE OF CONTENTS .....	
1. PROJECT BACKGROUND .....	3
2. PROJECT LOCATION .....	3
3. DESCRIPTIONS OF THE PROPOSED ACTIVITIES .....	4
4. THE EIA PROCESS .....	5
4.1 LISTED ACTIVITIES.....	6
4.2 THE PROJECT'S EIA PROCESS.....	6
5. PROBABLE IMPACTS.....	7
6. PUBLIC PARTICIPATION PROCESS.....	8
PROJECT LOCATION.....	1
5 PROBABLE IMPACTS .....	
PUBLIC PARTICIPATION PROCESS .....	6
6.1 HOW CAN YOU GET INVOLVED .....	6
6.2 NOTICE OF ENVIRONMENTAL REPORT: .....	6
6.3 HOW TO CONTACT US .....	7

## 1. PROJECT BACKGROUND

On Portions 1, 2, and the Remaining Extent of the Farm Stroomwater 96 JS in the Magisterial District of Thembisile Hani in the Province of Mpumalanga, Chipo Holdings (Pty) Ltd proposes to conduct coal prospecting activities.

According to the Environmental Impact Assessment (EIA) Regulations of 2017, which were published in accordance with the National Environmental Management Act (NEMA), No. 107 of 1998, the proposed prospecting operations prompted the stated activities. Therefore, an independent Environmental Assessment Practitioner must carry out the EIA process (EAP). To carry out the Environmental Impact Assessment (EIA) procedure in accordance with the EIA Regulations of 2017, Chipo Holdings (Pty) Ltd has hired Singo Consulting (Pty) Ltd, an independent consulting company, to assess the potential effects of the proposed project.

## 2. PROJECT LOCATION

The proposed prospecting activities will be undertaken on Portions 1, 2 and the Remaining Extent of the farm Stroomwater 96 JS within the Magisterial District of Thembisile Hani in Mpumalanga Province. The proposed site is located approximately 24.43 km East of Kranspoort Vakansiedorp, 11.12 km North East of Mabusa natural reserves and 4.1 km South East of Rietfontein. Refer to figure 1 below.

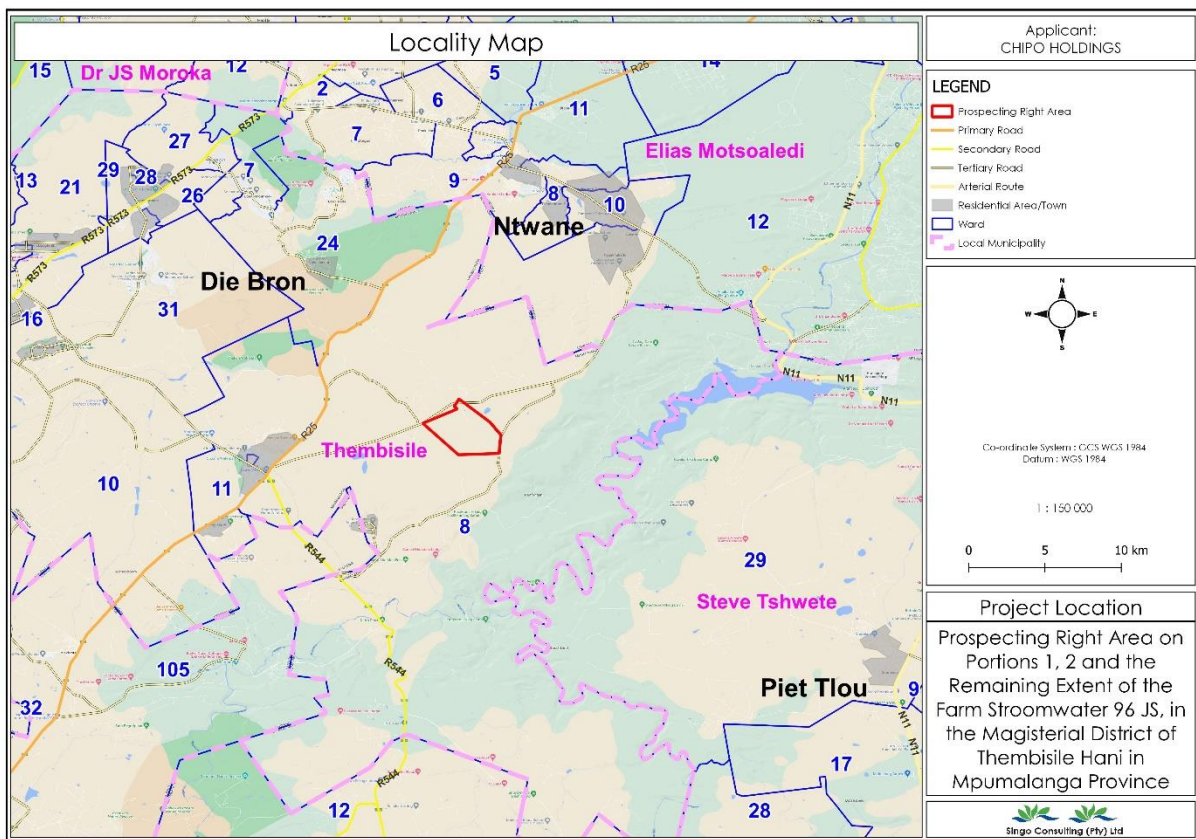


Figure 1: Locality Map

### 3. DESCRIPTIONS OF THE PROPOSED ACTIVITIES

Prospecting is the search of clues that indicates that there are ore deposits beneath the surface. It is generally the search of coal seams to determine if they are mineable at a profit. The confidence of coal deposit is gained through the use of maps and historical data, geophysics, ground truthing, geochemistry which are considered non-invasive 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. Through the use of maps, historical data, geophysics, ground truthing, geochemistry and activities that are regarded as non-invasive the confidence of the coal deposit is increased.

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.

Once core has been obtained, samples are then sent to a laboratory facility to be 'assayed', which is essentially assessing the ore body physical and chemical properties in the rock. Using this data from the assaying, along with the records of where the assayed drill core came from, the data is re-interpreted to determine subsequent phases of follow-up drilling. If drilling continues, different drilling techniques are used to build confidence in the deposit by determining the size and grade of the 'strike' and 'dip'.

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: <b>3186.18</b> 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.

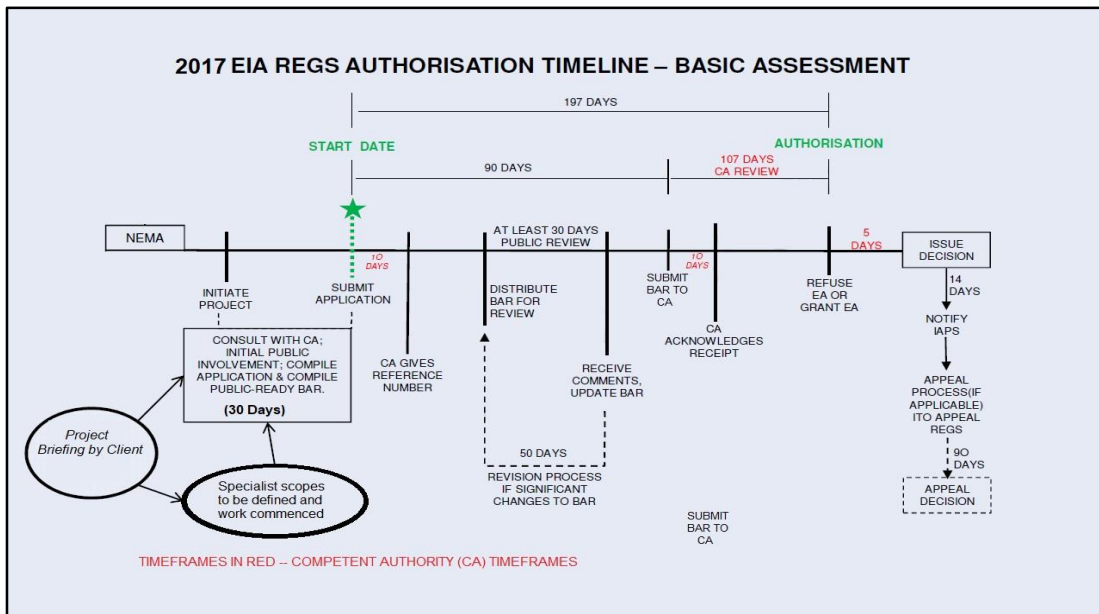


Figure 2: Basic Assessment Process

## 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

The public participation process is the process of identifying, inviting and engaging with potential and registered interested and affected parties (I&APs). According to Chapter 6 of the EIA Regulation of 2017 (GNR 326), the I&APs (potential and registered) must be notified about the proposed prospecting activities through fixed notices, newspaper advert, and written notices (SMS, WhatsApp, emails, etc.).

The registered I&APs must in terms of this regulation be provided with a minimum of 30 days to review all environmental reports which in minimum must be the Basic Assessment Report and the Environmental Management Programme.

An I&APs register will be maintained for submission to Mpumalanga Department of Mineral Resources and Energy on completion of the Public Participation Process. All the received correspondence will be included in the final reports to be submitted to the Mpumalanga DMRE.

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

 <p><b>Singo Consulting (Pty) Ltd</b></p>	<p><b>Office No 870, 5 Balalaika Street</b>  <b>Tasbet park Ext 2,</b>  <b>eMalahleni,</b>  <b>1040</b></p> <p><b>Cell:</b> +27 74 884 1000  <b>Tel:</b> +27 13 692 0041  <b>Fax:</b> +27 86 5144 103</p> <p><b>Email:</b> <a href="mailto:mazithi@singoconsulting.co.za">mazithi@singoconsulting.co.za</a>  <a href="mailto:admin@singoconsulting.co.za">:admin@singoconsulting.co.za</a></p>
--	--

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
Environmental Technician	Mazithi Mangcu <a href="mailto:mazithi@singoconsulting.co.za">mazithi@singoconsulting.co.za</a> /074 884 1000
Address	Office 870,5 Balalaika Street, Tasbet Park Ext 2, eMalahleni (Witbank)
Telephone	013 692 0041
Fax	086 514 4103
Preferred Email	<a href="mailto:mazithi@singoconsulting.co.za">mazithi@singoconsulting.co.za</a> <a href="mailto:admin@singoconsulting.co.za">admin@singoconsulting.co.za</a>

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 Portions 1, 2 and the Remaining Extent of the farm Stroomwater 96 JS, situated in the Magisterial District of Thembisile Hani in Mpumalanga Province (DMRE Ref: MP 30/5/1/1/2/ 17897 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.	