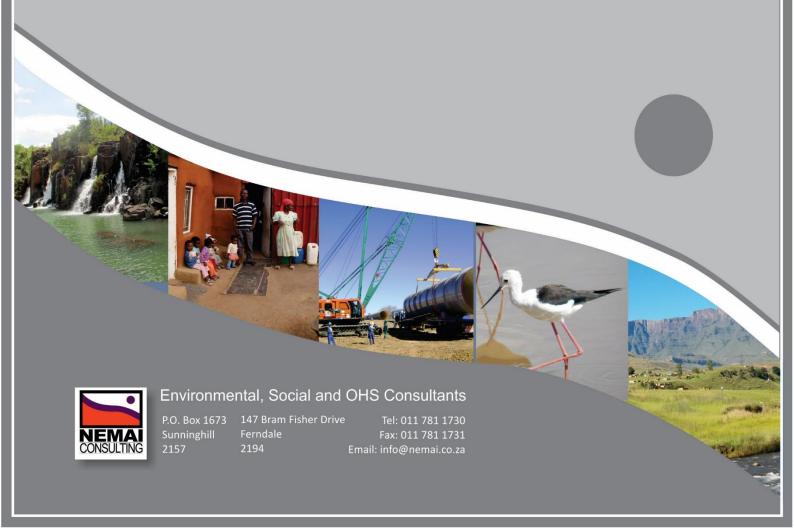
PROPOSED ASHGATE CHEMICAL LOGISTICS FACILITY, KWAZULU-NATAL

Background Information Document

August 2016

Prepared for: Reddale Trading (Pty) Ltd



1 PROJECT BACKGROUND

C. Steinweg Bridge (Pty) Ltd is a member of the C. Steinweg group of companies and has over 30 years' solid experience as a logistics company in Southern Africa. The Group has a well-established footprint of blue chip clients in the agriculture, mining and minerals, project cargo, bulk containerised commodities and raw materials industry segments throughout Sub-Saharan Africa. C. Steinweg Bridge is therefore a global company engaged in Warehousing and Distribution of chemicals sourced for their clients needs and they have identified the need for a fully compliant Chemical Logistics facility in Kwa Zulu-Natal. The company operates similar chemical logistics facilities at strategic locations worldwide. The main activities to be undertaken on the proposed site is the storage, movement, and repackaging of chemicals.

After months of research, there was a lack of suitable facilities identified, so the Shareholders looked to invest in the construction of a bespoke compliant facility. The objective of the investment is to provide a much needed infrastructural facility for all activities in keeping with World Best Practises.

The Umbogintwini Industrial Complex (UIC) was selected as it is a National Key Point within a secure well developed Industrial Park of approximately 220 hectare in extent situated 20km south of Durban. It is a major chemical hub with thirteen or more chemical companies in the immediate area. All essential services are included, namely; electrical distribution – electricity is purchased from the local authority and distributed via an electrical distribution network. Steam is also provided via a boiler station which produces superheated steam, the pressure is reduced in steam let-down stations to the individual requirements of the user companies. There is a sewage works and a water treatment works, providing potable water meeting South African National Standards quality requirements. In addition there is a firewater reticulation system throughout the site.

UIC has well-developed Emergency Procedures to deal with on-site emergencies and oversees that Emergency Preparedness is maintained throughout the complex. While each company formulates and audits their own procedures, the Complex mans a central control room which holds weekly drills and if necessary can call upon the eThekwini Municipality Disaster Management Department if the need arises.

This application refers to the new Ashgate Chemical Logistics Facility. Nemai Consulting was appointed on behalf of the applicant to undertake the Environmental Authorisation process for the proposed development.

2 Purpose of the Background Information Document

The objective of the Background Information Document (BID) is to convey information regarding the proposed project to all parties who are likely to be affected or interested in the proposed project.

Most importantly, the BID provides stakeholders with an opportunity to register as Interested and Affected Parties (IAPs) and to raise issues and concerns regarding the proposed Ashgate Chemical Logistics Facility.

3 PROJECT DESCRIPTION

The scope of the project includes the development of a facility for a Chemical Logistics Facility.

This facility will be used to store and repackage chemicals to client specifications. Each dedicated area will house a specific class of product and will be designed to industry best practice.

4 PROJECT LOCATION

Below is the site location for the proposed Ashgate Chemical Logistics Facility, located within the UIC (Figures 1 and 2).

The site can be accessed from the N2, off Moss Kolnick Drive (M37). The site is located on Ashgate Road.

The proposed development falls within the eThekwini Metropolitan Municipality (EMM). The area of the proposed site is approximately 3.8 Hectares (Ha) in size. The centre point coordinate of the proposed site is 30°01'34.72"S; 30° 53'56.08"E. The site is on the Remaining Extent of Portion 2345 of Umlazi Native Location Farm Number 4676-ET (N0ET00000000467602345), of which is owned by the Applicant.



Figure 1: Proposed Site for Ashgate Chemical Logistics Facility

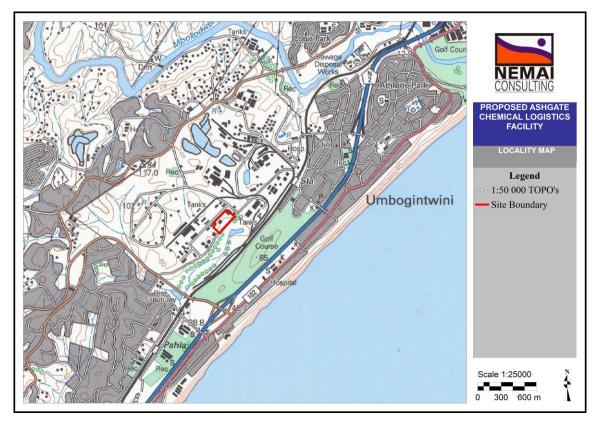


Figure 2: Topographical Map of the proposed Ashgate Chemical Repackaging Facility

5 REGULATORY FRAMEWORK

Notice is hereby given, in terms of the Amended 2014 Environmental Impact Assessment (EIA) Regulations published in Government Notice (GN) No. R982, R983, R984 and R985 of the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA") on 04 December 2014, of the intent to carry out a Scoping and EIA Process; and in terms of the National Water Act, 1998 (Act No. 36 of 1998) ("NWA"), of the intent to a lodge a Water Use Licence Application (WULA) as the project triggers water use activities that are listed under Section 21 (c) and (i) of the NWA.

5.1 Scoping and EIA

The construction of the proposed Ashgate Chemical Repackaging Facility will undergo a full Scoping and EIA process as it falls within the activity listed in GN No. R984. The Listed Activity requires Environmental Authorisation from the Competent Authority, i.e. the KZN Department of Economic Development, Tourism and Environmental Affairs (DEDTEA). In terms of the GN, the following activity was considered to be applicable to the construction of the proposed Ashgate Chemical Logistics Facility:

Table 1: Listed Activities for the proposed Ashgate Chemical Repackaging Facility

Authority	Legal Reference	Listed Activity
GDARD	GN No. R984 of 04 December 2014	4 - The development of facilities or infrastructure, for the storage, or storage and handling of a dangerous good, where such storage occurs in containers with a combined capacity of more than 500 cubic metres.

The Scoping Phase of the project serves to:

- Identify and engage with IAPs through a Public Participation Process;
- Duly consider layout alternatives for achieving the project's objectives;
- Identification of potential environmental impacts and identify significant issues to be investigated further during the execution of the EIA phase;
- Determine the scope of the ensuing EIA phase, in terms of specialist studies, public participation, assessment of impacts and appraisal of alternatives; and
- Allow for informed decision-making with regard to the EIA process.

Only IAPs who register as part of the Scoping Phase will continue to be notified of the EIA Process.

Refer to **Figure 3** for the Scoping and EIA flow diagram for the proposed Ashgate Chemical Logistics Facility.

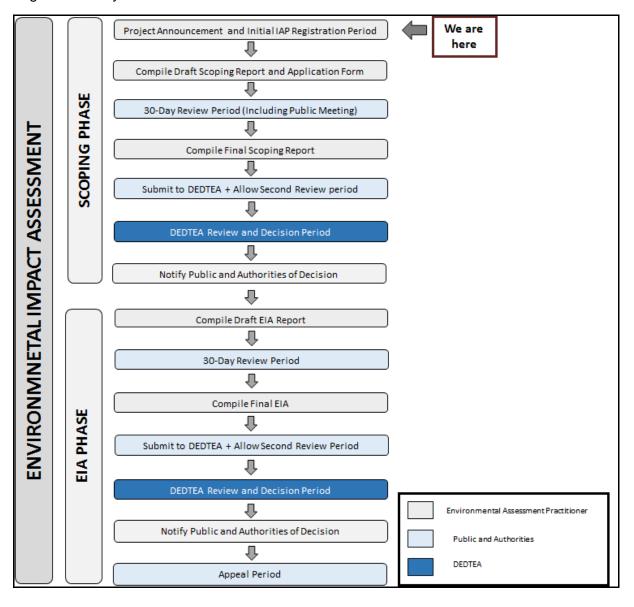


Figure 3: Scoping and EIA Process

5.2 Water Use License Application (WULA):

The construction of the proposed Ashgate Chemical Logistics Facility requires a WULA, which will be submitted to the Department of Water and Sanitation (DWS) for authorisation. In terms of the NWA, the following activities are considered to be applicable to the construction of the proposed Ashgate Chemical Logistics Facility:

Section 21 (c) – Impeding of diverting the flow of water in a water course;

• Section 21 (i) – Altering the bed, banks, course or characteristics of a watercourse;

Only IAPs who register as part of the Scoping Phase will continue to be notified of the WULA Process.

6 Public Participation

A Public Participation Process will be conducted in terms of Chapter 6 of GN No. 982 of 04 December 2014, of the NEMA, 1998 (Act No. 107 of 1998).

The Public Participation Process will involve the following:

- 1. Site notices will be erected at prominent points on and around the study area.
- 2. BIDs will be distributed to the adjacent landowners, neighbouring properties and developments that may be affected by the proposed development.
- 3. BIDs will be e-mailed or hand delivered to the Ward Councillor and relevant stakeholders (including authorities and state departments).
- 4. An advertisement will be placed in one local newspaper.

IAPs are encouraged to participate in the process in order for concerns to be addressed and included in the Scoping and EIA Reports. This notice serves to notify all IAPs of the proposed development. Only <u>registered</u> IAPs will continue to be notified of the process as it unfolds such as dates of public meetings and review periods of the Scoping and EIA Reports. All issues and concerns will be incorporated into a Comments and Responses Report which will be included in the Final Scoping and EIA report to be submitted to KZN DEDTEA.

You are encouraged to provide input to help guide the design process of the proposed Ashgate Chemical Logistics Facility project. We look forward to a robust and participating public consultation process.

Please register as an IAP by 15 September 2016.

In order to ensure that you are identified as an IAP, please submit your name, contact information and comment regarding the proposed development, by means of e-mail, fax or post as soon as possible to the EAP below at Nemai Consulting:



Contact Person: Kristy Robertson

Tel: (011) 781 1730 **Fax:** (011) 781 1731

Email: kristyr@nemai.co.za

Postal Address: PO Box 1673, Sunninghill, 2157

REPLY FORM:

PROPOSED DEVELOPMENT OF THE ASHGATE CHEMICAL LOGISTICS FACILITY, KWAZULU-NATAL PROVINCE

(Complete and return to: Kristy Robertson by 15 September 2016).

Date:				
Name of organisation:				
Name of Interested and Affected Party (IAP):				
Address:	Postal:	Physical:		
Tel No:				
Fax No:				
E-mail:				
Registration as an IAP:	YES	NO		
Comments:				

