

BACKGROUND INFORMATION DOCUMENT
APPLICATION FOR A PROSPECTING RIGHT AND AN ENVIRONMENTAL AUTHORISATION
PROCESS FOR HLENTA TRADING (PTY) LTD
DANNHAUSER LOCAL MUNICIPALITY, KWAZULU-NATAL PROVINCE

PURPOSE OF THE BACKGROUND INFORMATION DOCUMENT

This Background Information Document aims to provide you with important information regarding:

- ❖ Hlenta Trading's intention to undertake prospecting activities on various farms within Dannhauser Local Municipality.
- ❖ Location of the proposed project area;
- ❖ The Basic Assessment (BA) process and the Public Participation Process to be followed;
- ❖ Availability of the Draft Basic Assessment Report and the Environmental Management Programme for public review and comment; and
- ❖ An Invitation to the public meeting.

PROJECT BACKGROUND AND CONTEXT

Hlenta Trading intends to undertake Prospecting activities for Coal on various farms within the jurisdiction of Amajuba District, Kwazulu-natal Province. The PR application is lodged in terms of Section 16 of the Mineral and Petroleum Resources Development Act, 2002 (Act No.28 of 2002) (MPRDA).

Beyond Green Environmental Services (Pty) Ltd (BGES) has been appointed as an independent Environmental Assessment Practitioner (EAP) to conduct the Basic Assessment process and the associated Public Participation Process (PPP) for the proposed prospecting project.

LOCALITY

The proposed project site covers an extent of 298,82 Hectares (Ha) within Amajuba District Municipality.

The site is located approximately 2.5km North-east of Alcockspruit and 9.5km North of Danhhauser.

(Please refer to Figure 1 for the locality map)

- ❖ Farm Portion 1-27 & Remainder of Jubilee 9642 HT

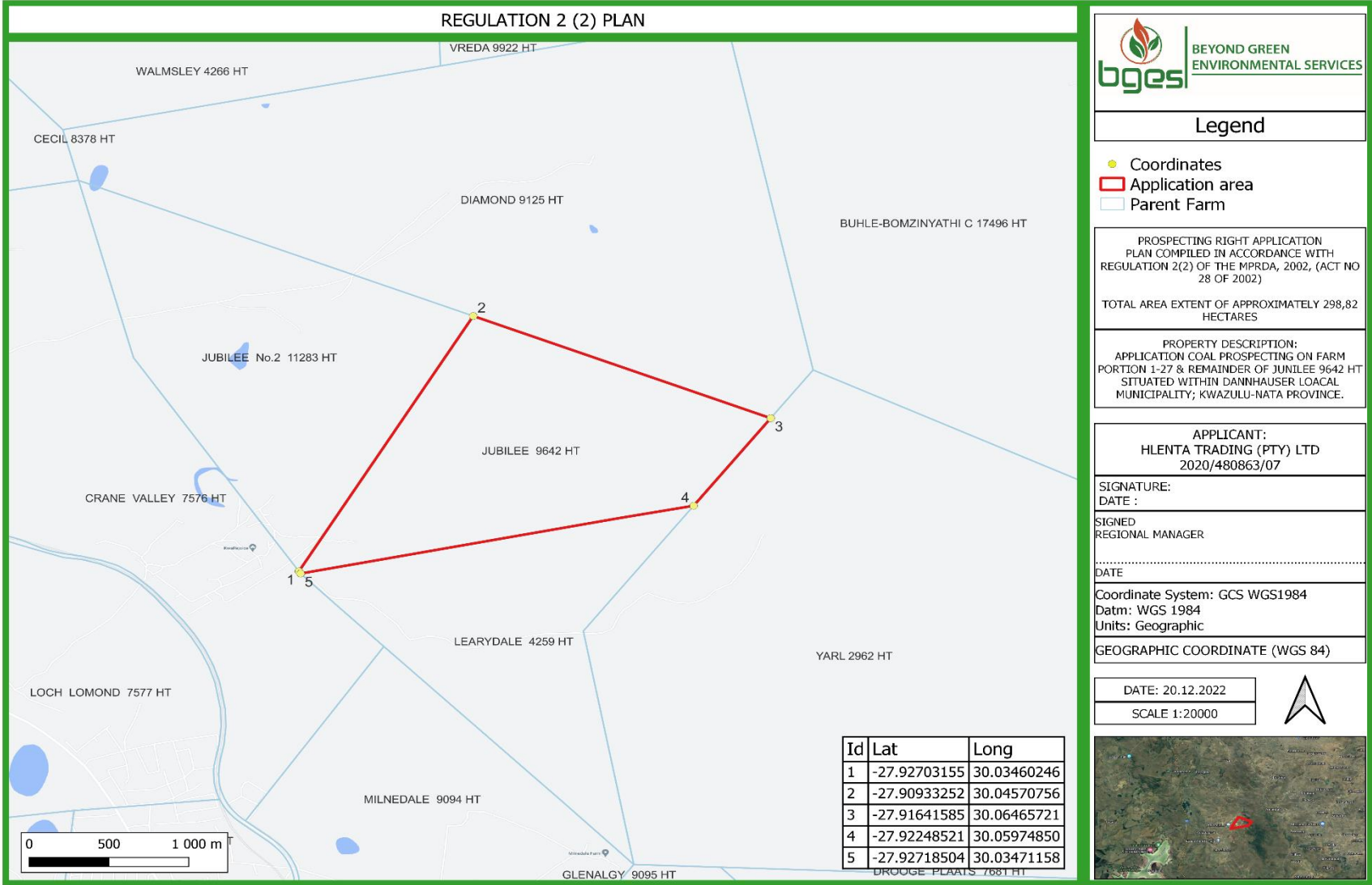


Figure 1: Locality map

PROJECT DESCRIPTION

Hlenta Trading intends to conduct prospecting activities through non-invasive and invasive methods to determine if a viable mineral deposit exists. It is anticipated that prospecting activities will be undertaken over a period of 5 years, please refer to Table 1 for the proposed prospecting programme.

Table 1: Proposed Prospecting Programme

Phase	Activity	Timeframe	Outcome	Timeframe for outcome
1	Conceptual Study Non Invasive desktop studies, literature reviews	2 months	Conceptual Study Report	3 months
2	Prefeasibility Study Invasive, trenching and pitting, non-invasive geological mapping	12 months	Prefeasibility Study report with analytical results and bulk sampling results	6 months
3	Feasibility Study Invasive trenching, pitting	12 months	Bankable Feasibility study report with selected mining options	6 months

LEGISLATIVE FRAMEWORK

Hlenta Trading is required to obtain Environmental Authorisation prior to proceeding with prospecting activities. As part of the application process for Environmental Authorisation, it is necessary to assess the environmental and social impacts associated with the proposed activities, so as to identify any potential negative and/or positive consequences as a result thereof.

In terms of National Environmental Management Act (Act 107 of 1998) (NEMA) and the associated Environmental Impact Assessment (EIA) Regulations, the proposed project triggers listed activities indicated in Table 2.

Table 1: Listed activities

Applicable listed Activity	Aerial extent of the Activity
<p>GNR 983, activity 20:</p> <p><i>Any activity including the operation of that 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), including associated infrastructure, structures and earthworks, directly related to prospecting of a mineral resource, including activities for which an exemption has been issued in terms of section 106 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)</i></p>	<p>Exploration of boreholes will be drilled to the maximum depth of 100 m.</p>
<p>GNR 983, activity 22:</p> <p><i>The decommissioning of any activity requiring - (i) a closure certificate in terms of section 43 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002); or (ii) a prospecting right, mining right, mining permit, production right or exploration right, where the throughput of the activity has reduced by 90% or more over a period of 5 years excluding where the competent authority has in writing agreed that such reduction in throughput does not constitute closure.</i></p>	

In terms of the above-mentioned listed activities, a Basic Assessment Report and the associated Environmental Management Programme will be undertaken in support of the Environmental Authorisation and the Prospecting Right application.

BASIC ASSESSMENT AND PUBLIC PARTICIPATION PROCESS

As part of the Basic Assessment process, the public can participate in the environmental authorisation process. Interested and Affected Parties (I&APs) will receive project information for review and comments. Comments will be considered and responded to as the study unfolds.

A Basic Assessment Report (BAR), including the Environmental Management Programme (EMPr) will be available for public review. An EMPr, in the context of the EIA Regulations 2014 (as amended), is a tool that takes a project from a high-level consideration of issues down to detailed workable mitigation or management

measures that can be implemented in a cohesive and controlled manner. The objectives of an EMPr are to minimise disturbance to the environment, present mitigation measures for identified impacts, maximise potential environmental benefit and assign responsibility for actions to ensure that the pre-determined aims are met. An EMPr will be drafted according to the findings in the BAR.

AVAILABILITY OF THE BAR AND EMPr FOR PUBLIC REVIEW AND COMMENT

The Draft BAR and the EMPr will be compiled and will detail the impacts that the proposed Prospecting activities might have on the environment during construction and thereafter. The report will also provide mitigation measures that could be followed to reduce some of the impacts.

The Draft BAR and EMPr will be made available for public review and comment for a period of 30 days.

You are requested to comment on the draft BAR and EMPr report in any of the following ways:

- ❖ By completing a comment sheet;
- ❖ By writing a letter, or producing additional written submissions; or
- ❖ By sending an email or phoning the public participation office.

INVITATION TO A PUBLIC MEETING

Interested and Affected Parties will be invited to attend a public meeting. The purpose of the meeting is to discuss the proposed project, contents of the Draft BAR and EMPr and to provide I&APs with an opportunity to raise their concerns/comments. Any person affected by or who may be interested in the proposed project is asked to register as an Interested and Affected Party (I&AP) by contacting BGES - please see below for details. Our team welcomes your participation and looks forward to your involvement throughout this process.

COMMENTS AND QUERIES:

Should you have any comments/queries, please contact BGES:

Contact person: Mitrance Nana

Tel: 012003 6593/ /0616148272/072 172 8374; Fax: 0865156638

Email; nana@beyondges.co.za; info@beyondges.co.za

Postal Address: PO Box 6228, Highveld, 0169

To ensure that you are given an opportunity to comment on the documents, and to ensure that you receive updated project information, please complete the attached I&AP registration and comment form as soon as possible.

REPLY SHEET: HLENTA TRADING – BAR AND EMPR

Please provide your complete contact details:

Please indicate which farms you own

Reply sheet_ Environmental Consultation Form	
Name & Surname	
Address	
Contact details	
Farm name:	
Application for Coal Prospecting Right on farm: PORTION 1-27 & REMAINDER OF JUNILEE 9642 HT	
Comments:	
Do you support the project? Yes/No, please specify the reasons:	