

BACKGROUND INFORMATION DOCUMENT

FOR THE PROPOSED PROSPECTING RIGHT APPLICATION FOR APATITE (GERMSTONE), BRYTES, COPPER ORE, FLUORSPAR, GOLD ORE, IRON ORE, NIOBIUM ORE, SILICA SAND, URANIUM ORE AND ZIRCONIUM ORE ON PORTIONS 1, RE/2, RE/3, 7 AND 11 OF THE FARM M'BAULA RANCH 6 LU MAGISTERIAL DISTRICT MOPANI IN LIMPOPO PROVINCE

PURPOSE OF THIS DOCUMENT

The purpose of this Background Information Document (BID) is to provide Interested and Affected Parties (I&APs) with background information about the proposed mining permit application and introduce the Environmental Impact Assessment (EIA) process to be followed. It also aims to inform I&APs on how to fully participate in the EIA and encourages response to documents distributed for review and active attendance meetings.

PROJECT DESCRIPTION

Metalyteri Chari Pty Ltd applied for Prospecting Right (DMRE Ref: LP 30/5/1/1/2/14518 PR) and Environmental Authorization in terms of section 16 of the Mineral and Petroleum Resources Development Act (MPRDA), Act No 28 of 2002, for **Apatite (Gemstone), Brytes, Copper ore, Fluorspar, Gold ore, Iron ore, Niobium ore, Silica sand, Uranium ore and Zirconium ore on Portions 1, RE/2, RE/3, 7 and 11 of the Farm M'BAULA Ranch 6 LU.**

Metalyteri Chari Pty Ltd appointed Sigana Environment & Construction (Pty) Ltd as an independent Environmental Assessment Practitioner (EAP), to conduct Environmental Impact Assessment process for the proposed project.

Notice is hereby given in terms of the Mineral and Petroleum Development Act (MPRDA) (Act 28 of 2002) and EIA regulations 2014, published under Government Notice No.982 in Gazette No. 3822 of 4 December 2014, amended on 7 April 2017 that Metalyteri Chari Pty Ltd has applied for a Prospecting Right.

PROJECT LOCATION

The Prospecting Right area is located on Portions 1, RE/2, RE/3, 7 and 11 of the Farm M'BAULA Ranch 6 LU, situated under the Magisterial District Mopani in Limpopo Province. Project area is located 40.64 km south East side of Giyani, 33.63 Km Northern side of Phalaborwa Town and 43.37 km North East of Tzaneen.

LEGISLATIVE REQUIREMENTS

In terms of the National Environmental Management Act (Act 107 of 1998) (NEMA) and its promulgated EIA Regulations of 2017 (GNR 982, 983, 984 and 985) the prospecting activities require an Environmental Authorisation.

An Environmental Authorisation in terms of Section 24 of the National Environmental Management Act, 1998 (Act No. 107 of 1998) read with Regulation 19 of the Environmental Impact Assessment (EIA) Regulations, 2014 (as amended) and Section 16 of the Minerals and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002), as amended by Section 12 of the MPRDA, 2008 (Act No. 49 of 2008) is required for a Prospecting Right.

WHAT IS ENVIRONMENTAL IMPACT ASSESSMENT?

An Environmental Impact Assessment (EIA) is a planning and decision-making tool that is used to identify the environmental consequences of a proposed project, before the development takes place. The purpose of the EIA is to describe the potential consequences of the proposed development in environmental, economic and social terms. Public issues and concerns must therefore be identified timeously so that these can be recorded and responded to in the EIA. All comments received in writing are included in the submission to the competent authority for their consideration.

The EIA process consists of two stages. The first stage is a Scoping Study, which identifies potential issues requiring more detailed investigation via specialist studies. A complete list of specialist studies and the issues they should address will be detailed in the Draft Scoping Report, which will be made available for public and authority review.

The second stage is the Impact Assessment phase, during which detailed investigations of the issues identified during scoping, will be undertaken.

ENVIRONMENTAL IMPACT ASSESSMENT PROCESS.

The flow diagram below provides an overview of the EIA process according to the 2014 EIA Regulations:

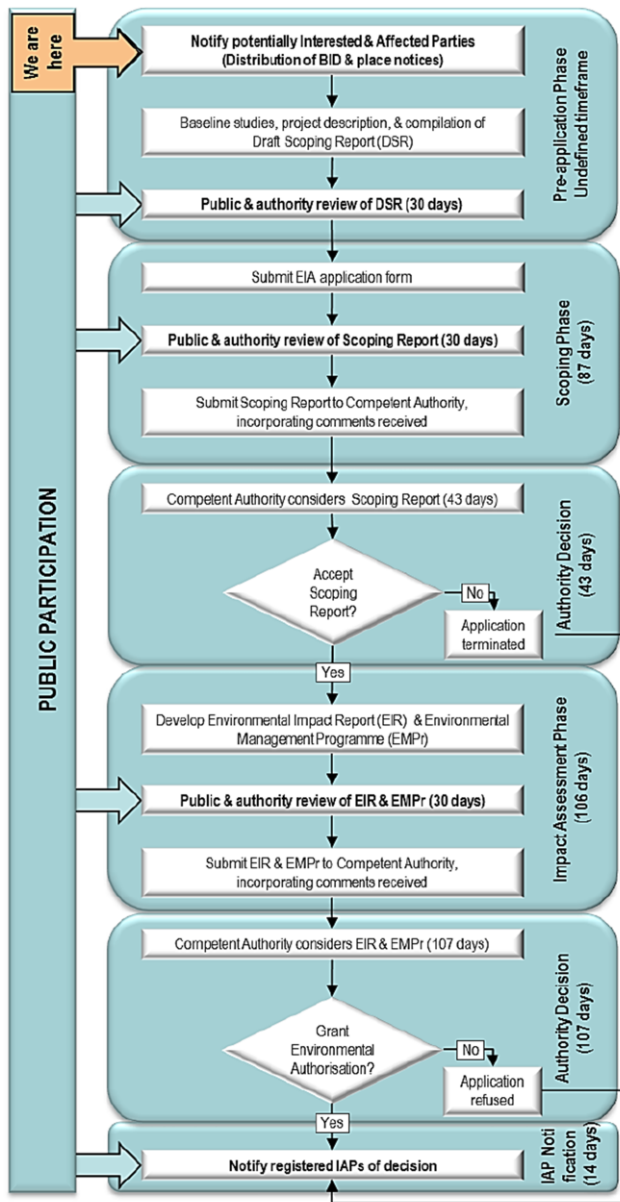


Figure 1: A typical Environmental Impact Assessment process and stages where public comment will be invited.

POTENTIAL IMPACTS

A number of potential impacts have been identified which will be considered further in the process as required. Typical impacts that may be investigated as part of this EIA include:

- Heritage (archaeology and palaeontology).
- Impacts on fauna and flora.
- Agricultural impacts.
- Air quality and noise impacts.
- Terrestrial and aquatic ecology and wetlands.
- Visual impacts

Additional impacts can be added based on the findings of the desktop and site inspection as well as input from the public during Public Participation Process.

PUBLIC PARTICIPATION PROCESS

Public participation is the cornerstone of the Environmental Impact Assessment process. The principles of the National Environmental Management Act (NEMA) govern most aspects of Environmental Impact Assessments, including public participation. These include the ongoing provision of sufficient information (in a transparent manner) to Interested and Affected Parties (IAPs).

During the Public Participation Process, input from the applicant, technical experts, government authorities and the general public will be gathered to result in a better understanding of the project for all involved, and more informed decision-making throughout the process. IAPs will be given the opportunity to comment on the findings of both the Scoping and EIA Reports, and findings of the Specialist studies during the specified comment periods. IAPs are hereby invited to comment on environmental, social and economic issues relating to the proposed project.

HOW TO REGISTER AS AN INTERESTED AND AFFECTED PARTY

To receive further communications regarding this development, please register by sending the completed and signed registration sheet on the last page of this document by no later than **04 May 2022** to:

Mr Livhuwani Sigwadi

Tel: 076 6529 062

Email: SigwadiM.L@gmail.com

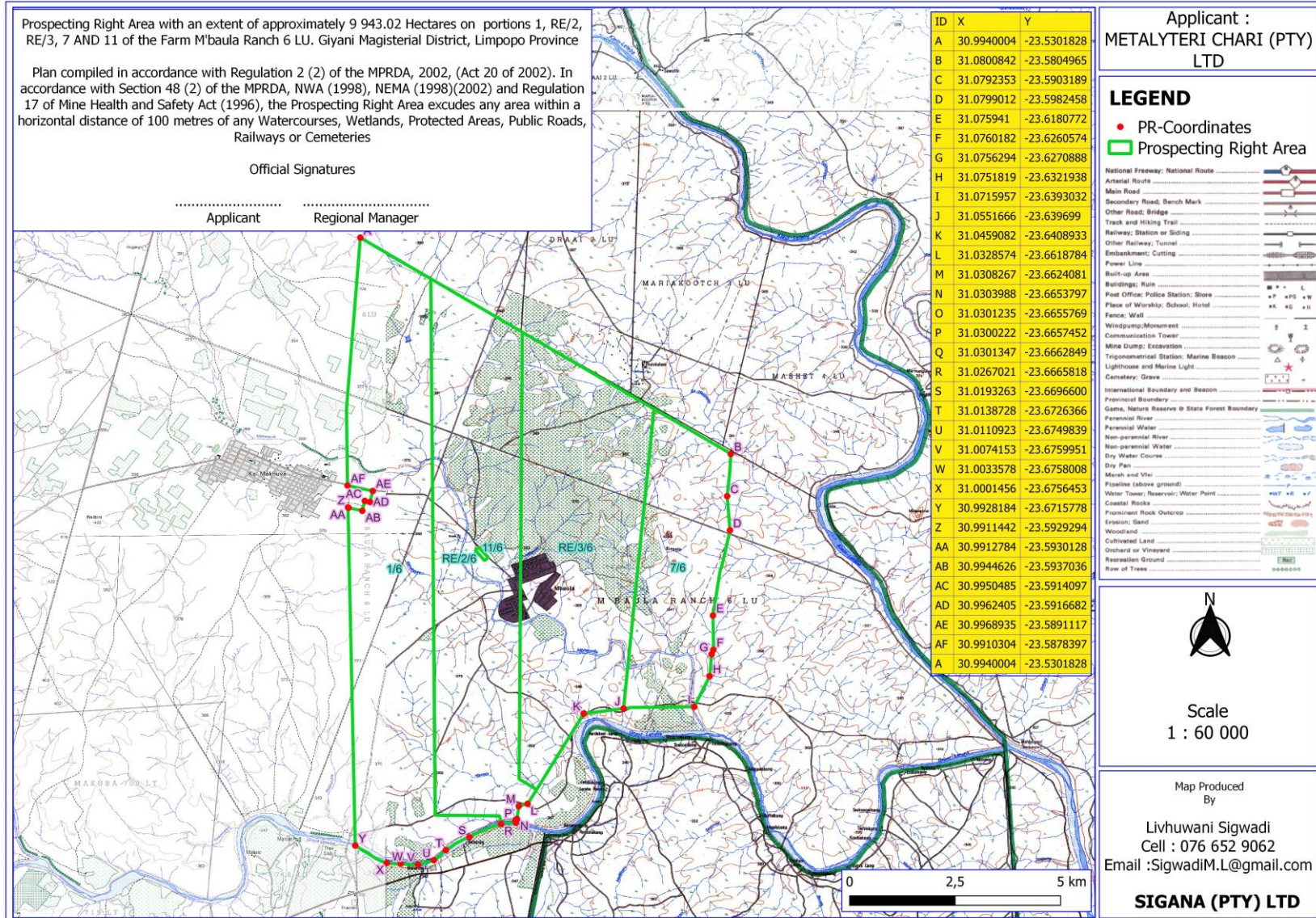


Figure 1: Locality map of the proposed project area

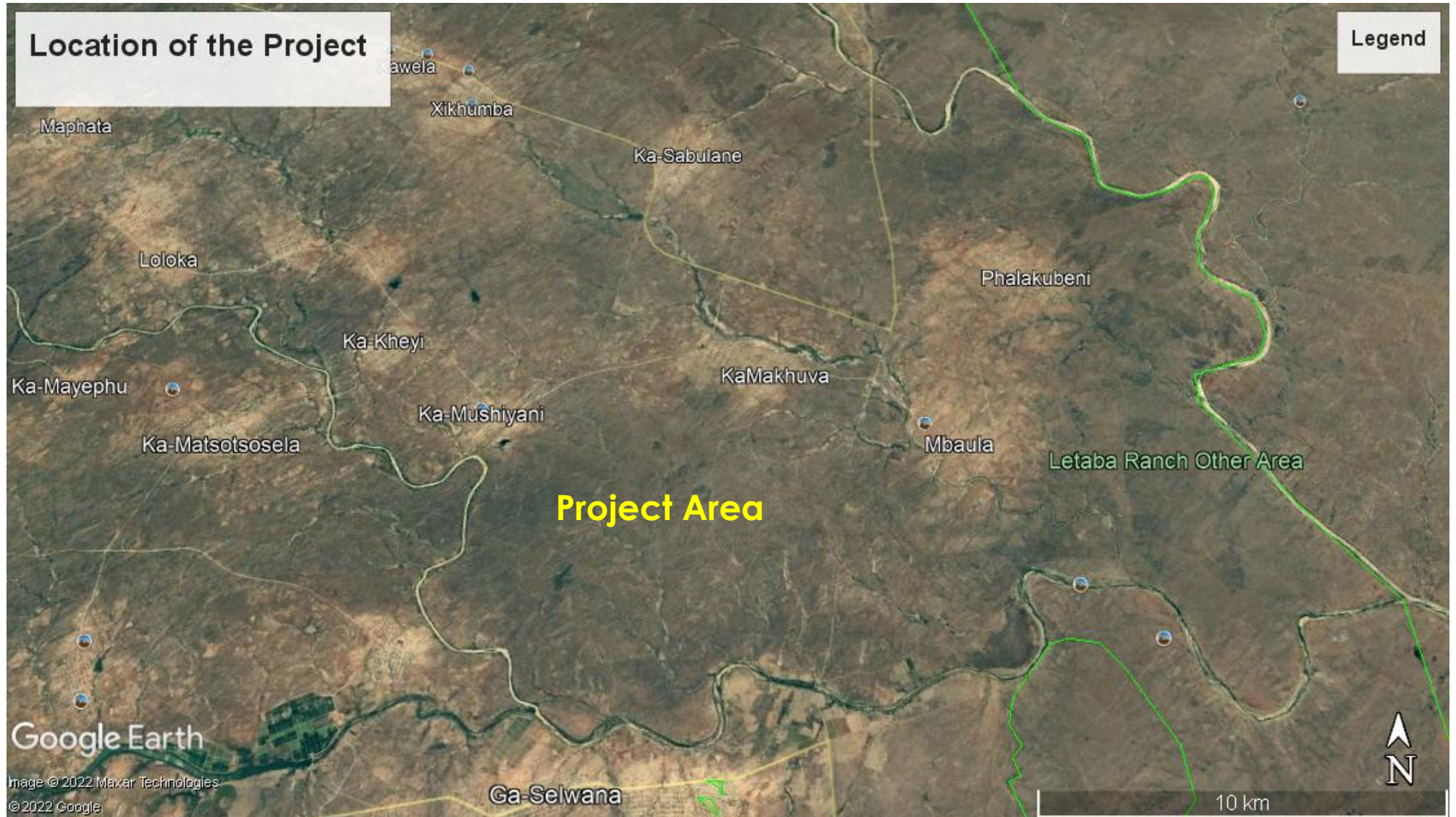


Figure 2: Exact location of the project

