

**NAME OF APPLICANT: Finsch Diamond Mine (Pty) Ltd**

**REFERENCE NUMBER: NC 30/5/1/1/2/10927PR**

# **REPORT ON THE RESULTS OF CONSULTATION**

**WITH COMMUNITIES AND  
INTERESTED AND AFFECTED PARTIES**

**AS REQUIRED IN TERMS OF SECTIONS, 16(4) (b) or 27 (5) (b) OF THE  
MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT 28 of  
2002), AND IN ACCORDANCE WITH THE STANDARD DIRECTIVE FOR THE  
COMPILATION THEREOF AS PUBLISHED ON THE OFFICIAL WEBSITE OF THE  
DEPARTMENT OF MINERAL RESOURCES.**



**mineral resources**

Department:  
Mineral Resources  
**REPUBLIC OF SOUTH AFRICA**

## **A. Definitions**

**‘consultation’** means a two way communication process between the applicant and the community or interested and affected party wherein the former is seeking, listening to, and considering the latter’s response, which allows openness in the decision making process.

**‘community’** means a group of historically disadvantaged persons with interest or rights in a particular area of land on which the members have or exercise communal rights in terms of an agreement, custom or law: Provided that, where as a consequence of the provisions of the Act negotiations or consultations with the community are required, the community shall include the members or part of the community, directly affected by prospecting or mining, on land occupied by such members or part of the community.

**‘Interested and affected’ parties** include, but are not limited to; –

- (i) Host Communities
- (ii) Landowners (Traditional and Title Deed owners)
- (iii) Traditional Authority
- (iv) Land Claimants
- (v) Lawful land occupier
- (vi) The Department of Land Affairs,
- (vii) Any other person (including on adjacent and non-adjacent properties) whose socio-economic conditions may be directly affected by the proposed prospecting or mining operation
- (viii) The Local Municipality,
- (ix) The relevant Government Departments, agencies and institutions responsible for the various aspects of the environment and for infrastructure which may be affected by the proposed project.



#### Adjacent farms

Property	Portion/Remainder	Surface Owner
• Farm 297	Seekoelvlei-(RE/297) Arbeidsloot (Ptn 1)	Me. A. Rainier PC Steenkamp
• Farm no 298	Content (Ptn 2)	AW Fourie
• Farm no 300	England(Ptn 1 and 4)	Mnr. TCB Vermeulen
• Farm no 458	Dikbos (Ptn 16/458)	W De Jager
• Farm no 507	Witput (RE/507)	GP du Plessis
• Farm no 507	Olienspuruit (RE/507)	C. York

1.2. Specifically state whether or not the Community is also the landowner.

The community of Lime Acres and Danielskuil have no interests or rights on Portion 3 of the farm 299, Portion 1 and the remaining extent of the farm 298.

1.3. State whether or not the Department of Land Affairs been identified as an interested and affected party.

The Department of Land Affairs was not identified as an Interested and Affected Party.

1.4. State specifically whether or not a land claim is involved.

Department of Land Affairs/Rural Development confirmed that there is no land claim involved over the property under application- Annexure A is the confirmation letter from the Department of Rural Development and Land Reform.

1.5. Name the Traditional Authority identified

No Traditional Authority was identified.

1.6. List the landowners identified by the applicant. (Traditional and Title Deed owners)

There are no traditional land owners on the property under application- Title Deeds owners attached as Appendix A.

According to the information gathered from the Title Deeds office, Farm no 299 has been consolidated to farm number 610 of Orange River Consolidated Properties (Proprietary) Limited, Title Deed no T2640/2006. Farm no 298 is now consolidated to Glen Lyon Farms

(Proprietary) Limited, Title Deed no T1951/2002. The land is owned by multiple owners as indicated below.

- Portion 3 of the farm 299 (Langverwag), is owned by Mr GP du Plessis.
- Portion 1 and the remaining extent of the farm 298 belong to Mr B. Markram.

**Area of interest: Surrounding Farms**

<b>Property</b>	<b>Portion/Remainder</b>	<b>Surface Owner</b>
• Farm 297	Seekoelvlei-(RE/297) Arbeidsloon (Ptn 1)	Me. A. Rainier PC Steenkamp
• Farm no 298	Content (Ptn 2)	AW Fourie
• Farm no 300	England(Ptn 1 and 4)	Mnr. TCB Vermeulen
• Farm no 458	Dikbos (Ptn 16/458)	W De Jager
• Farm no 507	Witput (RE/507)	GP du Plessis
• Farm no 507	Olienspuruit (RE/507)	C. York

1.7. List the lawful occupiers of the land concerned.

Refer to item 1.6 above.

1.8. Explain whether or not other persons' (including on adjacent and non-adjacent properties) socio-economic conditions will be directly affected by the proposed prospecting or mining operation and if not, explain why not.

It is important to note that no Socio-Economic Assessment was done by a specialist and that possible impacts can still be identified by the identified interested & affected parties, as the consultation remain an on-going process.

Other land uses within the proposed application area will be negatively impacted on by the proposed prospecting includes, but are not limited to:

- Leaving arrangement because of the noise from drilling program;
- Farming with unusual animals; and
- Farmers residing on the property.

1.9. Name the Local Municipality identified by the applicant

Kgatelopele Municipality- Local

Siyanda Municipality – District

1.10. Name the relevant Government Departments, agencies and institutions responsible for the various aspects of the environment and for infrastructure which may be affected by the proposed project.

- Department of Mineral Resources: Leading Department for the Prospecting Right Application.
- Kgatelopele Local Municipality: The proposed application area falls within Kgatelopele local municipality.
- Siyanda District Municipality: The proposed application area falls within Siyanda District Municipality.
- Department of Land Affairs/Rural Development and Land Reform- Confirmation of possible land claim or not, on the proposed application area.
- Department of Water Affairs: A water use application to process kimberlite ore at Sedibeng mine.
- South African Heritage Resources Agency: Responsible for Heritage Resources.

1.11. Submit evidence that the landowner or lawful occupier of the land in question, and any other interested and affected parties including all those listed above, were notified.

The Public Participation process (PPP) mainly comprises the engagement with Interested and Affected Parties (I&APs) and is of utmost importance in any environmental assessment process.

Geoscientific Mineral Resources was appointed by Finsch Diamond Mine (Pty) Ltd, a group of Petra Diamonds (Pty) Ltd as the independent consultant to conduct the Public Participation process as part of the Environmental Management Plan Process (EMP). As stipulated in terms of Section 16 (4) b of the MPRDA (Act 28 of 2002), I&APs need to be notified and consulted with, as part of a Prospecting Right Application (PRA).

Finsch Diamond Mine was granted Acceptance of an Application for a prospecting right in terms of Section 16(4) of the MPRDA (Act No. 28 of 2002); in respect of Portion 3 of the farm 299, Portion 1 and the remaining extent of the farm 298 as indicated on the acceptance letter by the Department of Mineral Resources (DMR) reference number: NC 30/5/1/1/2/10927PR.

The interested and affected parties were invited to submit their comments or objection.

A copy of the background information document ('BID') and other necessary document was sent by registered mail to the identified interest and affected parties– See attached a copy of tracking and tracing parcel as Annexure B.

All other interested and affected parties were invited to lodge their comments or objection on the proposed prospecting operation by means of an advertisement in the local newspaper (Kathu Gazette) – confirmation attached as Annexure c.

## **2. Description of the existing status of the cultural, socio-economic or biophysical environment, as the case may be, prior to the proposed prospecting or mining operation.**

2.1.1. Confirm that the identified and consulted interested and affected parties agree on the description of the existing status of the environment.

The existing physical and biophysical status of the environment was determined by means of literature review including the topographical map studied covering 2823 BC Silver Streams map sheet, and visual observation done on site during the public participation process undertaken on portion 1 of the farm Rooipan 507 and portion 16 of the farm Carter Block 458 which is adjacent to the proposed prospecting area.

The company is waiting for the feedback from the identified interest and affected parties, and such information will be included on the Environmental Management Plan to be drafted for the submission at the DMR on the 23<sup>rd</sup> October 2013. The EMP will be made available for viewing by the I&AP's with objective information in order for them to raise issues of concern and make suggestions for enhanced benefits, contribute local knowledge and experience and to verify that their issues have been captured and considered in the final EMP studies.

2.1.2. Describe the existing status of the cultural environment that may be affected

It must be noted that no heritage impact assessment has been conducted by the specialist within the proposed application area.

2.1.3 Describe the existing status of the heritage environment that may be affected.

It must be noted that no heritage impact assessment has been conducted by the specialist within the proposed application area.

2.1.4. Describe the existing status of any current land uses and the socio-economic environment that may be directly affected

It is important to note that no Socio-Economic Assessment was done by a specialist and that possible impacts can still be identified by the identified interested & affected parties, as the consultation remain an on-going process.

The proposed prospecting site is currently used as cattle/small stock grazing facility and is bordered with other farms with the same intend. Cattle/Sheep watering facility known as Reservoir was observed from Vleiplaas properties. The proposed area is not intensely used for grazing purposes, as games were noted at the immediate surroundings. The proposed area is relatively flat and it sloped gentle down to the Klein Riet River on the Southern extent of the applied area. Several small pans and or depressions of various sizes can be seen across the applied area. Limited soil can be observed in other areas as limestone/ dolomites are usually protruding through the little sandy surface.

Socio-economic upliftment will take place due to the creation of employment opportunities as well as economic support to the surrounding business community if there is any.

Only local labourers will be used as far as possible.

2.1.5. Describe the existing status of any infrastructure that may be affected.

The proposed application area is situated on Portion 3 of the farm 299, Portion 1 and the remaining extent of the farm 298, approximately 22 km North East of the town Lime Acres. The study area is situated approximately 7km North East of the R385 road made of tar road and gravel road at the entrance to Lime Acres town from the main road to Postmasburg. The non-perennial Klein Riet River makes a boundary with the proposed application area towards South with its flow direction from North West to South East. Other dirty unpaved road transects the vicinity of Langverwag property from North East to South West. The three power line Eskom`s Olien-Ulo and Silverstreams-Ulco also crosses the proposed application area from SSW to EES direction.



There is existing infrastructures within the applied proposed application area.

The infrastructure include the farmers house, kraals, Reservoir dam, wind pump, power lines, and including other gravel road accessing the area.

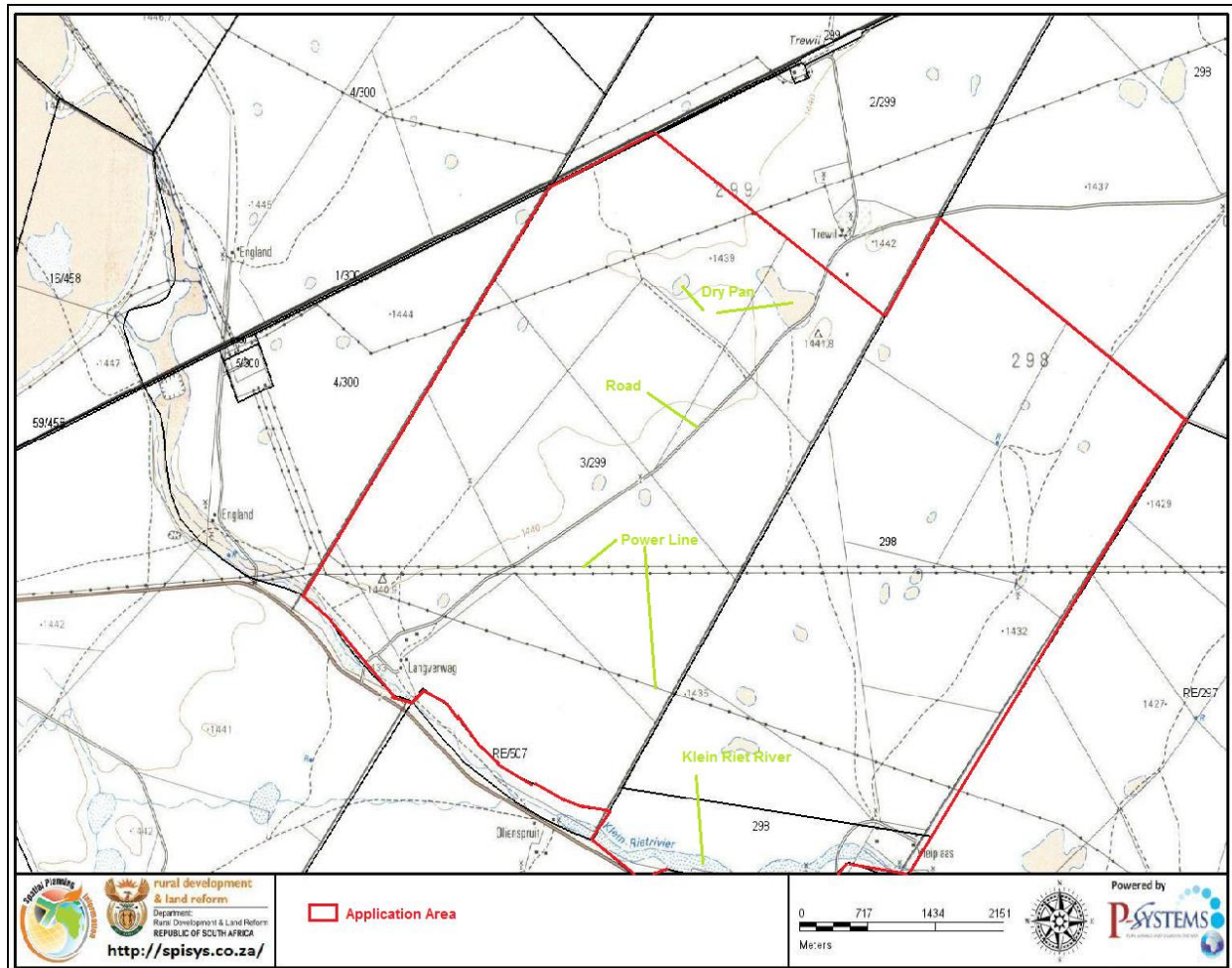


Figure 2: Infrastructure map

No infrastructure will be affected by the proposed prospecting activity. However, it is important to note that necessary measures will be implemented to avoid any damage to the above mentioned infrastructures during prospecting events.

It must be noted that traffic may increase from time to time because of the vehicles and machinery going in and out of the prospecting site.

The following equipment will be temporary installed as part of the prospecting activities during the construction phase whereby it will be removed during the decommissioning phase.

1x excavator

1x drill rig

2x trucks

1x mobile chemical toilet

All infrastructure, equipment and other items used during the prospecting period will be removed from the site.

2.1.6. Describe the existing status of the biophysical environment that will be affected, including the main aspects such as water resources, flora, fauna, air, soil, topography etc.

**Air Quality:** The general air quality on the area is expected to be good, though sources that negatively impact on air quality are dust from the main road 385, and periodic burning of the veld due to human activity or as a result of natural causes. Dust produced by surface mining activity at PPC Lime, Idwala and Finsch mine also have a negative impact on air quality in the applied farms or area under certain weather conditions.

**Fauna:** Fauna species are expected to be present within the vicinity and around the adjacent farms. Mammalian species, mobile bat species, small carnivores, small rodents and Insectivores species should be expected to be found during prospecting. The prospectors should be watchful of the Mygalomorph spiders, scorpions, certain butterfly (Lepidoptera) and dragonfly and damselfly (Odonata) species as are regarded as conservation concern.

**Flora:** The natural vegetation comprises of a mix of low scrub vegetation due to the aridity of the area that occurs on the flats, with the ridges and hillsides being characterised by much bushier vegetation between 1.5-2.5m height averages. The farm Langverwag (299) and Vleiplaas (298) falls within the Tropical bush and savanna type, Acocks veld type groups on a level to very gentle slope.

The proposed prospecting area lies in veld type 33, Kalahari Plateau Bushveld(Acocks, 1988). In general, this is a fairly dense bushveld composed of shrubs, and sometimes small trees, in mixed grassland.

The primary shrubs are: Camphor Tree *Tarchonanthus camphoratus*, Threethorn *Rhigozum trichotomum*, Puzzle Bush *Ehretia rigida*, *Grewia flava* and *Maytenus heterophylla*.

The tree layer is not dominant but the following species do occur sparsely: Wild Olive *Olea europaea* subsp. *africana*, Umbrella Thorn *Acacia tortilis* and Shepherd's Tree *Boscia albitrunca*.

The grass is by nature tall and dominated by Redgrass *Themeda triandra* and other grasses such as Copperwire Grass *Aristida diffusa* and Silky Bushman Grass *Stipagrostis uniplumis*.

Karoo dwarf shrubs are sometimes accompanied by the development of thickets of shrubs and trees including Fringed Karee *Rhus ciliata*, Spikeflower Black Thorn *Acacia mellifera* subsp. *detinens* and Umbrella Thorn *A. tortilis*

**Surface Water:** Minor pan wetlands and riparian habitat were identified within the vicinity of the proposed prospecting area including the surrounding areas. It is unlikely that the prospecting operation will negatively affect the surface water as there is no surface water available within the vicinity. There is a non-perennial surface water system (Klein Riet River) located North at the boundary of the proposed application area.

**Soil:** The proposed prospecting area is characterised by calcrete and dolomite. Soil occurrences within the area are not abundant in most areas and the depth varies over the area from 0 (non) to 40cm. Some areas are favoured to constitute dark brown soil and vegetation seems to grow better in these areas.

**Ground Water:** The proposed application is located in the tertiary catchment area C92A. The catchment area forms part of several non-perennial/ dry pans. Water for domestic use by the surface owner at his residence is obtained from a borehole. The ground water quality is expected to be of good quality.

**Soil:** The area has not been irrigated and is engaged by livestock grazing land, as a result has a low agricultural potential for cropping production. Very few wind-blown can be seen even though this is uncommon as most of the area is overlain by recent cover of calcrete and sand.

**Topography:** The proposed prospecting area is positioned in an area which is mostly flat terrain with low plains of the Ghaap escarpment. The natural topography within the vicinity has not been altered by mining activities therefore it is not anticipated that the proposed prospecting activities will cause a major disturbance. The proposed area is relatively flat and it sloped gentle down to the Klein Riet River on the Southern extent of the applied area. Several small pans and or depressions of various sizes can be seen across the applied area. Limited soil can be observed in other areas as limestone/ dolomites are usually protruding through the little sandy surface.

2.1.7. Provide any relevant additional information.

None

### **3. The anticipated environmental, social or cultural impacts identified.**

3.1. Confirm that the community and identified interested and affected parties have been consulted and that they agree that the potential impacts identified include those identified by them.

3.1.1. Provide a list and description of potential impacts identified on the cultural environment.

None - the process of consultation is still going on

3.1.2. Provide a list and description of potential impacts identified on the heritage environment, if applicable.

None - the process of consultation is still going on

3.1.3. Provide a list and description of potential impacts identified on the socio- economic conditions of any person on the property and on any adjacent or non-adjacent property who may be affected by the proposed prospecting or mining operation.

Yes a positive impact while the operation is on-going. Socio-economic upliftment will take place due to the creation of employment opportunities as well as economic support to the surrounding business community at Lime Acres town.

3.1.4. Provide a list and description of potential impacts (positive & negative) identified on: employment opportunities, community health, and community proximity.

The proposed mining operation itself will not create many employment opportunities. When the proposed mining operation starts operating they will be a need to higher few people from the nearest community to help as general workers. However the operation will be kept small to limit dust and noise that may disturb the people staying in the farm close to the operation. For as far as is reasonable practicable, the employer will provide and maintain a working environment that is safe and without risk to the health of employees.

Each employee will, while at the site, take reasonable care to protect their own health and safety, as well as that of other persons that might be affected.

Clean drinking water and proper sanitation facilities will be made available to all employees.

3.1.5. Provide a list and description of potential impacts identified on the biophysical environment including but not be limited to impacts on: flora, fauna, water resources, air, noise, soil etc.

LIST	POTENTIAL IMPACT	TYPE OF IMPACT	DESCRIPTION
Air Quality	Dust	Negative	Nuisance dust
Fauna	Disturbance and/or destruction of habitat	Negative	Disturbance and/or destruction of habitat.
Flora	Disturbance and/or destruction of vegetation	Negative	Disturbance and/or destruction of vegetation.
Ground Water	No impact	Not Applicable	Not Applicable
Surface Water	No impact	Not Applicable	No perennial streams/River within the vicinity.
Noise	Noise	Negative	Noise created by prospecting equipment.

Soil	Removal and disturbance of soil structure	Negative	Removal and disturbance of soil structure by prospecting activities.
Visual	Changing of natural view by prospecting activities in some areas.	Negative	Changing of natural view by prospecting activities in some areas.
Topography	Minor impact to topography by prospecting activities is expected.	Negative	Minor impact to topography by prospecting activities is expected.
Geology	Removal and mixing of lithology and rock structure.	Negative	Removal and mixing of lithology and rock structure.

3.1.6. Provide a description of potential cumulative impacts that the proposed operation may contribute to considering other identified land uses which may have potential environmental linkages to the land concerned.

**Air Quality:** Current sources of impacts on air quality are the dusts from vehicles traveling on the gravel roads of the area. Dust is anticipated to occur from the haulage operations as opposed to the excavating and transporting the material for processing where the plant will be located. Gas emissions from machinery will be kept within legal limits.

**Noise:** Noise created by prospecting activities. Noise created by the contractors and or other activity and combines utilized by the surface owner and that of the nearby mining operation. Noise on site will come from the large vehicles (drilling rig, transporting trucks, front-end loader), and from the drilling activities. Noise impact from drilling is high, but is limited to very short, infrequent periods of occurrence.

**Fauna:** Large antelope species are anticipated to be present from the area since there no much of cultivation going on. The normal array of small mammals and birds that are associated with the Azonal Vegetation Type might be expected.

**Flora:** Disturbance and/or destruction of habitat by prospecting activities. Hunting and snaring of animals from the game farming.

**Soil:** Removal and disturbance of soil structure by prospecting activities

**Surface Water:** The non-perennial Klein Riet River makes a boundary with the proposed application area towards South with its flow direction from North West to South East. No surface water available within these farms except of the water stored in reservoir dams sourced from the boreholes.

**Groundwater:** Water for domestic use by the surface owner at his residence is obtained from a borehole. The ground water quality is expected to be of good quality.

**Topography:** Medium impact on the portion where excavation for bulk sampling processing will be dug.

**Visual:** Varying of natural outlook by prospecting activities in some areas. Dust that is generated will be visible to the surrounding landowners and from across the gravel road.

4. Land use or development alternatives, alternative means of carrying out the proposed operation, and the consequences of not proceeding with the proposed operation.

4.1. Provide a list of and describe any alternative land uses that exist on the property or on adjacent or non-adjacent properties that may be affected by the proposed mining operation.

The proposed area is zoned for farming, however, is currently utilised for livestock farming. The following land uses were identified within the proposed application area, and is anticipated that without measurement or mitigation the adjacent or non adjacent farms or area will be negatively impacted on by the proposed prospecting includes. These include but are not limited to:

- Noise from drilling program will affect the livestock and farmers residing on the property.

- The immediate proposed application area and immediate surrounding environment are utilised for farming and residential use by the farmers.

4.2. Provide a list of and describe any land developments identified by the community or interested and affected parties that are in progress and which may be affected by the proposed mining operation.

The Company is waiting for comments on any land development to be identified by the community or interested and affected parties within the proposed application area.

4.3. Provide a list of and describe any proposals made in the consultation process to adjust the operational plans of the mine to accommodate the needs of the community, landowners and interested and affected parties.

Please note that the necessary documents in support of this application were distributed to the stakeholders very late as it was very difficult for the applicant to trace the farmers contact information. Due to this reason, the process of consultation is still going on.

The proposal will be included on the Environmental Management Plan as soon as the relevant comments have been received from the identified interested and affected parties, affected organisation, individual or community.

4.4. Provide information in relation to the consequences of not proceeding with proposed operation

On local level: The area will be deprived of a much needed economic injection. Livestock farming activities on the property under application would continue with a limited contribution to the local economy.

On industry level: An opportunity to establish a source of minable kimberlite fissure/ pipe for Diamond processing at a geographically favourable location will be lost, considerable investment opportunities, and creation of employment.

5. Description of the process of engagement referred to in 3.2.1 and 3.2.2 above with identified communities, landowners and interested and affected parties.



5.1. Provide a description of the information provided to the community, landowners, and interested and affected parties to inform them in sufficient detail of what the prospecting or mining operation will entail on the land, in order for them to assess what impact the prospecting will have on them or on the use of their land;

The parties to be affected by the proposed operation were informed of intended prospecting activities to take place. They were requested to give their comments and concerns with regards to the proposed operations.

A copy of the background information document ('BID') and other necessary document was sent by registered mail to the identified interest and affected parties– See attached a copy of tracking and tracing parcel as Annexure B.

All other interested and affected parties were invited to lodge their comments or objection on the proposed prospecting operation by means of an advertisement in the local newspaper (Kathu Gazette) – confirmation attached as Annexure c.

5.2. Provide a list of which of the identified communities, landowners, lawful occupiers, and other interested and affected parties were in fact consulted.

**CONSULTED PARTIES:**

- ❖ Farm 299 Langverwa (Portion 3) - Mr GP du Plessis - Surface Owner
- ❖ Farm 298 Vleiplaas (Portion 1) - Mr B. Markram - Surface Owner
- Vleiplaas (remaining extent) - Mr B. Markram - Surface Owner

**Area of interest: Surrounding Farms:**

- ❖ Farm no 297 Seekoelvrei-(RE/297) - Me. A. Rainier- Adjacent farm
- Arbeidsloon (Ptn 1) - PC Steenkamp- Adjacent farm
- ❖ Farm no 298 Content (Ptn 2) - AW Fourie- Adjacent farm
- ❖ Farm no 300 England (Ptn 1 and 4) - Mnr. TCB Vermeulen- Adjacent farm
- ❖ Farm no 458 Dikbos (Ptn 16/458) - W De Jager- Adjacent farm

- ❖ Farm no 507 Witput (RE/507) - GP du Plessis - Adjacent farm
- ❖ Farm no 507 Olienspuruit (RE/507) - C. York - Adjacent farm

Other stakeholders consulted:

- ❖ Kgatlelopele Municipality- Local
- ❖ Department of Rural Development Land Reform
- ❖ Department of Water Affairs
- ❖ South African Heritage Resources Agency

5.3. Provide a list of their views raised in regard to the existing cultural, socio-economic or biophysical environment, as the case may be.

Please note that the necessary documents in support of this application were distributed to the stakeholders very late as it was very difficult for the applicant to trace the farmers contact information. Due to this reason, the process of consultation is still going on.

5.4. Provide a list of their views raised on how their existing cultural, socio-economic or biophysical environment potentially will be impacted on by the proposed prospecting or mining operation.

Please note that the necessary documents in support of this application were distributed to the stakeholders very late as it was very difficult for the applicant to trace the farmers contact information. Due to this reason, the process of consultation is still going on.

5.5. Provide list of any other concerns raised by the aforesaid parties.

Please note that the necessary documents in support of this application were distributed to the stakeholders very late as it was very difficult for the applicant to trace the farmers contact information. Due to this reason, the process of consultation is still going on.

5.6. Provide the applicable minutes and records of the consultations as appendices.

Please note that the necessary documents in support of this application were distributed to the stakeholders very late as it was very difficult for the applicant to trace the farmers contact information. Due to this reason, the process of consultation is still going on.

More information will be available on completion of the public participation process.

5.7. Provide information with regard to any objections received.

No objections were received from the interested and affected parties at this stage.

Please note that the necessary documents in support of this application were distributed to the stakeholders very late as it was very difficult for the applicant to trace the farmers contact information. Due to this reason, the process of consultation is still going on.

**6. Describe the most appropriate means to carry out the proposed operation with due accommodation of the issues raised in the consultation process.**

Please note that the necessary documents in support of this application were distributed to the stakeholders very late as it was very difficult for the applicant to trace the farmers contact information. Due to this reason, the process of consultation is still going on.

### **C. IDENTIFICATION OF THE REPORT**

The report on the results of consultation must, at the end of the report include a certificate of identification as follows;

Herewith I, the person whose name and identity number is stated below, confirm that I am the person authorised to act as representative of the applicant in terms of the resolution submitted with the application, and confirm that the above report comprises the results of consultation as contemplated in Section 16 (4) (b) or 27 (5) (b) of the Act, as the case may be.

Full Names and Surname	Clive Fanti
Identity Number	7701085712087

- END -