

Petroleum Agency SA

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07 March 2016

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OUR REFS: 12/3/295

Attention: Mr Matthew Hemming
SLR Consulting (Pty) Ltd
Unit 7 Fourways, Manor Office Park
1 Macbeth Avenue
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2055

Tel (011) 467 0945

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Dear Mr Hemming

RE: DRAFT SCOPING REPORT FOR ENVIRONMENTAL AUTHORISATION: EXPLORATION RIGHT APPLICATION FOR PETROLEUM ON VARIOUS FARMS IN THE MAGISTERIAL DISTRICTS OF MATATIELE AND MOUNT FLETCHER, EASTERN CAPE

We acknowledge the receipt of your draft scoping report dated 07 March 2016 regarding the comments on the proposed exploration right application for petroleum on various farms in the magisterial district of Matatiele and Mount Fletcher, Eastern Cape Province. Please be advised that we are currently reviewing your documentations and we will respond in due course.

Yours sincerely


.....
Tebogo Motloun

Acting General Manager: Regulation

Directors: M P Fusi (Chairperson)

B Luthuli R Nkambule T Ramuedzisi L Nengovhela *L Mekwe (*Executive)

Company Secretary: Adv E Hendricks

Subsidiary of CEF SOC Ltd.

South African Agency for Promotion of Petroleum Exploration and Exploitation SOC Ltd No. 1999/015715/30.





Province of the
EASTERN CAPE
ECONOMIC DEVELOPMENT,
ENVIRONMENTAL AFFAIRS & TOURISM



Reference: 12/3/295 ER

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The Manager

SLR Global Environmental Solutions

Per facsimile: 011 467 0978

Dear Sir/Madam

Re: DEPARTMENTAL COMMENTS: SCOPING REPORT - APPLICATION FOR ENVIRONMENTAL AUTHORISATION FOR EXPLORATION RIGHTS ON VARIOUS FARMS IN THE MAGISTERIAL DISTRICTS OF MATATIELE AND MOUNT FLETCHER IN THE EASTERN CAPE, RHINO OIL AND GAS TO THE PETROLUEM AGENCY OF SOUTH AFRICA (PASA) ON BEHALF OF THE DEPARTMENT OF MINERAL RESOURCES (DMR) AS DELEGATED

The Scoping Report dated 7 March 2016 bears a reference,

1. Following in-depth scrutiny of the report the Department would like to advise as follows;
 - 1.1. The need and desirability assessment (section 4):
 - 1.1.1 adequately considers available tools, policies and guidelines in the mining and environmental sector or at large, governance,
 - 1.1.2 draws lessons from countries and or places that have had the oil and gas industries and benefitted from these,
 - 1.1.3 fails to recognise and/or consider what challenges have been faced by those countries because of the oil and gas industry operations.
 - 1.2 As suggested by SLR (section 5), the PASA should seriously consider the objection raised by registered interested and affected parties (I&AP's) to the development proposal.
 - 1.3 The assessment of alternatives (section 5):
 - 1.3.1 in most cases identifies that as the current application is for the early phase of exploration to determine the presence of an oil and/or gas resource that could be investigated further.
 - 1.3.2 "no detailed exploration nor permeability testing, pressure testing or hydraulic fracturing is included in this application" and

"Innovation for Sustainable Development"
Maloti College of Education, Maloti 4730

S.B



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- 1.5 In line with points number 1.3 and 1.4, the scoping report failed to recognise the effect of cumulative impacts in the impact assessment section (section 6).
 - 1.6 The Department would like cumulative impact assessment to be seriously considered.
- 2 The Department is convinced the scoping report may not contain fatal flaws that may jeopardise the success of the application but in the light of the anticipated later activities and failure to consider cumulative impacts and all else highlighted herein as having been missed, the competent authority may not have sufficient information at hand to make an informed decision, which in terms of regulation 22 (b) (ii) of the EIA regulations 2014 may lead to refusal of environmental authorisation.

It is unlawful for a listed activity to be commenced with without prior environmental authorisation in terms of section 24F of the National Environmental Management Act, 1998 (Act No. 107 of 1998).

I trust that you will find all the above to be in order. Should there be any queries regarding this matter, do not hesitate to contact the undersigned.

Yours faithfully

Mtonjeni Siyabulela Banard



Assistant Director
Environmental Quality Management
Alfred Nzo Region

Date: 11/04/2016



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NOT FOR PROFIT ORGANISATION Reg. No. 1988/007392/08 NPO reg. No. : 029-809

9th April 2016

RE: COMMENT ON PROPOSED EXPLORATION RIGHT APPLICATION FOR PETROLEUM ON VARIOUS FARMS IN THE MAGISTERIAL DISTRICTS OF MATATIELE AND MT FLETCHER, EASTERN CAPE

ATT: SLR Consulting (Pty) Ltd; Rhino Oil and Gas Exploration South Africa (Pty) Ltd

Lima Rural Development Foundation (www.lima.org.za) established in 1989, is a non-governmental and non-profit organisation. This year Lima is celebrating its 27th Anniversary of serving poor rural communities and fighting for a more just society. Lima implements projects in all nine provinces within South Africa.

Lima provides a sustainable and integrated rural development service to many urban and rural communities through the establishment of appropriate institutions, local economic development and training to empower rural people, particularly women, in their own development efforts, in order to overcome poverty.

Lima is involved in a number of technical sectors, including agriculture, construction, education, home based care, enterprise development, land reform, environmental and tourism activities. Lima's central objective is the development of people and their associated livelihoods. Lima currently has 78 actively funded projects across all the sectors mentioned above.

A major focus is also placed on the transformation of the agricultural sector by striving towards black economic empowerment, implementing farm-worker equity programmes as well as land reform. More recently, Lima has developed a strong focus on employment creation with the ultimate goal of restoring dignity to those who rightly deserve it.

Lima Rural Development Foundation has been operating in the Eastern Cape for over 20 years.

Matatiele Local Municipality is an area that is comprised of extraordinary natural capital in terms of ecosystem goods and services. This is acknowledged and reiterated in the official Vision and Mission Statement set by the town and its council: (<http://www.matatiele.gov.za/about-us>)

- Vision: "Where Nature, Agriculture and Tourism are Investments of Choice."
- Mission Statement: "To create an awareness of nature conservation, to promote and support agricultural activities, to promote, market Local Tourism Organizations and Small Medium and Micro Enterprises."

The general response that has been set out according to initial Public Participation meetings is a clear "No Go" to the proposed activity.

Lima Rural Development Foundation OBJECTS to the application on the following grounds:

1. THE PROPOSED ACTIVITY DIRECTLY CONFLICTS WITH PREVIOUS AND CURRENT INVESTMENTS:

There has been over R27million spent during the last three years in the Alfred Nzo District Municipality (ANDM) area by National and Provincial Departments of Environmental Affairs in partnership with NGO's, Local Businesses and Community Based Organisations. This investment was into the restoration and protection of the natural environment and its essential ecological infrastructure. The investment has created over 1000 jobs for local communities and improved the ecoservices of the area, assisting agriculture based livelihoods.

On the other hand, as per the Scoping Report, 5.4.19 on page 114 –

"A staff of approximately five persons would operate a drill rig, while seismic survey teams would consist on between 15 and 25 persons. These are mostly persons with specific technical skills. "

In contrast the 25 jobs that will come with the drilling activities will have a detrimental impact on the environment (land and water resources) through degradation and risk of contamination. The proposed exploration activities would reduce the potential for areas to be considered environmental assets for further protection, eco-tourism, agriculture and green job creation.

2. THE PROPOSED ACTIVITY DIRECTLY CONFLICTS WITH MUNICIPAL TOURISM OBJECTIVES:

The ANDM area has a very active tourism sector that has the potential to grow; this is supported through the Matatiele LM IDP for 2014/2015:

"The abundant natural beauty that Matatiele has makes it an area of high tourism potential. Among its attractive features are its wide, open spaces, mountainous terrain, rivers, scenic botanic features, flora and fauna (biodiversity), wetlands, picnic spots, birds, including special bird species, and snowy winters. In addition, Matatiele is home to diverse cultures.

These features provide opportunities for the growth or expansion of the following existing forms of tourism in the municipality: Nature-based tourism; cultural tourism, agricultural tourism, bird-watching/ avitourism, Eco and Adventure Tourism and Winter Tourism (Matatiele LM 2014/15 IDP, 2015). "

The proposed activity would disturb the environment and dramatically reduce tourism potential.

3. THE PROPOSED ACTIVITY IS A DIRECT THREAT TO NATURAL RESOURCES / ASSETS:

Matatiele is considered the Eastern Cape Water Factory and this is a result of over 41 000 hectares of wetlands, which forms 10% of the municipal area occurring in the municipality, more than any other municipality in South Africa. The Matatiele Local Municipality council has endorsed the Matatiele Water Factory Stewardship Plan since 2014 (UCPP, 2016).

According to the NFEPA implementation manual, mining in any form (including prospecting/exploration) should not be permitted in wetland FEPAs or within 1km of a wetland FEPA buffer, or within 1km of a riverine buffer (including all associated wetland systems and tributaries) within a FEPA catchment. Since 10% of the Matatiele Local Municipality Area is covered by wetlands, the area that is beyond these restricted areas is rangelands for cattle and nature reserves/protected areas for tourism.

Thus, the proposed activity is a direct threat to 1) Water Resources (quality and quantity), 2) Agric-Economy potential (rangeland/livestock) and 3) the Ecotourism Potential of the Matatiele Local Municipality area.

4. THE PROPOSED ACTIVITY IS A DIRECT THREAT TO WATER RESOURCES:

Groundwater contamination that may occur as a result of accidents and/or defective equipment may have an increased stress on the already water stressed catchment. Water use for the proposed activity will certainly increase stress on the water use allocations in the area.

The preamble to the National Water Act (No 36 of 1998) states the following to be acknowledged in the formulation of the Act (emphasis underlined):

- Recognising that water is a scarce and unevenly distributed national resource which occurs in many different forms which are all part of a unitary, interdependent cycle;
- Recognising that while water is a natural resource that belongs to all people, the discriminatory laws and practices of the past have prevented equal access to water, and use of water resources;
- Acknowledging the National Government's overall responsibility for and authority over the nation's water resources and their use, including the equitable allocation of water for beneficial use, the redistribution of water, and international water matters;
- Recognising that the ultimate aim of water resource management is to achieve the sustainable use of water for the benefit of all users;
- Recognising that the protection of the quality of water resources is necessary to ensure sustainability of the nation's water resources in the interests of all water users; and
- Recognising the need for the integrated management of all aspects of water resources and, where appropriate, the delegation of management functions to a regional or catchment level so as to enable everyone to participate;

Thus, the proposed activity is in direct contravention of the 'spirit' of this law and sustainable and equitable water use.

5. THE PROPOSED ACTIVITY IS A DIRECT THREAT TO HEALTHY ENVIRONMENTS:

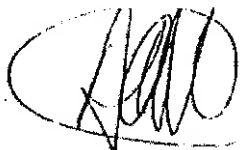
The proposed activity, through various forms of exploration activities, would disturb and potentially degrade the environment. The longterm impacts of exploration activities (i.e. fracking) are well-documented to bring negative consequences to the local social and natural environment. This would be a direct contravention of Chapter 2, section 24 of the Constitution of the Republic of South Africa (1996) which states the following

24. *Environment - Everyone has the right:*

- (a) *to an environment that is not harmful to their health or well-being; and*
- (b) *to have the environment protected, for the benefit of present and future generations,*
- (c) *through reasonable legislative and other measures that-*
 - (i) prevent pollution and ecological degradation;
 - (ii) promote conservation; and
 - (iii) secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

On these grounds, Lima Rural Development Foundation wholly OBJECTS to the proposed activity.

Yours sincerely



Duncan Stewart
Managing Director



Susan Carter-Brown
Project Manager, Environmental Sector

Submitted by the UMZIMVUBU CATCHMENT PARTNERSHIP PROGRAMME (UCPP)

11 April 2016

We hereby provide, without prejudice, our response as a collective of interested and affected parties living and working in the Matatiele area for which application to explore has been submitted. Due to the immense size of the scoping report (over 200 pages of small technical script), and the limited capacity of most of us to properly assess, digest or comment effectively on this report, we make this submission based mainly on the content of the executive summary, with reference to the specific items in the main report body. The mere volume of this report is a strategic prejudice to our effective participation as affected parties.

We also submit that it is unfair and prejudiced upon us as affected people, whose very lives and livelihoods depend upon the land and its resources which the applicant intends to explore and exploit, to have to wade through, understand and comment on such a dense and complex report, **in our spare time**, and we reserve the right to submit further comment as the need arises. SLR Consulting may be paid for their time to compile this report, but we as affected people are already being negatively impacted upon through having to give up productive time to reading this voluminous and complicated report in the interests of protecting what we cannot afford to lose.

COMMENTS ON SCOPING REPORT, AS PER EXECUTIVE SUMMARY LAYOUT

1. Introduction

Page i, first paragraph:

Coal bed-sourced methane (NH₄) (page i of executive summary) is indicated as a far more problematic greenhouse gas than CO₂ (Bill McKibben, *Global Possibilities*, 25 March 2016). In the light of South Africa's commitment to reducing carbon emissions, is the pursuit of unconventional gas extraction a prudent strategy? In the spirit of NEMA, this brings the need and desirability of the proposed activity starkly into question. **We request a full motivation with costings in the EIA phase of why the pursuit of fossil fuels (shale gas and coal bed methane) is more feasible and sustainable over renewable energy sources**, with the costing including long term socio-economic and ecological elements.

Second para: 'Non-invasive' techniques are questioned here: vibroseis-truck based seismic testing is disruptive to soil and aquatic biota. Explosive-shot surveys according to the process description provided on page 2-21 of the scoping report, require 'drilling of shallow holes between 5 and 30m deep, which are filled with explosive charge designed to propagate into the earth. If a blast crater is made this is filled up immediately'. This technique is clearly invasive, with high risk of creating 30m deep (and no indication of how wide) blast craters. **We strongly object to this process being undertaken** in any areas defined as a CBA, NFEPA, sensitive area in the District EMF, wetland or riparian buffer, within 1km of a supply borehole or residential area, within any grazing area, or anywhere within the entire viewshed of the Mehlooding trail or Ongeluknek nature reserve.

2. Project description

Page iii, first para: exclude residential use areas – villages must be delineated out. What buffer is provided for this?

Page iv, second para: S48 of the MRPDA requires exclusion of all areas zoned for protected areas as well all properties zoned for urban / residential use. **Should rural villages be excluded from this protection because they don't fall under a town planning scheme?** We request clarity here on how SPLUMA is affected by, or affects, this issue.

3. Hydraulic Fracturing or not?

Page iv, penultimate para: "hydraulic fracturing could be one of the potential techniques for gas production". This is acknowledged, and as such the queries posed by IAPs regarding fracking as an

ultimate impact or eventual outcome of the exploration phase **must be taken seriously and not brushed off as irrelevant issues for the exploration phase assessment**. The risks posed by cumulative impacts **MUST** be considered, and not fobbed off for the next phase of EIA related to prospecting or production. Any area which would pose constraints to production through unconventional extraction should be excluded from exploration. These constraints must include at minimum the elements of biodiversity, water, legal, socio-economic and health concerns.

4. Legal framework

Page v, second para:

This is short sighted and unacceptable in the light of potential socio-economic and wider environmental impacts. Need to consider additional authorisation requirements including National Water Act 36 of 1998, CARA, Mountain Catchments Act, IPILRA, ESTA. See item 6 below as well.

5. Need & desirability

Application needs to be seen in the wider context of national energy, environmental and climate change mitigation plans. Rhino is only including limited convenient context to justify its needs.

Desirability is frankly questioned here: The draft Integrated Energy Plan, Renewable Energy White Paper and Roadmap, numerous COP agreements, National Climate change response, Green Economy strategy etc all refer here.

6. Alternatives considered

Page v, second half of page:

There has been wholly unsatisfactory, and in fact complete lack of, consideration or even identification of constraints which could restrict or prohibit exploration activities through documented management commitments. Matatiele Local Council has adopted a resolution (May 2015) to declare the upper catchment as a water factory, through NEMPAA and/or the Mountain Catchment Areas Act, in the context of the NWRS2, and this would preclude any activities which may have potential to contradict the protection of water security and strategic water source efforts. There is intent to pursue stewardship status of varying degrees for various parcels of land as outlined in the draft stewardship plan adopted by the MLM. This area should thus naturally be excluded from the application as potential Protected Areas, along with a 5km buffer zone around the proclaimed Ongeluknek / Malekhalonyane Nature Reserve.

7. Public Participation methods

UCPP members (which represent over 34 local organisations including MLM, Trad Authorities and Departments) have found the PP wholly unsatisfactory, with divide and rule tactics being used through smaller separate meetings, insufficient information being provided, disrespectful treatment of Chiefs and leadership and a proper public meeting only being arranged at the demand of UCPP. We reject the manner and method in which the public participation has been facilitated, and submit that it has not been compliant with NEMA regulations, nor with its spirit and intent.

8. Results of Public Consultation

The exec summary states that the majority of IAPs are 'strongly particular (it does not state about what), ... and that there is a resounding NO to the application'. **Is this not clear enough? The themes for this opposition unpacked in the report clearly indicate the deep and broad concerns of the public who live in the area.**

The public has not been effectively consulted: if the process had been thorough, the message from IAPs would be so clear that **this scoping report should indicate a withdrawal of the application with no further EIA phase, in response to and with respect for the thousands of affected people.**

9. Baseline environment

Extensive negative impacts with minimal risk mitigation are outlined here, indicating that at least SLR has taken some of the seriousness of the application and the local concerns into account. However, we note that the following are not sufficiently noted in the report:

- **Impacts on soil biota** (not just structure) from seismic shock / vibration: this needs to be clearly articulated and researched beyond any reasonable doubt, as it has massive potential to impact negatively on an agriculturally dependent area.
- **The entire area consists of CBA 1 or 2 (terrestrial and aquatic) as well as extensive NFEPA wetlands**, as shown in the maps in section 5.6 of main report body. As a precautionary principle, this should preclude any activity which has a potential to impact negatively on the integrity of the above status.

10. Anticipated issues and impacts

Physical impacts 10.1

- Effects on borehole lining integrity: supply wells support most of Matatiele's population, including the upper catchment villages, and damage to their integrity poses a significant threat to sustained water quality and quantity. The extensive dolerite dykes which house these boreholes are at severe risk of fracture with consequent impact on water supply integrity.
- The area constitutes the ecological infrastructure and catchment for a million downstream users. **We posit that altered geohydrological regimes and interaction with groundwater pose an extreme, intense, widespread and long term risk.**
- Specify volumes of water required for drilling operations. If over 80 KL, it will trigger the need for a Water Use License, an in already stressed catchment. A Resource Quality Objectives and Classification study has just commenced, and exploration activities will NOT contribute any quality value to water resources, and may in fact detract significantly from compliance with achieving these quality objectives through the threat of future contamination.

Socio-economic 10.3

- With reference to pages xii and xiv: Disruption of current land use, disturbance to livestock and cropping, reduction in land value, related loss of income, air quality impacts, safety and security issues, compromising main area attractions...Can these HONESTLY be traded for the promise of 25 jobs during exploration? We aren't allowed to mention future activity impacts related to production process such as fracking (page vii, last para), so **the promise of jobs and economic growth for the Matatiele area emanating from production (which will highly likely include hydraulic fracturing) cannot be used as a selling point here either.**
- The Applicant disregards the highly personal interest of the IAPs and simply applies an impersonal recipe to secure its interests. Applicant clearly does not give importance to the individual needs and context of affected communities. These are the people who will have to live with and pay for the aftermath of the Applicant's exploration.

Local limitations to exploration are clearly evident (section 10.4). The report is obviously a cut and paste exercise, as it refers to 'strong public opposition in KZN' (last para on page xv). Matatiele is in the Eastern Cape. This is another indication of the disrespectful manner in which the assessment and the application are being carried out.

In summary, we object to the application to explore, on the grounds of the comments above, and through the extreme prejudice to and disrespect for the inhabitants of the Matatiele area, their livelihoods and their way of life.

We request that the application be withdrawn as a no-go activity with no satisfactory justification for its need or desirability, other than to enrich a foreign company at the expense of the integrity of the ecological resources and livelihoods dependent upon the of the upper Umzimvubu catchment which constitutes the Matatiele area.

Yours in good faith



Sinegugu Zukulu
Chairperson



Nicky McLeod
Secretary

On behalf of the UCPP membership, signed onto the MoU since May 2013



Maloti Drakensberg Transfrontier Programme

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POSITION PAPER Date: 11 APRIL 2016

Comments to the Rhino Oil and Gas Exploration South Africa (Pty) Ltd Scoping Report regarding the intended gas exploration titled:

'Scoping report for the proposed Exploration Right for Petroleum on various farms in the magisterial districts of Matatiele and Mt Fletcher, Eastern Cape'

FOR SUBMISSION TO SLR CONSULTING (SOUTH AFRICA) (PTY) LTD

1. Title

POSITION ADVOCATED: I would like to object on this application and request that a moratorium is granted for all such gas exploration processes until a Strategic Environmental Assessment (SEA) is put in place.

2. Background

The Maloti Drakensberg Transfrontier Conservation and Development Programme (MDTP) is a collaborative initiative between South Africa and the Kingdom of Lesotho which was established in 2001 through signing of a Memorandum of Understanding (MoU) between the two countries to protect the exceptional biodiversity of the Drakensberg and Maloti mountains through conservation, sustainable resource use, and land-use and development planning. This area encompasses distinct landscape and biological diversity. It is rich in species and high in endemism. The project takes a regional and ecosystem approach to conservation and development, and serves to promote biodiversity conservation through linkages with community development based on realization of the region's high potential for nature based tourism. The area transcends three provinces in South Africa namely – Free State, KwaZulu Natal and the Eastern Cape.

MDTP hereby wishes to submit its comments in response to the above-mentioned application for exploration scoping report. We wish to do this proactively to possible future development, bearing in mind that the exploration phase, is a phase preceding possible fracking, I would like to draw your attention to a number of concerns regarding the application. Your Scoping report clearly depicts the implications of the exploration process, however does not provide a guarantee on future effects of the application. In my view, this is expected given the absence of proper strategic and environmental studies especially the **Strategic Environmental Assessment (SEA)**. I would therefore like to raise these issues and also recommend that a SEA is conducted to clearly address concerns. In the interest of our mandate which includes managing ecosystems and their services and promoting eco-cultural tourism in this area, we are more than happy to provide the applicants with information required for strategic planning processes.

3. Comments

According to your map of targeted areas, the areas affected *include the Maloti Drakensberg Transfrontier Conservation and Development Area (MDTFCA), the buffer of the Ongeluksnek Nature Reserve (ONR) up to the Lesotho boundary to the west, from near Qachas Nek to approximately 20 km north of Mt. Fletcher in the south.*

Statements extracted from 'scoping

CONCERNS RAISED

<p><i>report for the proposed exploration right for petroleum on various farms in the magisterial districts of Matatiele and Mt Fletcher, eastern cape'</i></p>	
<p><i>'Appropriate buffers should be determined around the protected areas and other areas'</i></p>	<p>This is my main concern. The area along the Ongeluksnek Nature Reserve (ONR) border for which the ER has been granted is the buffer area of the ONR which is a protected environment. The significance of the reserve is:</p> <ul style="list-style-type: none"> ➤ Natural and historical heritage values. These are of regional and national significance, and incorporate the following: <ul style="list-style-type: none"> • The outstanding natural beauty and aesthetic value of the area; • The biological diversity of species and habitats associated with the vegetation types representing the southern Drakensberg which are not formally protected elsewhere; • The Nature Reserve provides protection to a wetland complex which is one of only a few areas in the entire MDTP bioregion where extensive wetlands occur at altitudes greater than 2 400 m; and • The historical significance of the role of Ongeluksnek Pass in Southern African history. ➤ Water Production. The correct management of the Nature Reserve as a protected area will ensure the conservation of a portion of the Mzimvubu River catchment in order to ensure the sustained production of high quality water. It is the only formally protected part of the Drakensberg catchment in the Eastern Cape Province. ➤ Eco-cultural Tourism. The natural beauty of the landscape and its historical significance together with other cultural heritage assets in the local area provides the Nature Reserve with a significant potential from an eco-cultural tourism perspective. With the added potential for a Transfrontier conservation area and tourism route linkage to Lesotho, it has the potential to become an important destination for both domestic and international visitors. <p>I want to emphasise on the importance of the buffer area in securing the core area of the reserve, and would require clarity on how the buffer will be protected from the expected operations. Moreover, if you happen to discover the potential for fracking in the areas outside the buffer, what are the chances of not wanting to explore opportunities in the buffer?</p>
<p><i>'Total water consumption for drilling a hole is estimated to be less than 100 000l. This water will be sourced locally if possible and by agreement with the land owner. Contamination of ground water. This assessment concludes that drilling fluids pose a very low risk as they are largely not hazardous and/or are biodegradable, they are used relatively diluted in the drilling water (<3%) and are used in tiny volumes in comparison with any aquifer volume'</i></p>	<p>Many publications have made us aware of the implications of subsequent fracking (we need to keep this in mind because exploration may lead to subsequent fracking once you discover the potential to mine gas). These are:</p> <ul style="list-style-type: none"> • The processes of fracturing mixes water, sand, and chemical compounds of which some are toxic and carcinogenic including benzene, toluene, ethylene benzene, xylene, ethylene glycol, diesel fuel, naphthaline compounds, boric acid, arsenic, formaldehyde, various acids and pesticides, are injected into the borehole to facilitate the fracking process. • Each gas well may be fracked several times to maintain the flow of gas and each gas field may contain hundreds or thousands of such wells. • We have also been made aware that the abovementioned chemicals are detrimental to human health. For example benzene used in the mixture of fracturing chemicals is linked to leukemia, other cancers, reproductive and developmental disorder, toluene long-term exposure is associated with birth

	<p>defects and may affect the nervous system.</p> <ul style="list-style-type: none"> • Water contamination and use: The area earmarked is a water strategic area for the Umzimvubu Catchment where The Umzimvubu River System has been prioritized nationally as being one of the few remaining "near-natural rivers" but is classified as vulnerable as a result of rapid rates of degradation in the watershed. The Matatiele area is characterised by some of the priority wetlands that contribute enormously to water security in the area. Water resources in the Matatiele area yield an estimated value of 27 million per year from the Upper Catchment. The risk of water contamination is inevitable. Groundwater wells can be contaminated with natural gas, radioactive and various carcinogenic hydrocarbon compounds, associated with natural gas as well as chemicals contained in the fracking solution (Earthlife Africa Cape Town). The hydraulic fracturing process uses extremely large amounts of water (100 000 l is a lot for an area with local people that still rely on sips for drinking and washing water). This threatens water resources in the midst of drought which is becoming evident nationally. Where is Rhino going to get this water? Moreover, local rural communities still drink from sips, what happens when they get contaminated? We have seen mining applications, taking away sources of livelihoods, living people sick and poor, and as far as I'm concerned there is no amount of money that will ever compensate for an individual's life. We cannot allow this to happen.
<p><i>'Small scale and isolated spillages of hydrocarbons or chemicals may occur but can generally be prevented or treated in-situ with a suitable remediation product'</i></p>	<p><i>'The use of explosives and Vibroses trucks to generate vibrations could damage structures. Localised compaction and soil erosion could happen on the access routes and at drill sites'</i></p> <ul style="list-style-type: none"> • The Matatiele area is one of the areas that generate revenue from tourism, thereby contributing to the country's tourism economy. The unique tourism experience is accounted to its landscape character - the meandering grasslands, its superlative nature – scenic beauty, solitude, habitats for fauna species such as the critically endangered Bearded Vulture which is restricted to the Maloti Drakensberg Bioregion, wetland habitats for beautiful cranes species providing a tourism experience to bird lovers, flora species, cultural heritage. These are very sensitive habitats, even the slightest increase in the number of trucks will have an impact in terms of increased noise, air pollution, increased erosion. The increased disturbance due to the presence of trucks is highly expected to have detrimental effects to the tourism experience of the area. They will negatively affect solitude, increase erosion in an area with roads that are already facing tremendous erosion pressure and impeding accessibility for tourism purposes. Some of the species mentioned above specifically the Bearded Vulture are nearly extinct, any disturbance (destruction of their habitat, noise etc) may result in them abandoning their distribution range. Therefore we cannot take the risk of increasing the number of vehicle access to these areas. • Even the slightest vibration from the trucks will destroy the solitude which is one of the wilderness aspects attracting tourists to this area.
<p><i>'Disturbance to vegetation cover and soil structure will be limited to very small sites which will be rehabilitated.'</i></p>	<p>I would like to bring to your attention the below. The area of ER concern is not only a key freshwater system area. In addition to that, the adjacent matrix of grassland, forest, thicket, and dune vegetation are some of the most bio-diverse in the world, with four distinct Key Biodiversity Areas (KBAs) falling within the watershed corridor.</p> <ul style="list-style-type: none"> • These habitats support numerous species of plants and animals and provide a range of ecosystem services that support poverty

	<p>alleviation in the largely rural and peri-urban settlements with water provision, erosion control, infrastructure protection, fodder for livestock and food security, and materials for household and community use.</p> <ul style="list-style-type: none"> • When intact, they also provide an important carbon sequestration function. <p>Whilst areas may be rehabilitated, we may not recover associated fauna species relying on those habitats as they are sensitive to disturbance. The disturbance will impact negatively on the climate change adaptation abilities of the ecosystems found here.</p>
<p>'Access will LARGELY be through existing gates and new routes or gates only be created in agreement with the land owner'.</p>	<p>Given the language used in the above statement from your scoping report, there is no guarantee that there will be no new routes; this is one of the land management activities we avoid in such sensitive landscapes.</p>
<p>'Where the exploration activities prevent productive agriculture or land use from taking place, the owner must be compensated appropriately'</p>	<p>Colorado is currently sitting at only about 84% of agricultural production due to fracking. Your above statement is a grave concern given the reliance of local communities on agricultural production. The Matatiele area is largely rural with local communities relying on agriculture to sustain livelihoods, and the truth is that agriculture contributes more jobs than public transport, building retrofills, biomass, solar, wind, smart grid, coal and natural gas. No amount of compensation for land will match the value of job creation for the disenfranchised people of Matatiele. How many sustainable jobs for, specifically local communities will be derived from these applications?</p>
<p>Drilling requires the use of a truck or trailer mounted, mobile drilling rig at target sites. Drill sites will be accessed using existing roads and farm tracks. The drill rig will be accompanied by supporting equipment such as a water bowser, compressor and vehicles. The drill rig is manned by a staff of approximately five (5) persons. A typical diamond core drill rig and equipment requires an operating area of approximately 2000 m² (ie. 40 m by 50 m). There may be an on-site caravan for the logging of core data.</p>	<p>How many of these jobs are for local communities? How many jobs will you create for specifically local communities whose land will be impacted? I am raising this because there seems to be There seems to be misconceptions with regards to the potential for job creation from this initiative. It is therefore critical to address that at length and provide clarity so that local communities are well informed prior to them making decisions</p>

4. Recommendation

It is therefore recommended that:

- A moratorium is instituted on this application until a Strategic Environmental Assessment is conducted and we have better clarity on its implications on our already stressed environmental resources.
- MDTP will gladly avail any data and technical support it has regarding the SEA process.

11 April 2016

Attention Matthew Hemming
SLR Consulting

This letter serves as a response to the SCOPING REPORT FOR THE PROPOSED EXPLORATION RIGHT FOR PETROLEUM ON VARIOUS FARMS IN THE MAGISTERIAL DISTRICTS OF MATATIELE AND MT FLETCHER, EASTERN CAPE. Oct 2015

We would like to state categorically and without any ambiguity or other interpretation that we are Interested and Affected parties that will be directly affected by any proposed exploration or mining activities according to the scoping report mentioned above.

We live on farm 20km from Matatiele and draw all our drinking and water for farm use from the ground via a borehole. We have noticed along with other observant farmers in our district that snowfall in the George Moshesh and surrounding catchment area affects the level and temperature of our groundwater. As laypersons, what we can logically deduce from this, is that our groundwater supply is connected to the water that seeps into the ground in the abovementioned catchment area.

Any mining or hydraulic fracturing in this area WILL contaminate our water supply. Our family, our staff and their families, our livestock and our livelihood will be directly affected by this. Not only that but we are one of the few farms in the country that provide a refuge and safe unspoiled habitat for all 3 species of cranes including the endangered Wattled Crane. There can be up to 40 Wattled Cranes feeding on the wetlands of the farm. They return here because the water is clean and they are undisturbed.

We are COMPLETELY AND TOTALLY OPPOSED TO ANY MINING ACTIVITIES OR EXPLORATION ACTIVITIES IN THE PROPOSED SITES AS OUTLINED IN THE SCOPING REPORT SUBMITTED BY SLR CONSULTING ON BEHALF OF RHINO GAS AND OIL OR ANY OTHER SUCH ENTITY IN FUTURE.

We believe that we are custodians of our environment and that what we do with it today will affect our children and every future generation to come. Enriching a few now for gross profit and gain is TOTALLY SELFISH, EVIL AND MALICIOUS.

To knowingly go ahead with the proposed exploration and mining ANYWHERE IN SOUTH AFRICA is tantamount to nothing less than INTENT TO DO BODILY HARM if not PREMEDITATED MURDER on the part of SLR and Rhino Gas and Oil. This is in the light of awareness of all the negative health effects that fracking fluids pose to human beings from countless studies undertaken internationally.

We are shocked and appalled that a company such as yours would even consider putting forward such a proposal that you KNOW can only harm and sicken countless people in the face of all the evidence presented worldwide. We have heard of the attempts to bribe and coerce influential people in the proposed areas. We are NOT FOOLED.

We appeal to your sense of human decency and call on you before God, our Creator, to put an end to this proposed exploration right once and for all and leave our pristine groundwater and home to millions of hardworking decent South Africans alone.

We ask you this: How would YOU feel if we were to come along and tell you that we were going to poison your only water supply to YOU AND YOUR CHILDREN FOREVER? How would YOU respond? The only difference is that you are trying to convince us to let you come and do it but YOU WONT ADMIT that that you are actually knowingly going to harm us all.

We leave you, in prayerful hope, that you will consider the last two verses from Psalm 139:

"Search me, O God, and know my heart. Test me and know my anxious thoughts. See if there is any offensive way in me and lead me in the way everlasting."

We will pray for you.

Sincerely,

Graeme Rawlins

Licensed Electrical Contractor

Georgie Rawlins

BSC (Med) Hons, UCT



ENDANGERED
WILDLIFE TRUST

www.ewt.org.za

11 April 2016

Dear Sir / Madam,

Comment: SCOPING REPORT FOR THE PROPOSED EXPLORATION RIGHT APPLICATION FOR PETROLEUM ON VARIOUS FARMS IN THE MAGISTERIAL DISTRICTS OF MATATIELE AND MT FLETCHER, EASTERN CAPE

The Endangered Wildlife Trust would like to make the following submissions in respect of the above.

1) Preamble:

The Endangered Wildlife Trust (EWT) is opposed to the exploration, production or activities related to the production of shale gas. The economic benefits of shale gas have been overstated and the environmental risks understated; through investments into shale gas the country is inhibiting progress towards sustainable energy.

It is in our opinion, debatable that (given a full lifecycle assessment) shale gas represents a cleaner alternative to conventional fossil fuels. We further contend that the successful extraction and production of shale gas will not substitute other fossil fuels currently used and there is currently no policy guiding such substitution. If anything, the extraction and use of shale gas will increase environmental vulnerability and represent an unwise investment in our country's energy future.

2) Project Specific:

We wish to submit the following in respect of this application¹:

- a) This application takes place within a deeply rural setting where communities are faced with having to participate in a highly technical process. The lack of formal technical training places communities at an unfair disadvantage and skews the public participation process in a manner that is inconsistent with the spirit and intentions of the National Environmental Management Act (NEMA).

Physical Address: Building K2, Ardeer Road, Pinelands Office Park,
Modderfontein 1609, Gauteng, South Africa

Postal Address: Private Bag X 11, Modderfontein 1645, Gauteng, South Africa

Tel: +27 (0) 11 372 3600 **Fax:** +27 (0) 11 608 4682 **E-mail:** ewt@ewt.org.za **Web:** www.ewt.org.za

The Endangered Wildlife Trust is a non-profit, public benefit organisation dedicated to conserving species and ecosystems in southern Africa to the benefit of all people.

NPO Number: 015-502, **PBO number:** 930 001 777, **Member of IUCN** - The International Union for Conservation of Nature
The Endangered Wildlife Trust is US 501(c)(3) compliant under **US IRS Registration number:** EMP98-0586801.



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- b) The area identified for exploration contains significant terrestrial and aquatic biodiversity². The EWT strongly supports the integrity of protected areas such as the Ongeluknek Nature Reserve (including buffer areas) and will oppose any incompatible development that could negatively influence such integrity. Several endangered and vulnerable species are found within the proposed area.
- c) The area concerned represents a significant water production area and given climate change scenarios and our current drought scenario, ecological infrastructure should not be compromised. Large areas within the Jordan river basin represent temporary or seasonal wetlands. Wetlands are one of South Africa's most threatened habitat types and our country can simply not afford to lose or compromise any additional wetlands.
- d) Should areas of irreplaceable biodiversity value, protected areas, buffer zones, other sensitive areas and residential areas be excluded from this application, the remaining extent may be deemed economically unviable for exploration.
- e) The conservation sector (consisting of various Not-for-Profit organisations) has made significant strides in this area and has managed to create a conservation economy that employs and empowers a significant number of individuals. The proposed activity will threaten gains made.
- f) We further are of the opinion that the "need and desirability" of this application has not been demonstrated satisfactorily.

The Endangered Wildlife Trust (EWT) supports the "precautionary principle" enshrined in the National Environmental Management Act 108 of 1998. As such, activities with uncertain impacts should not proceed until such time as information is gained to accurately assess its impacts. We are of the opinion that processes surrounding the exploration, extraction or production of shale gas carry uncertain risks and impacts and as such cannot be allowed to proceed unless these are clarified.

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Given the close relationship of energy, water and food security, and the urgent requirement to protect our ecosystems' resilience in the light of climate change, we believe that an alternative energy vision is required which this application does not satisfy.

Yours Sincerely,

Cobus Theron

Endangered Wildlife Trust

Regional Coordinator

¹ Please note that we align ourselves with the technical submission made by the Umzimvubu Catchment Partnership Programme (UCPP) and submitted to SLR by Ms. Nicky MCleod on 11 April 2016.

² Biodiversity layers can be obtained from the Eastern Cape Department of Economic Development and Environmental Affairs.

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Stella Moeketse

From: Nicky McLeod <nicky@enviros.co.za>
Sent: 11 April 2016 02:28 PM
To: Matthew Hemming
Cc: Stella Moeketse; Yoliswa Matuba; Velelo Xongwana; tunzi.gcil@yahoo.com; Tunzi Nziweni; tsoanelo@enviros.co.za; 'Tsepo'; Trevor Hill; Tracey Potts; Toto Msaseni; Thozamile T.P. Babane; ThembaniG@daff.gov.za; Thembakazi Tshefu; 'Thapelo Motebo'; Thando Msomi; Thabathani Tshaka; Tessa Mildenhall; 'TD Woods'; Tammy Smith; Tally Palmer; Susan Carter-Brown; Somhahla DRDAR; Solomon Nolunguza; Siyabulela Kuse; Siyabulela Barnard Mtonjeni; Sissie Matela; Sinegugu Zukulu; Simphiwe.dlamini; Simbarashe Ndhleve; sibusiso Mco kombeli; Sarah Frazee; sandy heather; rupert.mthembu@dmr.gov.za; Rosie Stanway; Roelie Kloppers; Rienette Colesky (Intern); Piet Bosman; Phozisa Mamfengu; Phindi & Tshaka; philippa@wessa.co.za; Ntosh Tsheyi; Ntando Mkhize; nosisa.ndaba@dedia.gov.za; nomathembaprincess@yahoo.com; Nolufefe; Nolubabalo Kwayimani; Nick King; Nicholas Theron; Nduduzo Khoza; Nangamzo ORTDM Lugetye; mzwabantu kostauli; Mulangaphuma Lawrence; Mosilo Quali; mnakin@wsu.ac.za; Mkosana Kululwa (ELS); Mini Lonwabo; Mike Ward; Michael Kawa; mehlooding@telkomsa.net; Meghan Ellis; Mbikwana Mlondoloz; matat-eda@telkomsa.net; Mark Graham; Mark Gerrard; Mark Dent; Margaret Wolff; Manager Matatiele LM; Mahlodi Tau; Lynn Hurry; lwazikk@webmail.co.za; lumko@lima.org.za; lumko; Lumka Salukazana; Lucas Andrew (ELS); Laura Conde; Kevin McCann; Kevan Zunckel; Kerry McLean; Kennedy Nemutamvuni; Julie Clarke; judybell; jt@wessa.co.za; Joyce Loza; 'John Dini'; Gerbrand Nel; Gasa-Lubelwana Pumza (ELS); Gabula; francois@talbot.co.za; Francis Kuriah; Fani Nyembezi; Fadzai Pwiti; Erna Kruger; 'Dr Merida Roets'; Doug@duct.org.za; dhlodhlr@kznwildlife.com; Dean Ricketts; cobust@ewt.org.za; Buyiswa Mcwilikazi; Brigid Letty; bridgetc@ewt.org.za; Bridget Munyantore; Bonani Madikizela; Blie Siziwe (ELS); Bev Geach; Ayanda Mtshizana WFW; Artwell Chivhinge; Anton Krone; Alex Marsh; Aimee Ginsburg; Admin@ERS; Abongile Ganya; Dolly Ganashe; Nikki Brighton; Francois Du Toit; 'Bobby Peek'; kevasinee@groundwork.org.za; rawlinsgraeme@gmail.com; Phumla Mzazi/ Geja; Gerry Pienaar; juliand@nma.org.za; plu@petroleumagencysa.com; Ian Mc Donald; Vusi Mthlana; Kokstad Advertiser; shane.october@ecpta.co.za; Charles Coetser; NgesiP@petroleumagencysa.com; Phillip Ravenscroft; Tennille Rode; Andrew Duminy; Gordon Harrison; Mark McLeod
Subject: Response to 295ER Matatiele scoping report
Attachments: 295ER response to SR apr2016 from UCPP.pdf

Matthew and Stella

Please find our response attached, submitted on behalf of the Umzimvubu Catchment Partnership membership, after consultation and discussion between local affected parties, including Chiefs, residents, farmers, NGOs, regional state departments, community members, shop keepers, guest house owners and other stakeholders who live and work in the Matatiele area.

This is all we can come up with, within the time constraints provided by the commentary period, in response to the overwhelmingly daunting and voluminous scoping report dated March 2016.

The mere volume of this report is a strategic prejudice to our effective participation as affected parties.

We reserve the right to submit further comment as the need arises: as affected people we are already being negatively impacted upon through having to give up productive time to reading this comprehensive but bulky and complicated report, in the interests of protecting what we cannot afford to lose.

We trust that these comments will not just be noted, but will be taken into serious consideration, and that the application will be withdrawn from PASA due to its highly questionable need and desirability, and its obvious negative impacts on biodiversity, water systems and socio-economic factors.

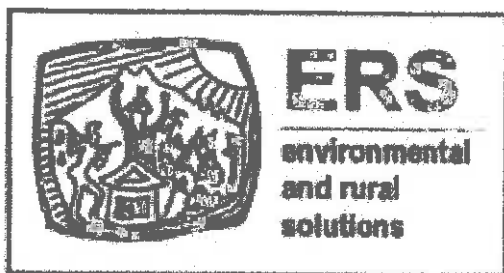
We echo the resounding NO to this application, as articulated in the executive summary, section 8.

We request acknowledgement of receipt of this email.

yours most faithfully

Nicky McLeod

secretariat on behalf of UCPP members



Nicky McLeod

*B.Sc Hons. Environmental and Geographical Science, UC
SAJEES accredited Environmental Scientist*

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~ better to be small and shine than great and

Stella Moeketse

From: Andrew Duminy <arduminy@law.co.za>
Sent: 11 April 2016 02:51 PM
To: Stella Moeketse
Subject: Re: Eastern Cape 295 ER Exploration Right Application: Scoping report for review for environmental authorisation

Dear Sir, Madam,

I refer to your scoping report.

Your scoping report fails to properly and adequately deal with the issues raised by affected parties at public meetings, my previous comments and the comments of public interest groups such as the Umzimvubu Catchment Partnership Programme. This is regrettable and unacceptable. You have also paid lip service to the requirement of public participation and no effective and proper consultation has taken place.

Your scoping report further fails to adequately deal with the impact of exploration on ground water resources. This is the critical issue. No details have been provided on research or studies that properly deal with the impact of exploration (not to mention mining and fracking later - which is clearly where this is headed) on this critical resource. One exploration hole of the depth and magnitude envisaged by your applicant (which is underplayed by the applicant at every step of the way) may destroy the livelihoods of thousands of people. This is a reality and appears to be overlooked entirely by covering it up in technical jargon and pleasant words without properly assessing the danger and consequences.

We need a High level national assessment by internationally recognised experts in the all related fields to be carried out before any approval can be considered. This may not be paid for by the applicant and must be entirely independent. **We require a moratorium on exploration** of the nature envisaged by the application.

In the exercise of the discretion to grant or refuse the application this call for such a study must be properly investigated and considered by the Agency concerned. Failure to do this will result in a review application in the High Court to set aside any decision which fails to properly consider the issues raised.

It would appear that the Applicant has also failed to discuss and submit proper details on the envisaged steps after the exploration. Fracking (which is the end result as we all now know of the exploration) is no longer financially viable and has devastating environmental consequences.

The cost of cheap gas/ oil is never cheap - unless you consider the lives and livelihoods of thousands of people cheap and expendable!

I repeat my previous comments and trust that they will be included with your submissions.

Yours faithfully

ANDREW DUMINY

Advocate of the High Court (RSA)

Rogers Morris Chambers

110 Main Street, Matatiele, 4730

PO Box 330 Cedarville, 4720

Tel: 039 737 3389 / 082 7763148 Fax: 086 6819953

----- Original Message -----

From: Stella Moeketse

To: Stella Moeketse

Sent: Thursday, March 10, 2016 5:35 PM