



DIGBY WELLS

ENVIRONMENTAL

BACKGROUND INFORMATION DOCUMENT

ENVIRONMENTAL REGULATORY PROCESSES FOR THE PROPOSED OAKLEAF OPENCAST COAL MINE AND ASSOCIATED INFRASTRUCTURE NEAR BRONKHORSTSPRUIT, GAUTENG PROVINCE

November 2014

Project Number:
FOU2191

Prepared for:
Oakleaf Investment Holdings 95 (Pty) Ltd

For any project related information, please contact:

Digby Wells Environmental – Stakeholder Engagement Office

Nestus Bredenhann or Vanessa Viljoen

Tel: (011) 789 9495 or Fax: 086 583 5715

Email: nestus.bredenhann@digbywells.com or vanessa.viljoen@digbywells.com

Website: www.digbywells.com (Public Documents)

Digby Wells and Associates (South Africa) (Pty) Ltd (Subsidiary of Digby Wells & Associates (Pty) Ltd). Co. Reg. No. 2010/008577/07. Fern Isle, Section 10, 359 Pretoria Ave Randburg Private Bag X10046, Randburg, 2125, South Africa
Tel: +27 11 789 9495, Fax: +27 11 789 9498, info@digbywells.com, www.digbywells.com

Directors: AR Wilke, DJ Otto, GB Beringer, LF Koeslag, AJ Reynolds (Chairman) (British)*, J Leaver*, GE Trusler (C.E.O)
*Non-Executive

1 PURPOSE OF THE DOCUMENT

Oakleaf Investment Holdings 95 (Pty) Ltd (Oakleaf) is proposing to develop and operate a new open cast coal mine and associated infrastructure on a site located near Bronkhorstspuit Town in Gauteng (the proposed project). This Background Information Document (BID) has been developed to:

- Provide a description of the proposed project;
- Provide an overview of the environmental regulatory processes which will be undertaken in accordance with South African legislation; and
- Provide details of the Public Participation Process (PPP) and how stakeholders can be involved.

2 PROJECT DESCRIPTION

2.1 Project Background

Exploration or prospecting activities on the proposed project site commenced in 2008. In 2013, Oakleaf had acquired the Prospecting Right (PR) for the proposed project site and began exploration activities in 2013. Oakleaf now wish to submit a Mining Right Application (MRA) to the Department of Mineral Resources (DMR) to mine the coal resource.

It should be noted that Oakleaf is currently undertaking a separate application for a Prospecting Licence (PL) on the farm portions located to the east and north of the proposed project. The PL application is being undertaken independently and is therefore not related to this application for a MRA on the proposed project site.

2.2 Project Location

The proposed project is located approximately 5.5 km north east of Bronkhorstspuit Town, situated within the Tshwane Metropolitan Municipality in north eastern Gauteng (see Plan 1). The proposed mine area includes portions 1, 69, 75, 76 and 87 of the Farm Wachtenbietjeskop 506 JR. The current land use of the affected farm portions is primarily agricultural land (maize and soya bean). The Bronkhorstspuit flows to the south of the proposed mine area and small scale cattle farming.

2.3 Project Activities

The proposed project site is located within the Witbank Coalfield and comprises two coal seams (No. 2 and No. 1 coal seams) with a combined coal thickness of 12.75 m. The export quality of the coal reserve consists of approximately 30 million tons of coal, which is planned to be mined over a period of 17 years.

It is planned for the coal resource to be mined using opencast methods, for this project the bench mining technique will be used whereby an open pit will be formed through a series of benches at varying depths. The proposed mine and supporting infrastructure will cover a total area of 320 ha and it is intended that the open cast mining operations will occur at a depth ranging from 9 m to 76 m below ground. The proposed project will include two open pits and mining is planned to commence at the north pit.

The mining process will involve the stripping of topsoils and subsoils for rehabilitation purposes. Bedrock will be drilled and blasted to expose the coal seams; this hard material will also be stockpiled for rehabilitation. The coal seams will be drilled and blasted and the coal resource transported to a processing plant via haul roads.

The proposed project will be supplied with electricity through the existing 77 kilovolt (kV) distribution power line operated by Eskom. A new substation will be constructed on the proposed project site to connect to the existing power line.

The proposed project plans to abstract water from the Bronkhorstspruit and available boreholes on the proposed project site for use in the mining operations. Water will be managed on site through the use of slurry dams and pollution control dams (PCD). A sewage treatment facility will also be constructed to process human waste.

The proposed project site can be accessed via a well maintained gravel road that turns off the R25 Bronkhorstspruit – Groblersdal road. A haul road will be constructed between the open pits and plant area and maintained for the project lifecycle. Oakleaf are currently investigating the options of hauling the coal product via trucks or a conveyor system between the product stockpile area and a new proposed rail siding, which is to be located along the existing railway line to the south of the proposed project site.

Additional support infrastructure that will be required includes a maintenance workshop, chemical stores, a laboratory, offices, contractors yard, security facilities and fuel storage facilities.

3 ENVIRONMENTAL REGULATORY PROCESSES

The proposed open cast coal mine triggers the requirement for an Environmental Impact Assessment (EIA) process according to South African legislation. The objective of an EIA is to identify and assess potential impacts that the proposed project may have on the biological, physical and social environments. Oakleaf appointed Digby Wells Environmental (Digby Wells) as the independent Environmental Assessment Practitioner (EAP) to undertake the EIA process and associated specialist studies for the proposed project.

3.1 Legislative Requirements

The proposed project requires the following regulatory applications:

- Application for a Mining Right in terms of the Minerals and Petroleum Resource Development Act, 2002 (Act No. 28 of 2002) (MPRDA). The Department of Mineral Resources (DMR) is the competent authority for the MRA;
- Application for Environmental Authorisation (EA) in accordance with the National Environmental Management Act, 1998 (Act no. 107 of 1998) (NEMA), as amended. The Gauteng Department of Agriculture and Rural Development (GDARD) is the competent authority for the EA application;
- Application for a Waste Management Licence (WML) in accordance with the National Environmental Management: Waste Act (Act No. 59 of 2008) (NEM:WA), as amended. The National Department of Environmental Affairs (DEA) is the competent authority for the WML application; and
- An Integrated Water Use Licence Application (IWULA) is required in terms of the National Water Act, Act 36 of 1998, as amended (NWA). The Department of Water and Sanitation (DWS) is the competent authority.

3.2 Specialist Studies

To support the EIA process, various specialist studies will be undertaken. Results of the following specialist studies will be shared with stakeholders for comment:

- | | | |
|--------------------------------------|------------------------------|--------------------------|
| ■ Soils and Land Use Capability | ■ Air Quality and Noise | ■ Social |
| ■ Closure Liability & Rehabilitation | ■ Heritage | ■ Visual and Topography |
| ■ Wetlands and Aquatics | ■ Fauna and Flora | ■ Traffic |
| | ■ Hydrology and Hydrogeology | ■ Blasting and Vibration |

4 PUBLIC PARTICIPATION PROCESS

Stakeholders affected by, or who are interested in, the proposed project are invited to register as an Interested and Affected Party (I&AP) to become involved in the PPP for the proposed project. Stakeholders will be informed of the following upcoming PPP activities:

- Availability of Scoping Reports for public comment;
- Stakeholder meetings to be held during the Scoping phase;
- Availability of Final Reports for public comment; and
- Anticipated commencement of the Impact Assessment phase.

Registered I&APs will be informed about availability of reports and scheduled stakeholder meetings via their preferred means of communication (SMS, email, post or fax). Comments raised by stakeholders will assist in informed decision-making for authorities and provides information to be considered by the project team and specialists conducting studies.



Plan 1: Proposed Project Location