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DEPARTMENT: MINERAL RESOURCES

ENVIRONMENTAL MANAGEMENT PLAN

Submitted in support of application for a prospecting right.
Section 39 and Regulation 52 of the Minerals and Petroleum Resources Development Act, 2002 (Act 28 of 2002)



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|------------------------------------|
| DEPARTMENT OF MINERAL RESOURCES |
| PRIVATE BAG X6093 |
| 2010-11-15 |
| KIMBERLEY 8300 |
| DEPARTMENT OF MINERAL RESOURCES |

Application for a:

| | |
|-------------------|---|
| Prospecting Right | ✓ |
| Mining Permit | |

Applicant:

DE BEERS CONSOLIDATED MINES LIMITED

Farms:

THE REMAINING EXTENT OF PORTION 1 (GRASSRAND) AND PORTION 2 OF THE FARM GRASSDALE 116, THE REMAINING EXTENT AND PORTION 1 (STILLERUS) OF THE FARM 117, THE REMAINING EXTENT, PORTION 1 (GRASPAN) AND PORTION 2 (WITBANK) OF THE FARM 118, THE REMAINING EXTENT AND PORTION 1 (OLIENKOP) OF THE FARM 119, THE REMAINING EXTENT, PORTION 1 (KORTWAL) AND PORTION 3 (DOORBULT) OF THE FARM 137, THE REMAINING EXTENT AND PORTION 1 (UITKOMST) OF THE FARM 138, THE REMAINING EXTENT AND PORTION 1 (GOEDE HOOP) OF THE FARM 139, THE FARM 140, THE REMAINING EXTENT OF THE FARM 181, PORTION 1 OF THE FARM 207 AND THE FARM MOOIPLAATS 370

District:

BARKLY WEST DISTRICT, NORTHERN CAPE PROVINCE

Mineral:

DIAMONDS

Date:

1 November 2010

THE REGIONAL MANAGER
NORTHERN CAPE REGION

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A.1 INTRODUCTION

This document aims to provide a simplified national standard for applicants for prospecting rights and mining permits to comply with the relevant legislation and environmental regulations as apply to their respective applications in terms of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002)(MPRDA).

Applicants in this sector of the mining industry typically disturb smaller surface areas of land, whether drilling boreholes, small trenches, or mining on a small area, less than 1,5 hectares of land, under a mining permit as contemplated in Section 27 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002)

A.2 SCOPE

This document is intended for use by applicants for mining permits and prospecting rights. Typically, operations in this sector of the mining industry:

- Use little or no chemicals to extract mineral from ore,
- Work on portions of land of 1,5 hectares in size or smaller,
- Disturb the topography of an area somewhat but have no significant impact on the geology

A.3 PURPOSE

This document aims to:

- Provide a national standard for the submission of Environmental Management Plans for the types of applications mentioned above.
- Ensure compliance with Regulation 52 of the MPRDA.
- Assist applicants by providing the information that the Department: Mineral Resources (DMR) requires in a simple language and in a structured, prescribed format, as contemplated in Regulation 52 (2) of the (MPRDA).
- Assist regional offices of the DME to obtain enough information about a proposed prospecting/ reconnaissance or mining permit operation to assess the possible environmental impacts from that operation and to determine corrective action even before such right is granted and the operation commences.

This document aims both to provide the DMR regional offices with enough information about applicants for mining permits and applicants with guidance on environmental management matters pertaining to the mitigation of environmental impacts arising from their operations. Given this dual focus and the generic nature of the document, it might not be sufficient for all types of operations under various circumstances.

The document may therefore be altered or added to as the particular circumstances of the application in question may require.

A.4 USE OF THE DOCUMENT:

This document is designed for use by non-professionals and newcomers to the environmental management industry and it incorporates a *very simple* Environmental Impact Assessment (EIA). The EIA is contained in Section C of this document and was designed specifically with the target sectors of the mining industry (described in A.2 above) in mind.

The aim is ultimately to (a) gather information from applicants themselves; (b) to assess the impact of the operation based on that information and then (c) to guide the applicant to mitigate environmental impacts to limit damage to the environment.

Section B of the document gathers demographic information about the applicant. Section C gathers the information that will be used in the Environmental Impact Assessment. The applicant must complete the relevant sections of this document, but the regional office of the DMR will do the scoring of these for the impact assessment rating in Section D.

Section F (the Environmental Management Plan) of the document is prescriptive and gives guidance to the miner or prospector on how to limit the damage of the operation on the environment. This part may be added to by the regional manager, who has the prerogative to decide whether this Environmental Management Plan will adequately address the environmental impacts expected from the operation or whether additional requirements for proper environmental management need to be set. Where these additional requirements are set, they will appear in Section G of this document. The Environmental Management Plan (Section F) of the document is legally binding once approved and, in the undertaking contained in Section H, the applicant effectively agrees to implement all the measures outlined in this Environmental Management Plan.

A.5 LEGISLATION/ REGULATIONS

The relevant sections of Mineral and Petroleum Resources Development Act and its supporting Regulations are *summarised below* for the information of applicants. The onus is on the applicant to familiarise him/herself with the provisions of the full version of the Mineral and Petroleum Resources Development Act and its Regulations.

| Section of Act | Legislated Activity/ Instruction/ Responsibility or failure to comply | Penalty in terms of Section 99 |
|----------------|--|---|
| 5(4) | No person may prospect, mine, or undertake reconnaissance operations or any other activity without an approved EMP, right, permit or permission or without notifying land owner | R 100 000 or two years imprisonment or both |
| 19 | Holder of a Prospecting right must: lodge right with Mining Titles Office within 30 days; commence with prospecting within 120 days, comply with terms and conditions of prospecting right, continuously and actively conduct prospecting operations; comply with requirements of approved EMP, pay prospecting fees and royalties | R 100 000 or two years imprisonment or both |
| 20(2) | Holder of prospecting right must obtain Minister's permission to | R 100 000 or two years |

| Section of Act | Legislated Activity/ Instruction/ Responsibility or failure to comply | Penalty in terms of Section 99 |
|----------------|--|---|
| | remove any mineral or bulk samples | imprisonment or both |
| 26(3) | A person who intends to beneficiate any mineral mined in SA outside the borders of SA may only do so after notifying the Minister in writing and after consultation with the Minister. | R 500 000 for each day of contravention |
| 28 | Holder of a mining right or permit must keep records of operations and financial records AND must submit to the DG: monthly returns, annual financial report and a report detailing compliance with social & labour plan and charter | R 100 000 or two years imprisonment or both |
| 29 | Minister may direct owner of land or holder/applicant of permit/right to submit data or information | R 10 000 |
| 38(1)(c) | Holder of permission/permit/right MUST manage environmental impacts according to EMP and as ongoing part of the operations | R 500 000 or ten years imprisonment or both. |
| 42(1) | Residue stockpiles must be managed in prescribed manner on a site demarcated in the EMP | A fine or imprisonment of up to six months or both |
| 42(2) | No person may temporarily or permanently deposit residue on any other site than that demarcated and indicated in the EMP | A fine or imprisonment of up to six months or both |
| 44 | When any permit/right/permission lapses, the holder may not remove or demolish buildings, which may not be demolished in terms of any other law, which has been identified by the Minister or which is to be retained by agreement with the landowner. | Penalty that may be imposed by Magistrate's Court for similar offence |
| 92 | Authorised persons may enter mining sites and require holder of permit to produce documents/ reports/ or any material deemed necessary for inspection | Penalty as may be imposed for perjury |
| 94 | No person may obstruct or hinder an authorised person in the performance of their duties or powers under the Act. | Penalty as may be imposed for perjury |
| 95 | Holder of a permit/right may not subject employees to occupational detriment on account of employee disclosing evidence or information to authorised person (official) | Penalty as may be imposed for perjury |
| All sections | Inaccurate, incorrect or misleading information | A fine or imprisonment of up to six months or both |
| All sections | Failure to comply with any directive, notice, suspension, order, instruction, or condition issued | A fine or imprisonment of up to six months or both |

A.6 OTHER RELEVANT LEGISLATION

Compliance with the provisions of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) and its Regulations does not necessarily guarantee that the applicant is in compliance with other Regulations and legislation. Other legislation that may be immediately applicable includes, but is not limited to:

- National Monuments Act, 1969 (Act 28 of 1969).
- National Parks Act, 1976 (Act 57 of 1976)
- Environmental Conservation Act, 1989 (Act 73 of 1989)
- National Environmental Management Act, 1998 (Act No. 107 of 1998)

- Atmospheric Pollution Prevention Act, 1965 (Act 45 of 1965)
- The National Water Act, 1998 (Act 36 of 1998)
- Mine Safety and Health Act, 1996 (Act 29 of 1996)
- The Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983).

A.7 WORD DEFINITIONS

In this document, unless otherwise indicated, the following words will have the meanings as indicated here:

| | |
|----------------------|---|
| Act (The Act) | Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) |
| Borehole | A hole drilled for the purposes of prospecting i.e. extracting a sample of soil or rock chips by pneumatic, reverse air circulation percussion drilling, or any other type of probe entering the surface of the soil. |
| CARA | The Conservation of Agricultural Resources Act |
| EIA | An Environmental Impact Assessment as contemplated in Section 38(1) (b) of the Act |
| EMP | an Environmental Management Plan as contemplated in Section 39 of the Act |
| Fauna | All living biological creatures, usually capable of motion, including insects and predominantly of protein-based consistency. |
| Flora | All living plants, grasses, shrubs, trees, etc., usually incapable of easy natural motion and capable of photosynthesis. |
| Fence | A physical barrier in the form of posts and barbed wire and/or "Silex" or any other concrete construction, ("palisade"- type fencing included), constructed with the purpose of keeping humans and animals within or out of defined boundaries. |
| House | any residential dwelling of any type, style or description that is used as a residence by any human being |
| NDA | National Department of Agriculture |
| NWA | National Water Act, Act 36 of 1998 |
| Pit | Any open excavation |
| "Porrel" | The term used for the sludge created at alluvial diamond diggings where the alluvial gravels are washed and the diamonds separated in a water-and-sand medium. |
| Topsoil | The layer of soil covering the earth which- <ol style="list-style-type: none"> provides a suitable environment for the germination of seed; allows the penetration of water; is a source of micro-organisms, plant nutrients and in some cases seed; and is not of a depth of more than 0,5 metres or such depth as the Minister may prescribe for a specific prospecting or exploration area or mining area. |
| Trench | A type of excavation usually made by digging in a line towards a mechanical excavator and not pivoting the boom – a large, U-shaped hole in the ground, with vertical sides and about 6 – 8 metres in length. Also a prospecting trench. |
| Vegetation | Any and all forms of plants, see also Fauna |
| DWAF | The Department of Water Affairs and Forestry – both national office and their various regional offices, which are divided across the country on the basis of water catchment areas. |
| MPRDA | the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) |
| EMPlan | An Environmental Management Plan as contemplated in Regulation 52 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) – this document. |

B. BIOGRAPHIC DETAILS OF THE APPLICANT:

| | |
|--|--|
| B 1.1 Full name (and surname) of person or company applying for permit or right | <i>De Beers Consolidated Mines Limited</i> |
| B 1.2 ID number of person or company/ CC registration number | <i>1888/000007/06</i> |
| B 1.3 Postal address | <i>P O Box 616 Kimberley 8300</i> |
| B 1.4 Physical/ residential address | <i>36 Stockdale Street Kimberley 8301</i> |
| B 1.5 Applicant's telephone number | <i>053 839 4248</i> |
| B 1.6 Applicant's cellular phone number | <i>n/a</i> |
| B 1.7 Alternative contact's name | <i>A W Dreyer</i> |
| B 1.8 Alternative contact's telephone/cell phone numbers | <i>053 839 4643</i> |
| B 2.1 Full name of the property on which mining/ prospecting operations will be conducted | <i>The farm Grassdale 116, the farms 117, 118, 119, 137, 138, 139, 140, 181, 207 and the farm Mooiplaats 370.</i> |
| B 2.2 Name of the subdivisions | <i>Grassdale 116 – remaining extent (R/E) of portion 1 (Grassrand) and portion 2; Farm 117 – R/E and portion 1 (Stillerus); Farm 118 – R/E, portion 1 (Graspan) and portion 2 (Witbank); Farm 119 – R/E and portion 1 (Olienkop); Farm 137 – R/E, portion 1 (Kortwal) and portion 3 (Doornbult); Farm 138 – R/E and portion 1 (Uitkomst); Farm 139 – R/E and portion 1 (Goede Hoop); Farm 140 – the farm; Farm 181 – R/E; Farm 207 – portion 1; Mooiplaats 370 – the farm.</i> |

| | |
|--|-------------------------------------|
| B 2.3 Approximate centre of mining/prospecting area: Longitude | 23 ° 56 min 10 sec East |
| Latitude | 28 ° 01 min 45 sec South |
| B 2.4 Magisterial district | Barkly West |
| B 2.5 Name of the registered owner of the property | See attached list marked Annexure A |
| B 2.6 His/her Telephone number | See attached list marked Annexure A |
| B 2.7 His/ her Postal address | See attached list marked Annexure A |
| B 2.8 Current uses of surrounding areas | |
| <i>Farming: Grazing (cattle and sheep).</i> | |
| B 2.9 Are there any other, existing land uses that impact on the environment in the proposed mining / prospecting area? | |
| <i>As above.</i> | |
| B 2.10 What is the name of the nearest town? | |
| <i>Danielskuil, 42 km to the WSW Barkly West. 80 km to the south-east.</i> | |

C. ENVIRONMENTAL IMPACT ASSESSMENT:

The information provided in this section will enable officials to determine how serious the impact of the prospecting/mining operation will be.

Please also refer to the attached Aspects and Impacts register compiled for this project, presented as Appendix 2.

DESCRIBE THE ENVIRONMENT THAT WILL BE AFFECTED BY THE PROPOSED PROSPECTING/MINING OPERATIONS UNDER THE FOLLOWING HEADINGS:

| C.1 DESCRIPTION OF THE ENVIRONMENT LIKELY TO BE AFFECTED BY PROPOSED PROSPECTING/MINING OPERATIONS: (REGULATION 52(2)(a)) | | | |
|---|-------------|------|------------|
| ENVIRONMENTAL ELEMENT/ IMPACTOR | VALUE | TICK | OFFICE USE |
| C 1.1 What does the landscape surrounding the proposed operation look like? (Open veldt/ valley/ flowing landscape/ steep slopes) | | | |
| The application area comprises flat, rocky terrain on the Ghaap Plateau, with a very gentle regional slope to the south-east, interrupted by slight rises and depressions. It is covered by open shrub savanna with scattered pans. The mean elevation of the area applied for is approximately 1420 m.a.s.l. with the highest point in the west being 1462 m.a.s.l and the lowest point on the eastern boundary being 1390 m.a.s.l. Refer to 1:50,000 topographic map sheets 2723 DD, 2724 CC, 2823 BB and 2824 AA. | | | |
| C 1.2 Describe the type of soil found on the surface of the site | | | |
| The soil is approximately half shallow, red-yellow apedal and freely drained (code Ae9) with the rest being Mispah forms (code Fc4). Lime is generally present due to the underlying dolomites and surficial limestone. | VALUE | TICK | OFFICE USE |
| C 1.3 How deep is the topsoil? | 0 – 300mm | √ | 8 |
| <i>Proper soil is thin, described as less than 450 mm.</i> | 300 – 600mm | | 4 |
| | 600mm + | | 2 |

C 1.4 What plants, trees and grasses grow naturally in the area around the site?

Much of the area has been transformed to some degree from the natural vegetation mixture by grazing. For most of the area, the natural vegetation is Ghaap Plateau Vaalbosveld (code SVk 7), rated as Least Threatened.

Important Taxa:

Tall trees: *Acacia erioloba* (Camel Thorn)

Small trees: *Acacia mellifera* subsp. *Detinens* (Blackthorn), *Rhus lancea* (Karee), *Acacia karroo* (Sweet Thorn), *A. tortilis* subsp. *heteracantha* (Umbrella Thorn), *Boscia albitrunca* (Shepherd's Tree).

Tall shrubs: *Olea europaea* subsp. *Africana*, *Rhigozum trichotomum*, *Tarconanthus camphorates*, *Ziziphus mucronata*, *Diospyros austro-africana*, *D. pallens*, *Ehretia rigida* subsp. *rigida*, *Euclea crispa* subsp. *ovata*, *Grewia flava*, *Gymnosporia buxifolia*, *Lessertia frutescens*, *Rhus tridactyla*.

Low shrubs: *Acacia hebeclada* subsp. *hebeclada*, *Aptosimum procumbens*, *Chrysocoma ciliata*, *Helichrysum zeyheri*, *Hermannia comosa*, *Lantana rugosa*, *Leucas capensis*, *Melolobium microphyllum*, *Peliostomum leucorrhizum*, *Pentzia globosa*, *P. viridis*, *Zygophyllum pubescens*.

Succulent shrubs: *Hertia pallens*, *Lycium cinereum*.

Semiparasitic shrub: *Thesium hystrix*.

Woody climber: *Asparagus africanus*.

Graminoids: *Anthephora pubescens*, *Cenchrus cilians*, *Digitaria eriantha* subsp. *eriantha*, *Enneapogon scoparius*, *Eragrostis lehmanniana*, *Schmidtia pappophoroides*, *Themeda triandra*, *Aristida adscensionis*, *A. congesta*, *A. diffusa*,

Cymbopogon pospischilii, *Enneapogon cenchroides*, *E. desvauxii*, *Eragrostis echnichloidea*, *E. obtuse*, *E. superba*, *Fingerhuthia africana*, *Heteropogon contortus*, *Sporobolus fimbriatus*, *Stipagrostis uniplumis*, *Tragus racemosus*.

Herbs: *Barleria macrostegia*, *Geigeria filifolia*, *G. ornativa*, *Gisekia africana*, *Helichrysum cerastioides*, *Heliotropium ciliatum*, *Hermbsaedia odorata*, *Hibiscus marlothianus*, *H. pusillus*, *Jamesbrittenia aurantiaca*, *Limeum fenestratum*, *Lippia scaberrima*, *Selago densiflora*, *Vahlia capensis* subsp. *vulgaris*.

Succulent herb: *Aloe grandidentata*.

Biogeographically Important Taxa:

Tall shrubs: *Lebeckia macrantha*, *Nuxia gracilis*.

Low shrubs: *Blepharis marginata*, *Putterlickia saxatilis*, *Trachocanthus obovatus*.

Succulent shrubs: *Euphorbia wilmaniae*, *Prepodesma orpenii*.

Graminoid: *Digitaria polyphylla*.

Herb: *Corchorus pinnatitus*.

Endemic Taxon:

Herb: *Rennera stellata*.

The pans have vegetation classified as Southern Kalahari Salt Pans (code AZi 4), rated as Least Threatened:

Important Taxa:

Succulent shrubs: *Zygophyllum tenue*, *Salsola scopiformis*.

Herbs: *Hirpicium gazanioides*, *Tribulus terrestris*.

Succulent herb: *Trianthea triquetra* subsp. *parvifolia*.

Graminoids: *Enneapogon desvauxii*, *Eragrostis truncata*, *Sporobolus coromandelianus*, *S. rangei*, *Panicum impeditum*.

The above list is applicable to the vegetation types as a whole, thus it is not known whether the particular species are found in the area applied for.

The planned prospecting is unlikely to have a significant impact on natural vegetation, due to its limited footprint.

Source:

Mucina, L. and Rutherford, M.C. (eds) 2006. The Vegetation of South Africa, Lesotho and Swaziland. Strelitzia 19. South African National Biodiversity Institute, Pretoria.

| | | | |
|--|----------|------|------------|
| C 1.5 What animals naturally occur in the area? | | | |
| <p>Naturally, the area would support a large variety of grazers and browsers found in the region, but due to the farming activities in the area, now supports a lesser variety of reptiles (snakes & lizards), birds and mammals with an affinity for such terrain (e.g. baboons, steenbuck, kudu, jackal, caracal). Grey Rhebuck (Vaalribbok) have been reported on one farm by the surface owner. The caracal, steenbuck and grey rhebuck are all on the IUCN Red Data list but are rated of "Least Concern".</p> <p>The following Red Data Birds are listed for the relevant quarter degree sheets (2723 DD, 2724 CC, 2823 BB and 2824 AA) as a whole and it is not known whether these species would be expected on these particular farms.</p> <p>Vulnerable: African Whitebacked Vulture, Tawny Eagle, Martial Eagle, African Marsh Harrier, Blue Crane and, Kori Bustard. The Cape Vulture has also been reported by the surface owners.</p> <p>The planned prospecting is unlikely to have a significant impact on these animals, due to its limited footprint and the fact that much of the area is used for farming purposes.</p> <p>Reference: Barnes, K.N. (ed.) 2000. The Eskom Red Data Book of Birds of South Africa, Lesotho and Swaziland. Birdlife South Africa, Johannesburg.</p> | | | |
| | VALUE | TICK | OFFICE USE |
| C 1.6 Are there any protected areas (game parks/nature reserves, monuments, etc) close to the proposed operation? | Yes | | 4 |
| | No | √ | 0 |
| C 1.7 What mineral are you going to prospect or mine for? | Diamonds | | |
| C 1.8 Describe the type of equipment that will be used: | | | |
| 4x4 LDVs to access the area, various portable (man carried) geophysical surveying instruments, possibly truck mounted drill rigs and ancillary equipment, possibly light earthmoving equipment, possibly skid mounted core drill rigs and ancillary equipment; see Appendix 1. | | | |
| C.2 HOW WILL THE PROPOSED OPERATION IMPACT ON THE NATURAL ENVIRONMENT? (REGULATION 52(2)(b)) | | | |
| Please read this section in conjunction with Appendix 1 which contains a description of diamond exploration techniques to be used together with an assessment of their impact on the natural environment. | | | |
| ENVIRONMENTAL ELEMENT/ IMPACTOR | VALUE | TICK | OFFICE USE |
| C 2.1 What will the ultimate depth of the proposed prospecting/mining | 0 – 5m | | 2 |

| | | | |
|---|---|-----|----|
| operations be? | | | |
| <i>Pitting/trenching if required, is unlikely to exceed 10m whilst drilling could exceed depths of 100m.</i> | 6 – 10m | √ | 4 |
| | 10 – 25m | | 8 |
| | 25m + | | 10 |
| C 2.2 How large will the total area of all excavations be? | | 0.5 | ha |
| <i>Should this exercise extend into pitting/trenching or drilling the total area of all excavations is estimated not to exceed c 5000m²</i> | | | |
| C 2.3 How large will each excavation be before it is filled up? | <10 X 10m | | 2 |
| <i>If excavated, each pit or trench including an access ramp will not exceed 240m². Small diameter drill holes will be up to 200 mm diameter each and large diameter drill holes, up to 600mm diameter each.</i> | <20 X 20m | √ | 4 |
| | >20 X 20m | | 8 |
| C 2.4 How many prospecting boreholes or trenches will there be? | <i>See Appendix 1. The number required cannot be accurately predetermined and will depend on the nature of the target to be investigated. Current estimates are that up to 5 small diameter drill holes, up to 12 pits or trenches and/or 6 large diameter drill holes will be required. To be determined once initial results obtained, will be included in the progress report.</i> | | |

| | VALUE | TICK | OFFICE USE |
|--|---|------|------------|
| C 2.5 Will employees prepare food on the site and collect firewood? | Yes | | 4 |
| <i>Suitable formal accommodation will be obtained in the area so this is not necessary.</i> | No | √ | 0 |
| C 2.6 Will water be extracted from a river, stream, dam or pan for use by the proposed operation? | Yes | | 4 |
| | No | √ | 2 |
| C 2.7 If so, what is the name of this water body? | | | |
| C 2.8 If water will not be extracted from an open surface source, where will it be obtained? | <i>Borehole or Municipal water to be trucked in</i> | | |

| | VALUE | TICK | OFFICE USE |
|--|---|------|-----------------|
| C 2.9 How much water per day will the <i>mineral processing</i> operation require? | 1000 – 10 000 Litres | √ | 2 |
| <i>Water will only be required for mineral processing if the work programme advances to the phase where large diameter drill sampling is undertaken. In this event, water will be required for the initial de-sliming of drill chip samples as the remainder of the sample treatment will take place away from the drill site (see Appendix 1). The amount of water required is unknown and is dependent on whether the drill holes intersect water. However, it is estimated that c 5000l of water will be required per large diameter drill hole to initiate the water recycling process. Each large diameter drill hole will take several days to complete. The water will be obtained from existing boreholes with the landowner's/occupier's permission or from a municipal source with the landowner's/occupier's permission, along with approval from the Department: Water Affairs</i> | 20 000 – 40 000 L | | 3 |
| | 40 000 – 60 000 L | | 5 |
| | 60 000 – 100 000L | | 8 |
| | More | | 10 |
| C 2.10 How far is the proposed operation from open water (dam, river, pan, lake)? | 0 – 15m | | 8 |
| <i>There is no permanent open water in the area, only seasonal pans and non-perennial stream courses. Although geophysical surveying may cover some of the pans and streams, this will cause no disturbance. There should be no need to drill or create excavations within 60 metres of any of these. (Ref. 1:50,000 scale topographic sheets 2723 DD, 2724 CC, 2823 BB and 2824 AA).</i> | 16 – 30m | | 6 |
| | 31 – 60m | | 4 |
| | More than 60 metres | √ | 2 |
| C 2.11 What is the estimated depth of the water table/ borehole? | <i>The depth of the water table has been reported by the surface owners to be quite variable. The depth of water encountered will be included in the progress report if drilling is conducted. The estimated borehole depth is no more than 150 metres.</i> | | 10 to 80 metres |
| C 2.12 How much water per day will the proposed operation utilize for employees? <i>Water for drinking purposes will be brought onto site and would be a maximum of 50 litres per day.</i> | | c 50 | Litres |

| | | | |
|---|------------------------|---|---|
| C 2.13 What toilet facilities will be made available to workers? | None | | 8 |
| <i>Due to the very short time taken for geophysical surveying, no toilet facilities need be provided, however should the project progress to pitting/ trenching and/or drilling, chemical toilets will be provided. Only if this proved impractical would pit latrines be used.</i> | Pit latrine (longdrop) | | 4 |
| | Chemical toilet | √ | 2 |
| C 2.14 Would it be necessary to construct roads to access the proposed operations? | Yes | √ | 4 |
| <i>Geophysical surveying is largely done on foot and will not require access roads to be built. Access to the farm will be via existing roads and rough tracks. It is not possible to predetermine whether the work programme will advance to a phase requiring pitting/trenching and/or drilling and, thus, it is not possible to predetermine whether the site for these activities will require the construction of access roads(tracks) in advance (see Appendix 1). Should the project progress to phases requiring pitting/trenching and/or drilling, tracks may need to be cleared to allow for vehicular access. This will be done as set out in section F2.2.1</i> | No | | 0 |
| C 2.15 How long will these access road(s) be (from a public road to the proposed operations) | 0 – 0,5 km | | 4 |
| <i>It is not possible to predetermine whether the work programme will advance to a phase requiring pitting/trenching and/or drilling and, thus, it is not possible to predetermine the route for any access roads (tracks), (see Appendix 1). If a road is necessary the length of the road will depend on the location of the work site. The road will be the shortest possible distance from the public roads or existing farm tracks. There are only a few existing roads and tracks on the area, so the distance required for a new track could be up to 3km..</i> | 0,6 – 1,5 km | | 2 |
| | 1,6 – 3 km | √ | 4 |
| C 2.16 Will trees be uprooted to construct these access road(s)? | Yes | | 4 |
| <i>If an access road is necessary no trees larger than 3m will be uprooted. However, it should be possible to avoid all proper trees as there are relatively few in the area.</i> | No | √ | 0 |
| C 2.17 Will any foreign material, like crushed stone, limestone, or any material other than the naturally occurring topsoil be placed on the road surface? | Yes | | 4 |
| <i>Topsoil will not be used for any road capping as it will be stored for rehabilitation of any small borrow pits made.</i> | No | √ | 0 |

| C.3 TIME FACTOR | | | |
|---|----------------|---|----|
| C 3.1 For what time period will prospecting/mining operations be conducted on this particular site? | 0 – 6 months | | 2 |
| <i>The prospecting operation is conducted in phases as indicated in Appendix 1. In this case, the initial phase, geophysical surveying, will take no longer than a few days. If the project matures to drilling, pitting and/or trenching, these may take up to 3 months. The entire physical prospecting activities within the work programme, possibly extending over an 8 year period, are unlikely to exceed 18 months.</i> | 6 – 12 months | | 4 |
| | 12 – 18 months | √ | 6 |
| | 18 – 24 months | | 8 |
| | >24 months | | 10 |

| C.4 HOW WILL THE PROPOSED OPERATION IMPACT ON THE SOCIO-ECONOMIC ENVIRONMENT? (REGULATION 52(2)(b)) | | | |
|--|-----------------|------|------------|
| ELEMENT/ IMPACTOR | VALUE | TICK | OFFICE USE |
| C 4.1 How many people will be employed? <i>Is dependent on the phase of the work programme being executed. Estimated maximum is 10 during pitting/trenching and or drilling.</i> | • 10 (max) | | |
| C 4.2 How many men? | • 8(Estimate) | | |
| C 4.3 How many women? | • 2(Estimate) | | |
| C 4.4 Where will employees be obtained? (Own or employed from local communities?) | Own | √ | 2 |
| <i>Some additional temporary employees will need to be sourced from local communities. However this will depend on how the project develops.</i> | Local | √ | 4 |
| C 4.5 How many hours per day will employees work? | Sunrise→ Sunset | √ | 4 |
| | Less | | 2 |
| | More | | 8 |
| | VALUE | TICK | OFFICE USE |
| C 4.6 Will operations be conducted within 1 kilometre from a residential area | Yes | √ | 6 |
| <i>There are only farmhouses on the property. Initial geophysical surveying may be within 1 km of these residences but these activities have a duration of no more than a few days and will cause little (but more probably no) disturbance to residents. It is not possible to predetermine whether the work programme will advance to phases requiring pitting/trenching and/or drilling and, thus, it is not possible to predetermine the site for these activities relative to residential areas (see Appendix 1). However, pitting/trenching and/or drilling would be undertaken as far away from residences as possible. The actual distances from residences will be included in the progress report.</i> | No | | 1 |
| C 4.7 How far will the proposed operation be from the nearest fence/windmill/house/dam/built structure? | 0 – 50 metres | | 8 |
| <i>Initial geophysical surveying may be close to one of the abovementioned structures but these activities have no impact on the structures. Such structures are generally</i> | 51 – 100 metres | √ | 4 |

| | | | |
|---|---------------------|--------------------|--------------------------|
| <p><i>avoided to ensure the integrity of data. It is not possible to predetermine whether the work programme will advance to phases requiring pitting/trenching and/or drilling and, thus, it is not possible to predetermine the site for these activities relative to the above mentioned structures (see Appendix 1). However, pitting/trenching and/or drilling would be undertaken as far away from the above mentioned structures as possible. Given the rural nature of the area it is likely that most activities will be at least 50m from structures. The actual distances from the above mentioned structures will be included in the progress report</i></p> | | | |
| | 150 or more metres | | 2 |
| <p>C.5 HOW WILL THE PROPOSED OPERATION IMPACT ON THE CULTURAL HERITAGE OF THE SURROUNDING ENVIRONMENT? REGULATION 52(2)(b)</p> | | | |
| <p>ELEMENT/ IMPACTOR</p> | <p>VALUE</p> | <p>TICK</p> | <p>OFFICE USE</p> |
| <p>C 5.1 Are there any graveyards or old houses or sites of historic significance within 1 kilometre of the area?</p> | <p>Yes</p> | <p>√</p> | <p>8</p> |
| <p><i>There are farmhouses present, although their ages are unknown, and graves may be present near these. Graves or family graveyards have been reported by surface owners or marked on the topographic maps on portion 1 (Grassrand) of the farm Grassdale 116, the remaining extent of farm 118, portion 1 (Uitkomst) of Farm 138 and on portion 1 of Farm 207. However, the greatest extent of the area is used for farming. Initial geophysical surveying may be within 50m of a farmhouse and/or grave but these activities have no impact. It is not possible to predetermine whether the work programme will advance to phases requiring pitting/trenching and/or drilling and, thus, it is not possible to predetermine the site for these activities relative to the above mentioned occurrences (see Appendix 1). However, pitting/trenching and/or drilling would be undertaken as far away from the above mentioned occurrences as possible. The actual distances from the above mentioned structures, if found to be present, will be included in the progress report. It is suggested that an Archaeological Impact Assessment be performed for specific sites, if and when the project progresses to large diameter drilling, pitting or trenching.</i></p> | <p>No</p> | | <p>0</p> |

C.6 SPECIFIC REGULATORY REQUIREMENTS

| | | | | | | | |
|---|-------------------|------------|-------------------|------------|--|--|--|
| <p>C.6.1 Air quality Management and Control (Regulation 64) Describe how the operation will impact on the quality of the air, taking into account predominant wind direction and other affected parties in the downwind zone:</p> <p><i>There will be minimal impact on the air quality. The only possible air pollution that could occur is dust from accessing the site and from the use of equipment, and emissions from vehicles. Dust will be reduced through wetting access roads when and if necessary. Vehicle emissions will be kept to a minimum through regular maintenance as per manufacturer's specifications.</i></p> | | | | | | | |
| <p>C.6.2 Fire Prevention (Regulation 65) Applicants for permits, rights or permissions involving <u>coal or bituminous rock</u> must:</p> <ul style="list-style-type: none"> • Indicate on a plan where the coal or rock discard dump will be located <i>(If applied for a permit to mine or prospect for coal or bituminous rock, indicate the exact location of the discard dump on the plan and write "EMPlan C6.2" next to it)</i> <p><i>Not applicable</i></p> | | | | | | | |
| <p>C.6.3 Noise control (Regulation 66) Indicate how much noise the operation will generate, and how it will impact on the surrounding environment, who might be influenced by noise from your operation.</p> <p><i>The initial phase of surveying will not generate any noise other than that of the LDVs used to access the sites, however trenching, pitting and/or drilling may result in some noise from vehicles and machinery. Given the short duration of any one phase the noise will be limited, it will also be limited to operating (daylight) hours only. Employees working close to equipment that generates a noise above 65 dB will wear the appropriate personal protective equipment.</i></p> | | | | | | | |
| <p>C.6.4 Blasting, vibration and shock (Regulation 67) Please indicate whether any blasting operations will be conducted.</p> <table border="1"> <tr> <td>Blasting:</td> <td>Yes No</td> <td>How often?</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table> | | Blasting: | Yes No | How often? | | | |
| Blasting: | Yes No | How often? | | | | | |
| | | | | | | | |
| <p>C.6.5 Disposal of waste material (Regulation 69) Indicate on your plan where waste will be dumped in relation to the beneficiation works/ washing pans. Also indicate below how domestic waste material will be managed.</p> <p><i>In the case of surveying there will not be any waste generated on site. In the event of pitting, trenching or drilling the waste will be dealt with as follows:</i></p> <p><i>General/domestic waste – Any domestic waste will be taken back to the accommodation where it will be separated into recyclable waste and non-recyclable waste. The recyclable waste will be recycled and the non-recyclable waste will be taken to the local municipal landfill site.</i></p> | | | | | | | |
| <p>C.6.6 Soil pollution and erosion control (Regulation 70)</p> <p>6.6.1 Indicate how topsoil will be handled on the area.</p> <p><i>In the case of pitting, trenching and/or drilling, the topsoil will be removed and stockpiled for use in the rehabilitation of the site. Topsoil will be stored as required in section F2.1</i></p> | | | | | | | |
| <p>6.6.2 Describe how spills of oil, grease, diesel, acid or hydraulic fluid will be dealt with.</p> | | | | | | | |

PVC sheeting will be placed under any machinery on site that has the potential to develop an oil leak. Should there be an oil leak onto the PVC sheeting this will be cleaned up and the cleaning material sent for bioremediation or proper disposal. Drip trays will be used to collect oils and fluids from any emergency on-site servicing and repair of machinery and vehicles. Only emergency servicing will be permitted on site. All old oil will be removed for recycling or proper disposal. Should there be a spill of hydrocarbons onto the soil, the contaminated soil will be removed and sent for bioremediation or proper disposal.

6.6.3 Briefly describe the storage facilities available for the above fluids:

Storage will be short-term (for the duration of the activity for which they are required only). All oil containers kept on site, if any, will be kept in drip trays and stored in a demarcated area with minimal pedestrian activity allowed to minimize the chance of the containers being knocked over. They will also be kept under cover to prevent contamination by rain water.

| <p>C.6.7 If significant impacts on any element of the environment mentioned in Section C 1 to C 6.6 above have been identified, summarise all of them here: (Regulation 52(2)(c))</p> | <p>C.6.8 How will the negative impacts on the environment be mitigated or managed (as described in C 6.11 to the left?) (Regulation 57(2)(c))</p> |
|--|--|
| <p>Example: Section C 6.4 Blasting. I have identified that the people living on the neighbouring property are sensitive to loud noises as they have children that must study during the afternoons</p> | <p>Example: I will mitigate the impact of my blasting operations on the Interested Parties by limiting blasting operations to school hours, when no one in the affected area is at home.</p> |
| <p>1 None of the impacts are considered significant, see Appendix 1</p> | <p>1</p> |
| <p>2</p> | <p>2</p> |
| <p>3</p> | <p>3</p> |
| <p>4</p> | <p>4</p> |
| <p>5</p> | <p>5</p> |
| <p>6</p> | <p>6</p> |
| <p>7</p> | <p>7</p> |
| <p>8</p> | <p>8</p> |

C.7 Financial provision: (Regulation 54)

The amount that is necessary for the rehabilitation of damage caused by the operation, both after sudden closure during the normal operation of the project and at final, planned closure will be estimated by the regional office of the DMR, based on the information supplied in this document. This amount will reflect how much it will cost the Department to rehabilitate the area disturbed in case of liquidation or abscondence.

| |
|--|
| Enter the amount of financial provision required here: R38 650 |
|--|

What method will be used to furnish DMR with this financial provision?

| | |
|---|---|
| Cash deposit | |
| Guarantee (Standard Bank, Kimberley) for an amount of R38,650.00. | √ |
| Trust Fund | |
| Other: (specify) (Note: other methods must be approved by the Minister) | |

The standard formats for each of these types of guarantees are available from your regional office of the DMR.

C.8.1 Monitoring and performance assessment.

Regulation 55 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) clearly describes the process and procedure as well as requirements for monitoring and auditing of the performance of this plan to adequately address environmental impacts from the operation. The following information must be provided:

| |
|---|
| C.8.2 Please describe how the adequacy of this programme will be assessed and how any inadequacies will be addressed. (Regulations 55(1) and 52(2)(e)) |
|---|

| |
|---|
| <i>Example: I will, on a bi-monthly basis, check every aspect of my operation against the prescriptions given in Section F of this document and, if I find that certain aspects are not addressed or impacts on the environment are not mitigated properly, I will rectify the identified inadequacies immediately.</i> |
|---|

| |
|--|
| <i>As part of the internal Environmental Management System (EMS) all employees and contractors receive environmental induction, environmental awareness is reinforced through regular toolbox talks. The EMS includes monitoring and reporting requirements, the purpose being to monitor the impact on the environment. The Geologist responsible for the project will check all aspects of the operation against both the requirements of the EMS and the prescriptions in Section F of this document. A non conformance reporting system is in place as part of the EMS, any non conformances will be reported and the appropriate corrective and preventive actions taken.</i> |
|--|

| |
|---|
| <p>C.9 Closure and Environmental objectives: (Regulation 52(2)(f)) Clearly state the intended end use for the area prospected/mined after closing of operations <i>The area will be returned to its original land use. In the event of the discovery of a viable ore body, mining operations will be initiated. This will however require an application for a mining right.</i></p> |
| <p>C.9.1 Describe, in brief terms, what the environment will look like after a closure certificate has been obtained. <i>Provided there is no economically viable ore body discovered, the land will be returned to as close to its original state as possible. This may take more than one rainy season (year) to achieve, depending on the rainfall and vegetation mix at the site.</i></p> |

Note: The proposed end-state of your area must be consulted with interested and affected parties in terms of Regulation 52(2)(g). Details of the acceptability of the end-state must appear in the section below.

C 10 CLOSURE

Regulations 56 to 62 outline the entire process of mine closure, and these are copied in Section F of this document, both as a guide to applicants on the process to be followed for mine closure, and also to address the legal responsibility of the applicant with regard to the proper closure of his operation. In terms of Section 37 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002), the holder of a permit is liable for any and all environmental damage or degradation emanating from his/her operation, until a closure certificate is issued in terms of Section 43 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002).

C.11 Public Participation: (Regulation 52(2)(g))

In terms of the above regulation consultation with interested and affected person or persons must take place prior to the approval of the environmental management plan. This regulation is quoted below for ease of reference.

"a record of the public participation undertaken and the results thereof"

- C 11.1** Any comments lodged by an interested and affected person or persons in terms of section 10(1)(b) of the Act, must be in writing and addressed to the relevant Regional Manager.
- C 11.2** Any objections lodged by an interested and affected person or persons against the application for a right or permit in terms of the Act, must set out clearly and concisely the facts upon which it is based and must be addressed to the relevant Regional Manager in writing.

C 11.3 The Regional Manager must make known by way of publication in a local newspaper or at the office of the Regional Manager, that an application for a right or permit in terms of the Act has been received.

In the table below, please list the names of people or organisations likely to be influenced by the proposed operations (these might include neighbours, other water users, etc.) Kindly indicate how these people were consulted (e.g. By letter or by phone) *and provide proof* of that consultation. What were the main concerns/ objections raised by the interested and affected parties to the proposed operation?

| Name of Interested/ affected party | Contact details | How did consultation take place?* | What were his /her main concerns about the operation? |
|--|--|--|--|
| Helderwater Eiendomme CC 94/43276/23 PORTION 1 (RE) GRASSRAND OFGRASSDALE 116 | PO Box 136 DANIELSKUIL 8405 083 515 8821 Ignatius (son) 082 323 0388 Lourens (father) Cell 082 820 8308 | On 15 September 2010 a letter was sent via registered mail to the Members of the Helderwater Eiendomme CC, PO Box 376, Kuruman, 8460, regarding the acceptance of our application for a prospecting right over the abovementioned farm. He confirmed his contact details telephonically. . They both attended the Farmers Union meeting on 12 October 2010. | The members of the Close Corporation, Mr de Jager and his son, will not allow prospecting activities on his farm, before an agreement is signed |
| Albert Van Zyl Familie Trust IT 361/2002 albertp.vanzyl@gmail.com PORTION 2 OFGRASSDALE 116 | PO Box 176 REIVILO 8598 083 7281890 (wife) BY SMS 083782 8212 | On 15 September 2010 a letter was sent via registered mail to Albert Van Zyl Familie Trust, PO Box 176, REIVILO 8598, regarding the acceptance of our application for a prospecting right over the abovementioned farm. He confirmed his contact details telephonically. Representatives of De Beers met with Mr van Zyl and Mrs Brits on the farm Stillerus on Tuesday morning 12 October 2010. We also received a written reply dated 11 October 2010. | De Beers must take responsibility for any damages (e.g. veld fires, animals in front of vehicles) which is the result of De Beers workers' negligence. He requests that De Beers buy the whole farm and not a portion if needed. De Beers must inform them about all activities beforehand. His biggest concern is that De Beers will sell the Prospecting Right to another company which is less responsible in terms of the environment. |
| Doratheia M Brits 2803250027005 Cell: 073 335 0433 PORTION 1 (STILLERUS) OF FARM 117 | Son: Rev Willem Brits PO Box 68 Harrismith 9880 dswillem@vodamail.co.za 058 623 0974 | On 15 September 2010 a letter was sent via registered mail to her son Rev W Brits, PO Box 68, Harrismith 9880, regarding the acceptance of our application for a prospecting right over the abovementioned farm. He confirmed his contact details telephonically. Representatives of De Beers met with Mr van Zyl and Mrs Brits on the farm Stillerus on Tuesday morning 12 October 2010. | Rev W Brits requested a few more days to reply. No response has been received to date. |
| Lubbe Boerderye Pty Ltd 199000496107 hlubbe@vodamail.co.za REMAINING EXTENT OF FARM 117 | PO Box 346 Somerset Wes 7129 021 840 1640(W) 0824544254 0865107100 (F) | On 15 September 2010 a letter was sent via registered mail to The Directors, Lubbe Boerderye Pty Ltd, PO Box 346, Somerset Wes, 7129, regarding the acceptance of our application for a prospecting right over the abovementioned farm. Mr Gerhard Heinrich Lubbe confirmed his contact details telephonically on 17 September 2010. | We received a reply dated 6 October 2010 in which he requested more information as well as a land use agreement. De Beers replied on 15 October 2010. De Beers answered all his questions and promised to set up an agreement before start of prospecting activities.. |

| Name of Interested/ affected party | Contact details | How did consultation take place?* | What were his /her main concerns about the operation? |
|---|--|--|---|
| Konmetrik Pty Ltd 197101165407 REMAINING EXTENT OF FARM 118 Konmetrik Boerdery CC PORTION 1 (GRASPAN) OF FARM 118 | Achilles Str 2 Kimberley 8301 Daan Botha (h) 0538420066 Cell 082 579 1287 | On 15 September 2010 a letter was sent via registered mail to The Directors, Konmetrik Pty Ltd, PO Box 91, Kuruman 8460, regarding the acceptance of our application for a prospecting right over the abovementioned farm. Mr Daniël Johannes (Daan) Botha confirmed his contact details telephonically. He attended the Farmers Union meeting on 12 October 2010. | No response has been received to date. |
| Jacobus Nicolaas Botha Ella Sophia Carolina Botha PORTION 2 (WITBANK) OF FARM 118 | P O BOX 915 KURUMAN 8460 0537123267 Kooos - 083 4489 125 (F)053 712 3267 (F_W) 053 712 1669 | On 15 September 2010 a letter was sent via registered mail to Mr & Ms J N Botha, P O BOX 915, KURUMAN 8460, regarding the acceptance of our application for a prospecting right over the abovementioned farm. Mr Botha confirmed his contact details telephonically. He was the only farmer who could not meet the De Beers representatives during the visit of 12 and 13 October 2010 to the farmers. The presentation was forwarded to him on 14 October 2010. | His attorney, Duvenhage en Van der Merwe, replied by fax on 13 October 2010. They would like an agreement before prospecting activities starts. |
| Theunis Christoffel Botha PORTION 1 (OLIENKOP) OF FARM 119 | P O BOX 1863 Kuruman 8460 standerspan@webmail.co.za '0532059498 Cell 083 319 7739 Fax: 0866 035507 | On 15 September 2010 a letter was sent via registered mail to Mr T C Botha, P O BOX 1863, BLIKFONTEIN, 8470, regarding the acceptance of our application for a prospecting right over the abovementioned farm. He confirmed his contact details telephonically on 17 September 2010. He attended the Farmers Union meeting on 12 October 2010. | We received a reply dated 13 October 2010 in which we were advised that he does not have any comments on our intended prospecting activities on the abovementioned farm. |
| Vaalbos Trust IT131/98 R/E OF FARM 119 PORTION 3 (DOORBULT) OF FARM 137 Joseph Van Heerden PORTION 1 (KORTWAL) AND REMAINING EXTENT OF FARM 137 | Dr Joseph van Heerden (Vet) 11 Reginald De Villiers Str Monumenthoogte KIMBERLEY 8300 Practice: Dalheimrd 16 Kimberley '0538325711 Fax 053 832 4832 Cell 083 305 6474 | On 15 September 2010 a letter was sent via registered mail to The Trustees, Vaalbos Trust, 11 Reginald De Villiers Str, Monumenthoogte, KIMBERLEY, 8300, regarding the acceptance of our application for a prospecting right over the abovementioned farm. Dr Joseph van Heerden of the Trust confirmed his contact details telephonically on 17 September 2010. Representatives of De Beers met with Dr van Heerden at his office on Tuesday morning 12 October 2010. | He said that nothing on his farm may be disturbed or killed. He promised to forward his written response. |
| Abraham Johannes De Klerk REMAING EXTENT OF FARM 138 | Groote Schuurlaan 20 Royldene Kimberley 8301 kimberley@bmgworld.net 053 8311355 (F)053 8329981 082 497 8314 | On 15 September 2010 a letter was sent via registered mail to Mr A J De Klerk, P O BOX 19, KOOPMANSFONTEIN 8391, regarding the acceptance of our application for a prospecting right over the abovementioned farm. He confirmed his contact details telephonically on 17 September 2010. Representatives of De Beers met with Mr de Klerk at De Beers Head Office on Monday afternoon 11 October 2010. | He wanted to know whether the farmers will receive a percentage of the value of the diamonds recovered during prospecting and requested the reports of the finding of the prospecting right. We received a written reply dated 24 September 2010 in which we were advised that he does not have any comments on our intended prospecting activities on the abovementioned farm. |

| Name of Interested/ affected party | Contact details | How did consultation take place?* | What were his /her main concerns about the operation? |
|--|---|---|--|
| Bart Daffue Familietrust IT213/2001 ldaffue@agricol.co.za PORTION 1 (UITKOMST) OF FARM 138 | PO Box 690 Daniëlskuil 8405 Lehani 053 841 0014 0834060429 | On 15 September 2010 a letter was sent via registered mail to The Trustees, Bart Daffue Familietrust, PO Box 690, Daniëlskuil, 8405, regarding the acceptance of our application for a prospecting right over the abovementioned farm. Mr Daffue confirmed his contact details telephonically on 17 September 2010. He attended the Farmers Union meeting on 12 October 2010. We received his written reply on 12 October 2010. | He has no comments on the prospecting right application. |
| Willem Frederik Van Zyl Martha Levina Maria Van Zyl REMAINING EXTENT OF FARM 137 FARM 140 | P O BOX 23 KOOPMANSFONTEI N 8391 083 653 5867 | On 15 September 2010 a letter was sent via registered mail to Mr and Mrs W F Van Zyl, P O BOX 23, KOOPMANSFONTEIN, 8391, regarding the acceptance of our application for a prospecting right over the abovementioned farm. Mr van Zyl confirmed his contact details telephonically on 17 September 2010. He attended the Farmers Union meeting on 12 October 2010. | He would like some more time to consider his options. |
| Stefanus Marthinus Naude PORTION 1 (GOEDE HOOP) OF THE FARM 139 | Son's Address ROOS LAAN 28 KURUMAN 8460 072 383 5011 Father: Schackletonrd 18 Southridge KIMBERLEY 8301 053 832 1050 | On 15 September 2010 a letter was sent via registered mail to Mr S M Naude, 28 Roos avenue, Kuruman, 8460, regarding the acceptance of our application for a prospecting right over the abovementioned farm. He confirmed his contact details telephonically on 17 September 2010. His son attended the Farmers Union meeting on 12 October 2010. Representatives of De Beers met with Mr and Mrs Naude (snr) on Wednesday afternoon 13 October 2010. | They intend to follow any decisions made by the Farmers Union and De Beers must inform them if they find water during drilling operations. |
| Roelof Andries Gous Son: Kobus Gous middelput@vodamail.co.za REMAINING EXTENT OF FARM 181 | PO Box 33 KOOPMANSFONTEI N 8391 Kobus '0829482086 Father 083 319 7739 | On 15 September 2010 a letter was sent via registered mail to Mr R A Gous, Konmetrik Pty Ltd, PO Box 33, KOOPMANSFONTEIN, 8391, regarding the acceptance of our application for a prospecting right over the abovementioned farm. He confirmed his contact details telephonically on 17 September 2010. He attended the Farmers Union meeting on 12 October 2010. | He replied in writing on 12 October 2010. His main concern is the influence on vegetation as food for the cattle. |
| Marius Van Der Ryst 7108166210083 renoldnc@telkomsa.net ? PORTION 1 OF FARM 207 | P O BOX 608 DANIELSKUIL 8405 083 608 9856 0533841837(H&F) | On 15 September 2010 a letter was sent via registered mail to Mr M Van Der Ryst, P O BOX 608, DANIELSKUIL, 8405, regarding the acceptance of our application for a prospecting right over the abovementioned farm. He attended the Farmers Union meeting on 12 October 2010. He replied in writing on 12 October 2010. | His main concerns are the safety risk when other people enter his property and the violation of his privacy. |

| Name of Interested/ affected party | Contact details | How did consultation take place?* | What were his /her main concerns about the operation? |
|--|---|--|---|
| Die Mooiplaats Trust IT1248/2006 (F)053 444 1992 082 4916 353 FARM 370 | D J van der Merwe PO Box 166 Hoopstad 9479 053 444 2375 Deon van Zyl Voorman 082 598 3809 | On 15 September 2010 a letter was sent via registered mail to The Trustees, Die Mooiplaats Trust, PO Box 376, Kuruman, 8460, regarding the acceptance of our application for a prospecting right over the abovementioned farm. Mr D J van der Merwe confirmed his contact details telephonically on 17 September 2010. He attended the Farmers Union meeting on 12 October 2010. | He replied in writing on 12 October 2010 in which we were advised that he does not have any comments on our intended prospecting activities on the abovementioned farm. |
| Chairman Farmers' Association | 082 849 2195 | Deon de Kock | |
| Chairman Farmers' Union | 082 948 2086 | Kobus Gous middelputs@vodamail.co.za | |

* With regard to the consultative process, please refer to our letter dated 11 October 2010 addressed to the Regional Manager, Dept: Minerals and Energy, Kimberley. Copies of the letters referred to above were included with this letter. A further copy of our letter dated 11 October 2010 is attached to this EMPlan (master copy only). Copies of replies received after 11 October 2010 are also attached.

D SCORING OF EIA- FOR OFFICIAL USE ONLY

Instructions for officials:

In this table, complete the totals of each section indicated below and do the calculation. **Remember to first add all the values of sections C 1,2,4 and 5 and then to multiply it by the time factor in Section C 3**

Note that the value for the time factor element of the impact rating appears in Section C3. This is the total amount of time that the operation is expected to impact on the environment and all other factors are MULTIPLIED by this value. Compare the score (Impact rating) with the table below to help you make a decision on the total impact of the operation and also on the sufficiency of this programme to address all expected impacts from the operation on the environment.

D 1.1 CALCULATION TABLE

| Section C 1 Total | + | Section C 2 Total | + | Section C 4 Total | + | Section C 5 Total | = | <u>Subtotal</u> | X | Time Factor Section C 3 | = | Score (Impact rating) |
|-------------------|---|-------------------|---|-------------------|---|-------------------|---|-----------------|---|-------------------------|---|-----------------------|
| 8 | + | 22 | + | 20 | + | 8 | = | 58 | X | 6 | = | 348 |

D 1.2 IMPACT RATING SCALE

| SCORE ATTAINED | IMPACT RATING | REMARKS |
|----------------|-------------------|---|
| 46 - 300 | Low | No additional objectives needed - this programme is sufficient |
| 301 - 800 | Medium | Some specific additional objectives to address focal areas of concern may be set. |
| 801 - 1160 | High | Major revision of Environmental Management Plan for adequacy and full revision of objectives. |

Additional Objectives:

Based on the information provided by the applicant and the regional office's assessment thereof, combined with the interpretation of the scoring and impact rating attained for the particular operation above, the Regional Manager of the regional office of the DMR may now determine additional objectives /requirements for the mine owner/manager to comply with. *These measures will be specific and will address specific issues of concern that are not adequately covered in the standard version of this document.* These requirements are not listed here, but are specified under Section G of this document, so as to form part of the legally binding part of this Environmental Management Plan.

E UNDERTAKING:

I, **IAN NORMAN SCHEEPERS**, on behalf of the applicant for a prospecting right hereby declare that the above information is true, complete and correct. We undertake to implement the measures as described in Section F hereof. We understand that this undertaking is legally binding and that failure to give effect hereto will render us liable for prosecution in terms of Section 98 (b) and 99 (1)(g) of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002). We are also aware that the Regional Manager may, at any time but after consultation with me, make such changes to this plan as he/she may deem necessary. Further, we undertake to consider any specific additional requirements that may be set for the operation by the Regional Manager and, if those additional requirements are agreeable to us, to sign the undertaking comprising Section H of this Environmental Management Plan.

Signed on this 10th day of November 2010 at Kimberley



.....
Signature of applicant

Assistant Secretary
Designation

- Mining/ prospecting and resultant operations shall only take place within this demarcated area.

F 1.1.3 DEMARCATING THE RIVER CHANNEL AND RIVERINE ENVIRONMENT

The following is applicable if operations are conducted within the riverine environment (See F 3.2):

- Beacons as indicated on the layout plan or as prescribed by the Regional Manager must be erected and maintained in their correct position throughout the life of the operation.
- These beacons must be of a permanent nature during the operations and must not be easily removable, especially those in a river channel. The beacons must, however, be removed at the end of the operations.
- The mining of and prospecting for any mineral shall only take place within this demarcated mining area.
- If riverine vegetation is present in the form of reeds or wetland vegetation, the presence of these areas must be entered in Part C 1.45 of the EMPlan and indicated on the layout plan.
- The holder of the mining permit/ prospecting right will also be required to permanently demarcate the areas as specified in F 1.1.2.

F 1.2 RESTRICTIONS ON MINING/ PROSPECTING

- On assessment of the application, the Regional Manager may prohibit the conducting of mining or prospecting operations in vegetated areas or over portions of these areas
- In the case of areas that are excluded from mining or prospecting, no operations shall be conducted within 5 m of these areas.

F 1.3 RESPONSIBILITY

- The environment affected by the mining/ prospecting operations shall be rehabilitated by the holder, as far as is practicable, to its natural state or to a predetermined and agreed to standard or land use which conforms with the concept of sustainable development. The affected environment shall be maintained in a stable condition that will not be detrimental to the safety and health of humans and animals and that will not pollute the environment or lead to the degradation thereof.
- It is the responsibility of the holder of the mining permit/ prospecting right to ensure that the manager on the site and the employees are capable of complying with all the statutory requirements which must be met in order to mine, which includes the implementation of this EMP.
- If operations are to be conducted in an area that has already been disturbed, the holder must reach specific agreement with the Regional Manager concerning the responsibilities imposed upon himself/herself pertaining to the rehabilitation of the area and the pollution control measures to be implemented.

F 2 INFRASTRUCTURAL REQUIREMENTS

F 2.1 TOPSOIL

- Topsoil shall be removed from all areas where physical disturbance of the surface will occur.
- All available topsoil shall be removed after consultation with the Regional Manager prior to the commencement of any operations.
- The topsoil removed, shall be stored in a bund wall on the high ground side of the mining/prospecting area outside the 1:50 flood level within the boundaries of the mining area/ prospecting.
- Topsoil shall be kept separate from overburden and shall not be used for building or maintenance of access roads.
- The topsoil stored in the bund wall shall be adequately protected from being blown away or being eroded.

F 2.2 ACCESS TO THE SITE

F 2.2.1 Establishing access roads on the site

- The access road to the mining/prospecting area and the camp-site/site office must be established in consultation with the landowner/tenant and existing roads shall be used as far as practicable.
- Should a portion of the access road be newly constructed the following must be adhered to:
 - The route shall be selected that a minimum number of bushes or trees are felled and existing fence lines shall be followed as far as possible.
 - Water courses and steep gradients shall be avoided as far as is practicable.
 - Adequate drainage and erosion protection in the form of cut-off berms or trenches shall be provided where necessary.
- If imported material is used in the construction or upgrading of the access road this must be listed in C 2.17
- The erection of gates in fence lines and the open or closed status of gates in new and existing positions shall be clarified in consultation with the landowner/tenant and maintained throughout the operational period.
- No other routes will be used by vehicles or personnel for the purpose of gaining access to the site.

NOTE: The design, construction and location of access to provincial roads must be in accordance with the requirements laid down by the Provincial or controlling authority.

F 2.2.2 Maintenance of access roads

- In the case of dual or multiple use of access roads by other users, arrangements for multiple responsibility must be made with the other users. If not, the maintenance of access roads will be the responsibility of the holder of the mining permit/ prospecting right.
- Newly constructed access roads shall be adequately maintained so as to minimise dust, erosion or undue surface damage.

F 2.2.3 Dust control on the access and haul roads

- The liberation of dust into the surrounding environment shall be effectively controlled by the use of, inter alia, water spraying and/or other dust-allaying agents. The speed of haul trucks and other vehicles must be strictly controlled to avoid dangerous conditions, excessive dust or excessive deterioration of the road being used.

F 2.2.4 Rehabilitation of access roads

- Whenever a mining permit/ prospecting right is suspended, cancelled or abandoned or if it lapses and the holder does not wish to renew the permit or right, any access road or portions thereof, constructed by the holder and which will no longer be required by the landowner/tenant, shall be removed and/or rehabilitated to the satisfaction of the Regional Manager.
- Any gate or fence erected by the holder which is not required by the landowner/tenant, shall be removed and the situation restored to the pre mining/ prospecting situation.
- Roads shall be ripped or ploughed, and if necessary, appropriately fertilised (based on a soil analysis) to ensure the regrowth of vegetation. Imported road construction materials which may hamper regrowth of vegetation must be removed and disposed of in an approved manner prior to rehabilitation.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation, be corrected and the area be seeded with a seed mix to the Regional Manager's specification.

F 2.3 OFFICE/CAMP SITES

F 2.3.1 Establishing office / camp sites

- Office and camp sites shall be established, as far as is practicable, outside the flood plain, above the 1 in 50 flood level mark within the boundaries of the mining/ prospecting area.
- The area chosen for these purposes shall be the minimum reasonably required and which will involve the least disturbance to vegetation. Topsoil shall be handled as described in F 2.1 above

- No camp or office site shall be located closer than 100 metres from a stream, river, spring, dam or pan.
- No trees or shrubs will be felled or damaged for the purpose of obtaining firewood, unless agreed to by the landowner/tenant.
- Fires will only be allowed in facilities or equipment specially constructed for this purpose. If required by applicable legislation, a fire-break shall be cleared around the perimeter of the camp and office sites.
- Lighting and noise disturbance or any other form of disturbance that may have an effect on the landowner/tenant/persons lawfully living in the vicinity shall be kept to a minimum.

F 2.3.2 Toilet facilities, waste water and refuse disposal

- As a minimum requirement, the holder of a mining permit/ prospecting right shall, at least, provide pit latrines for employees and proper hygiene measures shall be established.
- Chemical toilet facilities or other approved toilet facilities such as a septic drain shall preferably be used and sited on the camp site in such a way that they do not cause water or other pollution.
- The use of existing facilities must take place in consultation with the landowner/tenant.
- In cases where facilities are linked to existing sewerage structures, all necessary regulatory requirements concerning construction and maintenance should be adhered to.
- All effluent water from the camp washing facility shall be disposed of in a properly constructed French drain, situated as far as possible, but not less than 200 metres, from any stream, river, pan, dam or borehole.
- Only domestic type wash water shall be allowed to enter this drain and any effluents containing oil, grease or other industrial substances must be collected in a suitable receptacle and removed from the site, either for resale or for appropriate disposal at a recognised facility.
- Spills should be cleaned up immediately to the satisfaction of the Regional Manager by removing the spillage together with the polluted soil and by disposing of them at a recognised facility.
- Non-biodegradable refuse such as glass bottles, plastic bags, metal scrap, etc., shall be stored in a container at a collecting point and collected on a regular basis and disposed of at a recognised disposal facility. Specific precautions shall be taken to prevent refuse from being dumped on or in the vicinity of the camp site.
- Biodegradable refuse generated from the office/camp site, processing areas vehicle yard, storage area or any other area shall either be handled as indicated above or be buried in a pit excavated for that purpose and covered with layers of soil, incorporating a final 0,5 metre thick layer of topsoil (where practicable). Provision should be made for future subsidence of the covering.

F 2.3.3 Rehabilitation of the office/camp site

- On completion of operations, all buildings, structures or objects on the camp/office site shall be dealt with in accordance with section 44 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002), which states:
 - (1) *When a prospecting right, mining right, retention permit or mining permit lapses, is cancelled or is abandoned or when any prospecting or mining operation comes to an end, the holder of any such right or permit may not demolish or remove any building, structure, object -*
 - (a) *which may not be demolished in terms of any other law;*
 - (b) *which has been identified in writing by the Minister for purposes of this section; or*
 - (c) *which is to be retained in terms of an agreement between the holder and the owner or occupier of the land, which agreement has been approved by the Minister in writing.*
 - (2) *The provision of subsection (1) does not apply to bona fide mining equipment which may be removed*
- Where office/camp sites have been rendered devoid of vegetation/grass or where soils have been compacted owing to traffic, the surface shall be scarified or ripped.
- Areas containing French drains shall be compacted and covered with a final layer of topsoil to a height of 10cm above the surrounding ground surface.
- The site shall be seeded with a vegetation seed mix adapted to reflect the local indigenous flora.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation be corrected and the area be seeded with a vegetation seed mix to his or her specification.
- Photographs of the camp and office sites, before and during the mining/prospecting operation and after rehabilitation, shall be taken at selected fixed points and kept on record for the information of the Regional Manager.

F 2.4 VEHICLE MAINTENANCE YARD AND SECURED STORAGE AREAS

F 2.4.1 Establishing the vehicle maintenance yard and secured storage areas

- The vehicle maintenance yard and secured storage area will be established as far as is practicable, outside the flood plain, above the 1 in 50 flood level mark within the boundaries of the mining/prospecting area.
- The area chosen for these purposes shall be the minimum reasonably required and involve the least disturbance to tree and plant life. Topsoil shall be handled as described in F 2.1 above.

- The storage area shall be securely fenced and all hazardous substances and stocks such as diesel, oils, detergents, etc., shall be stored therein. Drip pans, a thin concrete slab or a facility with PVC lining, shall be installed in such storage areas with a view to prevent soil and water pollution.
- The location of both the vehicle maintenance yard and the storage areas are to be indicated on the layout plan.
- No vehicle may be extensively repaired in any place other than in the maintenance yard.

F 2.4.2 Maintenance of vehicles and equipment

- The maintenance of vehicles and equipment used for any purpose during the mining/prospecting operation will take place only in the maintenance yard area.
- Equipment used in the mining/prospecting process must be adequately maintained so that during operations it does not spill oil, diesel, fuel, or hydraulic fluid.
- Machinery or equipment used on the mining/prospecting area must not constitute a pollution hazard in respect of the above substances. The Regional Manager shall order such equipment to be repaired or withdrawn from use if he or she considers the equipment or machinery to be polluting and irreparable.

F 2.4.3 Waste disposal

- Suitable covered receptacles shall be available at all times and conveniently placed for the disposal of waste.
- All used oils, grease or hydraulic fluids shall be placed therein and these receptacles will be removed from the site on a regular basis for disposal at a registered or licensed disposal facility.
- All spills should be cleaned up immediately to the satisfaction of the Regional Manager by removing the spillage together with the polluted soil and by disposing of them at a recognised facility.

F 2.4.4 Rehabilitation of vehicle maintenance yard and secured storages areas

- On completion of mining/prospecting operations, the above areas shall be cleared of any contaminated soil, which must be dumped as referred to in section F 2.4.3 above.
- All buildings, structures or objects on the vehicle maintenance yard and secured storage areas shall be dealt with in accordance with section 44 of the Mineral and Petroleum Resources Development Act, 2002.
- The surface shall then be ripped or ploughed to a depth of at least 300mm and the topsoil previously stored adjacent the site, shall be spread evenly to its original depth over the whole area. The area shall then be fertilised if necessary (based on a soil analysis).
- The site shall be seeded with a vegetation seed mix adapted to reflect the local indigenous flora.

- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation be corrected and the area be seeded with a seed mix to his or her specification.

F 3 OPERATING PROCEDURES IN THE MINING AREA

F 3.1 Limitations on mining/prospecting

- The mining of or prospecting for precious stones shall take place only within the approved demarcated mining or prospecting area.
- Mining/ prospecting may be limited to the areas indicated by the Regional Manager on assessment of the application.
- The holder of the mining permit/ prospecting right shall ensure that operations take place only in the demarcated areas as described in section F 1.1.2 above.
- Operations will not be conducted closer than one and a half times the height of the bank from the edge of the river channel and in such manner that the stability of the bank of the river is effected.
- Precautions shall also be taken to ensure that the bank of the river is adequately protected from scouring or erosion. Damage to the bank of the river caused by the operations, shall be rehabilitated to a condition acceptable to the Regional Manager at the expense of the holder.
- Restrictions on the disturbance of riverine vegetation in the form of reeds or wetland vegetation must be adhered to. The presence of these areas must be entered in Part of the programme and indicated on the layout plan.

F 3.2 Mining/ prospecting operations within the riverine environment

NOTE: The Department of Water Affairs and Forestry may impose additional conditions which must be attached to this EMP. In this regard, please see the Best Practice Guideline for small scale mining developed by DWAF (BPG 2.1)
(available from <http://www.dwaf.gov.za>)

- The mining of or prospecting for precious stones in the river or the banks of the river will be undertaken only after the Regional Manager has consulted with the Department of Water Affairs and Forestry.
- The canalisation of a river will not be undertaken unless the necessary permission has been obtained from the Department of Water Affairs and Forestry. Over and above the conditions imposed by the said Department, which conditions shall form part of this EMPlan, the following will also apply:
 - ❖ The canalisation of the flow of the river over different parts of the river bed shall be constructed in such a manner that the following are adhered to at all times:

- ◆ The flow of the river may not be impeded in any way and damming upstream may not occur.
 - ◆ The canalisation of the flow may not result in scouring or erosion of the river-bank.
 - ◆ Well points or extraction pumps in use by other riparian users may not be interfered with and canalisation may not impede the extraction of water at these points.
- Access to the riverbed for the purpose of conducting excavations in the river-bed, shall be through the use of only one access at a time. The location of the access to the river channel across the river-bank shall be at a point of the river-bank where the least excavation and damage to vegetation will occur and shall not be wider than is reasonably required. The position of the river access together with all planned future access points, must be indicated on the layout plan.

F 3.2.1 Rehabilitation of access to river-bed

- When rehabilitating the access point, the original profile of the river-bank will be re-established by backfilling the access point with the original material excavated or other suitable material.
- The topsoil shall then be returned over the whole area to its original depth and if necessary fertilised and the vegetation allowed to grow.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation be corrected and the area be seeded with a seed mix to his or her specification.
- In the event of damage from an occurrence where high flood waters scour and erode access points in the process of rehabilitation over the river-bank or an access point currently in use, repair of such damage shall be the sole responsibility of the holder of the mining permit or prospecting right.
- Repair to the river-bank to reinstate its original profile to the satisfaction of the Regional Manager must take place immediately after such event has occurred and the river has subsided to a point where repairs can be undertaken.
- Final acceptance of rehabilitated river access points will be awarded only after the vegetation has re-established to a point where the Regional Manager is satisfied that the river-bank is stable and that the measures installed are of durable nature and able to withstand high river-flow conditions.

F 3.2.2 Rehabilitation of mining/prospecting area in the bed of the river

- The goal of rehabilitation with respect to the area where mining/prospecting has taken place in the river-bed is to leave the area level and even, and in a natural state containing no foreign debris or other materials and to ensure the hydrological integrity of the river by not attenuating or diverting any of the natural flow.
- All scrap and other foreign materials will be removed from the bed of the river and disposed of as in the case of other refuse (see section F 2.3.2 above), whether

- these accrue directly from the mining/prospecting operation or are washed on to the site from upstream.
- Removal of these materials shall be done on a continuous basis and not only at the start of rehabilitation.
 - Where reeds or other riverine vegetation have been removed from areas, these shall be re-established systematically in the approximate areas where they occurred before mining/prospecting.
 - An effective control programme for the eradication of invader species and other exotic plants, shall be instituted on a regular basis over the entire mining/prospecting area under the control of the holder of the mining permit/prospecting right, both during mining/prospecting and at the stage of final rehabilitation.

2. THE WATER USE LICENCE

The National Water Act, (Act 36 of 1998), is based on the principles of sustainability, efficiency and equity, meaning that the protection of water resources must be balanced with their development and use.

In addition to being issued with a prospecting right or mining permit a small-scale miner may also need to get a **water use licence** for the proposed water uses that will take place, except in certain cases.

NOTE: The Department of Water Affairs and Forestry (DWAF) developed specific Best Practice Guideline for small scale mining that relates to stormwater management, erosion and sediment control and waste management. Copies of these guidelines can be obtained from the regional office of DMR or DWAF.

Applications for a water use licence must be made in good time, such that approval can be granted before a water use activity can begin. The appropriate licence forms for each kind of expected water use should be completed together with supporting documentation. The main supporting document required is a technical report. To make the technical report easier, you can refer to sections in this EMPlan, as most of what the technical report requires has already been done in the EMPlan. If you refer to the EMPlan it must be attached to the technical report.

F 3.3 EXCAVATIONS

F 3.3.1 Establishing the excavation areas

- Whenever any excavation is undertaken for the purpose of locating and/or extracting ore bodies of all types of minerals, including precious stone-bearing gravels, the following operating procedures shall be adhered to:
 - ❖ Topsoil shall, in all cases (except when excavations are made in the river-bed), be handled as described in F 2.1 above.
 - ❖ Excavations shall take place only within the approved demarcated mining/prospecting area.
 - ❖ Overburden rocks and coarse material shall be placed concurrently in the excavations or stored adjacent to the

F 3.4.2 Rehabilitation of processing areas

- Coarse natural material used for the construction of ramps must be removed and dumped into the excavations.
- On completion of mining/prospecting operations, the surface of the processing areas especially if compacted due to hauling and dumping operations, shall be scarified to a depth of at least 300mm and graded to an even surface condition and the previously stored topsoil will be returned to its original depth over the area.
- Prior to replacing the topsoil the material that was removed from the processing area will be replaced in the same order as it originally occurred.
- The area shall then be fertilised if necessary to allow vegetation to establish rapidly. The site shall be seeded with a local, adapted indigenous seed mix.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation be corrected and the area be seeded with a seed mix to his or her specification.

F 3.5 TAILINGS DAM(S) (SLIMES DAM)

The permission of the Regional Manager must be obtained should a tailings dam be constructed for the purpose of handling the tailings of the mining/prospecting operations. The construction, care and maintenance of tailings dams have been regulated and the relevant regulation is copied herewith, both for your information and as a guideline to the commissioning, management, operation, closing and aftercare of a tailings deposition facility.

Regulation 73 promulgated under the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) requires the following:

Management of residue stockpiles and deposits

56. (1) *The assessment of impacts relating to the management of residue stockpiles and deposits, where appropriate, must form part of the environmental impact assessment report and environmental management programme or the environmental management plan.*
- (2) *Residue characterisation*
- (a) *Mine residue must be characterised to identify any potentially significant health and safety hazard and environmental impact that may be associated with the residue when stockpiled or deposited at the site(s) under consideration.*
- (b) *Residue stockpiles and deposits must be characterised in terms of its –*
- (i) *physical characteristics, which may include –*
- (aa) *the size distribution of the principal constituents;*
- (bb) *the permeability of the compacted material;*
- (cc) *void ratios of the compacted material;*
- (dd) *the consolidation or settling characteristics of the material under its own weight and that of any overburden;*
- (ee) *the strength of compacted material;*
- (ff) *the specific gravity of the solid constituents; and*

(gg) the water content of the material at the time of deposition, after compaction, and at other phases in the life of the deposit.

(ii) chemical characteristics, which may include -

- (aa) the toxicity;
- (bb) the propensity to oxidize and /or decompose;
- (cc) the propensity to undergo spontaneous combustion;
- (dd) the pH and chemical composition of the water separated from the solids;
- (ee) stability and reactivity and the rate thereof; and
- (ff) neutralising potential.

(iii) mineral content, which include the specific gravity of the residue particles and its impact on particle segregation and consolidation;

(3) Classification of residue stockpiles and deposits

(a) All residue stockpiles and deposits must be classified into one or a combination of the following categories -

- (i) the safety classification to differentiate between residue stockpiles and deposits of high, medium and low hazard on the basis of their potential to cause harm to life or property; and
- (ii) the environmental classification to differentiate between residue stockpiles and deposits with -
 - (aa) a potentially significant impact on the environment due to its spatial extent, duration and intensity of potential impacts; or
 - (bb) no potentially significant impact on the environment.

(b) All mine residue stockpiles and deposits must be classified by a suitably qualified person(s).

(c) The classification of residue stockpiles and deposits shall determine the -

- (i) level of investigation and assessment required;
- (ii) requirements for design, construction, operation, decommissioning, closure and post closure maintenance; and
- (iii) qualifications and expertise required of persons undertaking the investigations, assessments, design, and construction thereof.

(d) The safety classification of residue stockpiles and deposits shall be based on the following criteria -

| Number of residents in zone of influence | Number of workers in zone of influence | Value of third party property in zone of influence | Depth to underground mine workings | Classification |
|--|--|--|------------------------------------|----------------|
| 0 | < 10 | 0 - R2 m | > 200m | Low hazard |
| 1 - 10 | 11 - 100 | R 2 m - R20 m | 50 m - 200 m | Medium hazard |
| > 10 | > 100 | > R20 m | < 50 m | High hazard |

(e) A risk analysis must be carried out and documented on all high hazard residue stockpiles and deposits.

(f) The environmental classification of residue stockpiles and deposits must be undertaken on the basis of -

- (i) the characteristics of the residue;
- (ii) the location and dimensions of the deposit (height, surface area);
- (iii) the importance and vulnerability of the environmental components that are at risk; and
- (iv) the spatial extent, duration and intensity of potential impacts.

- (g) *An assessment of the environmental impacts shall be done on all environmental components which are significantly affected.*
 - (h) *The assessment of impacts and analyses of risks shall form part of the environmental assessment and management programme.*
- (4) *Site selection and investigation:*
- (a) *The process of investigation and selection of a site must entail -*
 - (i) *the identification of a sufficient number of possible candidate sites to ensure adequate consideration of alternative sites;*
 - (ii) *qualitative evaluation and ranking of all alternative sites;*
 - (iii) *qualitative investigation of the top ranking sites to review the ranking done in (ii);*
 - (iv) *a feasibility study to be carried out on the highest ranking site(s), involving -*
 - (aa) *a preliminary safety classification;*
 - (bb) *an environmental classification;*
 - (cc) *geotechnical investigations; and*
 - (dd) *groundwater investigations.*
 - (b) *The geotechnical investigations may include-*
 - (i) *the characterization of the soil profile over the entire area to be covered by the residue facility and associated infrastructure to define the spatial extent and depth of the different soil horizons;*
 - (ii) *the characterization of the relevant engineering properties of foundations soils and the assessment of strength and drainage characteristics.*
 - (c) *The groundwater investigations may include-*
 - (i) *the potential rate of seepage from the residue facility;*
 - (ii) *the quality of such seepage;*
 - (iii) *the geohydrological properties of the strata within the zone that could potentially be affected by the quality of seepage;*
 - (iv) *the vulnerability and existing potential use of the groundwater resource within the zone that could potentially be affected by the residue facility.*
 - (d) *From these investigations, a preferred site must be identified.*
 - (e) *Further investigation on the preferred site, shall include -*
 - (i) *land use;*
 - (ii) *topography and surface drainage;*
 - (iii) *infrastructure and man-made features;*
 - (iv) *climate;*
 - (v) *flora and fauna;*
 - (vi) *soils;*
 - (vii) *ground water morphology, flow, quality and usage; and*
 - (viii) *surface water.*
 - (f) *The investigations, laboratory test work, interpretation of data and recommendations for the identification and selection of the most appropriate and suitable site for the disposal of all residue that have the potential to generate leachate that could have a significant impact on the environment and groundwater must be carried out by a suitably qualified person.*

- (5) *Design of residue stockpile and deposit*
- (a) *The design of the residue stockpile and deposit shall be undertaken by a suitably qualified person.*
 - (b) *An assessment of the typical soil profile on the site is required for residue stockpiles and deposits which -*
 - (i) *have a low hazard potential; and*
 - (ii) *have no significant impact on the environment.*
 - (c) *The design of the residue stockpile and deposit must take into account all phases of the life cycle of the stockpile and deposit, from construction through to closure and must include -*
 - (i) *the characteristics of the mine residue;*
 - (ii) *the characteristics of the site and the receiving environment;*
 - (iii) *the general layout of the stockpile or deposit, whether it is a natural valley, ring dyke, impoundment or a combination thereof and its 3-dimensional geometry at appropriate intervals throughout the planned incremental growth of the stockpile or deposit;*
 - (iv) *the type of deposition method used; and*
 - (v) *the rate of rise of the stockpile or deposit.*
 - (d) *Other design considerations, as appropriate to the particular type of stockpile and deposit must be incorporated -*
 - (i) *the control of storm water on and around the residue stockpile or deposit by making provision for the maximum precipitation to be expected over a period of 24 hours with a frequency of once in a 100 years, in accordance with the regulations made under section 8 of the National Water Act, 1998;*
 - (ii) *the provision, throughout the system, of a freeboard of at least 0.5 m above the expected maximum water level, in accordance with regulations made under the National Water Act, 1998, to prevent overtopping;*
 - (iii) *keeping the pool away from the walls; where there are valid technical reasons for deviating from this, adequate motivation must be provided and the design must be reviewed by a qualified person as required in terms of sections 9(6) or 9(7) of the Mine Health and Safety Act, 1996;*
 - (iv) *the control of decanting of excess water under normal and storm conditions;*
 - (aa) *the retention of polluted water in terms of polluted water in terms of GN R991(9), where measures may be required to prevent water from the residue deposit from leaving the residue management system unless it meets prescribed requirements;*
 - (bb) *the design of the penstock, outfall pipe, under-drainage system and return water dams;*
 - (cc) *the height of the phreatic surface, slope angles and method of construction of the outer walls and their effects on shear stability,*
 - (dd) *the erosion of slopes by wind and water, and its control by (ee)*
 - (ee) *vegetation, berms or catchment paddocks; and*
 - (ee) *the potential for pollution.*
 - (e) *A design report and operating manual shall be drawn up for all residue stockpiles and deposits which -*
 - (i) *have a medium to high hazard; and*
 - (ii) *have a potentially significant impact on the environment.*
 - (f) *Relevant information must be included in the draft environmental management programme or environmental management plan.*

(6) *Construction and operation of residue deposits:*

- (a) *The holder of any right or permit in terms of the Act, must ensure that-*
- (i) *the residue deposits, including any surrounding catchment paddocks, is constructed and operated in accordance with the approved environmental management programme or environmental management plan;*
 - (ii) *the design of the residue deposit is followed implicitly throughout the construction thereof, and that any deviations from the design be approved by the Regional Manager and the environmental management programme and environmental management plan be amended accordingly;*
 - (iii) *as part of the monitoring system, measurements of all residues transported to the site and of all surplus water removed from the site are recorded;*
 - (iv) *the provision for appropriate security measures be implemented to limit unauthorised access to the site and intrusion into the residue deposit;*
 - (v) *specific action be taken in respect of any sign of pollution;*
 - (vi) *adequate measures be implemented to control dust pollution and erosion of the slopes; and*
 - (vii) *details of rehabilitation of the residue deposit be provided in the draft environmental management programme or environmental management plan.*
- (b) *A system of routine maintenance and repair in respect of the residue deposit must be implemented to ensure the ongoing control of pollution, the integrity of rehabilitation and health and safety matters at the site.*

(7) *Monitoring of residue stockpiles and deposits:*

- (a) *A monitoring system for residue stockpiles and deposits with respect to potentially significant impacts as identified in the environmental assessment must be included in the environmental management programme or environmental management plan.*
- (b) *In the design of a monitoring system for a residue stockpile or deposit, consideration must be given to -*
- (i) *baseline and background conditions with regard to air, surface and groundwater quality;*
 - (ii) *the air, surface and groundwater quality objectives;*
 - (iii) *residue characteristics;*
 - (iv) *the degree and nature of residue containment;*
 - (v) *the receiving environment and specifically the climatic, local geological, hydrogeological and geochemical conditions;*
 - (vi) *potential migration pathways;*
 - (vii) *potential impacts of leachate;*
 - (viii) *the location of monitoring points and the prescribed monitoring protocols; and*
 - (ix) *the reporting frequency and procedures.*

(8) *Decommissioning, closure and after care:*

- (a) *The decommissioning, closure and post closure management of residue deposits must be addressed in the closure plan, which must contain the following -*
- (i) *the environmental classification, including assumptions on which the classification was based;*
 - (ii) *the closure objectives, final land use or capability;*
 - (iii) *conceptual description and details for closure and post closure management;*
 - (iv) *cost estimates and financial provision for closure and post-closure management; and*
 - (v) *residual impacts, monitoring and requirements to obtain mine closure in terms of the Act.*

F 3.6 FINAL REHABILITATION

- All infrastructure, equipment, plant, temporary housing and other items used during the mining period will be removed from the site (section 44 of the MPRDA)
- Waste material of any description, including receptacles, scrap, rubble and tyres, will be removed entirely from the mining area and disposed of at a recognised landfill facility. It will not be permitted to be buried or burned on the site.
- Final rehabilitation shall be completed within a period specified by the Regional Manager.

F 4 MONITORING AND REPORTING

F 4.1 Inspections and monitoring

- Regular monitoring of all the environmental management measures and components shall be carried out by the holder of the prospecting right, mining permit or reconnaissance permission in order to ensure that the provisions of this programme are adhered to.
- Ongoing and regular reporting of the progress of implementation of this programme will be done.
- Various points of compliance will be identified with regard to the various impacts that the operations will have on the environment.
- Inspections and monitoring shall be carried out on both the implementation of the programme and the impact on plant and animal life.
- Visual inspections on erosion and physical pollution shall be carried out on a regular basis.

Regulation 55 promulgated in terms of the MPRDA requires the following:

Monitoring and performance assessments of environmental management programme or plan

- (1) *As part of the general terms and conditions for a prospecting right, mining right or mining permit and in order to ensure compliance with the approved environmental management programme or plan and to assess the continued appropriateness and adequacy of the environmental management programme or plan, the holder of such right must-*
 - (a) *conduct monitoring on a continuous basis;*
 - (b) *conduct performance assessments of the environmental management programme or plan as required; and*
 - (c) *compile and submit a performance assessment report to the Minister to demonstrate adherence to sub-regulation (b).*
- (2) *The frequency of performance assessment reporting shall be-*
 - (a) *in accordance with the period specified in the approved environmental management programme or plan, or, if not so specified;*
 - (b) *as agreed to in writing by the Minister; or*
 - (c) *biennially (every two years).*
- (3) *The performance assessment report, shall be in the format provided in guidelines that will from time to time be published by the Department and shall as a minimum contain-*
 - (a) *information regarding the period that applies to the performance assessment;*
 - (b) *the scope of the assessment;*

- (c) *the procedure used for the assessment;*
 - (d) *the interpreted information gained from monitoring the approved environmental management programme or plan;*
 - (e) *the evaluation criteria used during the assessment;*
 - (f) *the results of the assessment; and*
 - (g) *recommendations on how and when deficiencies that are identified and/or aspects of non-compliance will be rectified.*
- (4) *The holder of a prospecting right, mining right or mining permit may appoint an independent qualified person(s) to conduct the performance assessment and compile the performance assessment report provided that no such appointment shall relieve the holder of the responsibilities in terms of these regulations.*
- (5) *Subject to section 30(2) of the Act, the performance assessment report submitted by the holder shall be made available by the Minister to any person on request.*
- (6) *If upon consideration by the Minister, the performance assessment executed by the holder is not satisfactory or the report submitted by the holder is found to be unacceptable, the holder must-*
- (a) *repeat the whole or relevant parts of the performance assessment and revise and resubmit the report; and/or*
 - (b) *submit relevant supporting information; and/or*
 - (c) *appoint an independent competent person(s) to conduct the whole or part of the performance assessment and to compile the report.*
- (7) *If a reasonable assessment indicates that the performance assessment cannot be executed satisfactorily by the holder or a competent person(s) appointed by the holder, the Minister may appoint an independent performance assessment person(s) to conduct such performance assessment. Such appointment and execution shall be for the cost of the holder.*
- (8) *When the holder of a prospecting right, mining right or mining permit intends closing such operation, a final performance assessment shall be conducted and a report submitted to the Minister to ensure that -*
- (a) *the requirements of the relevant legislation have been complied with;*
 - (b) *the closure objectives as described in the environmental management programme or plan have been met; and*
 - (c) *all residual environmental impacts resulting from the holder's operations have been identified and the risks of latent impacts which may occur have been identified, quantified and arrangements for the management thereof have been assessed.*
- (9) *The final performance assessment report shall either precede or accompany the application for a closure certificate in terms of the Act.*

F 4.2 Compliance reporting / submission of information

- *Layout plans will be updated on a regular basis and updated copies will be submitted on a biennial basis to the Regional Manager*
- *Reports confirming compliance with various points identified in the environmental management programme will be submitted to the Regional Manager on a regular basis and as decided by the said manager.*
- *Any emergency or unforeseen impact will be reported as soon as possible.*
- *An assessment of environmental impacts that were not properly addressed or were unknown when the programme was compiled shall be carried out and added as a corrective action.*

F 5 CLOSURE

When the holder of a prospecting right, mining permit or reconnaissance permission intends closing down his/her operations, an environmental risk report shall accompany the application for closure. The requirements of such a risk report is contained in Regulation 60 of the Regulations promulgated in terms of the Act and is quoted below:

F 5.1 ENVIRONMENTAL RISK REPORT

"An application for a closure certificate must be accompanied by an environmental risk report which must include-

- (a) *the undertaking of a screening level environmental risk assessment where-*
 - (i) *all possible environmental risks are identified, including those which appear to be insignificant;*
 - (ii) *the process is based on the input from existing data;*
 - (iii) *the issues that are considered are qualitatively ranked as –*
 - (aa) *a potential significant risk; and/or*
 - (bb) *a uncertain risk; and/or*
 - (cc) *an insignificant risk.*
- (b) *the undertaking of a second level risk assessment on issues classified as potential significant risks where-*
 - (i) *appropriate sampling, data collection and monitoring be carried out;*
 - (ii) *more realistic assumptions and actual measurements be made; and*
 - (iii) *a more quantitative risk assessment is undertaken, again classifying issues as posing a potential significant risk or insignificant risk.*
- (c) *assessing whether issues classified as posing potential significant risks are acceptable without further mitigation;*
- (d) *issues classified as uncertain risks be re-evaluated and re-classified as either posing potential significant risks or insignificant risks;*
- (e) *documenting the status of insignificant risks and agree with interested and affected persons;*
- (f) *identifying alternative risk prevention or management strategies for potential significant risks which have been identified, quantified and qualified in the second level risk assessment;*
- (g) *agreeing on management measures to be implemented for the potential significant risks which must include-*
 - (i) *a description of the management measures to be applied;*
 - (ii) *a predicted long-term result of the applied management measures;*
 - (iii) *the residual and latent impact after successful implementation of the management measures;*
 - (iv) *time frames and schedule for the implementation of the management measures;*
 - (v) *responsibilities for implementation and long-term maintenance of the management measures;*
 - (vi) *financial provision for long-term maintenance; and*
 - (vii) *monitoring programmes to be implemented."*

F 5.2 CLOSURE OBJECTIVES

Closure objectives form part of this EMPlan and must-

- (a) identify the key objectives for mine closure to guide the project design, development and management of environmental objectives;
- (b) provide broad future land use objective(s) for the site; and
- (c) provide proposed closure cost

F 5.3 CONTENTS OF CLOSURE PLAN

A closure plan forms part of the EMP and must include the following:

- (a) a description of the closure objectives and how these relate to the prospecting or mine operation and its environmental and social setting;
- (b) a plan contemplated in Regulation 2(2), coordinated according to generally accepted standards, showing the land or area under closure;
- (c) a summary of the regulatory requirements and conditions for closure negotiated and documented in the environmental management programme or plan;
- (d) a summary of the results of the environmental risk report and details of identified residual and latent impacts;
- (e) a summary of the results of progressive rehabilitation undertaken;
- (f) a description of the methods to decommission each prospecting or mining component and the mitigation or management strategy proposed to avoid, minimize and manage residual or latent impacts;
- (g) details of any long-term management and maintenance expected;
- (h) details of financial provision for monitoring, maintenance and post closure management, if required;
- (i) a plan or sketch at an appropriate scale describing the final land use proposal and arrangements for the site;
- (j) a record of interested and affected persons consulted; and
- (k) technical appendices, if any.

F 5.4 TRANSFER OF ENVIRONMENTAL LIABILITIES TO A COMPETENT PERSON

Should the holder of a prospecting right, mining permit or reconnaissance permission wish to transfer any environmental liabilities and responsibilities to another person or persons, the following will pertain:

- (1) An application to transfer environmental liabilities to a competent person in terms of section 48) of the Act, must be completed on Form O as set out in Annexure 1 to the Regulations and be lodged to the Minister for consideration.
- (2) The holder of a prospecting right, mining right or mining permit may transfer liabilities and responsibilities as identified in the environmental management plan and the required closure plan to a competent person as contemplated in Regulation 58.
- (3) When considering the transfer of environmental liabilities and responsibilities in terms of section 48) of the Act, the Minister must consult with any State department which administers any law relating to matters affecting the environment.
- (4) No transfer of environmental liabilities and responsibilities to a competent person may be made unless the Chief Inspector of Mines and the Department of Water Affairs and Forestry have confirmed in writing that the person to whom the liabilities and responsibilities is transferred to, have the necessary qualifications pertaining to health and safety and management of potential pollution of water resources.

F 5.5 NOTES ON LEGAL PROVISIONS

NOTE: The holder of a prospecting right, mining permit or reconnaissance permission must also take cognisance of the provisions of other legislation dealing with matters relating to conservation, and which include, *inter alia*, the following:

- * National Monuments Act, 1969 (Act 28 of 1969).
- * National Parks Act, 1976 (Act 57 of 1976)
- * Environmental Conservation Act, 1989 (Act 73 of 1989)
- * National Environmental Management Act, 1998 (Act No. 107 of 1998)
- * Atmospheric Pollution Prevention Act, 1965 (Act 45 of 1965)
- * The National Water Act, 1998 (Act 36 of 1998)
- * Mine Safety and Health Act, 1996 (Act 29 of 1996)
- * The Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983).

G. SPECIFIC ADDITIONAL REQUIREMENTS DETERMINED BY THE REGIONAL MANAGER.

Officials in regional offices may use the following matrix to determine the necessity for additional objectives to be included in this Section of the document:

| POTENTIAL ENVIRONMENTAL IMPACTS OF MINING | | | | | | | | | | |
|---|-------------|------|-------|-------|----------|-----------|-------|-----|-------|--------|
| Activity | Disturbance | | | | | Pollution | | | | Visual |
| | Landform | Soil | Flora | Fauna | Heritage | Land | Water | Air | Noise | |
| Mining | | | | | | | | | | |
| Access | | | | | | | | | | |
| Topsoil removal | | | | | | | | | | |
| Overburden removal | | | | | | | | | | |
| Mineral Extraction | | | | | | | | | | |
| Tailings disposal | | | | | | | | | | |
| Water Abstraction | | | | | | | | | | |
| Pipeline route | | | | | | | | | | |
| Transport | | | | | | | | | | |
| Accommodation | | | | | | | | | | |
| Waste Disposal | | | | | | | | | | |
| Electricity | | | | | | | | | | |
| Hydrocarbon storage | | | | | | | | | | |
| Workforce | | | | | | | | | | |

Please indicate VL, L, M, H, and VH for Very Low, Low, Medium, high and Very High in each column to determine the main area and severity of impact.

G. This section outlines the specific additional requirements that may be set for the operation by the Regional Manager. Additional requirements will only have been set if the Regional Manager is of the opinion that there are specific impacts on the environment which will not be adequately mitigated by the provisions set within the standard version of the Environmental Management Plan. These requirements form part of the Environmental Management Plan and all elements and instructions contained herein must be complied with by the applicant.

See Annexure A

H. UNDERTAKING

We, Anette Basson
....., the
undersigned and duly authorised thereto by De Beers Consolidated
Mines Limited
.....
Company/~~Close Corporation~~/Municipality (Delete that which is not applicable) have studied and
understand the contents of this document in its entirety and now hereby duly undertake to adhere
to the conditions as set out therein including the amendment(s) agreed to by the Regional Manager
in Section G and approved on

Signed at Kimberley this 18 day of April 2012

Basson
.....
Signature of applicant


Exploration Administrator
.....
Designation

Agency declaration: This document was completed by on behalf
of.....

J. APPROVAL

Approved in terms of Section 39(4) of the Mineral and Petroleum Resources Development Act,
2002 (Act 29 of 2002)

Signed at Kimberley this 18TH day of April 2012



REGIONAL MANAGER

REGION: NORTHERN CAPE

This document has been compiled by the Directorate: Mine Environmental Management of the Department: Mineral Resources at their Head Office in Pretoria. Any comments, suggestions or inputs will be sincerely appreciated. If you have any comments or suggestions regarding this document or its application, please forward your contribution to:

The Director: Mine Environmental Management
Private Bag X 59
PRETORIA
0001

Tel : 012 317 9288
Fax: 012 320 6786
E-mail: dorothy@mepta.pwv.gov.za

ANNEXURE "A" TO THE ENVIRONMENTAL MANAGEMENT PLAN
THE FARM GRASSDALE 116 AND OTHERS, BARKLY WEST DISTRICT
 NC 30/5/1/1/2/2344 PR

| FARM | PORTION | OWNER | ADDRESS | TELEPHONE |
|---------------|---------------------|--|---|---|
| GRASSDALE 116 | 1 (RE) GRASSRAND | Helderwater Eiendomme CC 94/43276/23 Lourens & Ignatius De Jager | PO Box 376 Kuruman 8460 | Ignatius (son) 082 323 0388 Lourens (father) Cell 082 820 8308 |
| GRASSDALE 116 | 2 | Albert Van Zyl Familie Trust IT 361/2002 Albertus Petrus van Zyl albertp.vanzyl@gmail.com | PO Box 176 REIVILO 8598 | 083 7281890 SMS 083782 8212 |
| FARM 117 | 1 STILLE RUS | Dorathe M Brits 07888 395 95 GrandChild 073 335 0433 BY SMS | Son's Address: PO Box 68 Harrismith 9880 | Son: Rev Willem Brits 058 623 0974 dswillem@vodamail.co.za |
| FARM 117 | RE | Lubbe Boerderye Pty Ltd 199000496107 Cornelius Gysbert Johannes Lubbe Gerhard Heinrich Lubbe Emilie Wilhelmina Lubbe | PO Box 346 Somerset Wes 7129 hlubbe@vodamail.co.za | 021 976 3547 0824544254 0865107100 (F) FarmManager 083 52721722 |
| FARM 118 | RE | Konmetrik Pty Ltd 197101165407 Daniel Johannes Botha | PO Box 91 Kuruman 8460 | (h) 0538420066 Cell 082 579 1288 |
| FARM 118 | 1 GRASPAN | Konmetrik Boerdery CC Daniel Johannes Botha | Achilles Str 2 Herlear Kimberley 8301 | (h) 0538420066 Cell 082 579 1287 |
| FARM 118 | 2 WITBANK | Jacobus Nicolaas Botha Ella Sophia Carolina Botha | P O BOX 915 KURUMAN 8460 | 0537123267 Koos - 083 4489 125 (F)053 712 3267 (F_W) 053 712 1669 |
| FARM 119 | 1 OLIENKOP | Theunis Christoffel Botha slanderspan@webmail.co.za | P O BOX 1863 KURUMAN 8460 | 0532059498 Cell 083 319 7739 Fax: 0866 035507 |
| FARM 119 | RE | Vaalbos Trust IT131/98 Dr Joseph van Heerden | 11 Reginald De Villiers Str Monumenthoogte KIMBERLEY 8300 | Fax 053 832 4832 Cell 083 305 6474 |
| FARM 137 | 3 DOORBULT | Joseph Van Heerden | Practice: Dalheimrd 16 Kimberley | |
| FARM 137 | 1 KORTWAL | Joseph Van Heerden | | |
| FARM 137 | RE | Joseph Van Heerden | | |

15 November 2010

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ANNEXURE "A" TO THE ENVIRONMENTAL MANAGEMENT PLAN
 THE FARM GRASSDALE 116 AND OTHERS, BARKLY WEST DISTRICT
 NC 30/5/1/1/2/2344 PR

| FARM | PORTION | OWNER | ADDRESS | TELEPHONE |
|----------------|--------------------|---|---|--|
| FARM 138 | RE | Abraham Johannes De Klerk kimberley@bmgworld.net | Groote Schuurlaan 20 Royldene Kimberley 8301 | 053 831 1355 (F)053 8329981 082 497 8314 |
| FARM 138 | 1 UITKOMST | Bart Daffue Familietrust IT213/2001 Engelbertus leonardus Daffue Cornelia Johanna Daffue | PO Box 690 Daniëlskuil 8405 ldaffue@agricol.co.za | Lehani 053 841 0014 0834060429 |
| FARM 139 | RE | Willem Frederik Van Zyl Martha Levina Maria Van Zyl | P O BOX 23 KOOPMANSFONTEIN 8391 | 083 653 5867 0538624121 |
| FARM 140 | FARM | | | |
| FARM 139 | 1 GOEDE HOOP | Stefanus Marthinus Naude | Sons: ROOS LAAN 28 KURUMAN 8460 Father: Schackletonrd 18 Southridge KIMBERLEY 8301 | 053 832 1050 (father) 072 383 5011 (Sons) |
| FARM 181 | RE | Roelof Andries Gous Farm Name Howard Son: Kobus Gous middelpu@vodamail.co.za | PO Box 33 KOOPMANSFONTEIN 8391 | Kobus '0829482086 Father 083 319 7739 |
| FARM 207 | 1 | Marius Van Der Ryst renoldnc@telkomsa.net | P O BOX 608 DANIELSKUIL 8405 | 083 608 9856 0533841837(H&F) |
| MOOIPLAATS 370 | FARM | Die Mooiplaats Trust IT1248/2006 | D J van der Merwe PO Box 166 Hoopstad 9479 | Deon van Zyl Voorman 082 598 3809 D J van der Merwe 053 444 2375 082 491 6353 |

15 November 2010



**The farms Grassdale 116 and others Barkly West District, Northern Cape
(REF.NO. NC 30/5/1/1/2/2344 PR)**

Estimation of rehabilitation costs for prospecting rights:

The amount suggested as the initial financial provision for prospecting rights is based on the following:

In the early stages of the prospecting rights, work is restricted to geophysics, surface sampling and narrow diameter drilling. In normal circumstances rehabilitation forms part of the prospecting programme, but should this fail to happen for some reason, rehabilitation would only be required for drill sites, where drill tailings would be returned to the hole, which is then capped as required and topsoil returned to the collar position. To do this work costs are estimated as follows:

Typically 5 holes drilled would require:
2 x labourer for 3 days = R 900
1 x supervisor/driver = R 5,250
Vehicle costs R3 / km x 1800 = R 5,400
Sub-total R 11,550

At the later stages of work, small prospecting pits and trenches and larger mini-bulk sample pits may need to be established, as described in the EMPLan and following the procedures laid out in Section F of the EMPLan. Large diameter drilling may alternatively be used, in which case small pits are also created to act as sumps for drill water. In either case, these pits would normally be filled and rehabilitated as part of the prospecting programme, but if this failed to happen, these would need to be filled and topsoil returned to cover them. The costs for this work are estimated below:

Per set of 2 x 100 t pits – return of subsoil, smoothing and return of topsoil:

Contract earthmoving (2 days) = R 12,000
1 x supervisor = R 4,200
Vehicle costs R3 / km x 1400 = R 4,200
Sub-total R 20,400

Monitoring visit x 1
1 x geologist (1 day) R 3,100
Vehicle costs R3 / km x 1200 = R 3,600
Sub-total R 6,700

Combined total R 38,650

Any progression of the project to full scale bulk sampling will require an upward revision of the financial provision, as part of the annual EMPLan performance review. However this stage would only be reached once the preceding work described above has been completed and the results evaluated.

SIGNATURE: A I MACDONALD
DATE: 1 November 2010



Appendix 1

TO BE READ IN CONJUNCTION WITH # C.2 to # C.5 OF THE ENVIRONMENTAL MANAGEMENT PLAN

The primary objective of the work programme to which this Environmental Management Plan pertains is to locate and assess diamond deposits. All personnel executing the work programme are fully trained and have wide experience of their duties and all work is undertaken under the direct supervision of a geologist. In addition, all work is undertaken in accordance with the ISO 14001 certification that De Beers RSA Exploration has held for its Environmental Management System since April 2001.

Kimberlite is a volcanic rock, which occurs randomly and is not specific to any discrete host (country) rock lithology. Furthermore, because of erosion, kimberlites may have no surface expression and in many instances are hidden beneath surficial cover, which can reach tens of metres in thickness, and, thus, the detection thereof requires sophisticated methodologies and resources. Consequently, exploration programmes must be structured accordingly and commence with a reconnaissance sampling phase.

Prospecting for kimberlite is a dynamic, results driven, operation which proceeds in phases, the outcome of which cannot be predicted or predetermined. Excepting the reconnaissance soil/stream-sampling or geophysical surveying phase, the scope of each subsequent phase is dependent on the results of earlier phases. The results of the reconnaissance prospecting will indicate the areas over which the subsequent phases of work are required. These subsequent (follow up) phases can include soil and/or stream sampling, geophysical surveys, pitting/trenching and/or drilling and first stage bulk sampling as well as activities such as detailed drilling and further bulk sampling (pitting/trenching and/or drilling) to gather the additional information required in support of feasibility studies. The sites for the follow-up phases of work cannot be identified in advance nor can the phases be quantified in advance. However, experience has shown each phase of physical prospecting to be short term and usually less than 2 months in duration.

Because of the time required to treat samples and to interpret their results, as well as to plan, schedule and resource the follow-up phases of work required, the phases of work will not follow directly after one another.

If required, soil samples will be collected within a 30m radius per sample from areas not drained by streams, with up to 30 litres of both surface and sub-surface material (to 20 cm depth for geochemical samples) collected. Vehicle access is limited and most of the sample sites are accessed on foot by 2 man sampling teams. Soil samples are normally spaced on a 1 km to 500m grid for reconnaissance work, but the grid might have to be reduced to between 300m and 50m for any follow-up work. Minimal, temporary, disturbance is caused to the environment by soil sampling and there are no lasting impacts.

If required, stream samples will be collected from sections of streams known as trap sites which may comprise boulders, rock barriers, potholes etc that have the ability to slow down and trap heavy minerals. The volume of the sample is dependent on the catchment area. The sites are dug to depths of not more than 1 m to access any heavy minerals that might have settled to the bottom of the trap site. The field teams (of 2 to 4 persons), will rehabilitate all stream sample sites after collecting the samples and equilibrium is restored by the natural water flow. Minimal, temporary, disturbance is caused to the environment by stream sampling and there are no lasting impacts.

Any rocks that are suspected to be kimberlite will be collected alongside stream and soil samples for petrographic studies. These samples will normally be collected by using geological hammers and would not exceed 2kg in mass. The process has no significant impact on the natural

environment.

The processing of soil and stream samples will have no impact on the natural environment as it is performed off site at a centralised facility located in Johannesburg, where the samples are concentrated and the resulting heavy mineral concentrate acid-cleaned. This facilitates visual sorting of the concentrates to pick any kimberlitic indicator minerals present at De Beers' heavy mineral sorting laboratory in Johannesburg. Geochemical samples are analysed at a commercial laboratory.

Geological mapping of possible areas of interest is carried out in conjunction with ground geophysical surveys (e.g. magnetometry, electro-magnetic methods, and gravity). Geological mapping has no impact on the natural environment. Geophysical surveys may be conducted by air (using light aircraft or helicopters) or on the ground. If airborne surveys are planned, surface owners & occupiers will be consulted beforehand to assess problems that could be caused and to adjust the survey plans accordingly.

Methods of ground geophysical survey site marking shall be by means of temporary wooden pegs, which are to be removed once the survey has been completed. Occasionally, a single semi-permanent marker will be required to mark the position of a survey for future reference. A single steel fence dropper, cemented in the ground, will be used for this purpose. Survey areas will vary between 500m X 500m to 4km X 4km depending on the inferred size of any target. Survey lines will be spaced at a maximum of 100m and readings will be taken at a minimum of 5m intervals along the lines. Geophysical surveys are carried out on foot, usually by teams consisting of 2 persons. All geophysical instruments are powered by re-chargeable batteries. Geophysical surveying has minimal impact on the natural environment.

Should the prospecting techniques described above indicate that there are possibly kimberlites on the property, pitting/trenching and/or small diameter drilling (e.g. 165mm) will be conducted to test for their presence and economic potential. Excavations (trenches and pits) will be sited on a practical basis, in consultation with the land owner/occupier. The dimensions of such trenches and pits shall be limited to the minimum required to achieve the desired results and within regulated specifications/standards.

Trenching and/or pitting are suited to resolving of any shallow targets that might be identified and for extracting bulk samples from kimberlites discovered under shallow cover. Pitting and/or trenching for the purposes described may be created manually or using light earthmoving equipment. All sites are fenced prior to the start of excavation work. The fencing remains in place until the sites have been successfully rehabilitated. Impact is limited to the immediate natural environment and is temporary.

Percussion drilling will be carried out on indicator mineral or geophysical anomalies to test for the presence of kimberlite where overburden thickness or local conditions make pitting and/or trenching impractical. The holes may be vertical or inclined, usually at a maximum angle of 60 degrees to the horizontal. The borehole depth will be determined by the geologist and will depend on the type of anomaly and the geological conditions, including overburden.

Core drilling will usually only be conducted if kimberlite is discovered. The diameter of core drilled does not usually exceed 120mm and is determined by such factors as cost, proposed core sampling and purpose. Core holes might be used as pilots for large diameter holes. Core holes allow more accurate determination of the geology of the kimberlite.

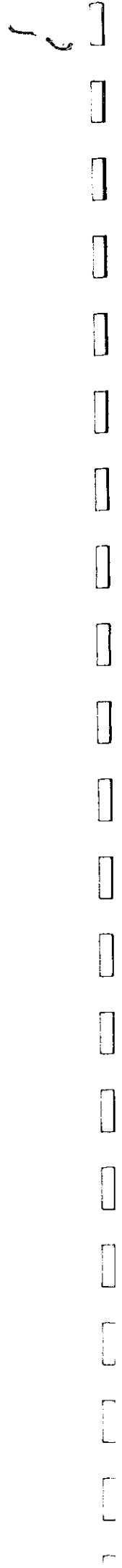
Small diameter percussion and core drilling normally uses a truck or trailer mounted rig and compressor, each with its own diesel generated power. No local power source is used. Small diameter percussion drilling is short term, and drilling at any anomaly is usually completed in 2 weeks or less, with core drilling taking up to 2 months, but this is target dependent.

Small diameter drilling has no lasting impact on the natural environment; disturbance is restricted to small, localized, areas. Drill holes containing water can be left open for the benefit of the land owner/occupier provided a form indemnifying the Company is signed by the land owner/occupier.

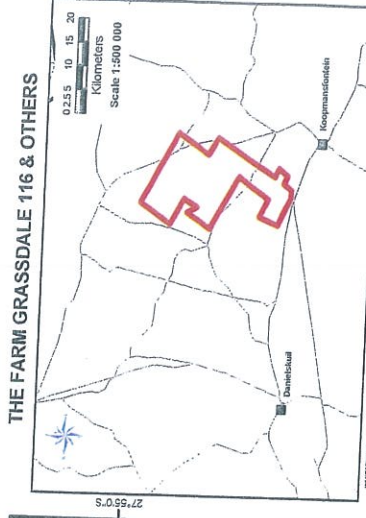
Large diameter drilling (LDD) up to 600mm diameter, is used for bulk sampling and is the preferred method when there is the need to sample deeper than is practical by means of pitting and/or trenching. The diameter and depth of the boreholes drilled will be determined by such factors as cost, proposed bulk sampling, availability of drilling machines, and the volume of sample required. LDD will take place after small diameter drilling.

LDD rigs and compressors are truck mounted, each with its own diesel generated power. Samples generated (drill chips) are de-slimed on site using a mobile screen and the resultant product discharged directly into bulk bags for transport to a sampling plant either at a central facility in Johannesburg or at a nearby site, dependent on the amount of sample processing to be carried out. Water used in the de-sliming process is recycled using a system of plastic lined earth dams and/or 'portapools'. No local power source is used.

LDD is short term, drilling on any kimberlite is usually completed in 3 months or less but is dependent on the size and morphology of the kimberlite and weight of samples required. LDD has no lasting impact on the natural environment; disturbance is restricted to localized areas, but is greater than that of small diameter drilling.



PLAN AS REFERRED TO IN REGULATION 2.2 IN FORCE IN TERMS OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (28 OF 2002).
 IN SUPPORT OF AN APPLICATION FOR A PROSPECTING RIGHT IN TERMS OF SECTION 16 OF THE AFORESAID ACT.



DESCRIPTION OF LAND UNDER APPLICATION FOR A PROSPECTING RIGHT
 RE of Portion 1 and Portion 2 of GRASSDALE 116, the farm MOOIPLAATS 370, RE and portion 1 of FARM 119, RE and portions 1, 2 of FARM 118, RE and portion 1 of FARM 117, RE and portions 1, 2 of FARM 137, RE and portion 1 of FARM 138, RE and portion 1 of FARM 139, FARM 140, RE of FARM 181 and portion 1 of FARM 207

The figure numbered:
 1, 2,.....42, 43, 1

Represents an area of land in extent
28751.2233 Hectares

Magisterial District of
 BARKLY WEST

NORTHERN CAPE PROVINCE

LEGEND

- City / town / villages
- Roads
- Land under Application
- Farms
- Magisterial Districts
- Province border

NOTES

- Please see Table 2 for any specific servitudes registered against the title deeds.
- Coordinates for polygon of land under application: refer to accompanying listing file for details.

Plan Approved: _____

Regional Manager
 NORTHERN CAPE PROVINCE
 Department of Minerals & Energy

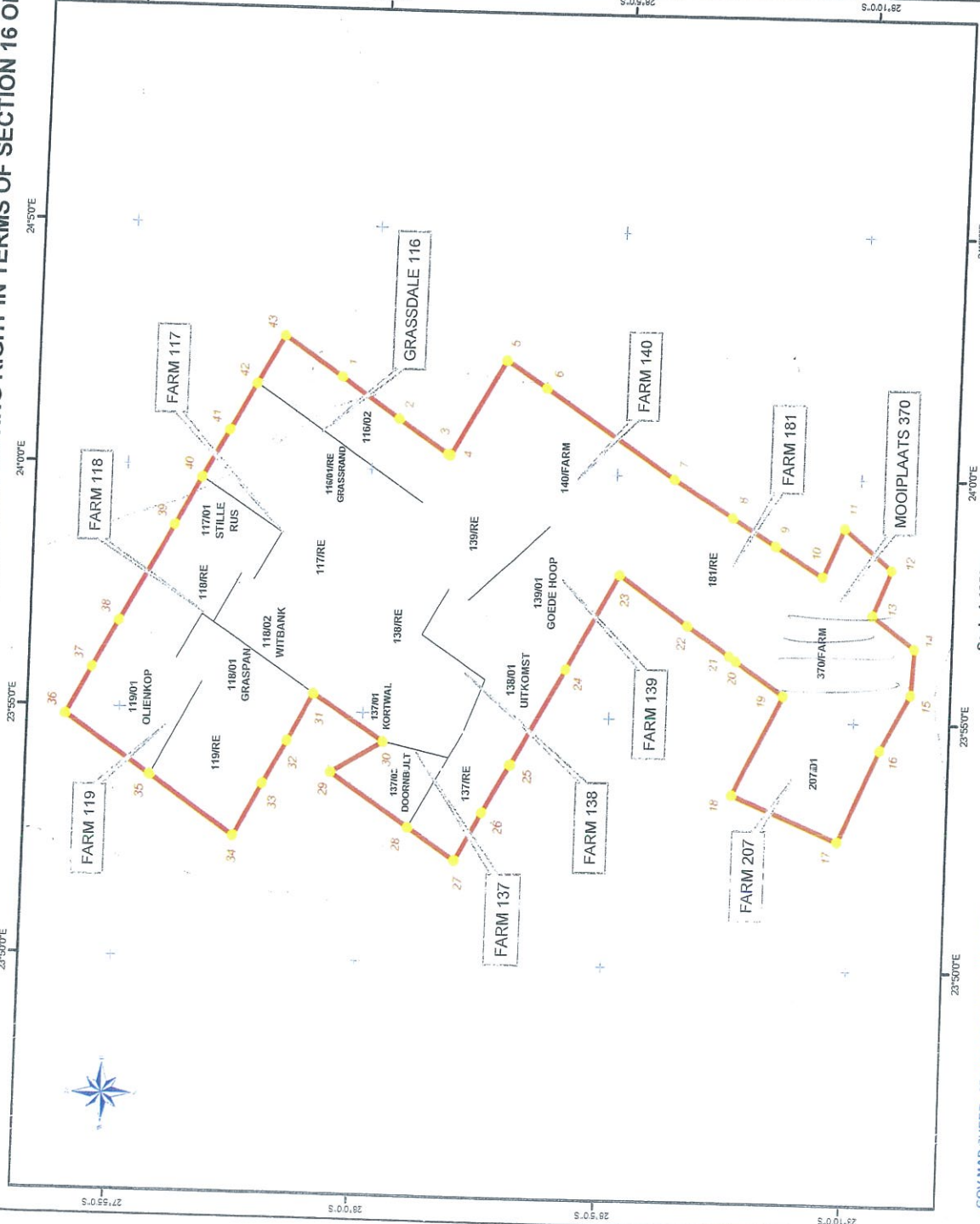
DATE: _____

NAME OF APPLICANT:
 DE BEERS CONSOLIDATED MINES LTD

SIGNATURE OF APPLICANT:
Adrius

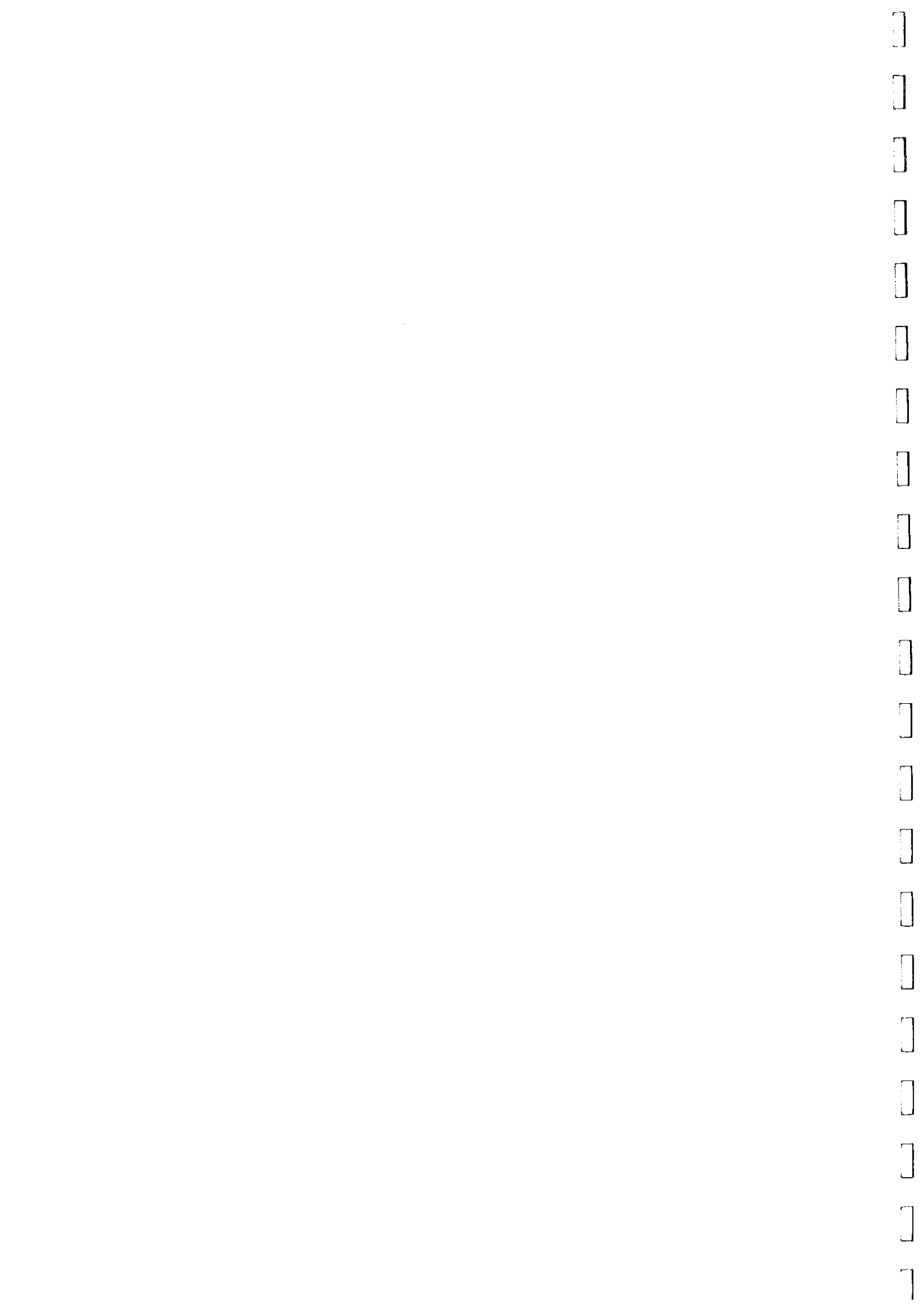
NAME: N Scheepers (P/Eng)

DATE: 17/08/2010



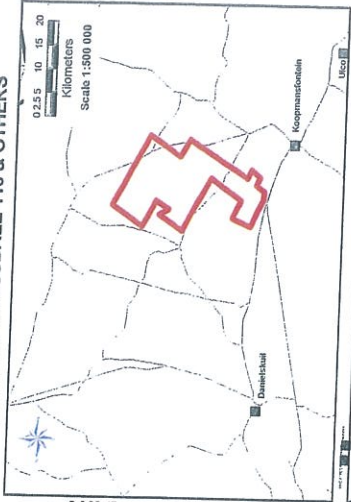
GOV MAP SHEET : 2723DD/2724CC/2823BB/2824AA

THE REGIONAL MANAGER
 NORTHERN CAPE REGION



**PLAN AS REFERRED TO IN REGULATION 2.2 IN FORCE IN TERMS OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (28 OF 2002).
IN SUPPORT OF AN APPLICATION FOR A PROSPECTING RIGHT IN TERMS OF SECTION 16 OF THE AFORESAID ACT.**

THE FARM GRASSDALE 116 & OTHERS



DESCRIPTION OF LAND UNDER APPLICATION FOR A PROSPECTING RIGHT
RE of Portion 1 and Portion 2 of GRASSDALE 116, the farm MOOIPLAATS 370, RE and portion 1 of FARM 119, RE and portions 1, 2 of FARM 118, RE and portion 1 of FARM 117, RE and portions 1, 3 of FARM 116, RE and portion 1 of FARM 138, RE and portion 1 of FARM 137, the FARM 140, RE of FARM 181 and portion 1 of FARM 207

Represents an area of land in extent
28751.2233 Hectares
Magisterial District of
BARKLY WEST

NORTHERN CAPE PROVINCE

| | |
|--|---|
| LEGEND | LITHOLOGY |
| <ul style="list-style-type: none"> City / town / villages Roads Land under Application Farms Magisterial Districts Province border | <ul style="list-style-type: none"> Sand, calcareate and gravel cover Dolomite (Campbell Rand Sub-group) |

Plan Approved: _____

Regional Manager
NORTHERN CAPE PROVINCE
Department of Minerals & Energy

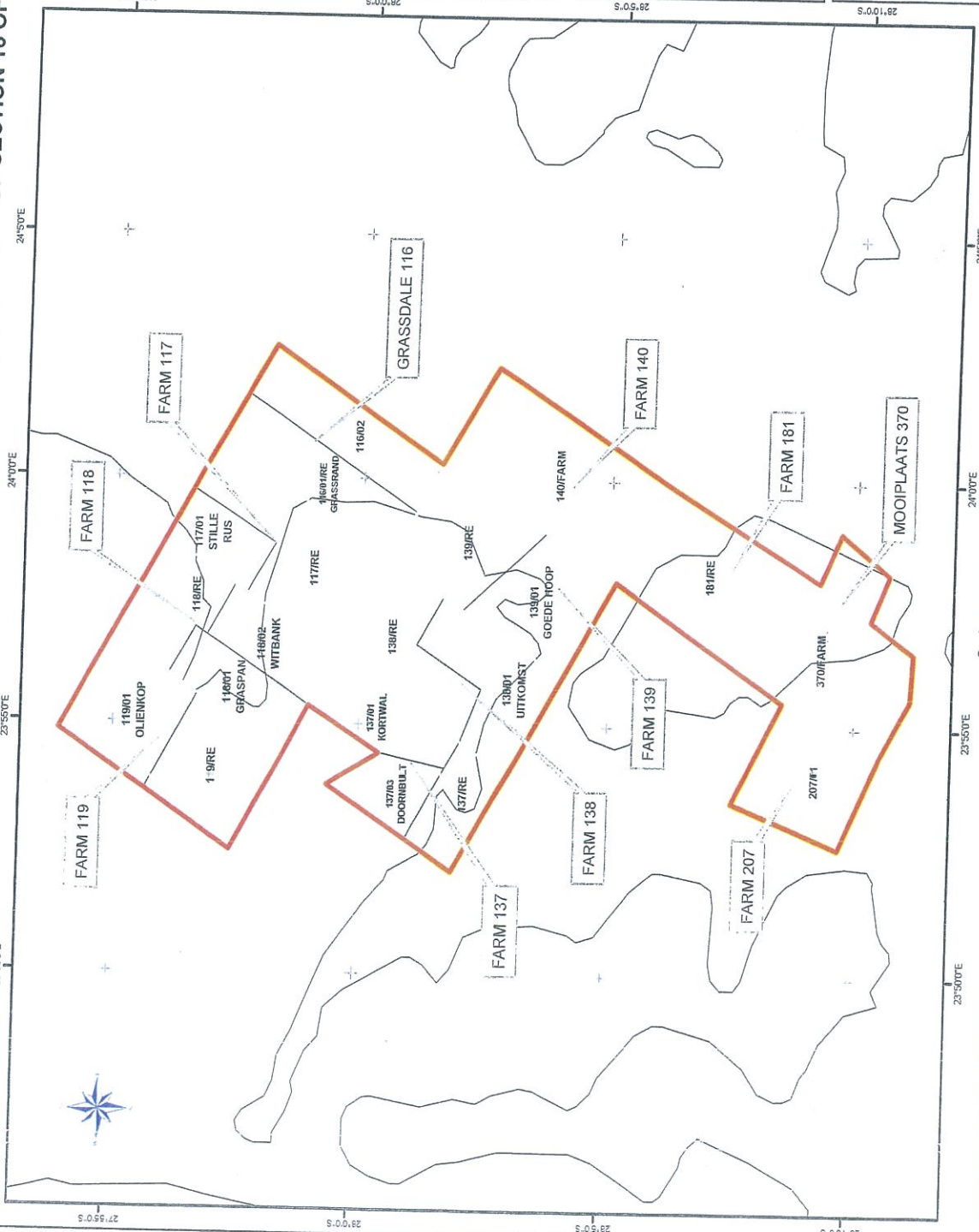
DATE: _____

NAME OF APPLICANT:
DE BEERS CONSOLIDATED MINES LTD

SIGNATURE OF APPLICANT:
[Signature]

NAME: **IN Scheepers** (Pty) Ltd

DATE: **17/08/2010**



GOV MAP SHEET 2723DD/2724CC/2823BB/2824AA

