

DIGBY WELLS

ENVIRONMENTAL

BACKGROUND INFORMATION DOCUMENT

APPLICATION FOR ENVIRONMENTAL AUTHORISATION AND WATER USE LICENSE FOR A PROPOSED PIPELINE FROM TWEEFONTEIN WATER RECLAMATION PLANT TO MBALI COLLIERY, MPUMALANGA PROVINCE

The Mbali Colliery is situated approximately 10 km south of the town Ogies adjacent to the Ogies – Bethal Road in the Mpumalanga Province. The colliery is located on portions 16, 17, 20, 31 and the Remaining Extent (RE) of portion 9 of the farm Klippoortjie 32 IS. The Mbali Mining Right (Reference No. MP 30/5/1/2/2 228 MR) was granted by the Department of Mineral Resources (DMR) in June 2008 and is valid until 25 June 2018. Mbali Coal (Pty) Ltd (Mbali Coal) intends to apply for extension of validity of this mining right in due course. Mbali is experiencing water shortages and requires an additional source of process water.

Mbali Coal intends to apply for Environmental Authorisation (EA) and a Water Use License (WUL) for the proposed construction of a water supply pipeline from Tweefontein Water Reclamation Plant at the Goedgevonden Mine (operated by Glencore) to the Mbali Colliery.

Construction of the pipeline in proximity to wetlands and water courses (specifically the Klippoortjiespruit) will require a Water Use License (WUL) in terms of the National Water Act, 1998 (Act No. 36 of 1998) (NWA). Furthermore, the construction of the pipeline is associated with activities identified in the Environmental Impact Assessment (EIA) Regulations, 2014 (as amended) and require a Basic Assessment Process to be followed in applying for Environmental Authorisation in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA) and the EIA Regulations, 2014 (as amended)

The purpose of this document is to provide you, the reader, with information about the proposed activities and to allow you as an Interested & Affected Party (I&AP) to comment on the proposed Project.

1 PROJECT OVERVIEW

Mbali is experiencing water shortages due to regional drought and requires an additional source of process water. The Goedgevonden (GGV) Mine is situated approximately 3.6 km north of Mbali Colliery. Operational management of the Tweefontein Water Reclamation Plant at GGV Mine is contracted to Glencore Operations South Africa (Pty) Ltd (Glencore). Glencore has agreed, in principle, to supply water to Mbali Colliery from the Tweefontein Water Reclamation Plant. To facilitate the water supply, Mbali Coal will have to construct (and licence) a pipeline for the conveyance of treated water from Tweefontein Water Reclamation Plant to Mbali Colliery.

The design capacity of the pipeline will be 2 Mega-Litres per day (ML/ day) (2,000 m³ per

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day at around 30 litres per second (l/s). The pipeline diameter will be around 250 mm (0.25 m) and the length is approximately 3.6 km. The proposed pipeline route extends along the existing R545 Road from the Tweefontein Water Reclamation Plant at GGV in a southeasterly direction for approx. 1.6 km. The pipeline route then follows the Mbali access road in a southern direction for approximately 2 km. Along this route, the pipeline crosses the Klippoortjiespruit at an existing bridge, 0.5km south of GGV.

The location of the proposed project is provided in Figure 1.

2 Application Process

Environmental Authorisation (EA) under the NEMA has to be obtained prior to commencing with Activities which are Listed in the NEMA EIA Regulations, 2014 (GN R 982 of 4 December 2014) (as amended).

Activities included in Listing Notice 1 (GN R 983) or Listing Notice 3 (GN R 985) requires that a Basic Assessment Process be followed, while activities listed in GN R 984 require that a Scoping and EIA Process be followed in applying for authorisation.

In terms of the proposed pipeline, Activities identified in Listing Notice 1 and 3 are applicable to the proposed project. Therefore a Basic Assessment Process as described in GN R 982 (as amended) will be undertaken in applying for EA. The following listed activities are being applied for:

- GN R 983 (as amended), Activity 19, involving the moving of more than 10 m³ of material within a watercourse, which may be required for the construction of the pipeline over the Klippoortjiespruit, although the pipeline will be attached to the existing bridge and not trenched through the spruit.
- GN R 985 (as amended), Activity 12, which describes the clearance of more than 300 m² of indigenous vegetation within a threatened ecosystem (The site is located in the Eastern Highveld Grassland (Vulnerable) and the Moist Grasslands Priority Area, and will involve vegetation clearance in a servitude approximately 5 m wide and 3.6 km long.)

Activities identified as water uses in terms of Section 21 of the NWA may not be undertaken without a Water Use Licence (WUL). The following Water Uses are relevant to the proposed Project:

- (a) taking water from a water resource;
- (c) impeding or diverting the flow of water in a watercourse; and
- (i) altering the bed, banks, course or characteristics of a watercourse.

As part of the proposed project a Heritage Resources Management process will be followed in terms of Section 38 of the National Heritage Resources Act, 1999 (Act No. 25 of 1999) NHRA). In addition to the Heritage Study, a Specialist Flora and Wetlands Assessment will be undertaken and appended to the Draft Basic Assessment Report (BAR).

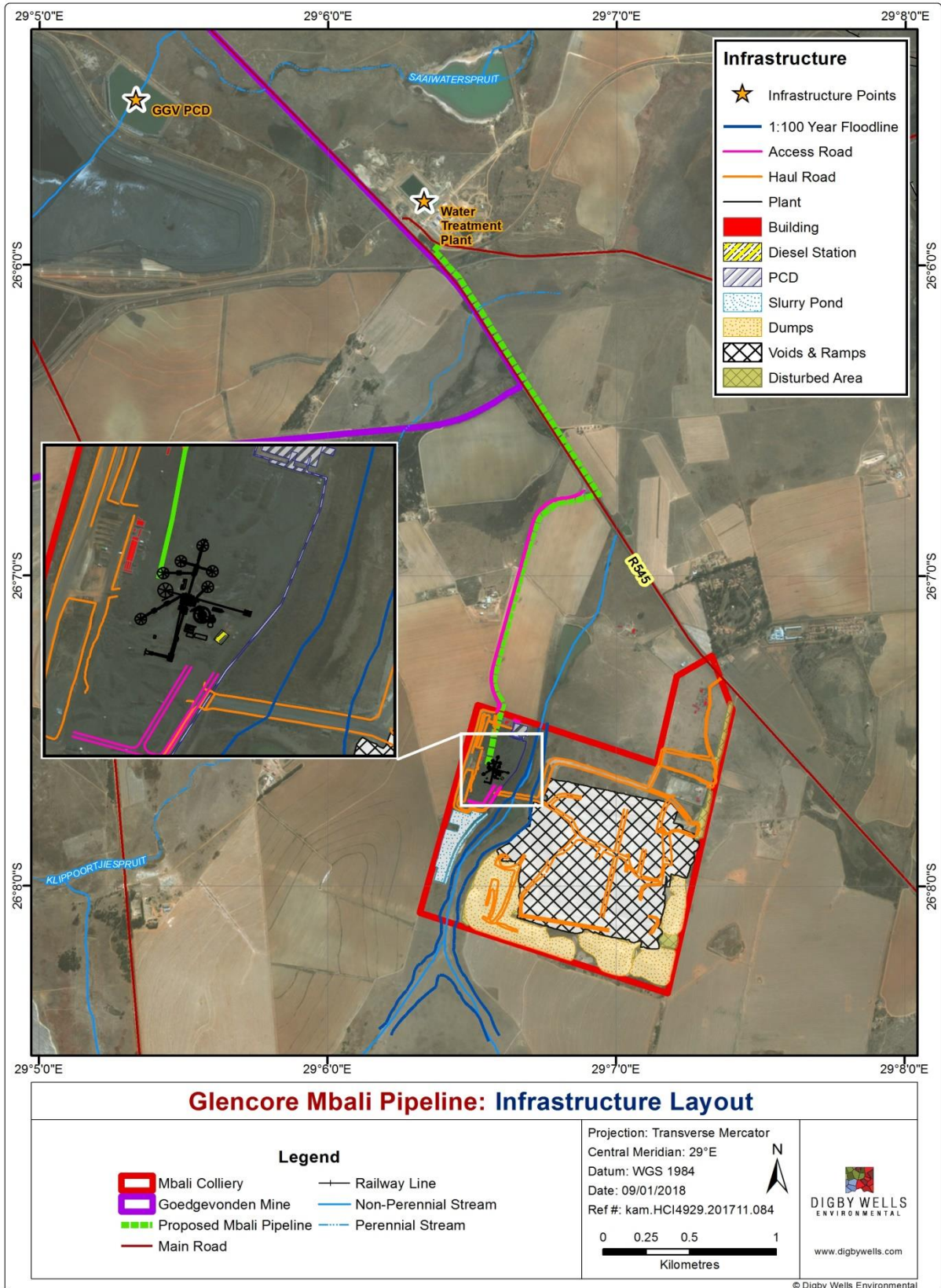


Figure 1: Project Location and Layout

3 Public Participation Process

Stakeholders affected by or who are interested in the project are invited to register as an Interested and Affected Party (I&AP) to participate in the consultation process. The Public Participation Process (PPP) for the Basic Assessment and WULA will be undertaken as an integrated process, in accordance with Regulation 40 and 41 of the NEMA EIA Regulations, 2014 (as amended) and Regulation 17(2) of GN R 267. Activities that are planned to take place as part of the PPP are discussed below.

3.1 Notification

All stakeholders are hereby notified of the proposed project and invited to register as I&APs and provide comments on the proposed project. In addition to this Background Information Document (BID) serving as notification, three site notices have been erected along the proposed pipeline route providing background to the project and application processes. Furthermore, an advertisement will be published in the Witbank News local newspaper to notify potential stakeholders of the project and invite them to register as I&APs. The abovementioned notifications also contain details of Digby Wells Environmental, where further information on the project can be obtained.

3.2 Public Review of Draft Documents

The BAR, Environmental Management Plan (EMP) and WUL Technical Reports will be made available to registered I&APs for a 30 day comment period **23rd February 2018 to 26th March 2018**, as required in terms of Regulation 40(1)(a) of the EIA Regulations 2014 (as amended). The draft Scoping Report has will be available from the below public spaces.

Person	Location	Contact
Printed Copies		
Ms Regina Ngoma	61 Main Street , Ogies	013 643 1027
Electronic Copies		
Nondumiso Gwala	www.digbywells.com (under Public Documents) or phone and request CD copy	011 789 9495

Registered I&APs will be notified of the availability of the Draft Reports for comment by means of e-mail and SMS. The reports will be made available in hard-copy at a location mentioned above and on the Digby Wells website.

3.3 Finalisation of Documents, and submission to authorities

All comments received from I&APs will be addressed by the Project Team in a Comment and Response Report (CRR) and in the updated BAR, EMP and WUL Report. The updated reports will then be submitted to the relevant authorities for consideration.

Once the relevant authorities (Department of Mineral Resources and Department of Water and Sanitation) have reached their decisions regarding the proposed project, I&APs will be notified of the decision and relevant appeal processes, via letter notification.

4 Way Forward

Should you require any further details or would like to register as an I&AP, please contact the Digby Wells Stakeholder Engagement Office at the following contact details:

Contact: Nondumiso Gwala
Post: Private Bag X10046;
Tel: 011 789 9495;
Fax: 011 069 6801
Email: nondumiso.gwala@digbywells.com

The attached Registration and Comment Form may be used to provide any preliminary comments that you may have on the proposed Project.

If you wish to register as an I&AP you may do so at any time during the application process. Please note that the Basic Assessment Process is subject to legislated time-frames as illustrated in Figure 2.

In order to ensure effective consultation, please register as an I&AP by completing the accompanying registration form or by providing us via any other means of communication with your contact details, and return your registration to us as soon as possible via any of the contact details provided above.

This will enable us to contact you again for further consultation.

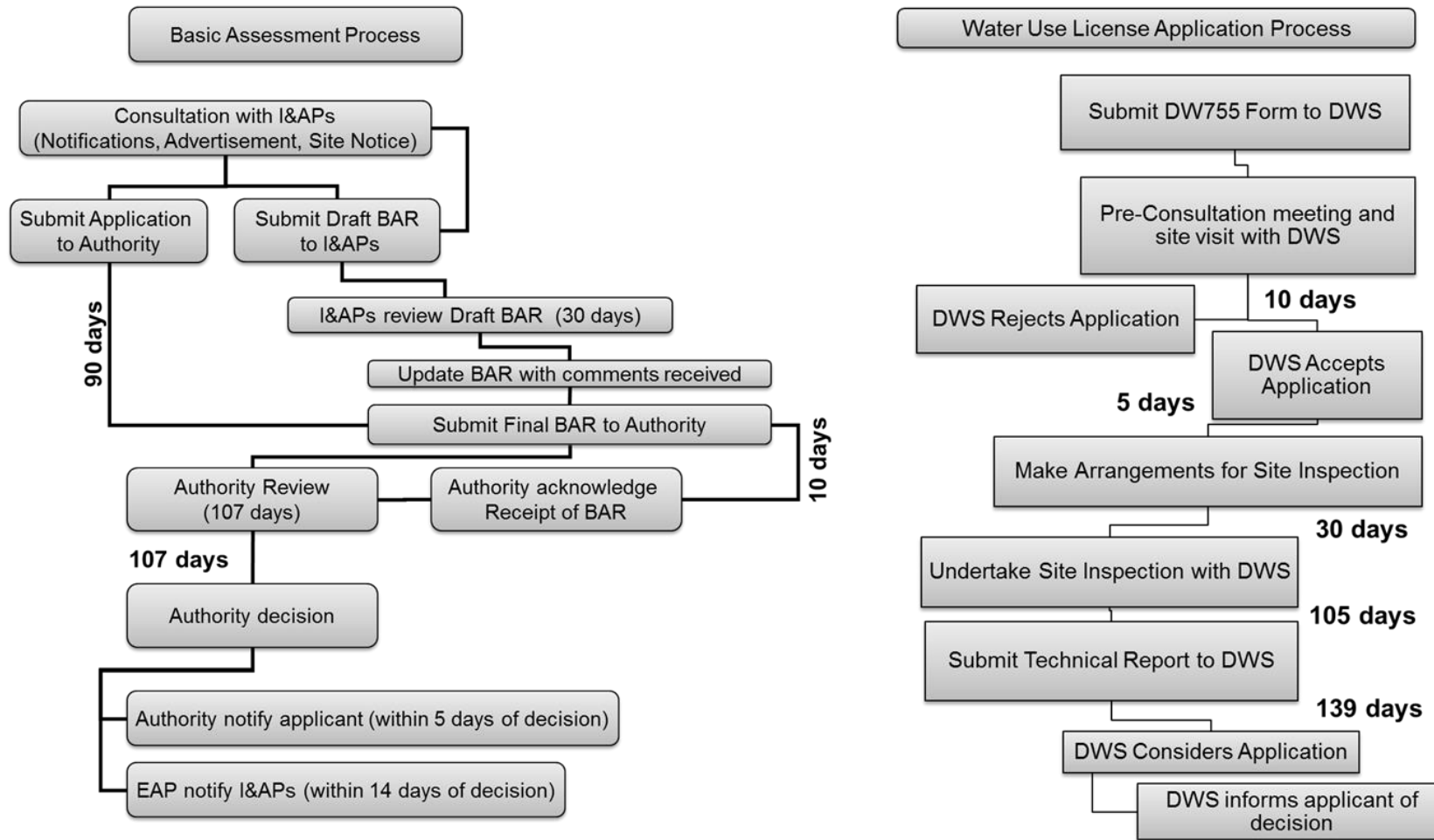


Figure 2: BAR and WULA Process



HCI COAL (PTY) LTD – MBALI COLLIERY

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REGISTRATION AND COMMENT FORM

February 2018

Registered Interested and Affected Parties (I&APs) will be informed of ongoing developments via their preferred means of communication (SMS, email, post or fax). The draft Report will be available for comment on www.digbywells.com (under Public Documents) and various public places, as per the announcement letter. Comments raised by stakeholders will assist in informed decision-making for authorities and provides information to be considered by the project team and specialists conducting the Authorisation process. Please register as an Interested and Affected Party (I&AP) and provide comments by sending this form, or other written correspondence, to the contact details provided below:

Nondumiso Gwala of Digby Wells Environmental Stakeholder Engagement Office:

Fax: (011) 069 6801, **Telephone:** (011) 789 9495, **Postal Address:** Private Bag X10046, Randburg, 2125

Email: sh@digbywells.com

Please formally register me as an Interested and Affected Party (I&AP)	Yes		No	
I would like to receive my notifications by	Email	SMS	Post	Fax

Please indicate which sector you represent and also provide a name

Government Department	
Municipality	
Community	
Non-Government Organisation	
Business	

If you are a landowner or land occupier, please indicate which farm(s) and portion(s) you reside on

Landowner	
Land occupier	

Please fill in your contact details below for the project database

Title, Full Name				
Designation				
Cellphone	Fax		Tel	
Email				
Postal Address				

Environmental Impact Assessment Regulations of 2014 (As amended), promulgated in terms of the National Environmental Management Act, as amended, Section 44 (1) requires that we gather comments from I&APs. Please complete the questions below. Should you require assistance in completing these questions please contact the Stakeholder Engagement Office at contact information provided above.

How do you think the project might impact (affect) you?
How do you think the project might impact (affect) your socio-economic conditions? (e.g. livelihoods, farm, business, household)

How can these impacts be managed, avoided and / or fixed?
If you are a landowner or occupier, what is your land currently being used for?
Are there any environmental, social or heritage features on the proposed project area we need to be aware of?
Where are these found?
Do you think the project could impact (affect) infrastructure you might have? (e.g. houses, buildings, roads)
If so how can these impacts (affects) be managed, avoided or fixed?

General Comments

If there are any other stakeholders we should include onto the stakeholder database for the proposed project, please provide their contact details.

Title, Full Name		Title, Full Name	
Organisation		Organisation	
Cellphone		Cellphone	
Email		Email	

Signature _____

Date _____