

Date: 13 November 2020

Dear Stakeholder,

NOTICE OF AN ENVIRONMENTAL IMPACT ASSESSMENT (EIA) PROCESS AND WATER USE LICENSE APPLICATION FOR TWO ALLUVIAL DIAMOND PROSPECTING RIGHT APPLICATIONS WITH BULK SAMPLING AND AVAILABILITY OF THE RELEVANT DRAFT SCOPING REPORTS FOR PUBLIC REVIEW AND COMMENT

DMR Ref. NCS 30/5/1/1/2/1 (12664) PR & NCS 30/5/1/1/2/1 (12663) PR

Samara Mining Pty Ltd has lodged two applications for environmental authorisation to the Department of Mineral Resources: Springbok (Northern Cape, South Africa) requesting authorisation in support of two alluvial diamond prospecting rights with bulk sampling on the left bank of the Orange River near Sendelingsdrif in the Richtersveld located with the Namakwa District of the Northern Cape Province of South Africa.

The Orange River is South Africa's largest river flowing westwards from Lesotho to Alexander Bay where it flows into the Atlantic Ocean, 30km west from the application areas. The Orange River is a shared resource between South Africa and Namibia and also forms the international border between the two countries.

Samara has submitted the applications for environmental authorisation in terms of the EIA Regulations of 2014 (as amended by GNR 326) under the South African National Environmental Management Act 107 of 1998 (NEMA) and are subject to a full EIA Process. Both application areas are end-to-end along the Lower Orange River and a consolidated process is being followed.

The prospecting right application areas (PRAA) and the sizes include:

(Refer to Appendix A for Locality Maps).

Applications	Property	Size
PRAA 1 – (12664) PR	Left bank of the Orange River boundary to Portion of Remainder of Farm Richtersveld No. 11	987.98 Ha
PRAA 2 – (12663) PR	Left bank of the Orange River boundary to Portion of the Remainder of Farm No. 18	690 Ha

Application is also made under the next set of legislation:

- Mineral and Petroleum Resources Development Act (Act 28/2002) (MPRDA) – Prospecting Right with bulk sampling
- National Water Act (Act 36/1998) (NWA) – Water Use License

Samara will prospect for diamonds from the bed, banks and various terraces along the Orange River, near the Sendelingsdrif. The bulk sampling activities will include seven (7) prospecting pockets within the two PRAAs. Ten (10) trenches will be excavated per application area, each 100m x 25m x 4m with each sample sizes being 10 000m³. The prospecting programme period will be five (5) years. A Rotary Pan Plant will screen, concentrate, process the excavated samples and recover the diamonds. Water for processing will be abstracted from the Orange River. Minor water diversions will be constructed around the excavations including abstraction, and filtration of river water, with release of clarified water back to the river, downstream of workings. No slimes dam will be constructed.

A Water Use License Application in terms of section 40 of the South African National Water Act, 1998 (Act 107 of 1998) will be submitted to the Department of Water and Sanitation: Orange Proto in Uppington for Section 21 water uses (S21a, c, f, g, i) triggered by the diamond prospecting including an application for the relaxation of conditions imposed by GN704 (GG-20119), due to workings within the Orange River flood line. Applicable water uses include:

- Section 21a - Abstracting water from the Orange River
- Section 21c – Diversion of the water course during the bulk sampling, impeding natural flow
- Section 21f – Clarified water from the filtration process at the prospecting works will be released back to the river
- Section 21g – Stockpiles (topsoil, product/alluvial gravel, waste material) and temporary on-site disposal of waste
- Section 21i – Temporary altering of course of the water course, bulk sampling excavation and subsequent rehabilitation within the 1: 100 year flood line, release of clarified water back into the Orange River downstream of the workings

As part of the applications for environmental authorisation, Samara Mining Pty Ltd must submit a Scoping Report, Environmental Impact Report (EIR) and Environmental Management Programme (EMPr) to DMR, for each application, which has been subjected to a public participation process.

Accordingly, Samara Mining (Pty) Ltd (*herein after Samara*) appointed NDI Geological Consulting Service (Pty) Ltd (*herein after NDI*) to provide geological and environmental management services for the two applications. NDI has thereafter appointed Naledzi Environmental Consultants (Pty) Ltd (*herein after Naledzi*) as the independent environmental assessment practitioner (EAP) to conduct the EIA process and facilitate the associated public participation process for the applications.

The Scoping Reports have been prepared for each application and are made available for public review and comment. This letter serves as notification of the applications and we draw your attention to the following:

- Availability of the Draft Scoping Reports for public review and comment until 14 December 2020
- Public engagements
- Way forward

DRAFT SCOPING REPORT AVAILABLE FOR PUBLIC REVIEW AND COMMENT

The draft Scoping Reports are available for public review from **Friday 13 November until Monday 14 December 2020**. Electronic versions of the reports and a comment sheet are available on the Naledzi website: <http://www.naledzi.co.za/public-documents-naledzi.php> . Hard copies of the reports are available from the following public venues within the Richtersveld, Northern Cape, South Africa:

- Sanddrif, Alexander Bay, Lekkersing, Eksteenfontein and Kuboes in the Richtersveld
- SANPARKS Office, 1 Marshall Street in Sendelingsdrif, Richtersveld National Park

You are hereby invited to register as an Interested and Affected Parties (I&APs) and to participate in the EIA Process and or to submit comments on the relevant draft Scoping Reports by the following means:

- ✓ Registering and an I&AP
- ✓ Reviewing the draft Scoping Reports relevant to the applications (available on Naledzi website and public venues),
- ✓ Submitting any comments/views on the applications on the enclosed comment sheet ;
- ✓ Writing a letter, sending an email or contacting the appointed independent environmental consultant as per the below given details.
- ✓ Attending virtual meetings and public engagements (to be scheduled soon).
- ✓ I&APs can comment on the individual applications (per PRAA) or on the overall EIA process.

I&APs should submit their comment together with their name, contact details to the contact person indicated below **ON OR BEFORE 14 DECEMBER 2020**.

**Please direct your comments to Naledzi Environmental Consultants Pty Ltd
(acting on behalf of NDI Geological Services):**

Environmental Assessment Practitioner: Marissa Botha
Tel: (015) 296 3988 or Cell: 084 226 5584
Email: botham@naledzi.co.za

PUBLIC ENGAGEMENTS

Please note that Naledzi will be scheduling public engagement meetings during the public review period of the Draft Scoping Reports and will communicate these details soon via email, telephone calls including WhatsApp messages.

What's next?

The draft Scoping Reports will be made available for public review for 30 calendar days until 14 December 2020. Public engagement meetings will be scheduled during this period in the project areas to facilitate comments. The details and arrangements for the public engagements will be communicated to stakeholders. Naledzi will record and consolidate all the comments and issues raised at the public engagements and received during the public review period on the draft Scoping Reports. Upon lapse of the public review period, the Scoping Reports will be finalised and the Issues and Response Report will be updated to incorporate public inputs received and subsequently will be submitted to DMR for approval.

Next, NEC will prepare a draft Environmental Impact Report (EIR) and Environmental Management Programme (EMPR) for each application. The DEIR & EMPR would also be made available for public review for 30 calendar days. Public meetings will again be scheduled in the project area, at the same public venue as the first round, to facilitate comments. These details will be communicated to I&APs at a later stage.

Important Notification

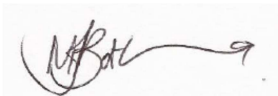
The prospecting right application lodged on the left bank of Orange River boundary to Portion of the Remainder of the Farm No. 18 (PRAA 2) falls on the northern perimeter of the Richtersveld National Park and within the Richtersveld Cultural and Botanical Landscape World Heritage Site. According to South African legislation, the National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003) (NEMPAA), mining/prospecting in legally protected areas is strictly prohibited.

Naledzi is aware that there are several existing mining operations within the Richtersveld National Park along the Orange River. Yet, these are existing mineral rights holders operating in the protected area prior to the enactment of the NEMPAA and may thus continue with such activities subject to strict environmental management. No new applications are accepted in such areas.

Despite this, the South Africa Mineral Resource Administration (SAMRAD) has accepted Samara's application on PRAA 2. Naledzi Environmental Consultants is an independent EAP and has advised the applicant of the legal implications. The application is however still subject to an EIA Process and Naledzi will follow due process to gather the necessary data for the application area. The data will be submitted to the DMR: Springbok in the form of a finalised Scoping Report which will need to inform the DMR's decision as to whether Samara may continue with the EIA Process for both applications or only PRAA 1. The Scoping tasks and findings will be informed by extensive stakeholder engagements.

Thank you for your participation.

Regards,



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