

Dear Interested and Affected Party,

NOTIFICATION REGARDING AN APPLICATION FOR A PROSPECTING RIGHT AND ENVIRONMENTAL AUTHORISATION ON VARIOUS FARMS WITHIN THE KROONSTAD, VENTERSBURG AND HENNINGMAN MAGISTERIAL DISTRICTS, IN THE FREE STATE PROVINCE (VENTERSBURG CONSOLIDATED PROSPECTING RIGHT).

On behalf of our client **Western Allen Ridge Gold Mines (Pty) Ltd:**

Shango Solutions has been appointed by Western Allen Ridge Gold Mines (Pty) Ltd (subsidiary of White Rivers Exploration) to assist in preparing and submitting a Basic Assessment Report (BAR) Environmental Management Programme (EMPR) and to undertake a Public Participation Process, in support of an application for a Prospecting Right and Environmental Authorisation. You have been identified as a potential Interested and Affected Party (I&AP). The Prospecting Right and Environmental Authorisation application will be undertaken in accordance with the requirements of the Minerals and Petroleum Resources Development Act, 2002 (Act 28 of 2002, as amended) (MPRDA) and the associated regulations and the National Environmental Management Act (Act 107 of 1998, as amended) (NEMA) and the associated regulations.

Western Allen Ridge Gold Mines (Pty) Ltd has submitted a Prospecting Right and Environmental Authorisation application to the Free State Department of Mineral Resources. The Department of Mineral Resources accepted the application on the 24th November 2017. If the application is granted, it will enable Western Allen Ridge Gold Mines (Pty) Ltd to ascertain if economically viable mineral deposits are present within the application area. The minerals of interest for prospecting include silver, gold, copper, iron, manganese, molybdenum, nickel, tungsten, zinc, diamond (alluvial), cobalt, coal, lead, platinum group metals, rare earths, sulphur and uranium. The proposed prospecting programme will be completed within five (5) years. It is anticipated that the following non-invasive and invasive techniques will be utilised during prospecting:

Non-invasive prospecting activities

Desktop studies

Data acquisition and synthesis

Geological modelling

Resource estimation

Concept study

Invasive prospecting activities

Drilling

The application area is approximately 7 943.07 hectares in extent and is situated 14 kilometres north-northeast of Ventersburg in the Free State Province of South Africa. The prospecting area is located in the Kroonstad, Ventersburg and Henningman Magisterial Districts and fifty-three (53) farm portions extend over it.

Kindly refer to the accompanying Background Information Document (BID) for more information about this project. The Afrikaans and Sesotho versions of the BID are obtainable from our website (www.shango.co.za/public-documents/).

It is anticipated that the following NEMA listed activities under Listing Notices 1 and 3 of the NEMA Environmental Impact Assessment (EIA) Regulations (2014) will be triggered by this application:

- **GN R. 327, Activity 20:** Any activity including the operation of that activity which requires a prospecting right in terms of Section 16 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002), including (a) associated infrastructure, structures and earthworks, directly related to prospecting of a mineral or (b) the primary processing of a

mineral resource including winning, extraction, classifying, concentrating, crushing, screening or washing; but excluding the secondary processing of a mineral resource, including the smelting, beneficiation, reduction, refining, calcining, or gasification of the mineral resource.

- **GN R. 324, Activity 12(b):** The clearance of an area of 300 square metres or more of indigenous vegetation except where such clearance of such indigenous vegetation is required for maintenance purpose undertaken in accordance with a maintenance management plan (i) within any critically endangered or endangered ecosystem listed in terms of Section 52 of the NEMBA or prior to the publication of such a list, within an area that has been identified as critically endangered in the National Spatial Biodiversity Assessment 2004 and (ii) within critical biodiversity areas identified in bioregional plans.

The application for a Prospecting Right and Environmental Authorisation process will be carried out as stipulated in Section 16 of the MPRDA and Chapter 4 of the Environmental Impact Assessment Regulations, 2014 (GN R. 326 of 2017) promulgated under the NEMA. A public notification and involvement is being carried out as part of the Basic Assessment process.

This notice is in accordance with clause 16 of the MPRDA and Chapter 6 of GN R. 326 (of 2017), which requests that Western Allen Ridge Gold Mines (Pty) Ltd notify in writing and consult with the land owner or lawful occupier and any other affected party. The results of the consultation will be included in the BAR submission in order for the Department of Mineral Resources to adjudicate on the application.

Interested and Affected Parties (I&APs) are provided a period of 30 days to register and comment on the proposed activity and application. Should you wish to register as an I&AP for this project, please submit your name, contact details and any comments, concerns or objections you may have regarding the project in writing or telephonically, to Shango Solutions by no later than the **26th February 2018 (contact details are provided at the end of this letter)**. Please include the project name (Ventersburg Consolidated Prospecting Right) in all correspondence. Please note that only registered I&APs will be notified of further opportunities for involvement in this process

Any queries, comments, or concerns with regards to this application can be directed to Shango Solutions at:

- Tel: 011 678 6504
- Fax: 011 678 9731
- E-mail: zizo@shango.co.za
- Contact person: Ms Zizo Siwendu
- Project name: Ventersburg Consolidated Prospecting Right
- Postal address: P O Box 2591, Cresta, 2118, South Africa

Any comments or concerns regarding this application can also be directed to the Department of Mineral Resources (and a copy sent to Shango Solutions) at:

- Tel: 057 391 1385
- Fax: 057 357 6003
- Email: shawn.janneker@dmr.gov.za
- Contact person: Mr Shawn Janneker
- Postal address: Private Bag X33, Welkom, 9460
- DMR reference number: FS 30/5/1/1/3/2/1/10489 EM
- ATT: Mine Environmental Management Directorate DMR – Free State

Please feel free to contact the undersigned if you have any queries or concerns.

Best Regards,
Zizo Siwendu

Geagte Belanghebbende en Geraakteparty,

KENNISGEWING RAKENDE 'n AANSOEK OM PROSPEKTEERREG EN OMGEWINGSMAGTIGING OP VERSKILLENDE PLASE BINNE DIE LANDDROSDISTRIKTE VAN KROONSTAD, VENTERSBURG EN HENNENMAN IN DIE VRYSTAATPROVINSIE (VENTERSBURG CONSOLIDATED PROSPEKTEERREG).

Namens ons kliënt, **Western Allen Ridge Gold Mines (Pty) Ltd:**

Shango Solutions is deur Western Allen Ridge Gold Mines (Pty) Ltd aangestel om met die voorbereiding en indiening van 'n basiese assesseringsverslag (BAV) en omgewingsbestuursprogram (OBP) van hulp te wees, en om 'n openbare deelnameproses te onderneem ter ondersteuning van 'n aansoek om 'n prospekterreg en omgewingsmagtiging. U is as moontlike belanghebbende en geraakte party (B&GP) geïdentifiseer. Die aansoek om prospekterreg en omgewingsmagtiging sal in ooreenstemming met die vereistes van die Wet op die Ontwikkeling van Minerale en Petroleumhulpbronne, 2002 (Wet 28 van 2002, soos gewysig) (WOMPH) en die gepaardgaande regulasies, en die Wet op Nasionale Omgewingsbestuur (Wet 107 van 1998, soos gewysig) (WNOB) en die gepaardgaande regulasies, onderneem word.

Western Allen Ridge Gold Mines (Pty) Ltd het 'n aansoek om prospekterreg en omgewingsmagtiging by die Vrystaatse Departement van Minerale Hulpbronne ingedien. Die Departement van Minerale Hulpbronne het die aansoek op 24 November 2017 aanvaar. Indien die aansoek toegestaan word, sal dit Western Allen Ridge Gold Mines (Pty) Ltd in staat stel om vas te stel of ekonomies lewensvatbare mineraalafsettings binne die aansoekgebied teenwoordig is. Die minerale wat vir prospekter van belang is vir prospektering, sluit silwer, goud, koper, yster, mangaan, molibdeen, nikkell, wolfram, sink, diamante (spoel-), kobalt, lood, metale in die platinumgroep, seldsame aardelemente, swael en uraan in. Die voorgestelde prospekterprogram sal binne vyf (5) jaar afgehandel wees. Daar word voorsien dat die volgende nie-indringende en indringende tegnieke tydens prospektering gebruik sal word:

Nie-indringende prospekteraktiwiteit

Lessenaarstudies

Verkryging van data en verwerking daarvan

Geologiese modellering

Hulpbronskatting

Konsepstudie

Indringende prospekteraktiwiteit

Boorwerk

Die aansoekgebied is ongeveer 7 943.07 hektaar groot en is 14 kilometer noord-noordoos van Ventersburg in die Vrystaatprovinsie van Suid-Afrika geleë. Die prospektergebied is in die landdrosdrikte van Kroonstad, Ventersburg en Hennenman geleë en strek oor en drie-en-vyftig (53) plaasdele.

Verwys asseblief na die meegaande agtergrondinligtingsdokument (AID) vir meer inligting oor hierdie projek. Die Afrikaanse en Sesotho weergawes van die AID is op ons webtuiste beskikbaar (www.shango.co.za/public-documents/).

Daar word voorsien dat hierdie aansoek tot die volgende gelyste aktiwiteite ingevolge Lystingskennisgewings 1 en 3 van die Regulasies (2014) op Omgewingsimpakassessering (OIA) van die WNOB, sal lei:

- **RK R. 327 (van 2017), Aktiwiteit 20:** Enige aktiwiteit, ingeslote die bedryf van 'n aktiwiteit wat 'n prospekterreg kragtens artikel 16 van die Wet op die Ontwikkeling van Minerale en Petroleumhulpbronne, 2002 (Wet 28 van 2002), vereis, ingeslote (a) gepaardgaande infrastruktuur, strukture en grondwerk, wat direk verband hou met prospektering vir 'n

mineraal, of (b) die primêre verwerking van 'n minerale hulpbron, ingeslote winning, onttrekking, klassifikasie, konsentrasie, vergruising, sifting of was; maar uitgeslote die sekondêre verwerking van 'n minerale hulpbron, ingeslote smelting, veredeling, reduksie, raffinering, kalsinering, of vergassing.

- **RK R. 324 (van 2017), Aktiwiteit 12(b):** Die verwydering van inheemse plantegroei oor 'n gebied van 300 vierkante meter of meer, buiten waar sodanige verwydering van sodanige inheemse plantegroei vir onderhoudsdoeleindes, onderneem in ooreenstemming met die onderhoudsplan, nodig is (i) binne enige krities bedreigde of bedreigde ekostelsel wat ingevolge artikel 52 van die WNOB gelys is, binne 'n gebied wat as krities bedreigd in die Nasionale Ruimtelike Biodiversiteitsassessering 2004 geïdentifiseer is en (ii) binne kritieke biodiversiteitsgebiede soos in biostreeksplanne geïdentifiseer.

Die aansoek om 'n prospekterreg en omgewingsmagtigingsproses sal uitgevoer word soos voorgeskryf in artikel 16 van die WOPPH en hoofstuk 4 van die Regulasies op Omgewingsimpakassessering, 2014 (RK R. 326 van 2017), kragtens die WNOB uitgevaardig. Openbare kennisgewing en betrokkenheid word as deel van die BAV-proses gedoen.

Hierdie kennisgewing geskied ooreenkomstig klousule 16 van die WOPPH en hoofstuk 6 van RK R. 326 (van 2017) van die WNOB, wat vereis dat Western Allen Ridge Gold Mines (Pty) Ltd die grondeienaar en enige ander geraakte party skriftelik in kennis stel en raadpleeg. Die uitslag van die raadpleging sal by die BAV ingesluit word, vir die Departement van Minerale Hulpbronne om die aansoek te beoordeel.

Belanghebbende en geraakte partye (B&GP'e) kan binne 30 dae registreer en kommentaar lewer oor die voorgestelde aktiwiteit en aansoek. Indien u as 'n B&GP vir hierdie projek wil registreer, dien asseblief u naam, kontakbesonderhede en enige kommentaar, kwessie of besware wat u oor hierdie projek wil opper, skriftelik of telefonies in by Shango Solutions, teen nie later nie as **26 Februarie 2018 (kontakbesonderhede verskyn aan die einde van hierdie brief)**. Sluit asseblief die naam van die projek (Ventersburg Consolidated Prospekterreg) by alle korrespondensie in. Let asseblief daarop dat slegs geregistreerde B&GP'e van verdere geleentheid vir betrokkenheid by hierdie proses in kennis gestel sal word.

Rig enige navrae, kommentaar, of kwessies rakende hierdie aansoek aan Shango Solutions:

- Tel: 011 678 6504
- Faks: 011 678 9731
- E-pos: zizo@shango.co.za
- Kontakpersoon: Me. Zizo Siwendu
- Projeknaam: Ventersburg Consolidated Prospekterreg
- Posadres: Posbus 2591, Cresta, 2118, Suid-Afrika

Enige kommentaar of kwessies oor hierdie aansoek kan ook aan die Departement van Minerale Hulpbronne gerig word (met 'n afskrif aan Shango Solutions):

- Tel: 057 391 1385
- Faks: 057 357 6003
- E-pos: shawn.janneker@dmr.gov.za
- Kontakpersoon: Mnr Shawn Janneker
- Posadres: Privaat Sak X33, Welkom, 9460
- DMH-verwysingsnommer: FS 30/5/1/1/3/2/1/10489 EM
- Aandag: Mine Environmental Management Directorate DMR – Free State

Skakel gerus die ondertekende met in die geval van.

Vriendelike Groete,
Zizo Siwendu

Moamehi ya nang le Kgahlano le Kameho ya kgabane,

TSEBISO MABAPI LE KOPO BAKENG SA TOKELO YA TLHAHLOBO LE TUMELLO YA TIKOLOHO DIPOLASING TSE FAPANENG TSE DITEREKENG TSA MAGISTRATA TSA KROONSTAD, VENTERSBURG LE HENNINGMAN, PROFENSENG YA FOREISTATA (VENTERSBURG CONSOLIDATED PROSPECTING RIGHT).

Sebakeng sa mosebeletsuwa wa rona **Western Allen Ridge Gold Mines (Pty) Ltd:**

Shango Solutions e kgethilwe ke Western Allen Ridge Gold Mines (Pty) Ltd ho thusa ho hlophisa le ho nehelana ka Tlaleho ya Motheo ya Tekolo (BAR) le Lenaneo la Tsamaiso ya Tikoloho (EMPR) le ho etsa Tshebetso ya Bonkakarolo ba Setjhaba, tshehetsong ya kopo bakeng sa Tokelo ya ho Hlahloba le Tumello ya Tikoloho. O hlwailwe jwalo ka Moamehi ya nang le Kgahlano le Kameho (I&AP) ya ka bang teng. Kopo ya Tokelo ya ho Hlahloba le Tumello ya Tikoloho e tla etswa ho latela ditlhoko tsa Molao wa Ntshetsopele ya Disebediswa tsa Diminerale le Petroliamo, 2002 (Molao 28 wa 2002, jwalo ka ha o fetotswe) (MPRDA) le melawana e amehang le Molao wa Naha wa Tsamaiso ya Tikoloho (Molao 107 wa 1998, jwalo ka ha o fetotswe) (NEMA) le melawana e amehang.

Western Allen Ridge Gold Mines (Pty) Ltd e nehelane ka kopo ya ya Tokelo ya ho Hlahloba le Tumello ya Tikoloho ho Lefapha la Dirashwa la Foreistata. Lefapha la Dirashwa le amohetse kopo ka la 24 Pudungwana 2017. Haeba kopo e dumelwa, e tla dumella Western Allen Ridge Gold Mines (Pty) Ltd ho fumana haeba hona le didiphositi tsa boleng ba moruo tse teng sebakeng seo sa kopo. Diminerale tse shebilweng bakeng sa tlhahlobo di kenyeletsa silifera, kgauta, koporo, aene, manganese, molybdenum, nickel, tungsten, zinc, taemane (alluvial), cobalt, mashala, lead, dimethale tsa sehlopha sa polathinamo, mafatshe a sa tlwaelehang, sulphur le uraniumo. Lenaneo le sisintsweng la tlhahlobo e tla fela kamora dilemo tse hlano (5). Ho lebelletswe hore mekgwa e latelang e sa kenelleng le e kenellang e tla sebediswa nakng ya tlhahlobo ya sebaka:

Mesebetsi ya tlhahlobo e sa kenelleng

Dipatlisiso tsa pokello ya tlhahisoleseding

Phumano le phahlollo ya datha

Dimmotlolo tsa sejioloji

Kakanyo ya disebediswa

Patlisiso ya mehopolo

Mesebetsi ya tlhahlobo e sa kenelleng

Ho tjheka ka drile

Sebaka sa kopo se boholo bo ka bang dihektare tse 7 943.07 mme e dikilomitara tse 14 leboya leboya-botjhabela ho Ventersburg Profenseng ya Foreistata Afrika Borwa. Sebaka sa tlhahlobo se Diterekeng tsa Magistrata tsa Kroonstad, Ventersburg le Henningman mme se pharalla ho parolo dikarolo tse mashome a mahlano a mararo (53) tsa dipolasi.

Ka kopo sheba ho Tokomane ya Tlhahisoleseding ya Dikateng (BID) bakeng sa tlhahisoleseding e eketsehileng ka projeke ena. Dikgatiso tsa Afrikaans le Sesotho tsa BID di fumaneha webosaeteng ya rona (www.shango.co.za/public-documents/).

Ho lebelletswe hore mesebetsi e latelang ya NEMA e thathamisitsweng tlasa Ditsebiso tsa Mathathamo a 1 le 3 a Melawana ya Tekolo ya Kameho ya Tikoloho (EIA) (2014) e tla qholotswa ke kopo ena:

- **GN R. 327 (ya 2017), Tshebetso ya 20:** Mesebetsi ofe kapa ofe o kenyeletsang ketso ya mosebetsi o hloakang tokelo ya ho hlahloba ho latela Karolo ya 16 wa Molao wa Ntshetsopele ya Diminerale le Dihlahiswa tsa Petroliamo, 2002 (Molao No. 28 wa 2002), ho kenyeletswa (a) meaho e amanang, ditheo le mesebetsi e kenyeletsang lefatshe le metjhini, e amanang ka kotloloho le ho hlahloba bakeng sa minerale ka (b) tshebetso ya mantlha ya sesebediswa sa mineral ho kenyelletswa ho tjeka, le ho hulwa ha tshepa ho tswa mpeng ya lefatshe; ho ntsha; ho hlopha; ho kopanya, ho thuba, ho lekola kapa ho

hlatswa; empa ho sa kenyelletse tshebetso ya bobedi ya sesebediswa sa mineral, ho kenyelletsa ho qibidihisa, ho ruisa, ho fokotsa, ho ntlafatsa, ho tjhesa motjhesong o phahameng kahara oksijine, kapa ho fetola leshala hore ebe kgase hwa sesebediswa sa minerale.

- **GN R. 324 (ya 2017), Tshebetso ya 12(b):** Tlheko ya sebaka se sekalo ka dimitara tse 300 tse sekwere kapa ho feta ha dimela tsa tlhaho ntle le moo tlheko e jwalo ya dimela tsa tlhaho e hlokehang bakeng sa mabaka a tlhwekiso e etswang ho latela morero wa tsamaiso ya tlhwekiso (i) kahara ecosystem efe kapa efe e kotsing e kgolo ya ho fela kapa ecosystem e kotsing ya ho fela e thathamaditsweng ho latela Karolo ya 52 ya NEMBA kapa pele ho kgatiso ya lenane le jwalo, hara sebaka se hlwauweng jwalo ka se kotsing e kgolo ya ho fela ho Tekolo ya Naha ya Dimela tsa Sebaka (National Spatial Biodiversity Assessment) 2004 le (ii) kahara dibaka tsa dimela tsa bohlokwa tse hlwauweng mererong ya sebaoloji le mabatowa.

Kopo ya tshebetso ya Tokelo ya ho Hlahloba le Tumello ya Tikoloho e tla etswa jwalo ka ha ho boletswe ho Karolo ya 16 ya MPRDA le Kgaolo ya 4 ya Melawana ya Tekolo ya Kameho ya Tikoloho, 2014 (GN R. 326 ya 2017) e amohetsweng tlasa NEMA. Tsebiso ya setjhava le bonkakarolo di etswa jwalo ka karolo ya tshebetso ya EIA.

Tsebiso ena e latela polelwana ya 16 ya MPRDA le Kgaolo ya 6 ya GN R. 326 (of 2017) ya NEMA, e kopang hore Western Allen Ridge Gold Mines (Pty) Ltd e tsebise monga setsha kapa moahi wa semolao le moamehe ofe kapa ofe e mong ka mokgwa wa lengolo. Diphetho tsa tshekatsheko di tla kenyelletsa ho nehelano ya BAR ele hore Lefapha la Dirashwa le nke qeto mabapi le kopo.

Baamehi ba nang le Kgahleho le Kameho (di-I&APs) ba fuwa nako e kalo ka matsatsi a 30 ho ingodisa le ho fana ka maikutlo a bona mabapi le tshebetso e sisintsweng le kopo ya yona. Haeba o lakatsa ho ingodisa jwalo ka I&AP bakeng sa projeke ena, ka kopo fana ka lebitso la hao, dintlha tsa boiteanyo le maikutlo afe kapa afe, matshwenyeho kapa dikganano tseo o ka bang le tsona mabapi le projeke ka lengolo kapa ka mohala, ho Shango Solutions pele ho la **26 Hlakola 2018 (dintlha tsa boiteanyo di qetellong ya lengolo lena)**. Ka kopo kenyelletsa lebitso la projeke (Ventersburg Consolidated Prospecting Right) dikgokahanong tsohle. Lemoha ka kopo hore ke di-I&AP tse ngodisitseng feela tse tla tsebiswa ka menyetla e meng ya ho nka karolo tshebetsong ena.

Dipotso dife kapa dife, maikutlo, kapa matshwenyeho mabapi le kopo ena di ka lebiswa ho Shango Solutions ho:

- **Mohala:** 011 678 6504
- **Fekse:** 011 678 9731
- **Imeile:** zizo@shango.co.za
- **Motho eo ho ka iteangwang le ena:** Ms Zizo Siwendu
- **Lebitso la projeke:** Ventersburg Consolidated Prospecting Right
- **Aterese ya poso:** P O Box 2591, Cresta, 2118, South Africa

Maikutlo afe kapa afe kapa matshwenyeho mabapi le kopo ena le ona a ka lebiswa ho Lefapha la Dirashwa (mme khophi e romelwe ho Shango Solutions) ho:

- **Mohala:** 057 391 1385
- **Fekse:** 057 357 6003
- **Imeile:** shawn.janneker@dmr.gov.za
- **Motho eo ho ka iteangwang le ena:** Mr Shawn Janneker
- **Aterese ya poso:** Private Bag X33, Welkom, 9460
- **Nomoro ya referense ya DMR:** FS 30/5/1/1/3/2/1/10489 EM
- **E lebiswe ho:** Mine Environmental Management Directorate DMR – Free State

O boetse o ka iteanya le motho ya tekenneng mona haeba o na le dipotso kapa matshwenyeho.

Ka boikokobetso,
Zizo Siwendu



BACKGROUND INFORMATION DOCUMENT

Western Allen Ridge Gold Mines (Pty) Ltd
(subsidiary of White Rivers Exploration (Pty) Ltd)
Prospecting Right Ref.: FS 30/5/1/1/3/2/1/10489 EM

Prospecting Right and Environmental Authorisation for the
Proposed Ventersburg Consolidated Project

Dunrose Trading 186 (PTY) Ltd
T/A Shango Solutions

HHK House
Cnr. Ethel Ave and Ruth Cr.
Northcliff
Gauteng

P. O. Box 2591
Cresta
2118

Phone: +27 11 678 6504
Fax: +27 11 678 9731

E-mail: zizo@shango.co.za
Website: www.shango.co.za



JANUARY 2018

PURPOSE OF THIS DOCUMENT

- This Background Information Document (BID) provides you, as an Interested and Affected Party (I&AP), with an overview of the proposed project.
- The BID invites you, as an I&AP, to participate in the required Public Participation Process (PPP).
- The BID provides you, as an I&AP, with an opportunity to contribute and participate in the formulation of the Basic Assessment Report (BAR) and Environmental Management Programme (EMPR).
- The BID also provides you, as an I&AP, an opportunity to provide the project team with your comments, concerns and objections to the proposed project.

1. INTRODUCTION

Western Allen Ridge Gold Mines (Pty) Ltd (Western Allen Ridge) submitted an application for a Prospecting Right and an Environmental Authorisation in order to prospect for the following commodities:

- Silver
- Gold
- Coal
- Cobalt
- Copper
- Diamond (Alluvial)
- Iron
- Manganese
- Molybdenum
- Nickel
- Lead
- Platinum Group Metals
- Rare Earths
- Sulphur
- Uranium
- Tungsten
- Zinc

The application for the Prospecting Right was accepted by the Department of Mineral Resources – Free State Province on the 24th November 2017. The proposed project will be known as Ventersburg Consolidated and it will aim to explore and quantify the potential mineral resources. In order to undertake prospecting activities, Western Allen Ridge requires a granted Prospecting Right (PR) in terms of the Mineral and Petroleum Resources Development Act (MPRDA, Act No.28 of 2002). Western Allen Ridge is also required to obtain an Environmental Authorisation (EA) in terms of the National Environmental Management Act (NEMA, Act No. 107 of 1998) which involves the submission of a Basic Assessment Report (BAR) and Environmental Management Programme (EMPR). Shango Solutions have been appointed by Western Allen Ridge as the Environmental Assessment Practitioner (EAP) to assist in complying with these requirements.

2. AIM OF THE BID

Public Participation forms an integral part of the Basic Assessment process. The BID offers the reader the opportunity to obtain information, comment, raise issues of concern and collaborate in the development of the process. The distribution of this document is a crucial step in advising the reader on how to become involved in the process.

This document aims to provide the reader with basic information regarding the proposed project which includes:

- An introduction of the project, including location details.
- An indication of the proposed activities and the legal framework in which the project is executed.
- An overview of the environmental baseline information and environmental impacts that may potentially occur.
- An explanation of the Public Participation Process (PPP) to be followed.
- An explanation of how to get involved as an Interested and Affected Party (I&AP).

3. LOCALITY

The area of interest occupies a total of approximately 7 943.07 hectares (ha) and it is located approximately 14 kilometres (km) north-northeast of Ventersburg in the Free State Province of South Africa. The proposed prospecting area is located in the Kroonstad, Ventersburg and Hennenman Magisterial Districts. Table 1 indicates the property details within the Prospecting Right application area. Fifty-three (53) farm portions extend over the application area (Figure 1).

Table 1: Property details.

Farm Name	Farm Number	Farm Portion	SG Code
Armoedspruit	416	RE	F0350000000041600000
Brakvlei	2442	0	F02000000000244200000
Brakvlei Oost	2441	0	F02000000000244100000
Burnett-Holmes	599	RE	F0350000000059900000
Damleegte	323	0	F0350000000032300000
Dispuut Spruit	727	0	F0350000000072700000
Eendoorn	2440	0	F02000000000244000000
Eendracht	259	RE	F0350000000025900000
Eerste Geluk	51	RE	F0350000000005100000
Excelsior	122	0	F0350000000012200000
Groenkol	2448	0	F02000000000244800000
Johannesrust	2446	RE	F02000000000244600000
Johannesrust	2446	1	F02000000000244600001
Johannesrust	2449	0	F02000000000244900000
Kalkfontein	294	0	F03500000000029400000
Goedgegund	434	3	F02000000000043400003
Goedgegund	434	5	F02000000000043400005
Goedgegund	434	RE	F03500000000043400000
Goedgegund	434	1	F03500000000043400001
Goedgegund	434	2	F03500000000043400002
Goedgegund	434	4	F03500000000043400004
Kleinfontein	210	RE	F03500000000021000000
Kleinfontein	210	1	F03500000000021000001
Kromspruit	476	0	F03500000000047600000
La Rochette	231	0	F03500000000023100000
Lan Kuil	225	RE	F03500000000022500000
Langverwacht	302	RE	F03500000000030200000
Langverwacht	302	1	F03500000000030200001
Langverwacht	302	2	F03500000000030200002
Lekkerleven	2445	0	F02000000000244500000
Moederserf	322	0	F03500000000032200000
Mooidam	102	0	F03500000000010200000
Mooiplaats	2443	0	F02000000000244300000
Protest	63	0	F03500000000006300000
Rietspruit	2450	RE	F02000000000245000000
Rietspruit	2450	1	F02000000000245000001
Rondebult	2450	RE	F02000000000244700000
Rondebult	2447	1	F02000000000244700001
Rosebank	903	RE	F0200000000090300000
Smaldeel	202	RE	F0200000000020200000
Smaldeel	414	0	F03500000000041400000
Stillewoning	580	RE	F03500000000058000000
Stillewoning	757	0	F03500000000075700000
Twistniet	175	0	F03500000000017500000
Twistniet	565	RE	F03500000000056500000
Twistniet	565	1	F03500000000056500001
Twistniet	565	2	F03500000000056500002
Twistniet	565	3	F03500000000056500003
Twistniet	565	5	F03500000000056500005
Twistniet	565	6	F03500000000056500006
Vaderdeel	321	0	F03500000000032100000
Vlakspruit	234	0	F03500000000023400000
Wonderboom	1100	0	F02000000000110000000

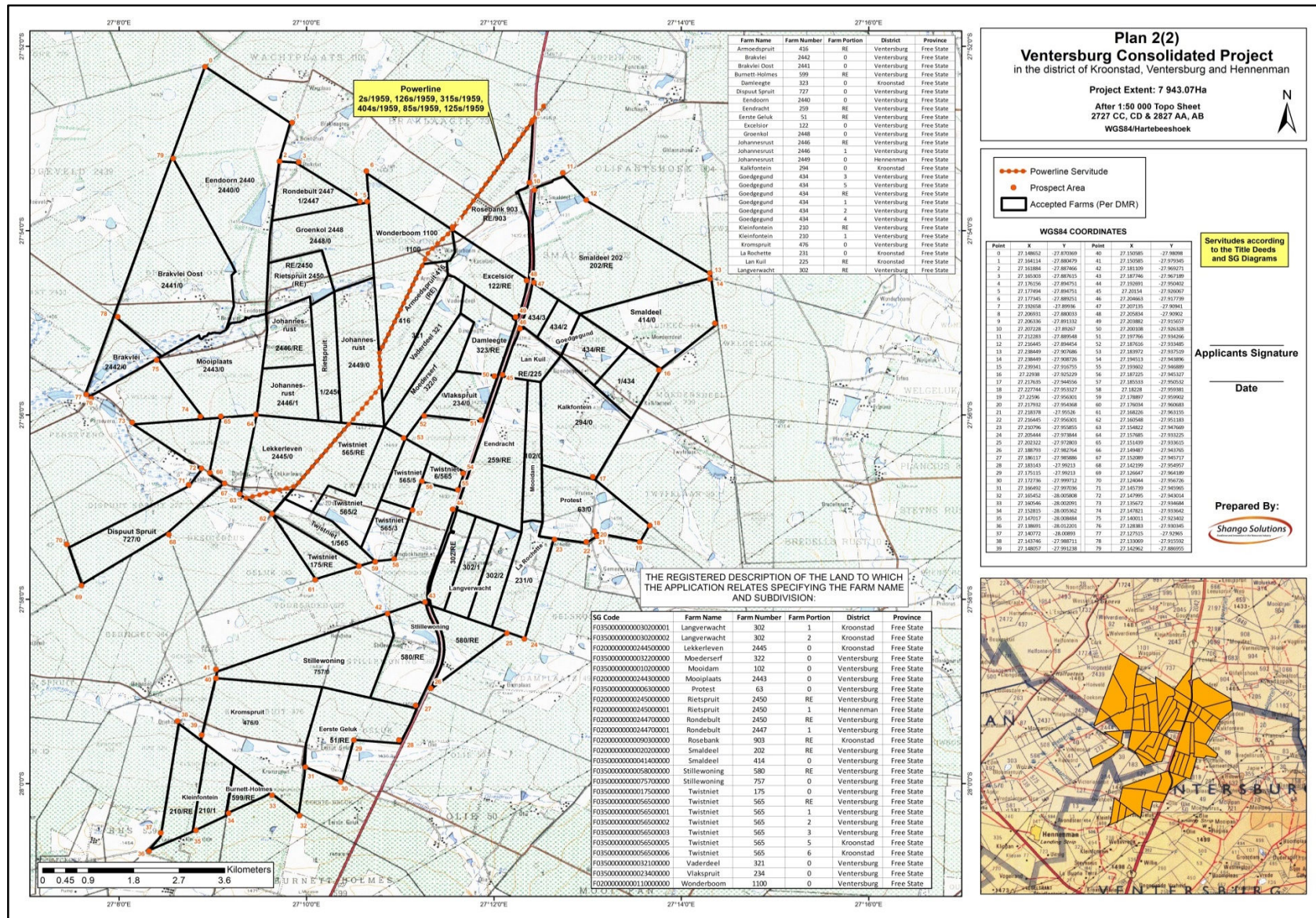


Figure 1: Locality map.

4. PROJECT DESCRIPTION

Invasive and non-invasive prospecting activities will be undertaken as part of the proposed Prospecting Work Programme. The scope of these activities is as follows:

Phase 1

1.1 Investigate all sources for historical data [Year 1: 6 months]

Prospecting for gold in the Free State area started in the 1930's resulting in nearly 90 years' worth of exploration in the area. Hence, there exists a significant amount of historical exploration data in the Free State and over the project area. Obtaining and analysing this historical data will allow the fast-tracking of prospecting activities. Heavy mineral sands can also be investigated as a potential resource and as an aid to the development of the geological model.

1.2 Obtain all relevant historical data [Year 1: 6 months]

Historical data detailing the position and economic potential of the target horizons will be identified for potential acquisition. The data obtained is anticipated to be in the form of historical borehole information, cadastral maps, geological maps, geophysical surveys (including existing published gravimetric, radiometric, magnetic, seismic and remote sensing data), as well as any information pertaining to previous exploration or mining will be consulted and integrated. The data will be scrutinised and verified (QA/QC procedure).

Data acquisition will begin with commercial negotiations to allow Western Allen Ridge to gain access to the boreholes for use in the desktop study, geological model and potential resource estimate.

1.3 Desktop study [Year 1: 6 months]

A desktop study will be performed utilising all the historical reports obtained during Step 1.2.

Phase 2

2.1 Inventorise, capture and QA/QC all available historical data [Year 2: 5 months]

The data located and acquired during Year One will be inventorised in Microsoft Access databases for future reference and ease of access to relevant information. The capturing of data will transform hard copy information into an electronic format, creating a powerful tool for use in 3 dimensional (3D) geological modelling and efficient resource estimation.

2.2 Data synthesis and database creation [Year 2: 5 months]

The above data will be compiled into a geological database, which will be utilised to present the relevant data in useable Geographic Information System (GIS) digital map format. The different data sets will be plotted on a base map of the project and surrounding areas in order to develop a geological model. This model will be used to further refine the exploration programme for the target area.

2.3 Definition of regional geological characteristics [Year 2: 2 months]

With the improved geological and geophysical datasets it will be possible to increase the confidence in the basic sedimentological and structural geological models and identify areas where the initial geological model should be created.

Phase 3

3.1 Generate the initial geological model [Year 3: 6 months]

Utilising the historical data, a preliminary 3D geological model will be developed. This model will be employed to further refine the exploration programme for the prospect area.

3.2 Location of key historic borehole core, if available [Year 3: 6 months]

Based on the initial geological model, specific key boreholes previously drilled in the area will be identified and negotiations with the owners undertaken to obtain access to the core.

3.3 Re-logging and re-sampling of historical boreholes **[Year 3: 6 months]**

Once access to the historical core is obtained, the core will be re-logged and, if necessary, re-sampled. This activity will allow verification of the historical borehole logs and consequently increase confidence in the data underpinning the geological model.

Phase 4

4.1 Drilling of 4 diamond drill holes to a depth of 500m **[Year 4: 5 months]**

Depending on the initial geological model established, a diamond drilling programme (Figures 2 and 3) comprising of four boreholes will be undertaken.

Drilling will be conducted in a competent and environmentally responsible manner including rehabilitation of the drill sites to their original state. Plastic lining will be placed underneath the rig motors to prevent oil seepage. It is noted that no drilling fluids other than water for dust suppression, will be utilised in the case of diamond drilling. Environmental rehabilitation measures will be included in the contract with the drilling company and environmental rehabilitation costs will be included in the drilling costs.

4.2 Logging and sampling of drillholes **[Year 4: 4 months]**

Once the holes are drilled, logging and sampling will be performed to capture the drillhole information into the database.

4.3 Refinement of geological model **[Year 4: 3 months]**

The data obtained from the drilling and logging of the holes will be integrated into the geological model to confirm the geology and refine the future drilling targets. The updated geological model will be utilised to site the drillholes planned during the Year 5 drilling programme.

Phase 5

5.1 Drilling of 2 diamond drill holes to a depth of 500m **[Year 5: 7 months]**

Additional two diamond boreholes will be drilled. Should the drilling programme prove to be successful, additional holes will be considered. This will be indicated in the form of a S102 application together with the proposed revised prospecting plan and EMPR.

5.2 Logging and sampling of drillholes **[Year 5: 4 months]**

Once the holes are drilled, logging and sampling will be performed to capture the drillhole information into the database.

5.3 Finalisation of 3D geological model **[Year 5: 4 months]**

Based on the re-logging and re-sampling of the historical core, the 3D geological model will be updated and finalised for use during resource estimation.

5.4 Resource estimation **[Year 5: 2 months]**

Utilising the finalised geological model together with historical assay results and any results from re-sampling, a resource estimate will be performed.



Figure 2: A typical drill rig.



Figure 3: Typical diamond drill bits.

5. GEOLOGICAL FORMATION AND PROSPECTING TARGETS

The application area has been selected based predominantly on historical data available for the region, which indicates the potential for economically viable resources to occur. The Free State Goldfield was discovered by geophysical means during the 1930's, when Dr. R Krahnmann delineated the edge of the Witwatersrand Basin by mapping magnetic shales of the West Rand Group with a magnetometer. This was followed by extensive diamond exploration drilling, which intersected the auriferous conglomerates of the Central Rand Group (Figure 4). As a result, one of the major goldfields on earth was developed.

Welkom, the largest town in the Free State Goldfield, is situated about 270 kilometres towards the southwest of Johannesburg, about 1 370 metres above mean sea level. The Welkom Goldfield hosted eleven mines in the triangle between Allanridge, Welkom and Virginia. These mines have collectively produced in excess of 9.6 million kilogrammes of gold.

The Central Rand Group of the Witwatersrand Supergroup is present within the proposed Ventersburg Consolidated Prospecting Right, with four potentially economic placer deposits, namely the Basal Reef, Big Pebble Conglomerate, A Reef and the B Reef. The main targets for prospecting are the potentially gold bearing conglomerates (reefs) of the Central Rand Group within the Witwatersrand Supergroup.

The Witwatersrand Supergroup which hosts gold is generally overlain by 500 metres of Karoo Supergroup strata, predominantly horizontally bedded sandstones and shales of the Eccca Group. The Eccca Group contains coal at shallow depths which might be exploitable. In addition to gold, the primary prospecting target, silver, uranium, sulphur, diamonds, rare earths and platinum group metals are currently and have been historically, extracted as by-products of gold. Base metals (cobalt, copper, manganese, molybdenum, nickel, lead, tungsten and zinc) could potentially be present in mafic intrusions.

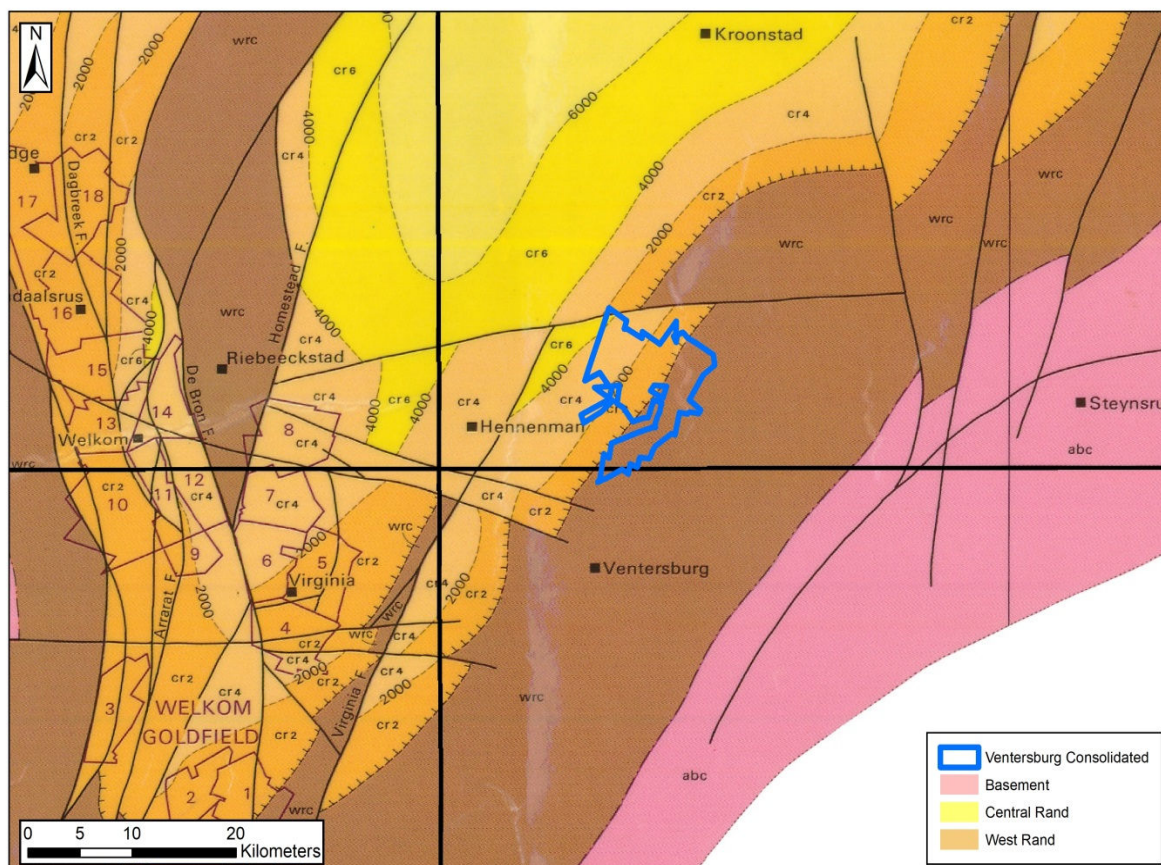


Figure 4: Map of the Witwatersrand Basin (Pretorius, 1964), together with depths to the Central Rand Group.

6. REGULATORY REQUIREMENTS

South African law requires that the Environmental Authorisation be sought for certain activities prior to commencement. As part of the application process for Environmental Authorisation it is necessary to assess the environmental and social impacts associated with the activities, so as to identify any potential negative and/or positive consequences as result thereof. Measures must be proposed to avoid or minimise these impacts.

In terms of NEMA and its EIA Regulations (GN R. 324/GN R. 325/GN R. 327) the following listed activity may be applicable to the proposed project, as such the application is subject to a Basic Assessment Report process:

GN R. 327 (of 2017), Activity 20: Any activity including the operation of that activity which requires a prospecting right in terms of Section 16 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002), including (a) associated infrastructure, structures and earthworks, directly related to prospecting of a mineral or (b) the primary processing of a mineral resource including winning, extraction, classifying, concentrating, crushing, screening or washing; but excluding the secondary processing of a mineral resource, including the smelting, beneficiation, reduction, refining, calcining, or gasification of the mineral resource.

GN R. 324 (of 2017), Activity 12(b): The clearance of an area of 300 square metres or more of indigenous vegetation except where such clearance of such indigenous vegetation is required for maintenance purpose undertaken in accordance with a maintenance management plan (i) within any critically endangered or endangered ecosystem listed in terms of Section 52 of the NEMBA or prior to the publication of such a list, within an area that has been identified as critically endangered in the National Spatial Biodiversity Assessment 2004 and (ii) within critical biodiversity areas identified in bioregional plans.

7. TYPICAL IMPACTS ASSOCIATED WITH THESE ACTIVITIES

The following impacts inter alia will be included and assessed in the Basic Assessment Report:

- Safety and security risks to landowners and lawful occupiers
- Interference with land-use
- Sense of place
- Loss/destruction of habitat
- Damage to existing infrastructure
- Perceptions and expectations
- Clearance of vegetation
- Soil instability/compaction/pollution
- Erosion and sedimentation
- Disturbance/damage of heritage features
- Noise
- Introduction of alien species
- Fugitive emission (dust)
- Hydrocarbon spills/contamination
- Surface and groundwater pollution
- Generation and disposal of waste


8. BASIC ASSESSMENT PROCESS

The key steps involved in a typical Basic Assessment process are described below.

Initiation and Application

- Compile and submit application form(s) to DMR

Public Participation Process

- 
- Identification of I&APs
 - Preparation of notification documents (BID, letter, advert, site notice, registration form)
 - Notification of I&APs and relevant stakeholders of the project
 - Placement of site notices and advertisement

Basic Assessment Report (BAR and Environmental Management Programme Report (EMPR)

- Compilation of baseline environment data and identification of potential impacts associated with the project
- Assessment of alternative project aspects
- Specialist studies undertaken (if applicable)
- Potential impacts are rated and mitigation measures proposed
- Monitoring programmes proposed to ensure mitigation measures are efficient
- Draft BAR/EMPR is made available to the public and Authorities for public review and comment
- Final BAR/EMPR is updated to include all comments prior to submission to the DMR
- DMR accepts the BAR/EMPR or requests additional information

Record of Decision

- DMR makes a decision and either approves or rejects the application for Environmental Authorisation
- All I&APs are notified of the outcome of the application, and their right to appeal

9. PERIOD FOR WHICH THE ENVIRONMENTAL AUTHORISATION IS REQUIRED

The Environmental Authorisation is required for five (5) years.

10. NEED AND DESIRABILITY OF THE PROJECT

Should prospecting prove successful and a resource is quantified, it would indicate a potential viable economic activity in the form of mining. Mining will contribute greatly to local economic growth through direct employment, future business opportunities, royalties and tax revenues.

11. PUBLIC PARTICIPATION PROCESS

The reader is hereby invited to participate freely and submit any questions or information that may contribute to the Basic Assessment process. Public involvement is an essential component of the process. It addresses the right of I&APs to be informed of the proposed activities and to be involved in decisions that affect them. It also affords the EAP the opportunity to assess and address the issues and concerns raised by I&APs thus allowing the EAP to assess all the potential impacts of the proposed project.

12. INVITATION TO REGISTER

Should you wish to register as an I&AP and kept informed regarding this project kindly complete the attached questionnaire and return to Shango Solutions by no later than **26th February 2018**.

Any queries, comments, or concerns with regards to this application can be directed to Shango Solutions at:

- Tel: 011 678 6504
- Fax: 011 678 9731
- E-mail: zizo@shango.co.za
- Contact person: Ms Zizo Siwendu (Environmental Assessment Practitioner/EAP)
- Project name: Ventersburg Consolidated Prospecting Right
- Postal address: P. O. Box 2591, Cresta, 2118, South Africa

Any comments or concerns regarding this application can also be directed to the DMR (and a copy sent to Shango Solutions) at:

- Tel: 057 391 1385
- Fax: 057 357 6003
- E-mail: shawn.janneker@dmr.gov.za
- Contact person: Mr Shawn Janneker
- Postal address: Private Bag X33, Welkom, 9460
- DMR reference number: FS 30/5/1/1/3/2/1/10489 EM
- Attention: Mine Environmental Management Directorate DMR – Free State

INTERESTED AND AFFECTED PARTY REGISTRATION FORM

VENTERSBURG CONSOLIDATED PROSPECTING RIGHT AND ENVIRONMENTAL AUTHORISATION APPLICATION

This form serves to register Interested and Affected Parties (I&APs) for the above-mentioned project and to solicit input and participation. This form will be submitted to the competent authority for consideration in the decision making process.

Name		EAP	Shango Solutions
Address		Contact person	Ms Zizo Siwendu (Environmental Assessment Practitioner)
		Address	P.O Box 2591
			Cresta 2118
Landowner/Lawful occupier/Organisation		Project	Ventersburg Consolidated (FS 30/5/1/1/3/2/1/10489 EM)
Tel or Cell no.		Tel no.	011 678 6504
Email		Email	zizo@shango.co.za

Organisation and/or **property description**
(if landowner/ lawful occupier)

Please state your interest in the proposed project (you are welcome to add additional pages if required):

Please assist by completing the questions below. These responses will be utilised to inform the Environmental Impact Assessment Process. Please submit additional pages if more space is required.

Are you a land owner or legal land occupier within the application area?

Are you aware of any communities which exist within the application area? Please provide detail and possible contact details.

Are you aware of any tribal authorities within, or affected by, the application area? Please provide detail and possible contact details.

Are you aware of any other I&APs who need to be notified? Please provide detail and possible contact details.

Please can you provide us with a description of the receiving environment (including land uses such as farming, grazing etc.; vegetation; topographical features; Infrastructure; sensitive flora/fauna)?

Are you aware of any land developments (current or proposed) within the application area that may be relevant to the proposed prospecting operation?

Are you aware of any cultural or heritage features within the prospecting area and surrounds, please provide detail?

Please describe any bio-physical and/or socio-economic impacts that you believe should be considered during the study.

Please describe any measures you believe should be implemented to mitigate, manage, avoid, or remedy the anticipated bio-physical and socio-economic impacts of the proposed activity.

Do you have any specific concerns, comments or objections to the proposed project, if so could you please provide us with information?

General Comments:

Shango Solutions respectfully requests that you please sign this letter and return it to Shango Solutions at the details provided to confirm that you have received notification with regard to the above, and to ensure that your comments, concerns and various inputs are recorded. All comments, queries, and concerns must be received via this I&AP registration form and questionnaire or alternate means. Please note that only registered I&APs will be included in future correspondence regarding this Prospecting Right Application and associated Environmental Authorisation process.

Signed.....Name.....Date.....