

BACKGROUND INFORMATION DOCUMENT

Proposal to revise the layout of the approved

Impala Platinum Refineries

Precious Metals Refinery Expansion Project

FIRST DOCUMENT FOR COMMENT - JULY 2012 (GDARD REF (0011213/0225))

Introduction

In 2008, the Gauteng Department of Agriculture & Rural Development (GDARD) approved Impala Platinum Refineries' (Implats') application for an expansion to its platinum refinery in Springs. The project was referred to at the time as "The Expansion of the Base Metal & Precious Metal Refinery", GDARD Ref 002/06-07/0593. An Environmental Impact Assessment involving a full public participation process supported this application. Many stakeholders will remember the process, which took place in a number of meetings during 2006 and 2007.

Implats' intention at this time was to expand both the Base Metal Refinery (BMR) and the Precious Metal Refinery (PMR). Figure 1 shows the location of the refinery. Some of the activities applied for in the application have already been undertaken. Due to changed circumstances other approved activities have not and Implats now wishes to revise its plans for the PMR. Following discussions with GDARD, it has been agreed that any changes to the approved Record of Decision must be supported by a Basic Assessment, prepared in accordance with the requirements of Part 2, Sections 21-25 of the 2010 regulations under the National Environmental Management Act.

What did the original plans for the expansion project consist of?

The approved Implats expansion project consisted of plans to increase the refineries' production capacity to 3,2 million ounces of platinum per year. Most of the expansion involved the installation of larger capacity infrastructure, buildings and machinery within the plant boundaries, so as to produce larger quantities of product. At the PMR, the following expansion was proposed:

- Installation of extra titanium and glass lined vessels for leaching and purification of PGMs
- Installation of ion exchange separation columns and associated vessels
- Expansion of the existing tank farm facility for reagent make up and storage
- Construction of a new rhodium and iridium plant (the 'OPNIM building'). The new plant was intended to replace the current plant
- Installation of extra salt ignition furnace capacity. Emissions due to this expansion were to continue to be treated through the existing scrubbers and emissions discharged through the existing ISS stack

FIGURE 1: Locality plan

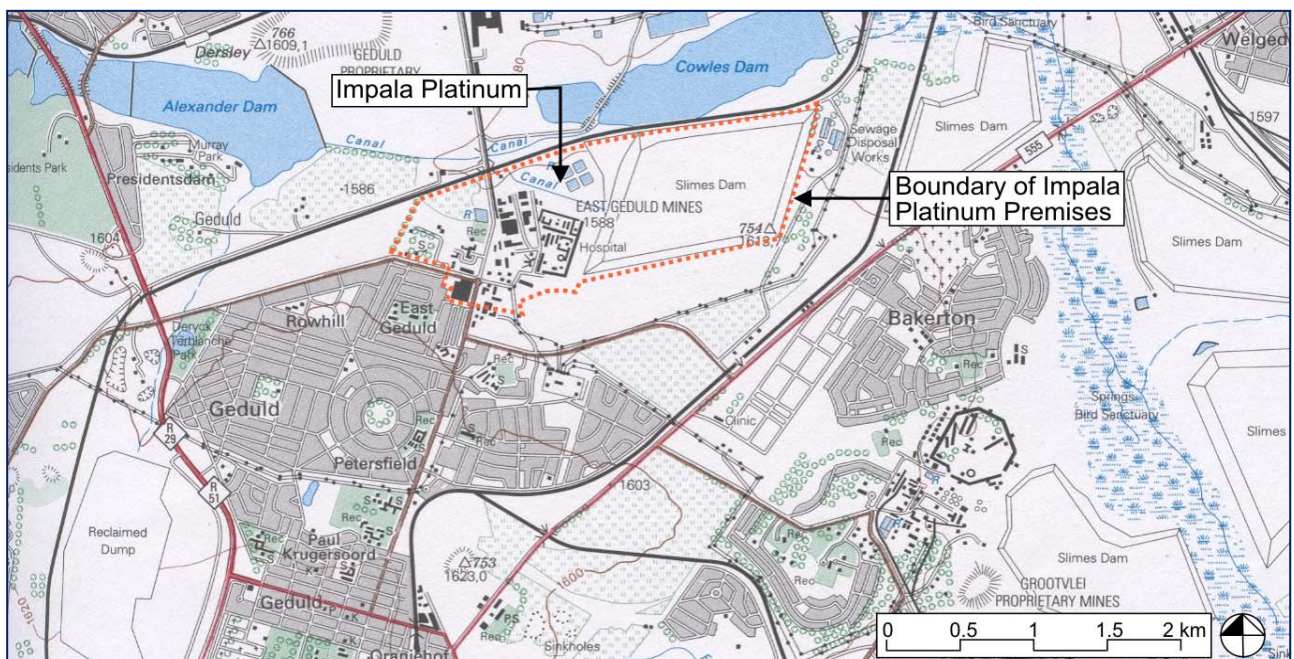


FIGURE 2: Phase 4 refinery expansion as approved

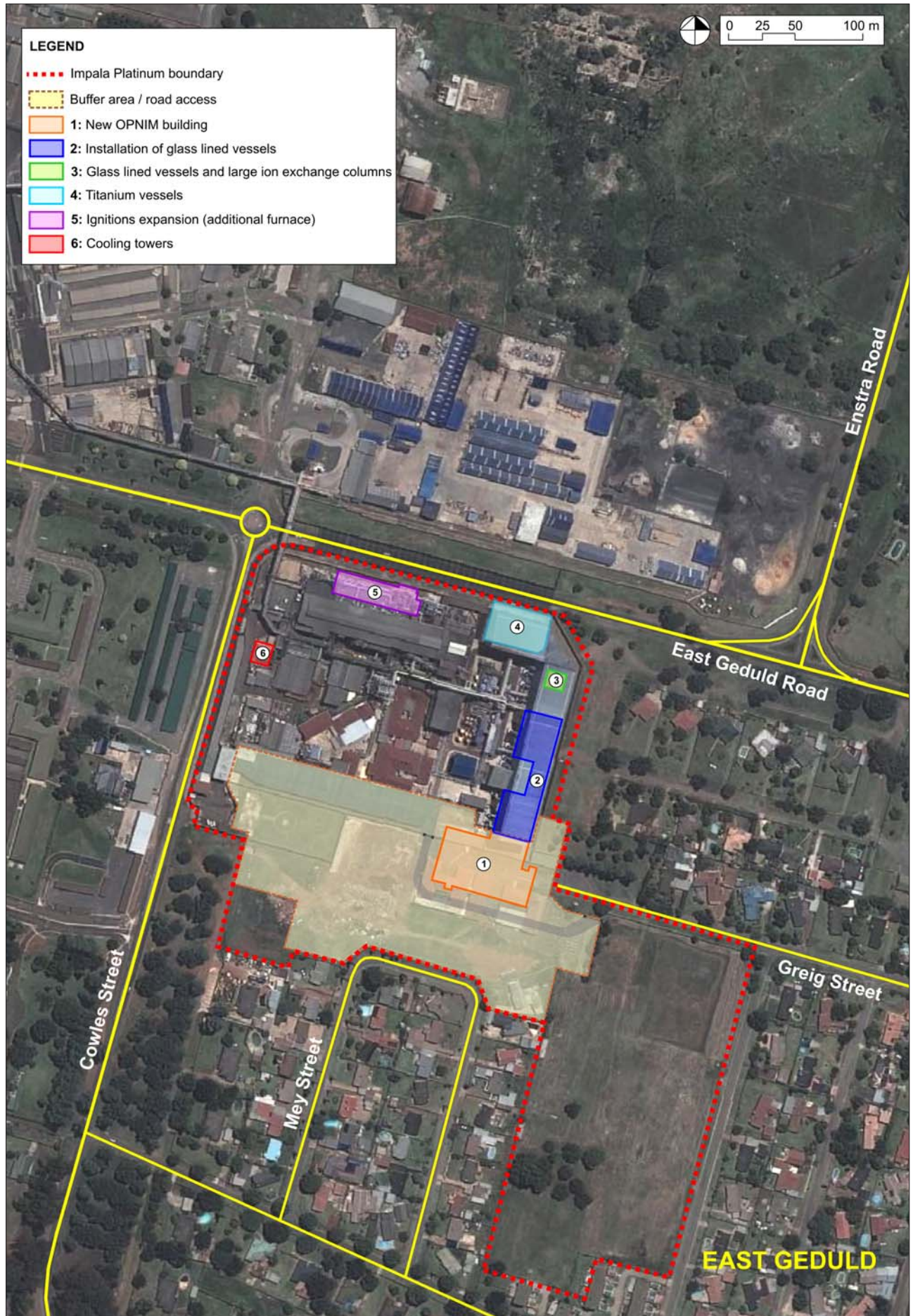
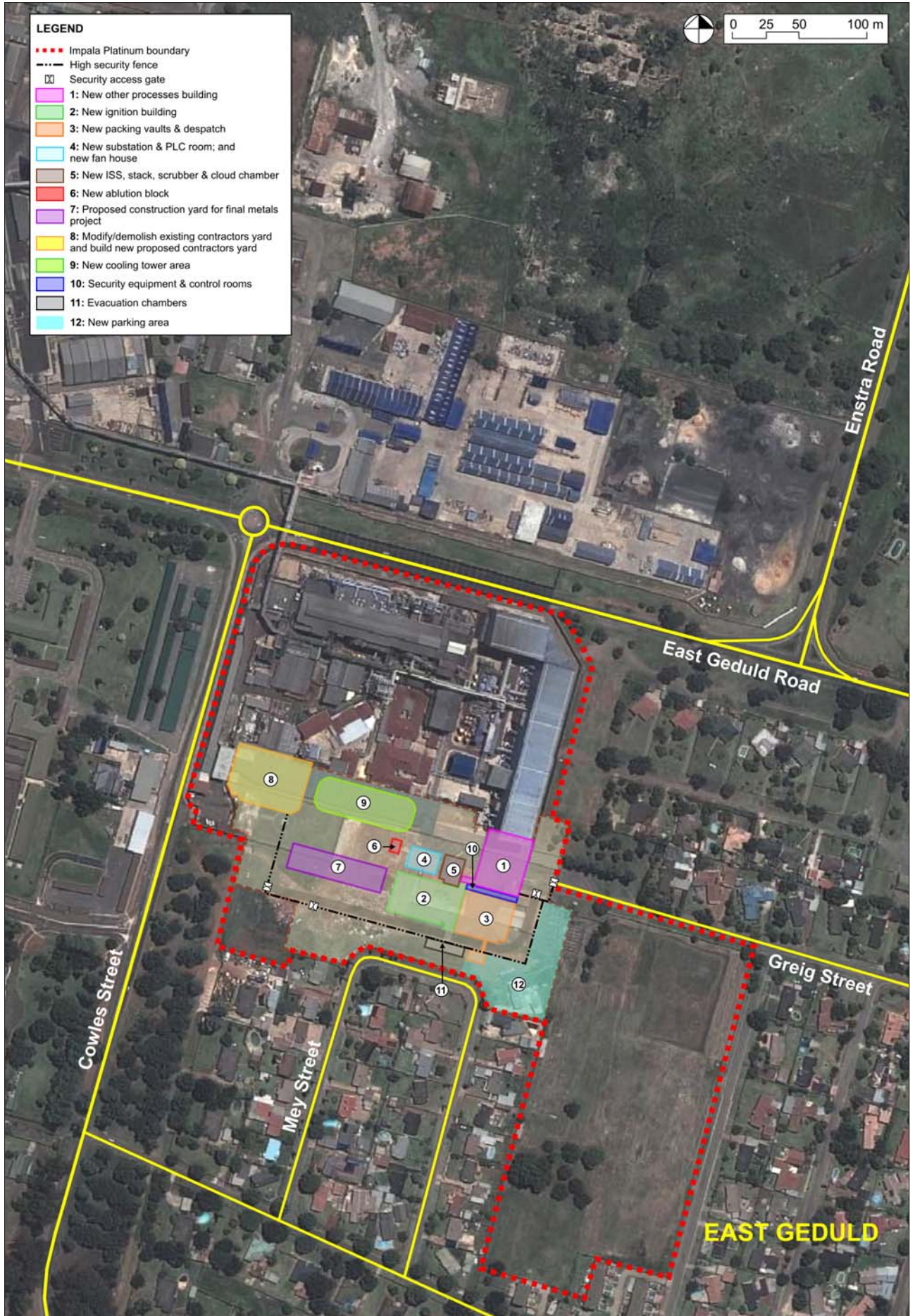


FIGURE 3: Revised Phase 4 refinery expansion as currently proposed



- Installation of additional treatment capacity for the recovery of Platinum Group Metals from various effluent streams in the plant
- Additional cooling towers.

Figure 2 indicates where these changes were to take place. The most visible of the changes was to be the new rhodium and iridium plant, which was planned on the south-western side of the refinery, close to the boundary with East Geduld. This plant was to be located where the existing Human Resources Building is situated.

What changes are Implats proposing to the approved plans?

The revised planning at the PMR mainly involves changes to the location of the main buildings. Some activities will no longer be undertaken. The rhodium and iridium plant (authorised under bullet point 4 above) will no longer be rebuilt. The additional capacity for the salt ignition furnace has already been installed under the current ROD but it is proposed that this, together with the additional cooling towers (already authorised), should be moved to a new location in the PMR precinct, as shown in Figure 3. Associated with this would be the construction of a new ignition scrubbing system, which will improve on the performance of the old system, particularly with regard to particulates.

Other ancillary changes that are proposed include new packing and dispatch buildings, a new ablution block, and rebuilding and reorganisation of construction and contractor's yards. Additional security and control rooms as well as an additional substation will also be built. The proposed parking and security layout around the PMR will be revised, some of which falls outside of the existing refinery boundary but is still on Implats' property. Rezoning of this property is currently in progress.

Stakeholders involved in the Phase 5 Expansion EIA in 2010 and 2011, which has recently been cancelled, may recall that the southern boundary of the refinery is the location of the proposed K118, a provincial road that is planned in an east-west direction through Rowhill and East Geduld. Legal opinion and extensive discussions with Gautrans have confirmed that this route has no legal standing and that the current route for the K118 is actually along Cowles Street. The proposed location of the revised Phase 4 Expansion south of the existing PMR boundary is therefore not affected by the current proposed routing of the K118.

The legal process required by the National Environmental Management Act

Chapter 4 of the EIA 2010 Regulations (R543) published under Sections 24(2) and 24(D) of the National Environmental Management Act (Act 107 of 1998) make provision for the amendment of an application by a holder of an environmental authorisation. Depending on whether the competent authority regards the amendment as

'substantive' or 'non substantive', additional assessment may be required. After consideration of Implats' proposals to revise the Phase 4 expansion application, GDARD has decided that a Basic Assessment should be prepared and submitted by an independent environmental practitioner. This assessment must include the public participation and technical assessment process that is required for Basic Assessments, as stipulated in Chapter 3 Part 2 of the EIA Regulations.

The following steps will be undertaken as a part of the Basic Assessment Process:

- Advertising of the project and notification and registration of key stakeholders. Please note that participants in the previous Phase 4 EIA will automatically be registered unless requested otherwise
- Initial consultation with key stakeholders to determine issues for investigation in the BA
- Preparation of revised specialist studies to take into consideration the changes between the authorised project and the revised project. At this stage, we anticipate that it will be necessary to revise the air quality, risk, noise and visual impact studies, but other investigations may also need to be revised, depending on the results of the public and authority scoping
- Preparation of a Draft Basic Assessment
- Public and authority review of the Draft Basic Assessment
- Preparation of a Final Basic Assessment
- Public and authority review of the Final Basic Assessment.

HOW CAN YOU BE INVOLVED?

If you would like to participate in the Basic Assessment, we request that you register with the public participation office using the contact details below.

It is a requirement of Sections 55 & 56 of Regulation 543 of the National Environment Act (Act 107 of 1998) for all Interested and Affected Parties (I&APs) who wish to comment on the proposed project to register with the EIA consultants. Please feel free to complete and return the attached registration sheet, write a letter or telephone the public participation office listed below. You are requested to encourage other I&APs, who you think may be interested in participating in the EIA, to contact us and register.

All registered I&APs will automatically receive further information about the project, throughout the course of the Basic Assessment, including details of available documents for comment and advance notice of all meetings.

Your initial comments and registration as an Interested and Affected Party should please reach us by 24 July 2012.

**Public Participation Office
Mark Wood Consultants**

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