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BACKGROUND INFORMATION DOCUMENT

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Gold One International – Modder East Operations New Kleinfontein Goldmine (Pty) Ltd

Basic Assessment and Amendment to the Environmental Management Programme for the proposed new return water dam at New Kleinfontein Goldmine, Ekurhuleni Metropolitan Municipality, Gauteng Province

DMR. REF. GP 30/5/1/2/2(182) MRC GDARD REF. 002/11-12/E0091



Introduction and Background

New Kleinfontein Goldmine (NKGM) is a fully operational gold mine situated approximately 30 km to the east of Johannesburg CBD. During initial decline shaft construction, a groundwater fissure was intersected and more groundwater was encountered than the mine had originally anticipated. The existing stormwater dam, which should be kept empty, has therefore been filled to capacity with underground mine water. Rather than discharging this water, the stormwater dam has provided sufficient capacity for the on site storage of this water. As a result, there is no additional capacity for the containment of any stormwater from a large storm event. Therefore an additional water storage facility is required.

Locality

The existing operations at NKGM are located on the remaining extent (RE) of the farm Cloverfield 75 IR. The proposed return water dam is located on this farm. The additional infrastructure referred to below is also located on this farm, within the existing surface lease area.

Project Description

The intention is for this new return water dam is to be able to contain approximately 76 000 m³, although it is likely to contain only approximately half of this amount during normal operations. It will be constructed within the current surface lease area, slightly to the south-east of the other surface infrastructure. This dam is required to prevent contamination of the site, and to prevent discharge of contaminated water off the site in potential emergency situations.

The project requires the following in terms of national legislation:

A **Basic Assessment** process is being followed to address the requirements of the National Environmental Management Act (NEMA) (1998), and specifically addresses the proposed new return water dam.

An **EIA/EMP** amendment process is being followed to address the requirements of the Minerals and Petroleum Resources Development Act (MPRDA) (2002), as per the requirements of Section 102. This EIA/EMP amendment addresses the proposed return water dam as well as additional infrastructure that do not require a NEMA process. This includes the construction of a weighbridge, pedestrian / cycle pathway, security building, etc.

A **Water Use Licence** is required in terms of the National Water Act (1998). NKGM already has in place an approved Water Use Licence (reference 08/C212D/ADJ/796) but this project requires additional water uses to be licenced.

Regulatory Requirements

Basic Assessment

The NEMA EIA Regulations, Listing Notice 1 of 2010 (GN544), lists the activities that require a Basic Assessment and environmental authorisation prior to the commencement of an activity. The following listed activity will require the completion of a Basic Assessment:

- Activity No. 23: The transformation of undeveloped, vacant or derelict land to (ii) residential, retail, commercial, recreational, industrial or institutional use, outside an urban area and where the total area to be transformed is bigger than 1 hectare but less than 20 hectares. The proposed return water dam will have a footprint of approximately 7 ha.
- <u>Activity No. 28</u>: The expansion of existing facilities for any process or activity where such expansion will result in the need for a new, or amendment of, an existing permit or license in terms of national or provincial legislation governing the release of emissions or pollution, excluding where the facility, process or activity is included in the list of waste management activities published in terms of section 19 of the National Environmental Management: Waste Act, 2008, in which case that Act will apply. The proposed return water dam requires a water use licence.
- <u>Activity No. 41</u>: The expansion of facilities of infrastructure for the off-stream storage of water, including dams and reservoirs, where the combined capacity will be increased by 50 000 cubic metres or more. The proposed return water dam will have a volume greater than 50 000 m³.

The Basic Assessment Report will be submitted to the Gauteng Department of Agriculture and Rural Development (GDARD).

EIA/EMP Amendment

The MPRDA states that the undertaking of an activity not already included in the relevant Environmental Impact Assessment (EIA) and EMP must be addressed by the amendment of the approved EIA and EMP, to include the new activities. The MPRDA Regulations require the compilation of certain environmental reports. Regulation 48(1) states that an EIA contemplated in section 39(1) of the Act is a process which results in the compilation of a:

- Scoping report contemplated as per regulation 49; an
- EIA report contemplated as per regulation 50; and an
- EMP as per regulation 51.

The DMR agreed to the compilation of a new EIA / EMP (as an amendment) rather than an addendum to the EIA/EMP approved in 2007. It was also agreed that no scoping process was required since the infrastructure is to be located on an area already assessed during the previous EIA/EMP process.

However, a draft EIA/EMP amendment report will be made available for public review and comment. The final EIA / EMP amendment report will be submitted to the Gauteng Department of Mineral Resources (DMR).

Water Use Licence

A new water use licence is required for activities and water uses triggered by the proposed new return water dam, and to address additional surface water management at the site. The Water Use Licence Application (WULA) will address the following water uses:

- Section 21 (a) Taking water from a water resource;
- Section 21 (g) Disposing of waste in a manner which may detrimentally impact on a water resource; and
- Section 21 (j) Removing, discharging or disposing of water found underground. The WULA will be submitted to the Gauteng Department of Water Affairs (DWA).



Identified Issues

There are no significant negative impacts associated with the project as construction of the proposed return water dam (RWD) will take place within the surface lease area, which is already disturbed by mining activities. The positive impacts of the project outweigh any negative impacts as the introduction of the new lined return water dam will result in improved water management on the site.

Opportunity to Comment

If you would like to register as an Interested and Affected Party (I&AP), or would like to obtain more information or raise a comment about the project, please contact **Amanda Mooney** or **Simone van Tonder** of Prime Resources between the period <u>1 August and 10 September 2012</u>:

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The Draft Basic Assessment Report and Draft EIA/EMP can be viewed at the following venues: the security office at New Kleinfontein Goldmine (on Outeniqua Road, Eastvale); the Daveyton Library (cnr Eiselen and Mocke Streets, Administration Building, Benoni); the Springs Library (55 Fifth Avenue, Springs); and the Prime Resources offices. The Draft Basic Assessment can also be viewed on the Prime Resources website (www.resources.co.za).