



mineral resources

Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

NAME OF APPLICANT: MATSAPA TRADING 529 CC

REFERENCE NUMBER:

PROSPECTING WORK PROGRAMME

**SUBMITTED FOR A PROSPECTING RIGHT APPLICATION
WITHOUT BULK SAMPLING**

AS REQUIRED IN TERMS OF SECTION 16 READ TOGETHER WITH REGULATION
7(1) OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT
28 of 2002)

STANDARD DIRECTIVE

All applicants for mining rights are herewith, in terms of the provisions of Section 16 and in terms of Regulation 7(1) of the Mineral and Petroleum Resources Development Act, directed to submit a Prospecting Work Programme, strictly under the following headings and in the following format together with the application for a prospecting right.

1. **REGULATION 7.1.(a): FULL PARTICULARS OF THE APPLICANT****Table 1: Applicant's Contact Details**

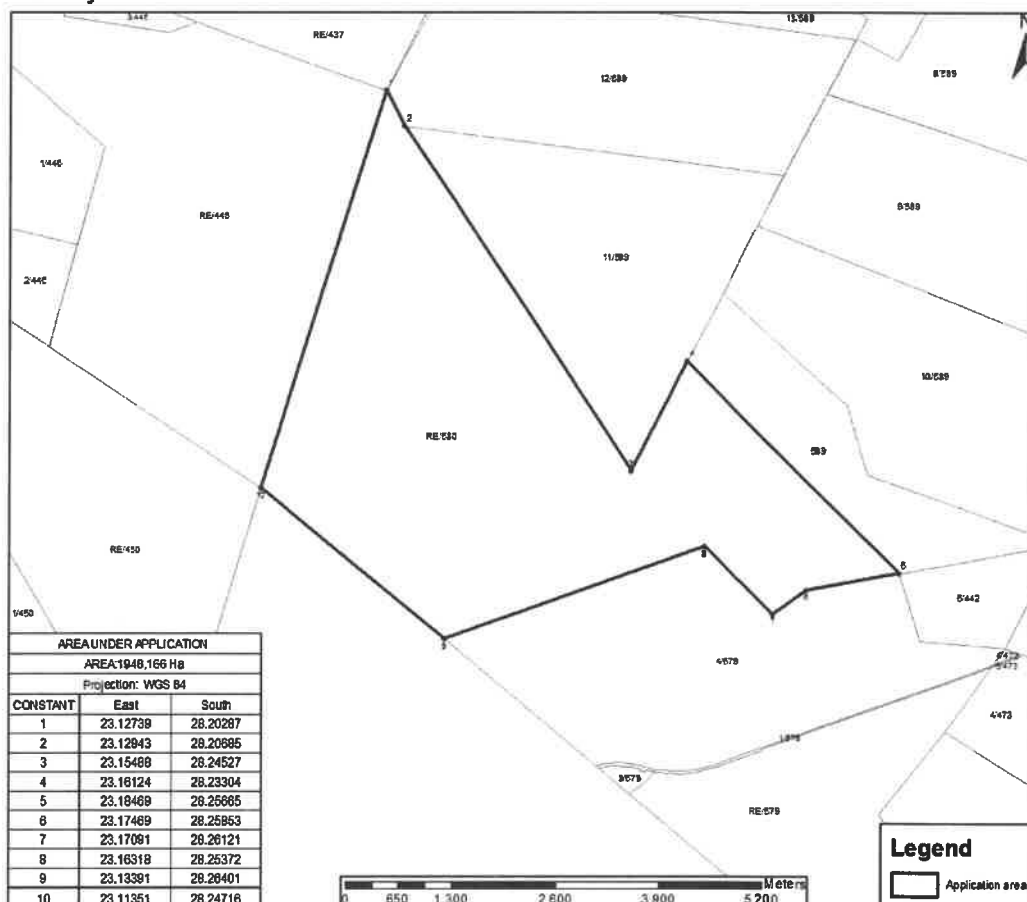
ITEM	COMPANY CONTACT DETAILS
Name	MATSAPA TRADIND 529 CC
Tel no	
Fax no:	086 613 5827
Cellular no	072 017 9973
E-mail address	Komanisi.knowledge@gmail.com
Postal address	PO Box 1539 Kimberley, 8300

Table 2: Consultant's Details

ITEM	CONSULTANT CONTACT DETAILS (If applicable)
Name	LW CONSULTANTS (PTY) LTD
Tel no	053 831 7634
Fax no:	086 606 6315
Cellular no	072 141 4164
E-mail address	lindie@liwico.co.za
Postal address	PO Box 3226 Kimberley, 8300

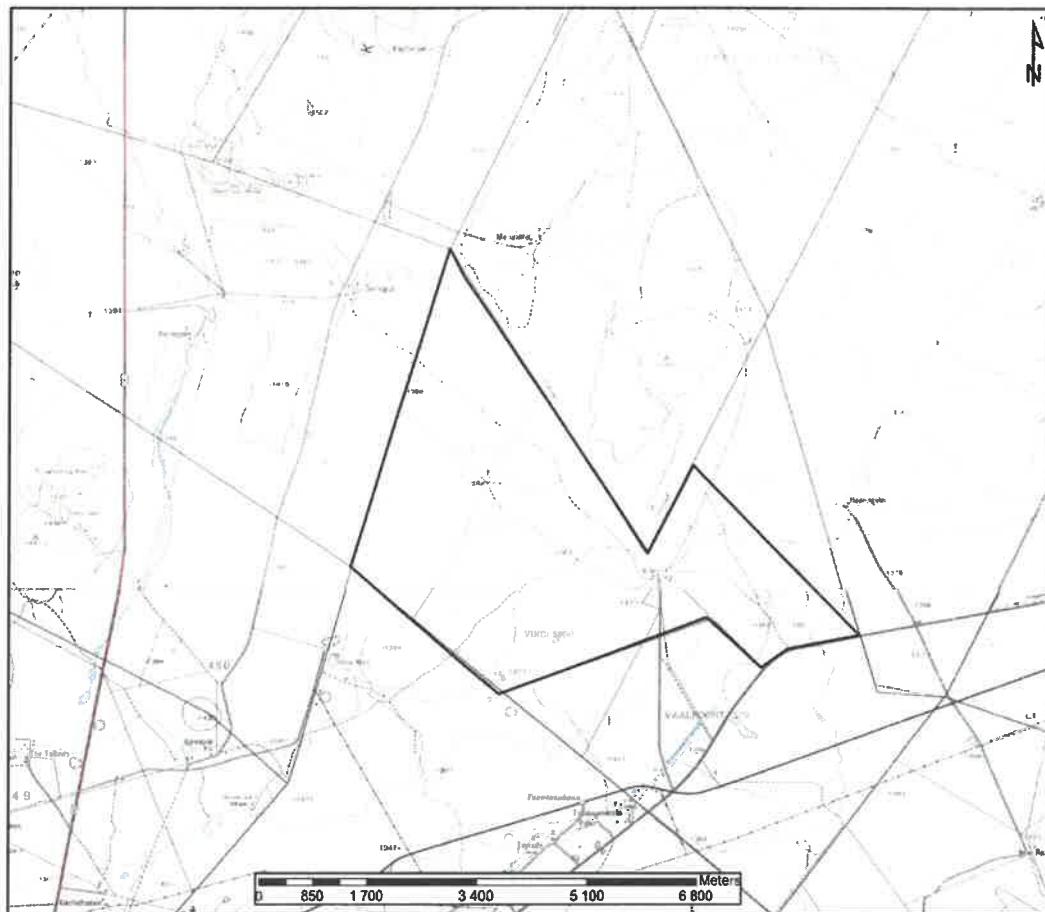
2. REGULATION 7(1)(b): PLAN CONTEMPLATED IN REGULATION 2(2) SHOWING THE LAND TO WHICH THE APPLICATION RELATES

- Survey



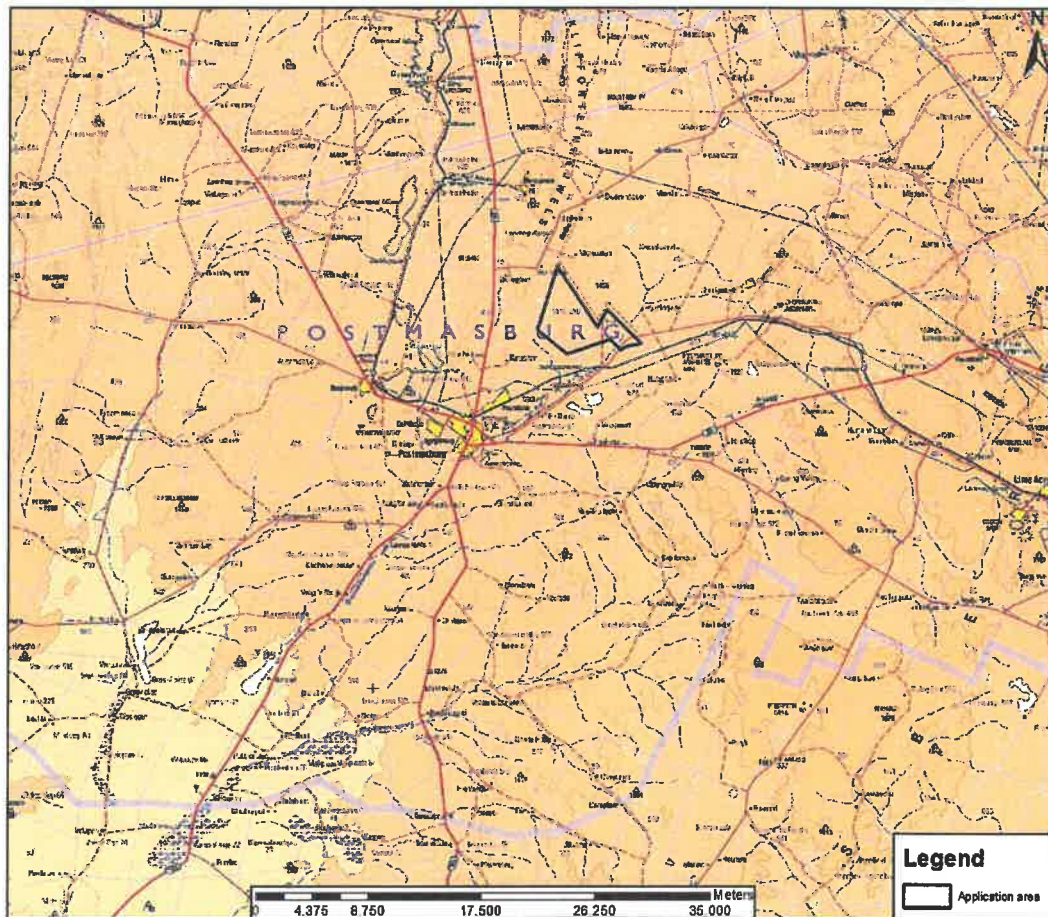
- Topographic

The application area and surrounding landscape is relatively flat with several non-perennial streams crossing the farm draining the area into several non-perennial dams, with signs of previous diggings. Other environmental sensitive features present on the area are agricultural land, water boreholes, provincial road and a public gravel road.



- **Locality**

The application area is situated within the Northern Cape, just north of the town Postmasburg (16.4 km) and 192 km from Kimberley. The farm can be reached via a good tarred road, the R385 and R325.



3. REGULATION 7(1)(c): THE REGISTERED DESCRIPTION OF THE LAND TO WHICH THE APPLICATION RELATES

- Farm number: 580
- Farm name: Vinci
- Portion number:
- Magisterial district: Hay
- Title Deed: T382/1991

4. REGULATION 7(1)(d) and (e): THE MINERAL OR MINERALS TO BE PROSPECTED FOR

Table 4.1: Minerals to be prospected for

ITEM	DETAIL
Type of mineral(s)	Iron ore (FE)
Type of minerals continued	Manganese (Mn)
Type of minerals continued	
Locality (Direction and distance from nearest town)	The application area is just north of the town Postmasburg (16.4 km) and 192 km from Kimberley
Extent of the area required for prospecting	1 948,1166 ha (One thousand nine hundred and forty eight comma one one six six hectares)
Geological formation	Project area is situated within the centre of the western belt of the Postmasburg Manganese Field.

4.2 Description why the Geological formation substantiates the minerals to be prospected for (provide a justification as to why the geological formation supports the possibility that the minerals applied for could be found therein)

The proposed prospecting operation is situated within the centre of the western belt of the Postmasburg Manganese Field within the typical sinkhole structures that were reworked by fluids and underwent low grade metamorphism.

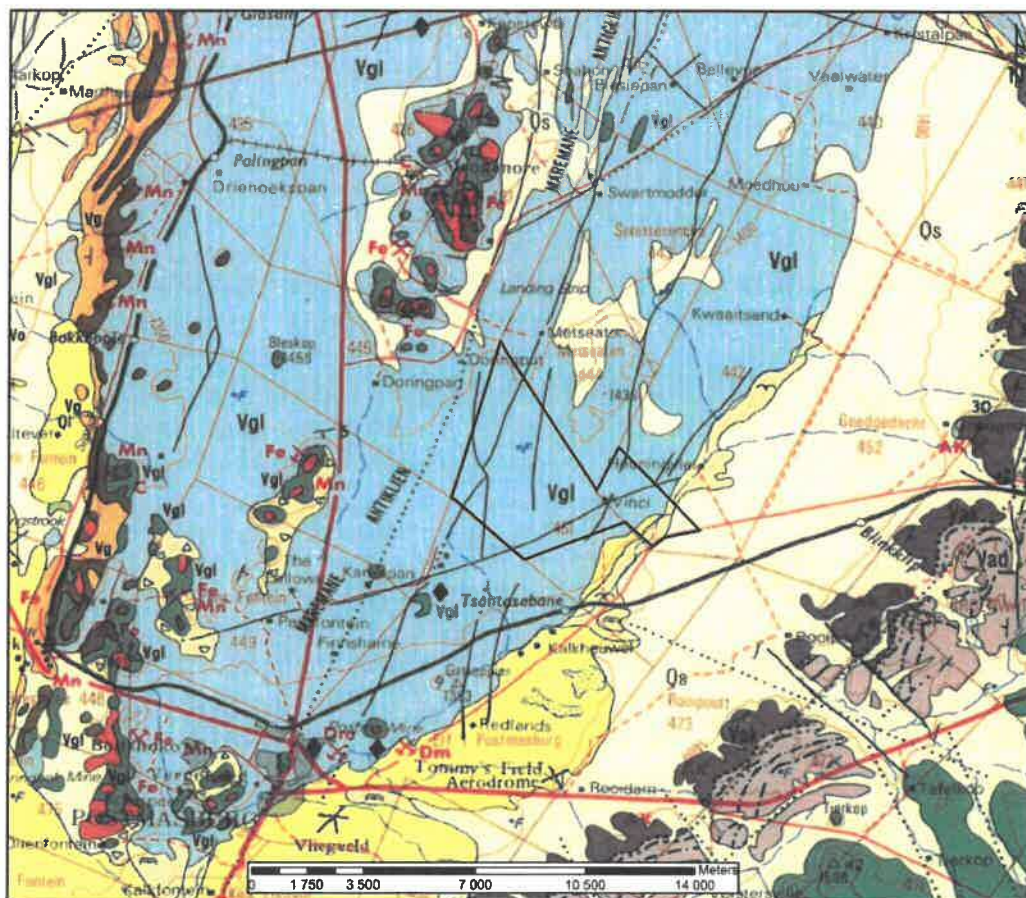
The westerly portion of the farm could possibly contain almost continuous strata of iron and manganese mineralization that would be below the Kalahari Sands and calcrete of the area. The mineralized portion is limited to the Gamagara Rand, which runs from north to south along the rail tracks, as indicated on the satellite image. Ore deposits on the farm have been previously been mined for

manganese. Due to iron and manganese having similar chemical and physical properties, iron is found with the manganese and could possibly also be of economic importance.

To the east of this outcrop lie the dolomites of the Transvaal Group; this also marks a boundary which probably won't contain any further mineralization. To the west, of the outcrop, younger Kalahari sands and quartzite deposits cover most of the area and could well cover more manganese/iron ore.

The host rock/s on surface mainly consists of Manganese iron (FeMn), Manganese (Mn), Quartzite, Shale (Cy), iron (Fe) and Dolomite (Do).

4.3 Attach a geological map that justifies the description why there is a possibility that the minerals applied for could occur on the land concerned.



5. **REGULATION 7(1)(f): A DESCRIPTION OF HOW THE MINERAL RESOURCE AND MINERAL DISTRIBUTION OF THE PROSPECTING AREA WILL BE DETERMINED**

AND

REGULATION 7(1)(h): ALL PLANNED PROSPECTING ACTIVITIES MUST BE CONDUCTED IN PHASES AND WITHIN SPECIFIC TIMEFRAMES

AND

REGULATION 7(1)(i): TECHNICAL DATA DETAILING THE PROSPECTING METHOD OR METHODS TO BE IMPLEMENTED AND THE TIME REQUIRED FOR EACH PHASE OF THE PROPOSED PROSPECTING OPERATION

PHASE	ACTIVITY (what are the activities that are planned to achieve optimal prospecting)	SKILL(S) REQUIRED (refers to the competent personnel that will be employed to achieve the required results)	PLANNED TIMEFRAME (in months) for the activity	OUTCOME (what is the expected deliverable)	OUTCOME TIMEFRAME (deadline for the expected outcome to be delivered)	QUALIFIED SIGNATORY What technical expert will sign off on the outcome?(eg. geologists, mining engineers, surveyors, etc)
e.g.1	Non-Invasive Prospecting Geophysical Survey	Geologist / Mineral economist	Month 1 –6	Flight Plans, Flight Line and Traverse Lines Digital Data gathered	Month 6	Geophysicist
	Non-Invasive Prospecting Literature Survey	Geologist	Month 1 –6	Maps or Plans and digitized report on results	Month 6	Geologist
	Invasive prospecting Boreholes, Trenches and/	Geologist	Month 6-24	Borehole core data	Month 24	Geologist
e.g.2		Geologist	Month 7- 24	Detailed report on sidewall profiles, volumes, average grades, locality	Month 24	Geologist
e.g.3	Excavations	Works Foreman / Labourers / drilling crew	Month 7- 24	sidewall mapping, lithological profiles	Month 24	Geologist
e.g.4	Non-Invasive prospecting Analytical Desktop Studies	Mine Economist / Geologist	Month 24-36	Geological or pre-feasibility Reports Resource Statements, Geological Maps/Plans	Month 36	Geologist / Mineral Economist (professionally Qualified Persons)

The table below incorporates the information required in respect of Regulations 7(1)(f), 7(1)(h) and 7(1)(i):
Table 5.1

Phase	Activity (what are the activities that are planned to achieve optimal prospecting)	Skill(s) required (refers to the competent personnel that will be employed to achieve the required results)	Timeframe (in months) for the activity)	Outcome (What is the expected deliverable, e.g. Geological report, analytical results, feasibility study, etc.)	Timeframe for outcome (deadline for the expected outcome to be delivered)	What technical expert will sign off on the outcome? (e.g. geologist, engineer, mining economist, etc)
Phase 1	Geological investigations	Geologist	Months 1 to 2	Detailed information Geological maps	2 th month	Project Geologist
	Field mapping	Geologist	Month 3 to 4	Commodity occurrence Area specified data	4 th month	Project Geologist
	Data input and mapping	Project Geologist	Month 5	Geological overview Final drill positions	5 th month	Chief Geologist
	RC drilling	Geologist	Months 6 to 7	Commodity depth Gravel body locality	7 th month	Project Geologist
Phase 2	Logging and sampling	Geologist	Months 6 to 7	Ground lithology Gravel occurrence	7 th month	Project Geologist
	Lab analyses	Laboratory	Months 6 to 8	Ore grade	8 th month	Laboratory
	Rehabilitation	Geologist	Months 6 to 7	Rehabilitation	7 th month	Project Geologist
	Data capturing and mapping	Geologist	Months 9	Geological maps	9 th month	Project Geologist
	Geological overview	Project Geologist	Month 10 to 12	Geological overview Infill drill positions	12 th month	Chief Geologist
	Infill drilling	Geologist	Months 13 to 19	Commodity depth Gravel body distribution	19 th month	Project Geologist
Phase 3	Logging	Geologist	Months 13 to 19	Ground lithology Gravel occurrence	19 th month	Project Geologist
	Rehabilitation	Geologist	Months 13 to 19	Rehabilitation	19 th month	Project Geologist
	Data capturing and mapping	Geologist	Months 20 to 21	Geological maps	21 th month	Project Geologist
	Geological Report	Project Geologist	Months 22 to 24	Detailed geology Mine feasibility	24 th month	Chief Geologist

6. REGULATION 7(1)(g): A DESCRIPTION OF THE PROSPECTING METHOD OR METHODS TO BE IMPLEMENTED

(i) DESCRIPTION OF PLANNED NON-INVASIVE ACTIVITIES:

(These activities do not disturb the land where prospecting will take place e.g. aerial photography, desktop studies, aeromagnetic surveys, etc)

- Phase 1 – Geological investigations (5 months)
 - Geological investigation (months 1 to 2)
Geological desktop studies will be conducted to investigate and determine the occurrence of iron and manganese ore on the proposed project area as well as to determine the approximate locality of such ore bodies. This will be done with the aid of geological cartography, geological literature as well as satellite imagery.
 - Field mapping (months 3 to 4)
During such a visit will the area be mapped and possible outcrops of the commodity or evidence leading to the occurrence of the commodity surveyed. This survey is done to verify the outcomes of the desktop investigations as well as the narrowing down of the identified locality of the ore bodies.
 - Data input and mapping (month 5)
All data obtained for this phase will be digitally modeled, mapped and a 1st phase geological overview on the outcome and recommendations drafted.
- ***
- Phase 2 – RC Drilling (7 months)
 - Logging (month 6 to 7)
All drill holes will be logged every meter containing information such as hole location, hole depth, gravel depth and other geological structures encountered within the hole. The dust samples will be taken and stored within sealed chip trays and safeguarded for future referencing.
 - Sample analysis (month 6 to 8)
All samples taken from the commodity will the send to and analyzed through an independent and registered laboratory to obtain the grade of the specific commodity as well as the composition thereof. Sample specific certificates will be obtained verifying the result indicated on any reports written during the project period.
 - Data input and mapping (month 9)
All data obtained during the proposed activities will be digitally captured and already existing maps updated to form more detailed and accurate models of the study area. The aim of modeling the area is to delineate the gravel bed and approximate depths.

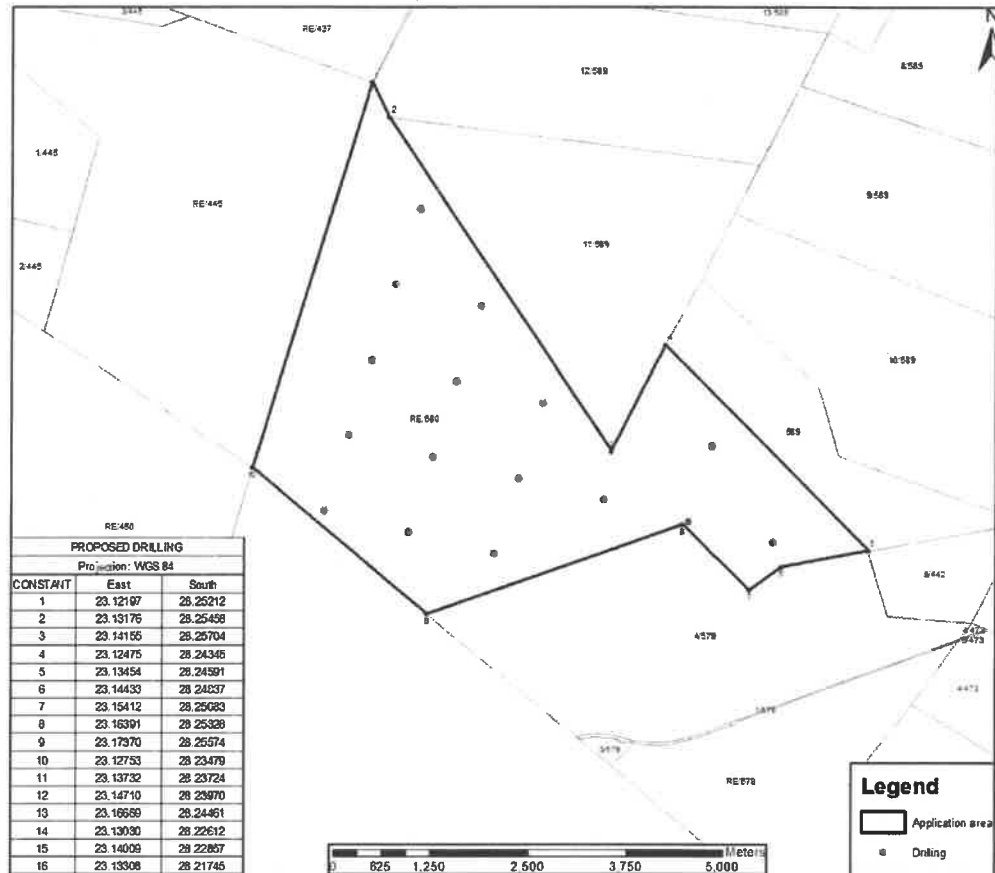
- Report writing (month 10-12)
All findings and results will be drafted and explained within a geological report. The geological models created will be used for the purpose and also be included within the report. The report will further include recommendations as well as a refined drilling programme for the following phase of the proposed prospecting activities.
- Phase 3 Infill drilling (months 13 to 24)
This phase is dependent on the outcome of phase 2
 - Logging (months 13 to 19)
All drill holes will be logged every meter containing information such as hole location, hole depth, gravel depth and other geological structures encountered within the hole. The dust samples will be taken and stored within sealed chip trays and safeguarded for future referencing.
 - Data input and mapping (months 20 to 21)
During the course of the core drilling process all data obtained are logged and digitally captured.
 - Final Geological Report (month 22 to 24)
All data from the 1st phase till the 3rd phase will be digitally modeled to give clear and accurate information regarding proposed project area. These maps are necessary for the final detailed report on the project area

The final report to be written on the project will contain detailed information regarding the specific and updated geological information of the area as well as all result obtained from the project operations, the feasibility of the area as well as calculated recommendations on the project.

(ii) **DESCRIPTION OF PLANNED INVASIVE ACTIVITIES:**

(These activities result in land disturbances e.g. sampling, drilling, bulk sampling, etc)

- Phase 2 – RC Drilling (12 months)



- RC Drilling (month 6 to 7)

The initial drilling proposed is done to demarcate the gravel body with its boundaries. A Total of 16 holes on a grid of 1000 X1000 m are proposed to an approximate depth of 55 meters or till bedrock has been intersected.

Drilling will be conducted by means of Reverse Circulation Percussion drilling and the sample material obtained captured within plastic tubes for logging and sampling.

- Rehabilitation (months 6 to 7)

Once each hole is completely drilled it will be fully rehabilitated before moving to the next drill hole location. Rehabilitation will be done by the back filling of the dust material in their respective manner. In this way rehabilitation is time and cost effective.

- Phase 3 – Infill drilling (13 months)
 - Infill drilling (month 13 to 19)

Phase 3 is strongly dependent of the previous phases for the location of these holes as well as the grid on which these holes will be drilled. Updated plans and programmes will be submitted to the Department of Mineral Resources before the commencement of this phase.

The Reverse Circulation Percussion drilling is the main method of drilling as it proves sufficient for obtaining accurate results. These holes will also be drilled up to an approximate depth of 55 meters. This is done to determine the gravel bed characteristics and exact extent of the gravel bed.

- Rehabilitation (month 13 to 19)

Once each hole is completely drilled it will be fully rehabilitated before moving to the next drill hole location. Rehabilitation will be done by the back filling of the dust material in their respective manner. In this way rehabilitation is time and cost effective.

Commitment to provide addendums in respect of additional prospecting activities

I herewith commit to provide the Department of Mineral Resources with an addendum in respect of both the EM Plan and Prospecting Work Programme regarding any future in-fill prospecting required but not described above, prior to undertaking such activities. The addendum will cover all the Regulations as per the Prospecting Work Programme.

I agree that the addendums will provide for similar activities only and if the scope changes I would be required to apply in terms of Section 102 of the MPRDA for an amendment of the Prospecting Work Programme

Mark with X

ACCEPT	X
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7. REGULATION 7(1)(j)(i):DETAILS WITH DOCUMENTARY PROOF OF THE APPLICANT'S TECHNICAL ABILITY OR ACCESS THERETO TO CONDUCT THE PROPOSED PROSPECTING OPERATION

7.1 Competencies to be employed in terms of the Mine Health and Safety Act

COMPETENCIES TO BE EMPLOYED (List the legal appointments that will be made in terms of the Mine Health and Safety Act, appropriate for the type of operation)

No competencies in regard to the Mine Health and Safety Act will be employed as the entire proposed operations will be handled and conducted by contractors.

I herewith confirm that I, in Table 9.1 have budgeted and financially provided for the required skills listed above.

CONFIRMED (Mark with an X)

7.2 List of Appropriate equipment at your disposal (If Applicable)

Table D: Appropriate Equipment Available

All equipment will be supplied by the contracting companies in the regard to their specific task to be conducted. Contractual agreements will be negotiated and signed once the right has been issued and the first phase of operations completed

8. REGULATION 7(1)(j)(ii):DETAILS WITH DOCUMENTARY PROOF OF A BUDGET AND DOCUMENTARY PROOF OF THE APPLICANT'S FINANCIAL ABILITY OR ACCESS THERETO

AND

9. REGULATION 7(1)(k) A COST ESTIMATE OF THE EXPENDITURE TO BE INCURRED FOR EACH PHASE OF THE PROPOSED PROSPECTING OPERATION (remember to also include prospecting fees)

Table 9.1

ACTIVITY	YEAR 1 Expenditure (R')	YEAR 2 Expenditure (R')	YEAR 3 Expenditure (R')	YEAR 4 Expenditure (R')	YEAR 5 Expenditure (R')
Phase 1 (5 months)					
Geological investigations	60 000				
Data input and mapping	15 000				
Phase 2 (7 months)					
RC Drilling	704 000				
Logging	30 000				
Lab analyses	96 000				
Rehabilitation	-				
Data Capturing and mapping	15 000				
Geological overview	45 000				
Phase 3 (12 months)					
Infill drilling		?			
Logging		105 000			
Rehabilitation		-			
Data Capturing and mapping		30 000			
Geological Report		60 000			
Annual Total	965 000	195 000			
				Total Budget	1 160 000

NOTE! If any person (including the applicant) provides services in any job or skills category at a reduced rate or free of charge, then such person's Curriculum Vitae (CV) must be attached as documentary proof of the technical ability available to the applicant.

10. FINANCIAL ABILITY TO GIVE EFFECT TO THE WORK PROGRAMME

10.1 The amount required to finance the Work Programme.

(State the amount required to complete the work)

Certain amounts regarding the work programme could not be calculated due to the reason that they solely depend on the outcome of the previous phase. However an approximate amount has been calculated and the applicant should have R 1 160 000 available for the upcoming project when the Right is issued.

10.2 Detail regarding the financing arrangements

(Elaborate on the financing arrangements, in terms of where the finance will be sourced, extent to which the financing has been finalized and on the level of certainty that such financing can be secured.)

The applicant has the financial resources to successfully undergo and complete the prospecting activities applied for.

10.3 Confirmation of supporting evidence appended

(Attach evidence of available funding and or financing arrangements such as balance sheets, agreements with financial institutions, underwriting agreements, etc. and **specifically confirm** in this regard what documentation has been attached as appendices).

The supporting evidence in regard to the financial arrangements is appended in the form of bank statements and financial undertakings.

11 Confirmation of the availability of funds to implement the proposed project.

I herewith confirm that I have budgeted and financially provided for the total budget as identified in Regulation 7(1)(k).

Confirmed (Mark with an X)	X
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12 REGULATION 7(1) (m): UNDERTAKING, SIGNED BY THE APPLICANT, TO ADHERE TO THE PROPOSALS AS SET OUT IN THE PROSPECTING WORK PROGRAMME

Table: 13.1

Herewith I, the person whose name and identity number is stated below, confirm that I am the Applicant or the person authorised to act as representative of the Applicant in terms of the resolution submitted with the application, and undertake to implement this prospecting work programme and adhere to the proposals set out herein.	
Full Names and Surname	KHOLISILE KNOWLEDGE KOMANISI
Identity Number	720824 5581 08 9