Kuhle
Environmental Consult (Pty) Ltd

PROSPECTING WORK PROGRAMME

Name of Applicant: Dean Mark Alblas

ID No: 7004075067087

Rietfontein 464 JP
Syferfontein 496 JP

North West

PROSPECTING WORK PROGRAMME

SUBMITTED FOR A PROSPECTING RIGHT APPLICATION WITH BULK SAMPLING

mineral resources
Department:
Mineral Resources
REPUBLIC OF SOUTH AFRICA

Name of Applicant: Dean Mark Alblas

ID No: 7004075067087

Rietfontein 464 JP
Syferfontein 496 JP

North West

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)

Compiled by:

Kuhle
Environmental Consult (Pty) Ltd

1. **REGULATION 7.1 (a)**

Full particulars of the applicant

Table 1: Applicant's Contact Details

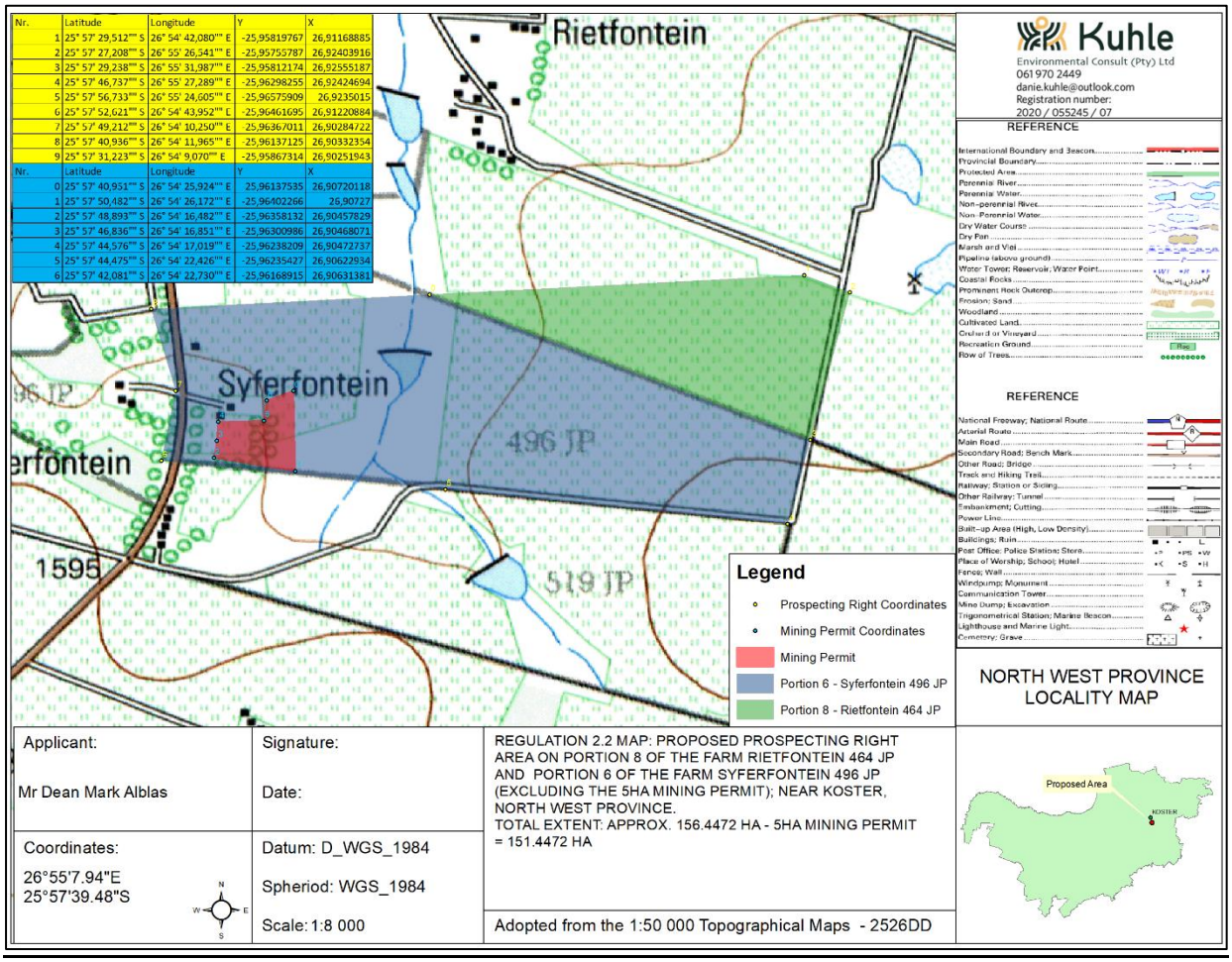
ITEM	COMPANY CONTACT DETAILS
Name	**Dean Mark Alblas**
Tel no	067 406 7303
Fax no	
Cellular no	067 406 7303
Email address	alblasdean1@gmail.com and/or deanmarkalb@gmail.com
Postal address	The applicant does not have a postal address. Thus use the EAP's postal address.

Table 2: Consultant's Details

ITEM	CONSULTANT CONTACT DETAILS (If applicable)
Name	**Kuhle Environmental Consult (Pty) Ltd**
Tel no	
Fax no	
Cellular no	061 970 2449
Email address	danie.kuhle@outlook.com
Postal address	75 Schilbach Street Parys 9585

2. **REGULATION 7(1)(b)**

Plan contemplated in Regulation 2(2) showing the land to which the application relates



See Regulation 2.2 Map attached as **Annexure A.**

3. **REGULATION 7(1)(C)**

The registered description of the land to which the application relates

1. Portion 8
   Rietfontein 464
   Registration division: JP
   Extent: 41.6174 Ha

2. Province: North West
   A portion of Portion 6
   Syferfontein 496
   Registration division: JP
   Extent: 114.8298 Ha – 5Ha = 109.8298 Ha

4. REGULATION 7(1)(d) and (e)

The mineral or minerals to be prospected for

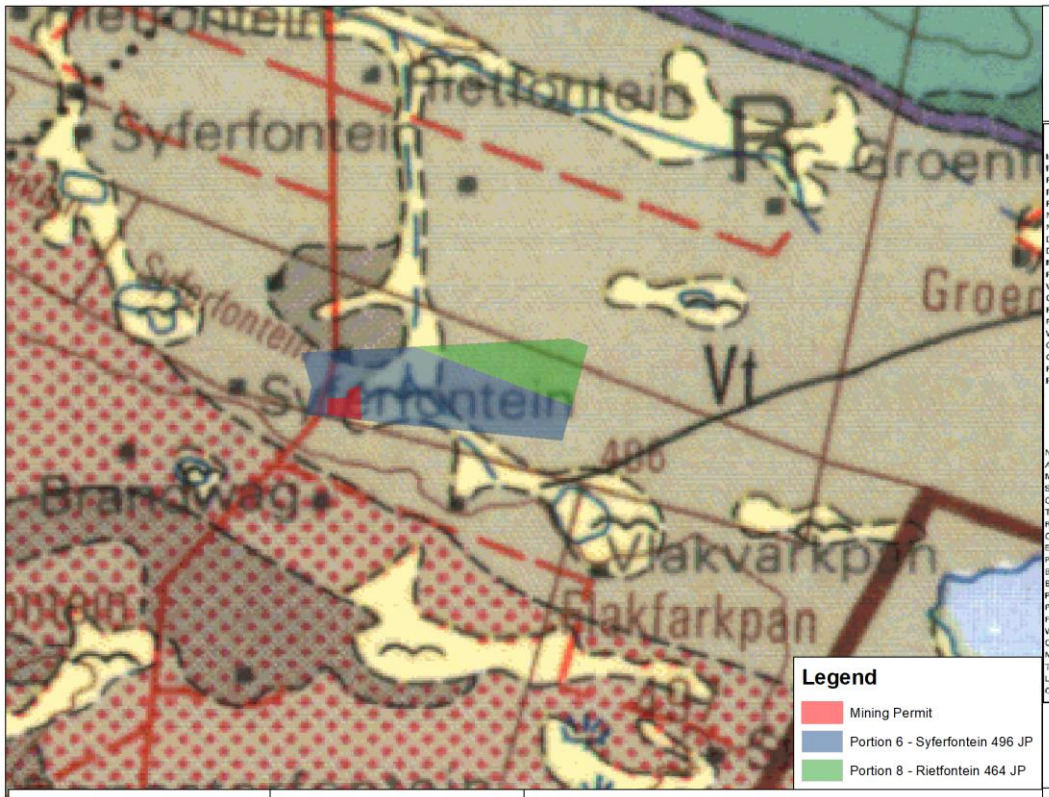
Table 4.1: Minerals to be prospected for

ITEM	DETAIL
Type of mineral(s)	Diamond Diamond Alluvial Diamond General Diamond in Kimberlite Gold
Locality (Direction and distance from nearest town)	The property is located approximately 10.5 Km southeast of the town Koster in the North West Province.
Extent of the area required for prospecting	Approx. 151.4472 Ha
Geological formation	The underlying geology of the application area consists of shale, slate and quartzite of the Timeball Hill Formation. The Timeball Hill Formation forms part of the Pretoria Group of which is part of the Transvaal Sequence. Some quaternary outcrops are found around the site.

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)

There are numerous operational alluvial diamond mines in the vicinity of the proposed application area on which the application for a prospecting right is being lodged. In house information exist which confirm the reasons for this application.

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.



Kuhle
Environmental Consult (Pty) Ltd
061 970 2449
danie.kuhle@outlook.com
Registration number:
2020 / 055245 / 07

REFERENCE

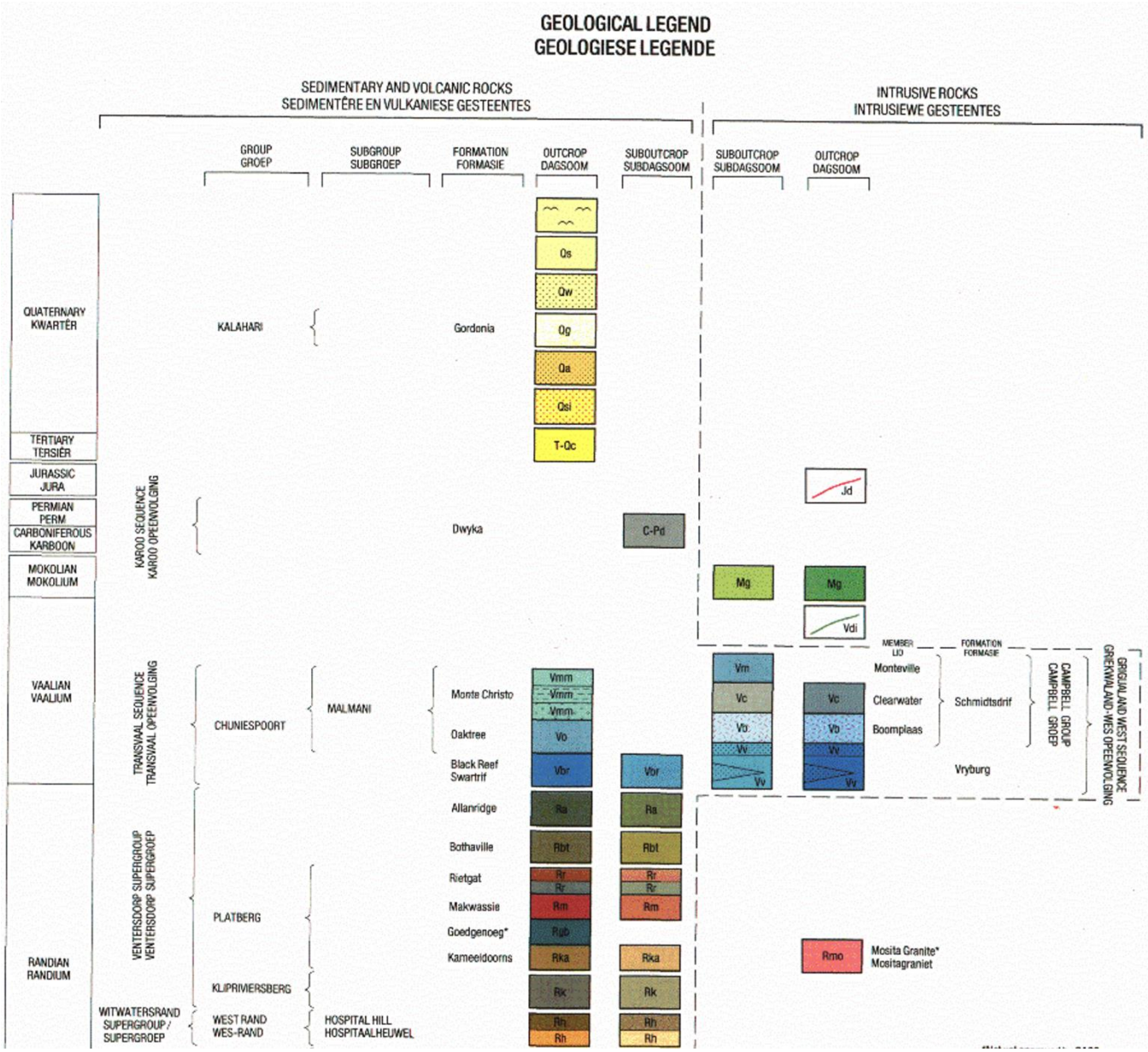
International Boundary and Beacon
Provincial Boundary
Protected Area
Perennial River
Perennial Water
Non-perennial River
Non-Perennial Water
Dry Water Course
Dry Pan
Marsh and Vlei
Pipeline (above ground)
Water Tower; Reservoir; Water Point
Coastal Rocks
Prominent Rock Outcrop
Erosion; Sand
Woodland
Cultivated Land
Orchard or Vineyard
Recreation Ground
Row of Trees

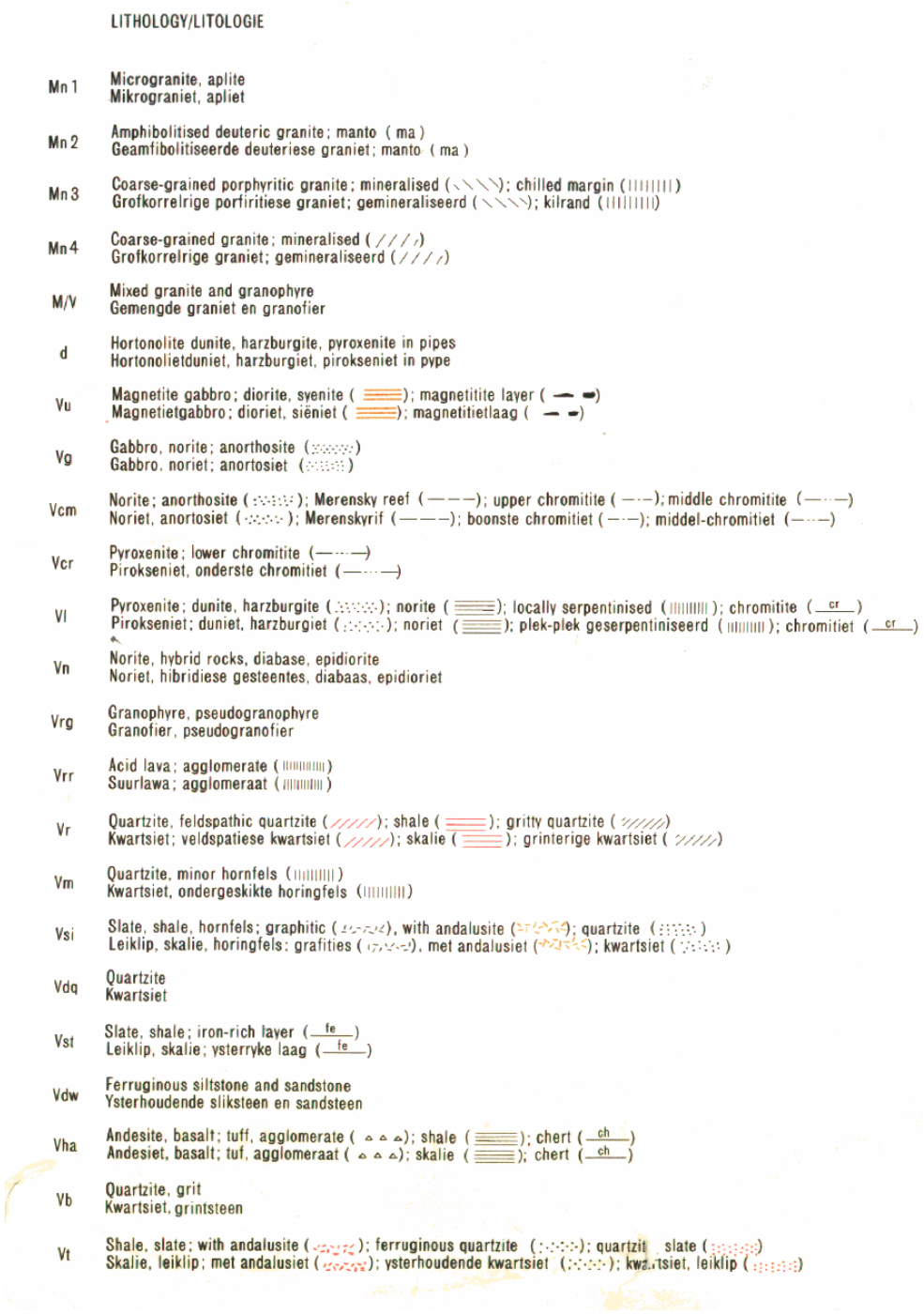
REFERENCE

National Freeway; National Route
Arterial Route
Main Road
Secondary Road; Bench Mark
Other Road; Bridge
Track and Hiking Trail
Railway; Station or Siding
Other Railway; Tunnel
Embankment; Cutting
Power Line
Built-up Area (High, Low Density)
Buildings; Ruin
Post Office; Police Station; Store
Place of Worship; School; Hotel
Fence; Wall
Windpump; Monument
Communication Tower
Mine Dump; Excavation
Trigonometrical Station; Marine Beacon
Lighthouse and Marine Light
Cemetery; Grave

NORTH WEST PROVINCE
LOCALITY MAP

Applicant: Mr Dean Mark Alblas	Signature: Date:	GEOLOGICAL MAP: PROPOSED PROSPECTING RIGHT AREA ON PORTION 8 OF THE FARM RIETFONTEIN 464 JP AND PORTION 6 OF THE FARM SYFERFONTEIN 496 JP (EXCLUDING THE 5HA MINING PERMIT); NEAR KOSTER, NORTH WEST PROVINCE. TOTAL EXTENT: APPROX. 156.4472 HA - 5HA MINING PERMIT = 151.4472 HA
Coordinates: 26°55'7.94"E 25°57'39.48"S	Datum: D_WGS_1984 Spheriod: WGS_1984 Scale: 1:21 385	Adopted from the Geological Maps - 2526


GEOLOGICAL LEGEND
GEOLOGIESE LEGENDE
SEDIMENTARY AND VOLCANIC ROCKS
SEDIMENTÊRE EN VULKANIESE GESTEENTES
INTRUSIVE ROCKS
INTRUSIEWE GESTEENTES
GROUP
GROEP
SUBGROUP
SUBGROEP
FORMATION
FORMASIE
OUTCROP
DAGSOOM
SUBOUTCROP
SUBDAGSOOM
QUATERNARY
KWARTÊR
TERTIARY
TERSIÊR
JURASSIC
JURA
PERMIAN
PERM
CARBONIFEROUS
KARBOON
MOKOLIAN
MOKOLIUM
VAALIAN
VAALIUM
RANDIAN
RANDIUM
KALAHARI
Gordonia
Qs
Qw
Qg
Qa
Qsl
T-Qc
KAROO SEQUENCE
KAROO OPEENVOLGING
Dwyka
C-Pd
Jd
Mg
Vdi
TRANSVAAL SEQUENCE
TRANSVAAL OPEENVOLGING
CHUNIESPOORT
MALMANI
Monte Christo
Oaktree
Black Reef
Swartrif
Vmm
Vm
Vo
Vbr
Vc
Vv
MEMBER
LID
Monteville
Clearwater
Boomplaas
FORMATION
FORMASIE
Schmidtsdrif
Vryburg
CAMPBELL GROUP
CAMPBELL GROEP
GRIQUALAND WEST SEQUENCE
GRIKWALAND-WES OPEENVOLGING
VENTERSDORP SUPERGROUP
VENTERSDORP SUPERGROEP
PLATBERG
KLIPRIVIERSBERG
Allanridge
Bothaville
Rietgat
Makwassie
Goedgenoeg*
Kameeldoorns
Ra
Rbt
Rr
Rm
Rgb
Rka
Rk
Vbr
WITWATERSRAND
SUPERGROUP /
SUPERGROEP
WEST RAND
WES-RAND
HOSPITAL HILL
HOSPITAALHEUWEL
Rh
Rmo
Mosita Granite*
Mositagraniet



5. REGULATION 7(1) (f)

A DESCRIPTION OF HOW THE MINERAL RESOURCE AND MINERAL DISTRIBUTION OF THE PROSPECTING AREA WILL BE DETERMINED

During the resource estimation phase of a potential alluvial diamond project, the three main parameters to be determined are the gravel volume, diamond grade and diamond value. Combinations of ground geophysical surveys, drilling (including augering), pitting, trenching and bulk-sampling are used to increase the knowledge and confidence of the

underlying geology in order to estimate a resource as defined in any of the international resource/reserve estimation codes.

During the gold resource estimation phase, a diamond drilling programme comprising of four boreholes will be undertaken. This information will then be integrated into the geological model to further define the orebodies, which when combined with the assay information will be utilised to define a resource. 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 EMP.

The following phases have been identified to assist in determining the diamond gravel /gold ore volume, diamond/gold grade, diamond/gold resource value:

5.1 PHASE 1: SITE VISIT

Mr. Dean Mark Alblas will appoint Mr. Tim Vermaakt (Guyron) as the project geologist and an Environmental Specialist/Environmental Control Officer/Environmental Manager to commence with the site visit phase. These specialists and Mr. Dean Mark Alblas will conduct a site visit together within 90 days after the execution of the proposed prospecting right. It is expected that one or more site visits will be conducted throughout this phase and the various phases that will follow hereafter.

The main purpose of the site visit is to assist Mr. Dean Mark Alblas to become familiar with the surrounding environment, the sensitive areas, the underlying soil and geology before invasive prospecting activities commence. During this process Mr. Dean Mark Alblas and its appointed specialists will also assess and review all the information available in relation to the underlying geology of the proposed prospecting area.

5.2 PHASE 2: DESKTOP STUDIES

A desktop study phase will commence after the above-mentioned site visit(s) and analysis was completed in order to determine the areas of importance that should be targeted through the proposed prospecting. This includes the identification of any infrastructure to be erected, any potential problems that may arise and that should be addressed.

The desktop phase involves reviewing various literature, interpretation of aerial photographs, GIS data (BGIS-SANBI), satellite images (Google Earth), geological

maps and ground validation of targets. A detailed preliminary study of the underlying and surrounding environment will be obtained, which will improve the efficiency of the project and cost through providing a clearer understanding of the challenges that may surface. Upon completion of this phase, Mr. Tim Vermaakt (Geologist) will compile a report that capture the results of the desktop analysis.

5.3 PHASE 3: PITTING

Making use of the trial pit / test pit or inspection pit investigation method is a highly effective way to obtain data on the underlying surface soil and geological conditions of a prospecting right area. It allows the specialists to log and sample the various soils and geological layers and to make a preliminary assessment.

The trial pit / test pit or inspection pit will be excavated, logged, sampled and backfilled. To excavate these pits, Mr. Dean Mark Alblas will make use of the advised methods of Mr. Tim Vermaakt (Geologist).

Mr. Dean Mark Alblas will be in possession of the following information after completing the pitting phase: a brief description of the soil and geological layers from the surface to the base of the pits; a record of rock head and refusal depth; an indication of where trenches should be excavated in order to obtain bulk-samples; an indication of where groundwater is expected to be intersected; a general indication of the underlying geology and the associated conditions in the vicinity of the test pits.

5.4. PHASE 4: TRENCHES

The only reliable method of grade estimation is through bulk-sampling and the direct measurement of carats per volume processed.

In addition, limited sampling (both numbers of samples and volume of individual samples) can result in spurious grade results. Systematic bulk-sampling are essential to the effective evaluation of alluvial diamond deposits. Since the geology can vary significantly from one alluvial diamond deposit to another, it is not possible to prescribe drill grid parameters (for the estimation of gravel volume) or the number or size of samples (for grade estimation).

By making use of the bulk-sample method, Mr. Dean Mark Alblas will be able to determine the grade of alluvial diamond deposits. The grade of a diamond deposit is the estimated number of carats contained in one hundred tonnes (cpht) or hundred cubic metres (ct/100 m^3) of gravel.

During these activities Mr. Dean Mark Alblas will determine the size and value distribution of the planned trenches. Alluvial streams are highly transient environments and therefore the diamond distribution patterns of alluvial deposits vary to such a nature that there is no repeatability of sample results even from adjacent samples.

Given the extent of the area and the expected grades, Mr. Dean Mark Alblas will have to process bulk samples of approximately 20 000 tons per month.

Mr. Tim Vermaakt (Geologist), will advise Mr. Dean Mark Alblas on where the proposed trenches should be excavated. Unlike the case of drilling, bulk-samples will not be taken along a systematic grid.

After the grades (cpht) and the diamond size distribution has been determined, the diamonds will be sold in order to determine the value of the diamonds.

The method that will be used is that of the so called "plant/bulk sampling technique", which is typical to that of the South African alluvial diamond mining industry.

The method/technique to be followed are as follow:

- Vegetation will be cleared from the planned/identified bulk-sampling area before excavation commences. This will be done as per the environmental regulations and through supervision by the appointed Environmental Specialist/Environmental Control Officer/Environmental Manager. Overburden and topsoil will then be removed and stockpiled, as per the EMP, for rehabilitation purposes.
- The bulk samples will be "box form" excavations. The dimensions of these individual "box form" excavations will approximately be 30m long x 10m wide.
  It is estimated that the depth of each bulk sample will be 4 m in depth.
- Gravel will be excavated, removed and loaded directly onto dumper trucks by excavators. The excavated gravel will then be hauled to the on-site screening plant. The material will be screened where after the screened material will be transported to the on-site processing plant, where the gravel will be processed by making use of 1 x washing pan. Concentrate will be moved to the Flowsort plant where the concentrate will be sorted.
- The oversize material and tailings recovered from the plant will be used as backfill material prior to final rehabilitation. Rehabilitation includes backfilling of trenches and rehabilitation of the tailings facility (evening the slopes and planting vegetation)

The equipment used for the bulk-sampling operation will be conventional open pit mining equipment compromising of : Dumper truck, excavator and front-end-loader. All equipment is planned to be diesel driven.

5.5 PHASE 5: DRILLING

Depending on the initial geological model established, a diamond drilling programme comprising of four boreholes will be undertaken. This information will then be integrated into the geological model to further define the orebodies, which when combined with the assay information will be utilised to define a resource. 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 EMP.

5.6 PHASE 6: INTERPRETATION AND CONSOLIDATION OF RESULTS & DATA

The abovementioned prospecting activities will have to be conducted in order to determine an “Inferred Resource” and an “Indicated Resource”. It is usual for an alluvial diamond project to progress from ‘‘Exploration Results’’, through ‘‘Inferred Resource’’ to ‘‘Indicated Resource’’ classification.

Unlike the “Indicated Resources” the “Inferred Resource” has a lower level of confidence. The “Inferred Resource” indication will be where the geological and or grade continuity could not be confidently interpreted. It cannot be assumed that an “Inferred Resource” will necessarily be upgraded to an “Indicated Resource”. Such a resource is normally also not sufficient to enable an evaluation of economic viability.

The industry standard for resource estimation on alluvial diamond mines is to estimate some two/three years of Indicated Resources and multiple years of Inferred Resources. As these are consumed, there is a continuous cycle of resource rollover (where continuous prospecting upgrades existing “Inferred Resources” to “Indicated Resource” status to take the place of such resources which have been mined).

Typical parameters for ‘‘Indicated Resources’’ classification include:

- Sufficient drilling to generate a 3D model based on well constrained geology;
- Extrapolation only within similar geological environments to distances determined by the geology of the deposit (typically, this distance may be up to 250 m, but may also be as low as 10 m in specific instances);
- Sufficient bulk-sampling to take account of all the key geological variables expected from the deposit in question (and to recover the required number of carats for valuation or sale).

•The recovery of 3,000–5,000 cts of diamonds for valuation (or sale) to estimate diamond value.

The appointed project Geologist and Environmental Specialist/Environmental Control Officer/Environmental Manager will monitor the Prospecting Work Programme, consolidate and process the data, and amend the Prospecting Work Programme depending on the results received after each phase of the Prospecting Work Programme. Any updates or amendments will be communicated to the Department of Mineral Resources and Energy.

Each invasive prospecting phase of the Prospecting Work Programme will involve a post-desktop study, which will include the interpretation and modeling of all the collected data. These results that were obtained will determine the manner in which the Prospecting Work Programme will be proceeded with in terms of the activity, quantity, resources, expenditure and duration.

A GIS Geo/File data base will be generated in order to capture all the exploration/prospected data. All data will be consolidated and processed to determine the diamond bearing resource on the property.

REGULATION 7(1)(h)

ALL PLANNED PROSPECTING ACTIVITIES MUST BE CONDUCTED IN PHASES AND WITHIN SPECIFIC TIMEFRAMES

- **PHASE 1: SITE VISIT**

  Duration: 2 Months (0-2 Months)

- **PHASE 2: DESKTOP STUDIES**

  Duration: 4 Months (3-6 Months)

- **PHASE 3: PITTING**

  Duration: 12 Months (7-18 Months)

- **PHASE 4: TRENCHES**

  Duration: 24 months (19 – 42 Months)

- **PHASE 5: DRILLING**
- Duration: 12 Months (43 – 54 Months)

- **PHASE 6: INTERPRETATION AND CONSOLIDATION OF RESULTS & DATA**

  Duration: 6 Months (55 – 60 Months)

PHASE	PROSPECTING METHOD	0 - 2	3 – 6	7 - 18	19 - 42	43 - 54	55 - 60
1	Site Visit	X					
2	Desktop Studies		X				
3	Pitting			X			
4	Trenches			X	X		
5	Drilling					X	
6	Interpretation and Consolidation of results data						X

REGULATION 7(1)(i)

TECHNICAL DATA DETAILING THE PROSPECTING METHOD OR METHODS TO BE IMPLEMENTED AND THE MINE REQUIRED FOR EACH PHASE OF THE PROPOSED PROSPECTING OPERATION

PHASE 1 – SITE VISIT

General:

A site visit will be conducted within 3 months after execution of the Prospecting Right. It is foreseen that the information obtained from the site visit, will be sufficient to commence with the rest of the identified prospecting phases.

Timeframe:

Month 0-2

Costs:

R10 000

Technical Support:

Geologist – Mr. Tim Vermaakt

Environmental Specialist/Environmental Control Officer/Environmental Manager

PHASE 2– DESKTOP STUDIES

General:

Desktop studies will be conducted, after the before-mentioned site visit phase is completed, in order to determine the target areas.

Timeframe:

Months 3-6

Costs:

R15 000

Technical Support:

Geologist – Mr. Tim Vermaakt

Environmental Specialist/Environmental Control Officer/Environmental Manager

PHASE 3 – PITTING

Timeframe:

12 months (month 7 -18)

Number of pits:

40 pits

Extent:

3m x 3m x 4m

Costs:

R105 000.00

Technical Support:

Geologist – Mr. Tim Vermaak**t**

Environmental Specialist/Environmental Control Officer/Environmental Manager

Excavator operator

PHASE 4 – TRENCHES

Timeframe:

24 months (month 19 - 42)

Number of trenches:

20 trenches

Extent:

30m x 10m x 4m

Costs:

R 300 000.00

Technical Support:

Environmental Specialist/Environmental Control Officer/Environmental Manager

Geologist – Mr. Tim Vermaakt

Mine Manager

Dumber Truck Operators

Screen Operators

Washingpan Operators

Excavator operator

Tons To Be Washed:

Approx. 20 000 tons per month

PHASE 5 – DRILLING

Timeframe:

12 months (month 43 - 54)

Costs:

R 20 000.00

Technical Support:

Environmental Specialist/Environmental Control Officer/Environmental Manager

Geologist – Mr. Tim Vermaakt

Drill Rig Operator

PHASE 6 – CONSOLIDATION AND INTERPRETATION

Timeframe:

6 months (month 55 - 60)

Costs:

R 20 000.00

Technical Support:

Environmental Specialist/Environmental Control Officer/Environmental Manager

Geologist – Mr. Tim Vermaakt

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

Phase	Activity	Skill(s) required	Timeframe	Outcome	Timeframe for outcome	What technical expert will sign off on the outcome?
1	**Non-Invasive Prospecting** Site Visit	Environmental Consultant Geologist	Months 0 – 2	To become familiar with the surrounding environment, the sensitive areas, the underlying soil and geology in order to determine the prospecting activities to commence with.	Month 2	Environmental Specialist/Environmental Control Officer/Environmental Manager Geologist – Mr. Tim Vermaakt
2	**Non-Invasive Prospecting** Desktop Studies	Environmental Consultant Geologist	Months 3 - 6	To determine the areas that should be targeted through prospecting. This includes the identification of any infrastructure to be erected, any potential problems that may arise and to be addressed. A detailed preliminary analysis of the underlying and surrounding environment will be obtained, which will improve the efficiency of the project and cost through providing a clearer	Month 6	Environmental Specialist/Environmental Control Officer/Environmental Manager

				understanding of the challenges that may surface.		
3	**Invasive Prospecting** Pitting	Environmental Consultant Geologist	Months 7 -18	To obtain data on the underlying surface soil and geological conditions of the prospecting right area.	Month 18	Environmental Specialist/Environmental Control Officer/Environmental Manager Geologist – Mr. Tim Vermaakt
4	**Invasive Prospecting** Trenches	Environmental Consultant Machine Operators Washingpan Operators Mine Health and Safety Consultant	Months 19- 42	Grade estimation through bulk-sampling and the direct measurement of carats per volume processed.	Month 42	Environmental Specialist/Environmental Control Officer/Environmental Manager Geologist – Mr. Tim Vermaakt
5	Invasive Prospecting Drilling	Environmental Consultant Geologist	Months 43-54	To obtain data on the underlying surface soil and geological conditions of the prospecting right area.	Month 54	Environmental Specialist/Environmental Control Officer/Environmental Manager Geologist – Mr. Tim Vermaakt
6	**Non-Invasive Prospecting**	Environmental Consultant	Months 55-60	The extent of the resource, The life of mine	Month 60	Environmental Specialist/Environmental Control Officer/Environmental Manager Geologist – Mr. Tim Vermaakt

	Interpretation and Consolidation of results	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)

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PHASE 5: CONSOLIDATION AND INTERPRETATION OF RESULTS DATA

The abovementioned prospecting activities will have to be conducted in order to determine an "Inferred Resource" and an "Indicated Resource". It is usual for an alluvial diamond project to progress from ''Exploration Results'', through ''Inferred Resource'' to ''Indicated Resource'' classification.

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mined).

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constrained geology;

•Extrapolation only within similar geological environments to distances determined by the geology of the deposit (typically, this distance may be up to 250 m, but may also be as low as 10 m in specific instances);

•Sufficient bulk-sampling to take account of all the key geological variables expected from the deposit in question (and to recover the required number of carats for valuation or sale).

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determine the manner in which the Prospecting Work Programme will be proceeded with in terms of the activity, quantity, resources, expenditure and duration.

A GIS Geo/File data base will be generated in order to capture all the exploration/prospected data. All data will be consolidated and processed to determine the diamond bearing resource on the property.

(ii) DESCRIPTION OF PLANNED INVASIVE ACTIVITIES:

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

PHASE 3: PITTING

Making use of the trial pit / test pit or inspection pit investigation method is a highly effective way to obtain data on the underlying surface soil and geological conditions of a prospecting right area. It allows the specialists to log and sample the various soils and geological layers and to make a preliminary assessment.

The trial pit / test pit or inspection pit will be excavated, logged, sampled and backfilled. To excavate these pits, Mr. Dean Mark Alblas will make use of the advised methods of Mr. Tim Vermaakt (Geologist).

Mr. Dean Mark Alblas will be in possession of the following information after completing the pitting phase: a brief description of the soil and geological layers from the surface to the base of the pits; a record of rock head and refusal depth; an indication of where trenches should be excavated in order to obtain bulk-samples; an indication of where groundwater is expected to be intersected; a general indication of the underlying geology and the associated conditions in the vicinity of the test pits.

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During these activities Mr. Dean Mark Alblas will determine the size and value distribution of the planned trenches. Alluvial streams are highly transient environments and therefore the diamond distribution patterns of alluvial deposits vary to such a nature that there is no repeatability of sample results even from adjacent samples.

Given the extent of the area and the expected grades, Mr. Dean Mark Alblas will have to process bulk samples of approximately 20 000 tons per month.

Mr. Tim Vermaakt (Geologist), will advise Mr. Dean Mark Alblas on where the proposed trenches should be excavated. Unlike the case of drilling, bulk-samples will not be taken along a systematic grid.

After the grades (cpht) and the diamond size distribution has been determined, the diamonds will be sold in order to determine the value of the diamonds.

The method that will be used is that of the so called “plant/bulk sampling technique”, which is typical to that of the South African alluvial diamond mining industry.

The method/technique to be followed are as follow:

- Vegetation will be cleared from the planned/identified bulk-sampling area before excavation commences. This will be done as per the environmental regulations and through supervision by the appointed Environmental Specialist/Environmental Control Officer/Environmental Manager. Overburden and topsoil will then be removed and stockpiled, as per the EMP, for rehabilitation purposes.
- The bulk samples will be “box form” excavations. The dimensions of these individual “box form” excavations will approximately be 30m long x 10m wide.
  It is estimated that the depth of each bulk sample will be 4 m in depth.
- Gravel will be excavated, removed and loaded directly onto dumper trucks by excavators. The excavated gravel will then be hauled to the on-site screening plant. The material will be screened where after the screened material will be transported to the on-site processing plant, where the gravel will be processed by making use of 1 x washing pan.

Concentrate will be moved to the Flowsort plant where the concentrate will be sorted.

- The oversize material and tailings recovered from the plant will be used as backfill material prior to final rehabilitation. Rehabilitation includes backfilling of trenches and rehabilitation of the tailings facility (evening the slopes and planting vegetation)

The equipment used for the bulk-sampling operation will be conventional open pit mining equipment compromising of : Dumper truck, excavator and front-end- loader. All equipment is planned to be diesel driven.

PHASE 5: DRILLING

Depending on the initial geological model established, a diamond drilling programme comprising of four boreholes will be undertaken. This information will then be integrated into the geological model to further define the orebodies, which when combined with the assay information will be utilised to define a resource. 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 EMP.

Commitment to provide addendums in respect of additional prospecting activities

I herewith commit to provide the Department of Mineral Resources and Energy with an addendum in respect of both the Environmental Management Plan and Prospecting Work Program 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 Program.

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 Program.

ACCEPT	X

(iii) DESCRIPTION OF PRE-FEASIBILITY STUDIES

(Activities in this section includes but are not limited to: initial, geological modeling, resource determination, possible future funding models, etc)

All data will be consolidated and processed to determine the diamond and gold bearing resources which underlies the application are. This will be a continuous process throughout the Prospecting Work Programme.

(iv) DESCRIPTION OF BULK SAMPLING ACTIVITIES

This activity requires that an application in terms of Section 20 of the Act is specifically included in your application for a prospecting right and cannot be proceeded with if such permission is not specifically granted.

It is foreseen that 20 000 tons of bulk sample per month will be taken.

See **Annexure B** for an application in terms of Section 20 of the Act

Table 6.1: Bulk Sampling Activities

ACTIVITY		DETAILS
Number of pits/trenches planned		40 Pits ; 20 Trenches
Dimensions of pits/trenches, per pit/ trench	**Number of pits/trenches**	**Length Width Depth**
	40 pits	3m x 3m x 4m
	20 trenches	30m x 10m x 4m
Locality		The locality of the trenches will be determined by the geologist after the evaluation and assessment of the prospecting information derived from the earliest prospecting activities
Volume Overburden (Waste)		30m x 10m x approx.2m x 20 = 12 000 m^3
Volume Ore		30m x 10m x approx.2m x 20 = 12 000 m^3
Density Overburden		1.5
Density Ore		2.2
Phase(s) when bulk sampling will be required		Phase 3 and 4
Timeframe(s)		Pits Phase: 12 months Trench Phase: 24 months Drill Phase: 12 months

Commitment to provide for an addendum in respect of additional bulk sampling activities

I herewith commit to provide the Department of Mineral Resources and Energy with an addendum to the Prospecting Work Program, and an Environmental Management Plan for approval prior to undertaking any future bulk sampling activities not described above.

ACCEPT	**X**

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
Mine Manager
Safety Officer
Operators
Environmental Specialist/Environmental Control Officer/Environmental Manager
Geologist -Mr. Vermaakt
Drill Rig Manager

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

CONFIRMED	**X**

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

Table D: Appropriate Equipment available

1 x 14-16ft Pans plus conveyors 1 x 20t Excavotor 1 x Front End Loader 1 x Scalping Screen

1 x Dump Trucks 1 x 250 kva Generator 1 x Drill Rig

7.3 Technical skills provided Free of Charge

7.3.1 Information (CV's) in respect of skills already acquired

- Environmental Specialist/Environmental Control Officer/Environmental Manager – Kuhle Environmental Consult (Pty) Ltd – Attached as **Annexure C**
- Geologist – Mr. Tim Vermaakt - Attached as **Annexure D**

7.3.2 Copy of the relevant contractual agreements between the service provider and the applicant relative to the duration of the planned prospecting period, where applicable

- Environmental Specialist/Environmental Control Officer/Environmental Manager – Kuhle Environmental Consult (Pty) Ltd – Attached as **Annexure C**
- Geologist – Mr. Tim Vermaakt - Attached as **Annexure D**

7.3.3 All other evidence of Technical Ability
CV of employees and list of equipment

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

As proof of the applicant's financial ability or access thereto, the following documents are annexed:

- Letter of undertaking – Attached as **Annexure E**
- Financial statements – Attached as **Annexure F**

9 REGULATION 7 (1)(k)

A COST ESTIMATE OF THE EXPENDITURE TO BE INCURRED FOR EACH PHASE OF THE PROPOSED PROSPECTING OPERATION

Table 9.1

ACTIVITY	EXPENDITURE YEAR 1	EXPENDITUR YEAR 2	EXPENDITURE YEAR 3	EXPENDITURE YEAR 4	EXPENDITURE YEAR 5
PHASE 1					
Site Visit	R10 000.00	-	-	-	-
PHASE 2					
Desktop Studies	R15 000.00	-	-	-	-
PHASE 3					
Pitting	R75 000.00	R30 000.00	-	-	-
PHASE 4					
Trenches	-	-	R150 000.00	R150 000.00	-
PHASE 5					
Consolidation & Interpretation	-	-	-	-	R20 000.00
Labour	R124 600.00	R124 600.00	R124 600.00	R124 600.00	-
Rehabilitation	R30 000.00	R20 000.00	R50 000.00	R50 000.00	R20 000.00
Prospecting fees	R1000.00	R1100.00	R1200.00	R1300.00	R1400.00
Annual Total	R255 600.00	R175 700.00	R325 800.00	R325 900.00	R41 400.00
			Total Budget		R1 424 400.00

10 FINANCIAL ABILITY TO GIVE EFFECT TO THE WORK PROGRAMME

10.1 The amount required to finance the Work Program

From the proposed budget calculated above, it can be assumed that the amount of R1 424 400.00 would be required to finance the Prospecting Work Programme.

10.2 Detail regarding the financing arrangements

Mr. Dean Mark Alblas will provide the financial resources to conduct the proposed activities of the Prospecting Work Programme. Financial Statements of Mr. Dean Mark Alblas are attached hereto as **Annexure F**.

10.3 Confirmation of supporting evidence appended

The Financial Statements of Mr. Dean Mark Alblas are attached hereto as **Annexure F**.

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

The Financial Statements of Mr. Dean Mark Alblas indicate that there are adequate funds to fund the proposed Prospecting Work Programme– **Annexure F**.

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

CONFIRMED	**X**

13 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 authorized to act as representative of the Applicant in terms of the resolution submitted with the application, and undertake to implement this prospecting work program and adhere to the proposals set out herein.	
Full Names and Surname	Mr. Dean Mark Alblas
Identity Number	7004075067087