

IMAFORCE (PTY) LTD
APPLICATION FOR A PROSPECTING RIGHT IN
TERMS OF SECTION 16 OF THE MINERAL AND
PETROLEUM RESOURCES DEVELOPMENT ACT,
ACT 28 OF 2002 (MRPDA)
AND
THE NATIONAL ENVIRONMENTAL MANAGEMENT
ACT (ACT 107 OF 1998).
KZN30/5/1/1/2/10385 PR
BACKGROUND INFORMATION DOCUMENT (BID)

This document contains INFORMATION on the proposed activities for the Imaforce (Pty) Ltd prospecting activities. The purpose of this document is to provide you, the reader, with information about the proposed activities to allow you to participate meaningfully in the Public Participation Process (PPP) and allow you the opportunity to comment and contribute to the Environmental Management Plan (EMP).

BRIEF PROJECT DESCRIPTION

Imaforce (Pty) Ltd has applied for a prospecting right on the farm Roy point, portion 21 and 22 (176.91 ha). The application was submitted to the Department of Mineral Resources (DMR) on the 23th of May 2013 and was accepted on the 9th of September 2013.

The farm Roy point is located within the Amajuba District Municipality and the Newcastle Local Municipality. The Roy point farm is found approximately 8.64 km South West of Newcastle and 4.35 km south east of Tuam in the Kwazulu Natal Province.

The commodity of interest is bituminous coal.

This BID is the initial stage of the Public Participation Process (PPP) required for environmental authorization under the Minerals and Petroleum Resources Development Act (MRPDA) and the National Environmental Management Act (NEMA). This PPP processes requires an Environmental Management Plan (EMP) to be compiled with the PPP to be undertaken Kai Batla Minerals Industry Consultants (Pty) Ltd , the appointed independent environmental consultants to conduct the necessary studies and oversee the various processes required in accordance with Section 24 of the National Environmental Management Act (NEMA), (Act 107 of 1998) as amended (Act 62 of 2008), the Environmental Impact Regulations,

(544, 545 and 546 – 2010) and relevant sections of the MRPDA (Act 28 of 2002).

The focus of all the environmental studies will be on the entire farm. Once the prospecting right has been granted, environmental specialist studies will be conducted prior commencement of any prospecting activities.

The purpose of this BID is to provide you, the reader, with information about the proposed activities and to allow you as an Interested & Affected Parties (I & AP) to express your concerns and to request a meeting should you so require.

The lead authority for this application is the Department of Mineral Resources (DMR) Kwazulu -Natal and the Department of Agriculture and Environment (KZNDAE).

Applications will be made to KZNDAE for activities which may be listed under the Environmental Impact Assessment Regulation (544, 545 and 546 of 2010) as amended from the National Environmental Management Act, (act no 107 of 1998) (NEMA). This application is subject to the EIA procedure, which will be conducted once the prospecting right has been granted. The following listed activities will be undertaken from the Prospecting rights application:

- *Reg. 544, Activity 19: Any activity which requires a prospecting right in terms of section 16 (Application for prospecting Right) of the*

Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002).

The first step in the process (PPP) is the lodging of the application by the applicant. The actual lodging is conducted without consultation so that the applicant's rights as first applicant are protected.

Within 14 days of receiving the application, the DMR either accepts the application and instructs the applicant to continue with the process, or rejects the application. This application has been accepted and the process is envisaged to continue as follows:

- a) The applicant prepares a BID which accompanies all written and personal communication. This document is initially sent to all identified I&AP's which include the landowner, surrounding landowners, Land Claims Commissioner, Municipality and Provincial department responsible for environment.
- b) Broader public participation will also take place and this will at least include an advertisement in the local newspaper. A notice can also be placed at the entrance of the affected farm or around the application area.
- c) Furthermore the applicant is to identify any additional I&AP's and to request I&APs to register as such (through newspaper advert for instance). This registration is important in that it ensures that

those who register are kept informed of the status of the application and are provided with relevant documentation.

- d) The Mineral and Petroleum Resources Development 2002, Act 28 of 2002 (MPRDA) does not require a separate scoping report for a prospecting right or mining permit application, but documentation indicating the planned and as well as proof of any or all public participation completed and response received must be submitted to the Department Mineral Resources (DMR). This Information must reach the DMR within 30 days of the applicant being notified that the application has been accepted.
- e) All comments are included in Environmental Management Plan (EMPlan) to be compiled. The applicant has a further 30 days (i.e. 60 days in total) to prepare and lodge the EMPlan to the DMR.
- f) The DMR are responsible for distribution of the EMP to State Departments whom have 60 days to provide comment on the report to the DMR
- g) The standard practice (given the short time period of only 60 days before lodging of the EMPlan) is to provide all registered I&AP's with opportunity to comment on the EMP during the State Department commenting period.
- h) The DMR assesses all comments and provides the applicant with their considered decision 60 days after receipt of all comments. (i.e. 120 days after EMPlan is lodged).

Please see **Error! Reference source not found.** for the prospecting right application public participation process flow chart.

Compliance with the above mentioned Act as proposed in the EMP's will be monitored by Imaforce in house Environmental Manager.

YOUR INVOLVEMENT

Public involvement is an essential component of the process. It addresses the right of Interested and Affected Parties (I&APs) to be informed of the proposed activities and to be involved in decision that affect them.

It also affords the environmental practitioner the opportunity to assess and address the issues and concerns raised by I&APs.

We encouraged you to review the information presented to you in this background information document (BID) and to register as an I& AP for the project. Please complete the attached respondent sheet and return it to us on or before the 7th October 2013.

Should you require any further details on any of these aspects above, please do not hesitate to contact us.

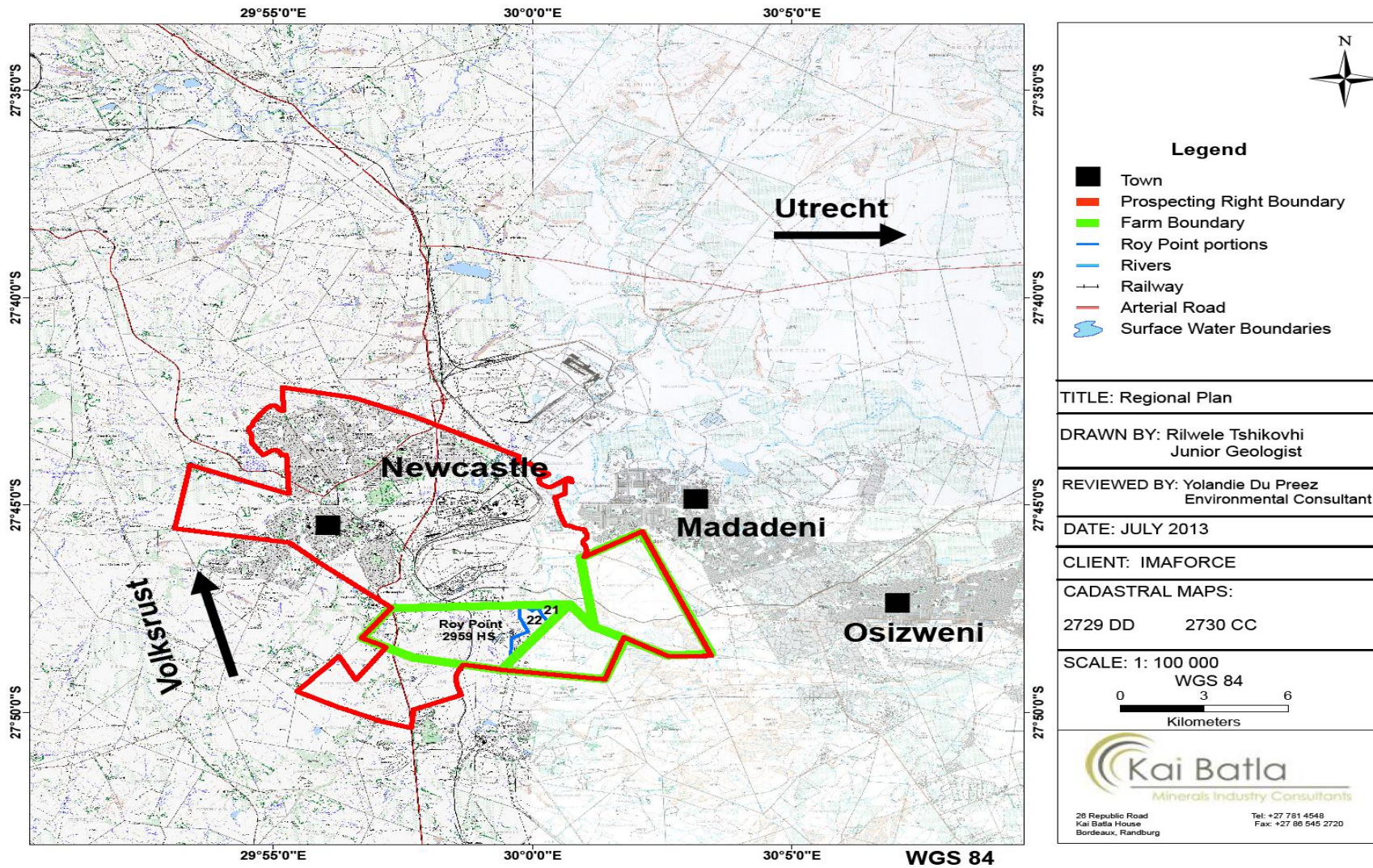


Figure 1: Roy point Regional Map

How to comment?

Should you wish to raise a comment, question or issue please do not hesitate to contact us by telephone, Fax or email or post.

A response sheet is attached.

CONTACT DETAILS

Yolandie du Preez/ Mapadi Molepo

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mmolepo@kaibatla.co.za

Post: P.O. Box 41955, Craighall, 2024

Definitions/ Descriptions

Who are the Interested and Affected Parties (I&AP's)?

I& APs are people who will be directly affected/ involved by the project.

What is a Prospecting Right Application?

A Prospecting Right application is a structural process as described by the MRPDA, whereby a mining company is allowed to prospect for specific minerals to evaluate the mineral reserve and economic potential to mine.

The applicant must demonstrate that is has the financial resources to develop, operated and close the proposed mine and that it adequately understands, and can pay for the mitigation measures needs to minimise or prevent long terms impact to the biophysical and social environment.

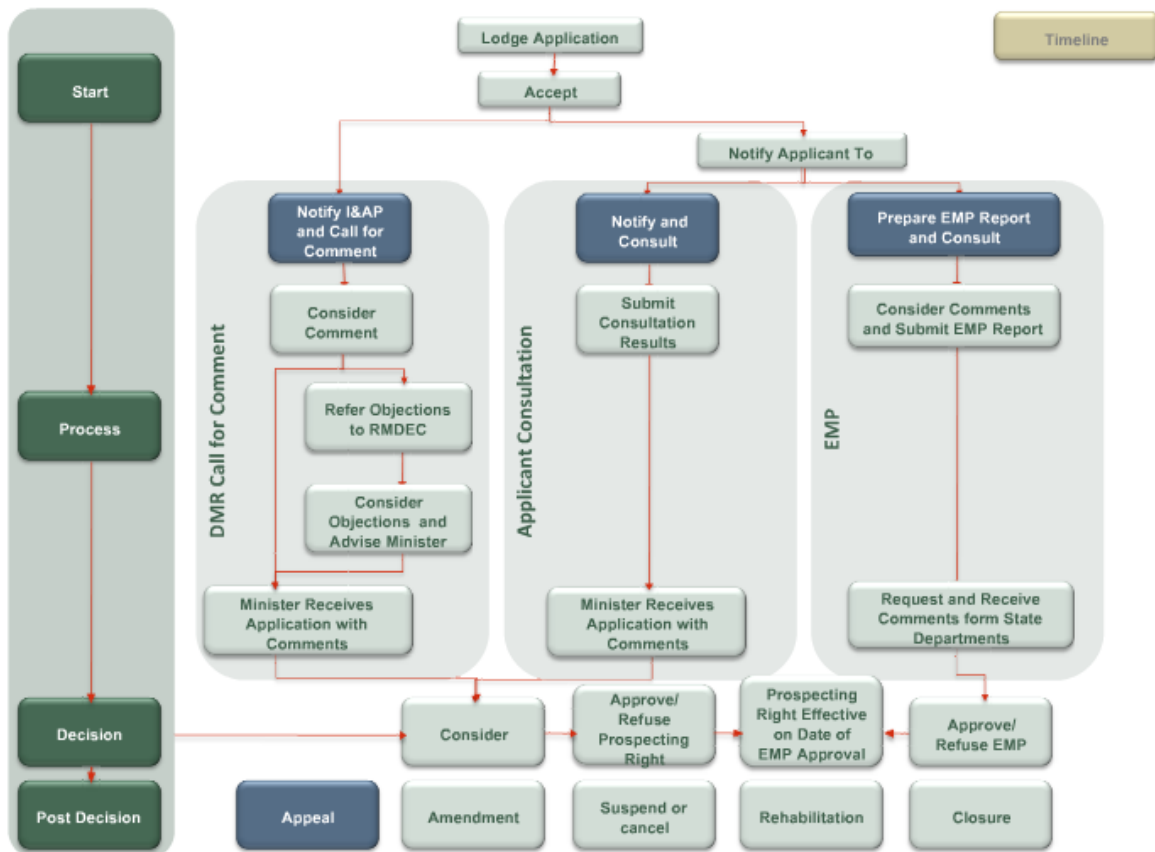


Figure 2: Process for Prospecting Right

**IMAFORCE PTY LTD
PROSPECTING RIGHT APPLICATION: RESPONSE SHEET**

Please assist us in our efforts to provide a better service to the public by filling this response sheet

Question 1: Personal Information

Name and Surname	
Farm Name/Organisation	

Question 2: To what extent has the background information document met your expectations?

Please tick (✓) one (1) of the following:

Completely	<input type="checkbox"/>
Satisfactory	<input type="checkbox"/>
Partly	<input type="checkbox"/>
Not at all	<input type="checkbox"/>

If your expectations have not been met, please indicate why?

Question 3: Has the background information document provided you with sufficient information about the project?

Please tick (✓) one (1) of the following:

Completely	<input type="checkbox"/>
Satisfactory	<input type="checkbox"/>
Partly	<input type="checkbox"/>
Not at all	<input type="checkbox"/>

If your expectations have not been met, please indicate why?

Insufficient information provided	
Information provided was too technical	

Question 4: Please specify what aspects of the project you are interested in.

Please tick (✓) one (1) of the following:

All aspects	<input type="checkbox"/>	Employment opportunities	<input type="checkbox"/>
Eco-tourism	<input type="checkbox"/>	Business opportunities	<input type="checkbox"/>
Air pollution, noise, dust visual pollution	<input type="checkbox"/>	Local economic development	<input type="checkbox"/>
Ground and/or surface water pollution	<input type="checkbox"/>	Mine closure and rehabilitation	<input type="checkbox"/>
Natural habitat: land and animal Life	<input type="checkbox"/>	Future of Newcastle/	<input type="checkbox"/>
Health, safety and security	<input type="checkbox"/>		<input type="checkbox"/>
Other (please specify)	<input type="text"/>		
	<input type="text"/>		

Question 5: Are you aware of any of the following with regards to the proposed project (please specify details below):

Please tick (✓) which is applicable:

Potential Physical Impacts

Potential Social Impacts

Potential sites of cultural significance (potential heritage sites, graves etc.)

Rare or endangered animals and / or plants

**Question 6: Are there any other questions or concerns that you have about the project?
[Kindly specify below and the project team will respond to these in due course]**

Question 7: Are there any other parties or organisations that you think should know about the project?

Question 8: Do you want to be kept informed about the future stages of this study and remain registered as an I&AP?

Please tick (✓) one (1) of the following:

No thank you!

Yes please!

Tel

Fax:

Cell:

Email:

Postal Address: