NOTICE OF APPLICATION FOR ENVIRONMENTAL AUTHORISATION, ENVIRONMENTAL MANAGEMENT PROGRAMME AMENDMENT AND POSSIBLE WATER USE LICENCE AMENDMENT

FOR THE CONSTRUCTION ACCOMMODATION
FACILITY FOR THE MARKET COKE AND COGENERATION PLANT PROJECT
(LEDET ref. 12/1/9/1-W79, NEAS ref.
LIM/EIA/0000784/2013)

This Background Information Document (BID) provides Interested and Affected Parties (IAPs) with information and invites them to participate in a public consultation process regarding the Construction Accommodation Facility for the Market Coke and Co-Generation Plant Project.

You are invited to:

- 1. Register as an IAP for the project; and
- 2. To raise concerns and ask questions about the project.

Please send us your initial comments and questions by **23 January 2014**. There will also be additional opportunities in the future for you to participate and provide comments.

If you are interested, please complete the registration/ comment sheet (last page of this document) and return to Synergistics. Note that you <u>must</u> register in order to be a participant in the process. Register with:

Shelley Holt

Construction Accommodation Facility for the Market Coke and Co-Generation Plant Project Synergistics Environmental Services

Tel: 011 326-4158 Fax: 011 326-4118

Post: P.O. Box 68821, Bryanston, 2021

Email: sholt@slrconsulting.com

(you are welcome to leave a message and we will gladly call you back)





POWERING POSSIBILITY

BACKGROUND INFORMATION DOCUMENT

Construction Accommodation Facility for the Market Coke and Co-Generation

Plant Project

December 2013

Exxaro Resources Ltd (Exxaro) is proposing to construct an accommodation facility to house the construction workers who will be constructing the Market Coke and Co-Generation Plant (already authorised by LEDET ref. 12/1/9/2-W12), located at the Grootegeluk Coal Mine, near Lephalale.

Exxaro appointed Synergistics Environmental Services (Pty) Ltd (Synergistics) as the independent Environmental Assessment Practitioner to assist with the applications required for authorisation in terms of the environmental legislation. The initial legal review has indicated that the Construction Accommodation Facility for the Market Coke and Co-Generation Plant Project will require multiple authorisations under a number of different sets of legislation administered by different competent authorities.

PURPOSE OF DOCUMENT

This document provides initial information to interested and affected parties as well as stakeholders, about the development and the environmental authorisation process for the proposed Construction Accommodation Facility for the Market Coke and Co-Generation Plant Project.

This document forms the first part of the public consultation process, which is required as part of the environmental authorisation processes. It aims to elicit comments, questions and responses regarding the proposed project. This information will be used to plan the environmental studies to be undertaken to assess the impacts of the proposed development.

Registered IAPs will be invited to any public meetings and given an opportunity to review reports.

PROJECT LOCATION

The Construction Accommodation Facility for the Market Coke and Co-Generation Plant project will be located on the Farm Enkelbult 462 LQ, within the boundaries of Grootegeluk Coal Mine, Lephalale, Limpopo. The site is located adjacent to the D2001 district road.

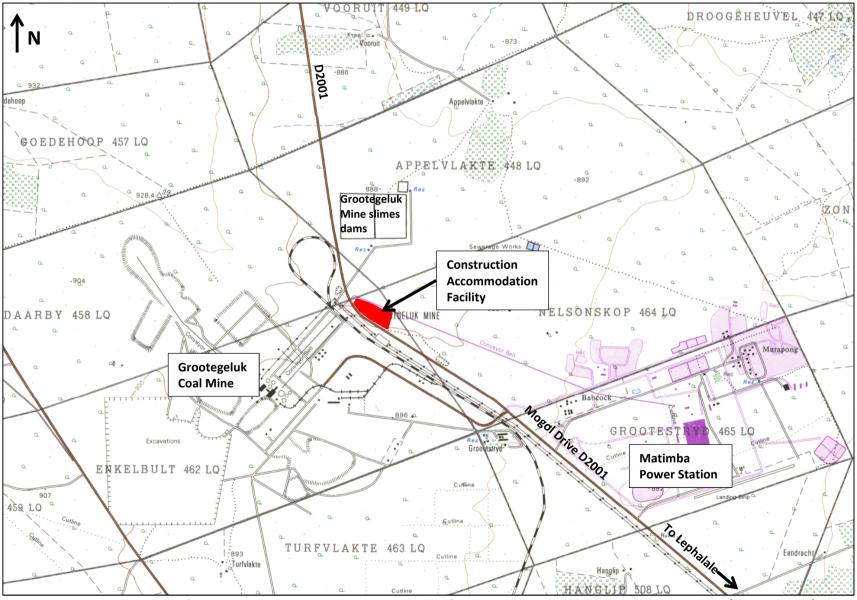


Figure 1. Locality map of the Construction Accommodation Facility for the Market Coke and Co-Generation Plant (shown in red)

PROJECT DECRIPTION

The accommodation facility will house construction workers who will be constructing the Market Coke and Co-Generation Plant Project at the Grootegeluk Coal Mine. To enable the construction of the plant to be completed to the required level of accuracy, technical specifications and budget requirements, an enquiry document was issued to the open market worldwide in 2012. After the tender adjudication, two shortlisted tenderers were chosen, both of whom are from China. As the construction of the coke ovens requires skills which are currently only available in China, the tenderers indicated that they will need to bring the skilled workers from China. For this reason, a Construction Accommodation Facility is proposed to be built near the construction site (on the property of Grootegeluk Coal Mine), to house these construction workers. At the peak period of construction the number of workers on site will be 500 – 600 people.

The proposed Construction Accommodation Facility will consist of temporary housing which will be constructed by the successful tenderer. The camp will consist of prefabricated buildings. These buildings will be erected to meet the requirements of the construction workers and will include: sleeping quarters, dining areas, kitchens, ablutions and stores. Some of the buildings in the Construction Accommodation Facility will be two stories high. Gravel roads (4- 6 m wide) will be developed at the site.

Exxaro will supply potable water, electricity, waste removal and sewage services to the Construction Accommodation Facility, from the existing supplies at the Grootegeluk Coal Mine. Once construction of the coke ovens for the Market Coke and Co-Generation Plant Project are complete, the accommodation facility will remain on site for use in future construction projects.

The approximately 6 hectare site has indigenous vegetation which will need to be cleared for the construction of the facility. The area to be cleared will be kept to a minimum.

ENVIRO-LEGAL REQUIREMENTS

An initial legal review has indicated that the Construction Accommodation Facility Project will likely require multiple authorisations under various environmental legislation and administered by different competent authorities.

Exxaro has submitted an application for an environmental authorisation to the Limpopo Department of Economic Development, Environment and Tourism (LEDET). An amendment to the Grootegeluk Mine's Environmental Management Programme (EMPR) will also require authorisation by the Department of Mineral Resources (DMR). It is possible that an amendment to the Grootegeluk Mine's Integrated Water Use Licence (IWUL) may also be necessary. This will be confirmed upon consultation with the Department of Water Affairs (DWA). It is likely that a permit in terms of the National Environmental Management: Biodiversity Act (Act 10 of 2004) (NEM:BA) will be required, depending on whether any protected species are found on site. The South African Heritage Resources Agency (SAHRA) will also be notified of the project in accordance with the National Heritage Resources Act 25 of 1999 (NHRA). Notice is hereby given in terms of the following legislation, that applications for required authorisations have been/will be submitted to the relevant government authorities listed below:

| Legislation | Listed Activities | Process Required | Competent |
|-------------------------|-----------------------|---------------------------------------|-----------|
| | (preliminary list) | | Authority |
| National Environmental | Government Notice | Submission of an application form and | LEDET |
| Management Act (Act 107 | Regulation (GNR) 544 | Basic Assessment Report (BAR) | |
| of 1998) (NEMA) | (activity 23) and GNR | | |
| | 546 (activity 14) | | |

| Legislation | Listed Activities | Process Required | Competent |
|----------------------------|-----------------------|---------------------------------------|----------------------|
| | (preliminary list) | | Authority |
| Mineral and Petroleum | N/A | Submission of EMPR amendment | DMR |
| Resources Development | | report. | |
| Act (Act 28 of 2002) | | | |
| National Environmental | N/A | Submission of application form (if | LEDET / Dept. of |
| Management: Biodiversity | | required and if protected species are | Agriculture, |
| Act (Act 10 of 2004) | | found on site). | Fisheries & Forestry |
| National Water Act (Act 36 | Possibly Section 21 g | Integrated water use licence | DWA |
| of 1998) | water use | amendment (if required) | |
| National Heritage | N/A | Notification to SAHRA. | SAHRA |
| Resources Act 25 of 1999 | | | |

APPLICATION PROCESS

Synergistics has compiled the application required to commence with a Basic Assessment (BA) process as stipulated in terms of the EIA Regulations (GNR 543) made under section 24(5) of the NEMA (Figure 3).

A BA is a study that is undertaken to determine the effect that a planned operation/facility will have on the environment and surrounding communities.

Basic Assessment

This involves the review of available environmental information and the collation of additional information to identify sources of environmental impacts and to assess the level of the potential impacts.

Specialists may be involved to provide expert opinion on the likely impacts. For the purposes of this assessment, specialist studies will be undertaken to assist in predicting the impacts on ecology, heritage and the social environment.

Environmental Management Programme

An environmental management programme (EMP) will be developed aimed at addressing impacts identified and developing mitigation measures to reduce risks to acceptable levels.

Recommendations of the specialists are used to assist in developing the EMP.

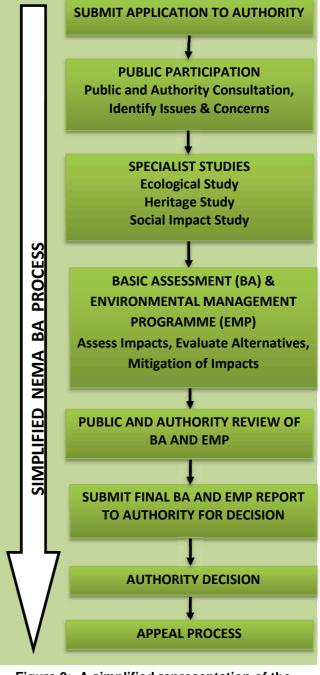


Figure 2: A simplified representation of the BA process (in terms of NEMA)

| PUBLIC INPUT S | HEET FOR CONSTRUCTION ACCOMMODATION FACILITY PROJECT |
|----------------------------|---|
| Name: | |
| Address: | |
| Telephone/cell phone: | |
| Fax: | |
| E-mail: | |
| Date: | |
| Signature: | |
| * Please indicate your pre | eferred method of receiving information. |
| | o should be informed of the project, please provide us with their contact details: |
| Name: | |
| Address: | |
| Telephone/cell phone: | |
| Fax: | |
| E-mail: | |
| application, please disclo | ose these: |
| ISSUES, CONCERNS AND C | QUESTIONS (use additional pages if required) reach us by 23 January 2014 to be considered in the process. |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

RETURN COMPLETED SHEET TO:

Shelley Holt

Construction Accommodation Facility Project Synergistics Environmental Services (Pty) Ltd

Fax: (011) 326-4118

E-mail: sholt@slrconsulting.com

Post: P.O. Box 68821, Bryanston, 2021, South Africa

