

DE BEERS
A DIAMOND IS FOREVER



**BACKGROUND
INFORMATION DOCUMENT
AND INVITATION TO COMMENT**

**CLOSURE OF SOUTH AFRICAN
SEA AREA MINING RIGHT
MPT 25/2011**

Concession Holder:

DE BEERS CONSOLIDATED MINES



Appointed Consultant:



PISCES Environmental Services (Pty) Ltd

April 2013

AIM OF THIS DOCUMENT

The aim of this Background Information Document (BID) is to provide stakeholders with information about the application for abandonment of a marine diamond mining right off the west coast of South Africa.

You are invited to raise issues and concerns that you may have about the proposed project. Potential risks associated with the closure of the mining licence will be investigated during the compilation of a Final Closure Plan and Environmental Risk Report.

The Report, together with your comments, will form part of the Application for Closure submitted to the Department of Mineral Resources.

Please direct comments to:

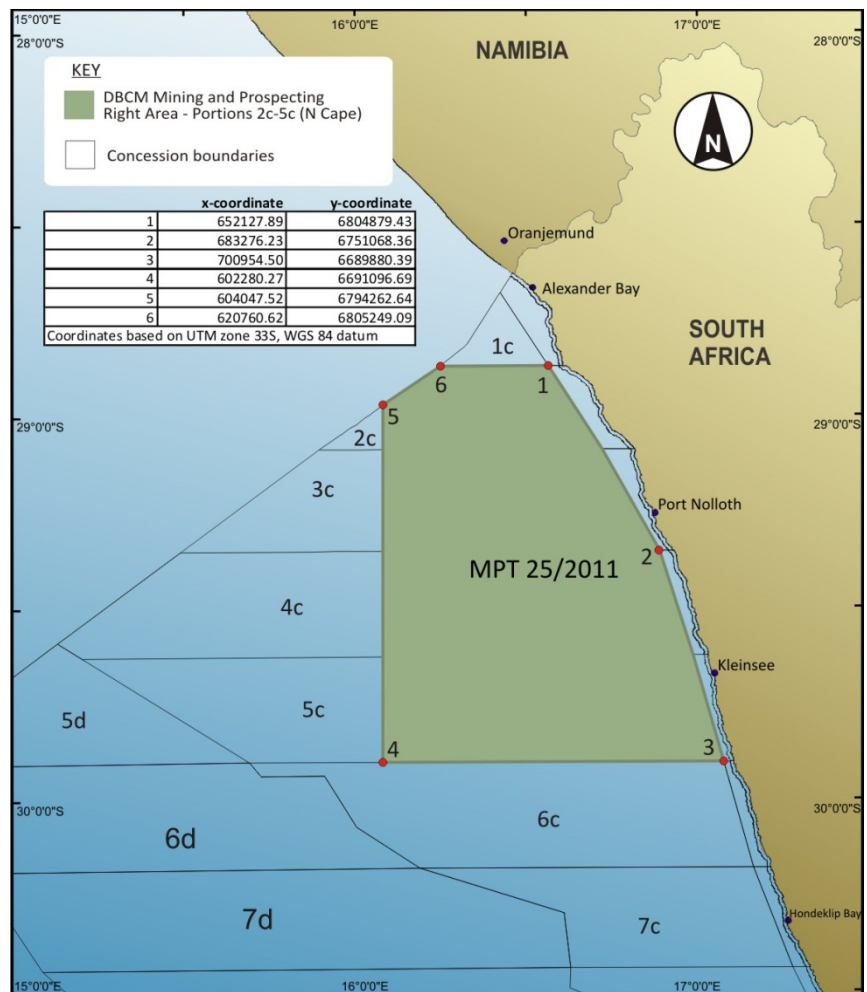
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Please register or comment on or before
15 May 2013

BACKGROUND INFORMATION

De Beers Consolidated Mines (DBCM) holds a marine diamond mining right in the South Africa Sea Areas (SASA), MPT 25/2011, previously known as ML3/2003 (ML3). The mining licence area is situated some 500 km north of Cape Town, with the inshore boundary 5 km seaward of the coastal towns of Kleinsee in the south and Alexander Bay in the north (Figure 1). It is contained within the boundaries of the predefined diamond concession areas 2c, 3c, 4c and 5c and covers an area of 8816.17 km².

A decision has been taken by DBCM to abandon the mining right. As part of the process it is necessary to prepare a Final Closure Plan and Environmental Risk Report in terms of Regulations 60 and 62 of GN R 527 Mineral and Petroleum Resources Development Regulations of the Mineral and Petroleum Resources Development Act (28/2002). This BID forms part of the stakeholder engagement required as part of the Closure Plan to be submitted to the Department of Mineral Resources with the Closure Application.

Figure 1: Location and co-ordinates of the MPT 25/2011 (ML3) Mining Right held by De Beers



HISTORY OF OPERATIONS IN MPT 25/2011

De Beers Marine (DBM) is a South African-registered company providing marine prospecting and mining services to various clients, including DBCM. Since 1983 DBM has been prospecting in sea concessions 2-5c, 7-10c and 12c, under contract to the licence holder DBCM. In January 2003, DBCM was successful in its application for a mining authorization for portions of sea areas 2c, 3c, 4c and 5c, previously known as ML3/2003 (ML3), but now referenced by the Department of Mineral Resources as MPT 25/2011. A vessel platform was purchased in 2005 and converted into a mining vessel, the *mv Peace in Africa*, in 2006/7, before going into full production in May 2007.

Mining was conducted using a seabed crawler which was lowered to the seabed and controlled remotely from the surface support vessel. The vehicle was fitted with highly accurate acoustic seabed navigation and imaging systems, and mined by systematically advancing along a 'lane'. Unconsolidated surface sediment was pumped to the vessel for processing onto multi-decked screens to separate the boulders and sandy silt from the size fraction of interest. Positioning of the vessel and crawler was designed to prevent discarded tailings from settling into the mined areas as the crawler moved along a track. Crawlers are capable of achieving more thorough coverage of the target area, thus avoiding the need for re-mining. The mining vessel employed dynamic mooring, using multi-anchor systems to allowing the vessel to locate itself precisely over a mining area.

Mining of the licence area was undertaken by the *mv Peace in Africa* between May 2007 and January 2010. During that period a total area of 4.8 km² within the Mining Licence was depleted from areas located at water depths of 100-160 m.

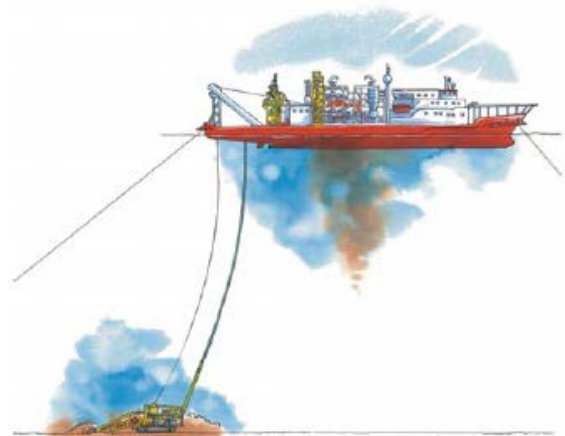


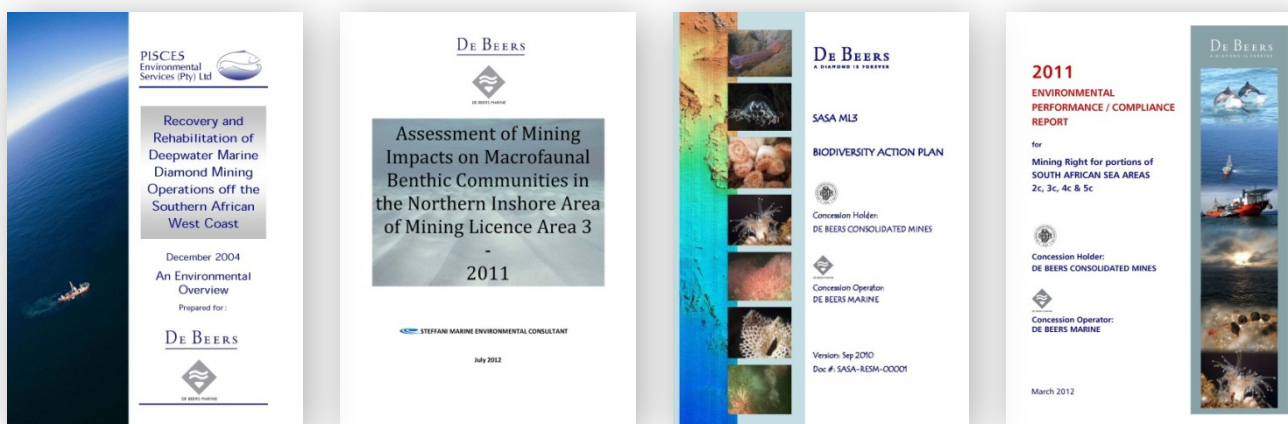
Figure 2: mv Peace in Africa mining vessel, representation of horizontal mining and illustration of the seabed crawler.

HISTORY OF LEGAL COMPLIANCE AND ENVIRONMENTAL PERFORMANCE

Operations in the mining licence area were subject to international, national and local environmental legal requirements. Measures to ensure compliance with these requirements were implemented through DBM's environmental legal register. The legal register, as well as compliance with the relevant legislation, was regularly audited as part of DBM's certification to the ISO14001 standard.

Legal compliance and environmental performance for the mining licence included:

1997	Initial Baseline Benthic Survey conducted.
1999	Environmental Management Programme Report for SASA 2c-5c, 7c-10c and 12c approved.
2003	Mining Licence Authorization (ML3/2003). Second Baseline Benthic Survey and report to augment initial baseline survey undertaken.
2004	Compilation of Recovery and Rehabilitation Report.
2005	Submission of Scoping Report for ML3/2003 (MPT 25/2011) and compilation of updated EMPR incorporating the Mining Work Programme. Assessment of the potential acoustic impacts of prospecting on marine mammals. Application to convert ML3/2003 (MPT 25/2011) mining authorisation to a New Order Right.
2006	Initiated engagement with the South African National Biodiversity Institute (SANBI) through the WWF-SA's Marine Programme to support the project aimed at addressing the requirement for Offshore Marine Protected Areas.
2007	Amendment of EMPR to address changes in fuel used by mining vessel. Approval of updated EMPR and Amendment. Development of a Medium- to Long-term Benthic Monitoring Plan. Implementation of a marine fauna sightings programme on board mining vessel.
2008	Report evaluating water quality risks in ML3/2003 (MPT 25/2011). First post-mining benthic survey in the Northern Inshore Area and associated report.
2009	Conversion to New Order Mining Right
2010	Second post-mining benthic survey in the Northern Inshore Area and associated report. Two additional benthic sites sampled to collect benthic biodiversity information for SANBI. Compilation of Biodiversity Action Plan for ML3/2003 (MPT 25/2011).
2011	Third post-mining benthic survey in the Northern Inshore Area and associated report.
2004 – 2011	Annual Environmental Performance/Compliance Reports submitted to DMR.



WHAT HAPPENS ON CLOSURE?

As part of the application for closure, a **Final Performance Assessment and Environmental Risk Report** will be compiled and submitted to DMR. This report will **include concerns identified by stakeholders** regarding the proposed closure of the mining licence.