

SUMMARY OF THE PROPOSED PROSPECTING OPERATION

1. List of activities applied for

All mining related activities for the recovering of diamonds by means of trenching:

- Geological Investigation - NEMA GNR 327 Listed 1 Activity 20
- Drilling - NEMA GNR 327 Listed 1 Activity 20
- Rehabilitation - NEMA GNR 327 Listed 1 Activity 20
- Ablution facility - NEMA GNR 327 Listed 1 Activity 20
- Vehicle storage - NEMA GNR 327 Listed 1 Activity 20
- Domestic waste facility - NEMA GNR 327 Listed 1 Activity 20
- Access road - NEMA GNR 327 Listed 1 Activity 20
- Mine roads - NEMA GNR 327 Listed 1 Activity 20

2. Scale and extent of activities

- Geological Investigation - ± 4 408 ha
- Drilling - ± 0.12 ha
- Rehabilitation - ± 0.12 ha
- Ablution facility - ± 0.0024 ha
- Vehicle storage - -
- Domestic waste facility - -
- Access road - ± 0.4 ha
- Mine roads - -

3. Typical impacts of activities

Assessment and ranking of potential impacts will be done with consideration towards the following

- Environmental sensitivity and location of the project area
- Nature and size of project
- Actual footprint of the project in relation to the project area
- Duration of the project and individual activities

The significance of impacts is evaluated as follows.

- Severity
 - Low negative impact – indicates a state of ‘calmness’ concluding that the effect the operations may have on the environment is so insignificant that the wellbeing of the environment or any individual will not be degraded or prohibited.
 - Medium negative impact – describes a state of ‘manageable stress’, giving the idea of that the effect of the operations on the environment is significant enough

to cause tolerable disturbance to the wellbeing or overall conditions of the environment of any individual

- High negative impact – indication a state of ‘high stress’, meaning that the effect of the operations on the environment is so significant that the wellbeing and overall conditions of the environment or any individual will be degraded or prohibited.

4. Duration of each activity

- Duration

- Short-term –rated as a period less than 2 years and is indicated as a low impact
- Medium-term – rated as the period between 2 and 5 years and indicated as a medium impact.
- Long-term – rated as any period exceeding 5 years and indicated as a high impact.

5. Details regarding intended operation

Prospecting Right using the following methodology

- Phase 1 – Geological investigations (6 months)

- Geological investigations (months 1 to 4)

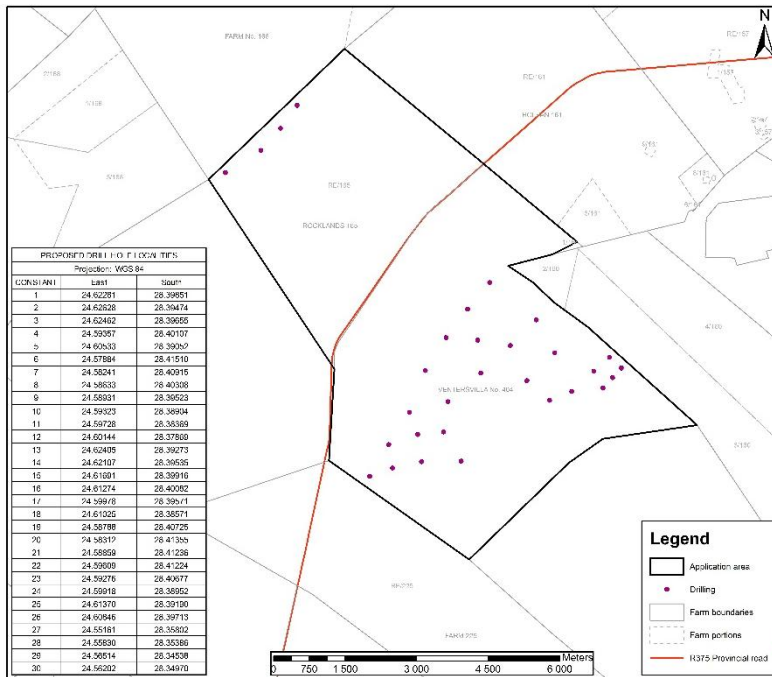
Initial geological investigations will be in the form of desktop studies using existing literature, available data of the area and satellite imagery. From these information obtained the current geological maps is updated to be more areas specific.

Field visits will also be conducted for the purpose of geological surveys for determining the existence of specific trace minerals as well as outcrop evaluation. All findings will be digitally captured and geological models drafted.

- Geological overview (months 5 to 6)

All results obtained during the first phase activities are communicated and explained within the geological overview. Within this report all data is summarized and final drilling positions determined and recommended.

- Phase 2 – RC Drilling (13 months)



- RC Drilling (months 7 to 11)

The initial drilling proposed is done to demarcate the gravel body with its boundaries. 30 holes is proposed to an approximate depth of 10 meters.

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

- Logging (months 7 to 11)

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. Drill chip samples will be taken and stored within sealed chip trays and safeguarded for future referencing.

- Rehabilitation (months 7 to 11)

When each hole is completely drilled and does not show any kimberlite occurrence, it will be fully rehabilitated before moving to the next drill hole location. Rehabilitation will be done by the backfilling of the material in their respective manner.

When kimberlite is encountered during the drilling of the hole and proves the necessity for core drilling it will be cased, sealed and marked till further drilling can commence with that specific hole

- Data input and mapping (months 8 to 12)

All data obtained from the drilling and logging of the holes will be digitally captured and more detailed geological models and maps generated. The aim of modelling the area is to delineate the gravel bed and approximate depths

- Geological overview (months 13 to 14)
All findings and results will be drafted and explained within a geological report. The geological models created will be used for this purpose and also be included in 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 (12 months)
 - Infill drilling (months 15 to 19)
Phase 3 is strongly dependent on the previous phases for the location of these holes as well as the grid on which these holes will be drilled. The drilling programme for this phase will include percussion and core drilling. 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 prove sufficient for obtaining accurate results. The core drilling is used as a complementary method of drilling for holes that prove the necessity for further drilling and is only done to obtain kimberlite depth and carats per hundred ton as well as possible kimberlite bottom. These holes can be drilled for a further approximate depth of 50 meters.

This is done to determine the gravel bed characteristics and possible kimberlite grade distribution as well as the exact extent of the gravel as well as possible kimberlite body.

- Logging (months 15 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 drill samples obtained from the drilling programme will be kept within suitable trays for future referencing

Portions of the sample material representing a kimberlite body will be taken and placed in bags for sample analyses. Each sample will be marked with the hole number and the sample number. The sample number will also appear on the hole's log sheet for accuracy purposes of the programme and results to be obtained.

- Sample analyses (months 15 to 20)

All samples obtained from the core drilling programme will be sent to an independent accredited laboratory for analyses. The certificates obtained will be safe kept together with the log sheets for future referencing

- Rehabilitation (months 15 to 19)
Rehabilitation will be done as suited for both percussion and core drilling. Sample material will be backfilled and where core drilling occurred the hole will be cased and sealed. Each hole will be fully rehabilitated before commencing to the next drill location. In this way rehabilitation is time and cost effective
- Data input and mapping (months 16 to 21)
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.
- Geological Report (months 22 to 26)
All findings and results will be drafted and explained within the Geological Report. The geological models created will be used for this purpose and also be included within the report.

The report will further include reserve estimations, mineral economy based on the reserve estimations as well as recommendation for future work to be done