NAME OF APPLICANT: THETA MINING (PTY) LTD

REFERENCE NUMBER: (NC) 30/5/1/2/2/10015 MR

SCOPING REPORT

SUBMITTED WITH DUE REGARD TO

CONSULTATION WITH COMMUNITIES AND INTERESTED AND AFFECTED PARTIES

AS REQUIRED IN TERMS OF REGULATION 49 OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT 28 OF 2002), AND IN ACCORDANCE WITH THE STANDARD DIRECTIVE FOR THE COMPILATION THEREOF AS PUBLISHED ON THE OFFICIAL WEBSITE OF THE DEPARTMENT OF MINERAL RESOURCES.



A. Definitions

'consultation' means a two way communication process between the applicant and the community or interested and affected party wherein the former is seeking, listening to, and considering the latter's response, which allows openness in the decision making process.

'community' means a group of historically disadvantaged persons with interest or rights in a particular area of land on which the members have or exercise communal rights in terms of an agreement, custom or law: Provided that, where as a consequence of the provisions of the Act negotiations or consultations with the community are required, the community shall include the members or part of the community, directly affected by prospecting or mining, on land occupied by such members or part of the community.

'interested and affected parties' include, but are not limited to:-

- (i) Host communities
- (ii) Landowners (Traditional and Title Deed owners)
- (iii) Traditional Authority
- (iv) Land Claimants
- (v) Lawful land occupier
- (vi) The Department of Land Affairs
- (vii) Any other person (including on adjacent and non-adjacent properties) whose socioeconomic conditions may be directly affected by the proposed prospecting or mining operation
- (viii) The Local Municipality
- (ix) The relevant Government Departments, agencies and institutions responsible for the various aspects of the environment and for infrastructure which may be affected by the proposed project.

STANDARD DIRECTIVE

All applicants for, mining rights, in terms of the provisions of Section 29 (a) and in terms of Regulation 49 (4) of the Mineral and Petroleum Resources Development Act, directed to submit report strictly in accordance with the following format and subject headings, and as informed by the guideline posted on the Departments Official Website, within 30 days of notification by the Regional Manager of the acceptance of such application.

1. The methodology applied to conduct scoping,

1.1 Name the communities as defined in the guideline, or explain why no such community was identified.

Sydney-on-Vaal Communal Property Association (CPA)

1.2 State whether or not the Community is also the landowner.

The Farm Drooge Veldt 292 is registered to The Republic of South Africa according to Title Deed T2079/1989.

1.3 State whether or not the Department of Land Affairs has been identified as an interested and affected party.

Yes the Department of Rural Development and Land Reform has been identified as an interested and affected party. A notification letter, regarding the acceptance of the mining right application by Theta, was sent to the Department by registered post.

1.4 State specifically whether or not a land claim is involved.

In 1998, the Commission received claims lodged by the late Reverend John K Kweetsane on behalf of the Sidney-on-Vaal community. A family claim was lodged by Mrs. Sarah Ruiters on behalf of Mr. Hendrik Langeveld as the originally dispossessed person. A third restitution claim was lodged by Mr. Petrus Johannes Riddles, also on behalf of the Sidney on Vaal Community.

A total number of 269 households with 1345 beneficiaries benefited from the total settlement cost of R50 502 292.00 during the hand-over on 3 September 2006. Some 118 households opted for financial compensation, whilst 88 households opted for restoration to 18 121, 8305 hectares of land, of which the property under application forms a part of.

The state acquired Vaalbos National Park from SANParks. The CPA is now the current caretaker of the land, while the Commission is facilitating the transfer of title deed.

1.5 Name the Traditional Authority identified by the applicant.

Sydney-on-Vaal Communal Property Association (CPA)

1.6 List the landowners identified by the applicant. (Traditional and Title Deed owners).

The traditional land owner is the Sydney-on-Vaal Communal Property Association.

The Farm Drooge Veldt 292 is registered to The Republic of South Africa according to Title Deed T2079/1989.

1.7 List the lawful occupiers of the land concerned.

The lawful owners of the property are The Republic of South Africa. No members of the Sydney-on-Vaal Communal Property Association currently occupy Drooge Veld.

- 1.8 Explain whether or not other persons' (including on adjacent and non-adjacent properties) socio-economic conditions will be directly affected by the proposed prospecting or mining operation and if not, explain why not.
 - Yes. Socio-economic upliftment will take place due to the creation of employment opportunities as well as economic support to the surrounding business community.
- 1.9 Name the Local Municipality identified by the applicant.

Dikgationg Local Municipality

- 1.10 Name the relevant Government Departments, agencies and institutions responsible for the various aspects of the environment, land and infrastructure which may be affected by the proposed project.
 - (i) Frances Baard District Municipality
 - (ii) The Department of Agriculture and Land Reform
 - (iii) The Department of Environment and Nature Conservation
 - (iv) Eskom
 - (v) The Department of Public Works
 - (vi) The Department of Rural Development and Land Reform
 - (vii) The South African National Roads Agency

- (viii) The Department of Water Affairs
- (ix) Land Claim Commissioner
- (x) Department of Land Affairs
- 1.11 Confirm that evidence that the landowner or lawful occupier of the land in question, and any other interested and affected parties including all those listed above, were notified, have been appended hereto.

Yes, the landowner, the future landowner (Sydney-on-Vaal CPA) and various other identified interested and affected parties were notified by means of registered post as well as by advertisements that were placed in the Diamond Fields Advertiser (Local newspaper) and Volksblad (Regional newspaper).

Notice Boards were placed on three different public locations.

Attached hereto as Annexure 'A' find proof of the notification process.

- 2. A description of the existing status of the cultural, socio-economic and biophysical environment, as the case may be, prior to the proposed mining operation; which description must include:-
 - 2.1 Confirm that the identified and consulted interested and affected parties agree on the description of the existing status of the environment.

Consultation is ongoing and responses are awaited on a Background Information Document that was provided to Interested and Affected Parties with the notification letters. Additional information on the existing status of the cultural, socio-economic and biophysical environment will be made available to any interested and affected party for comment, if requested. The findings and results of the consultation process will be included in the EIA/EMPR document.

2.2 Describe the existing status of the cultural environment that may be affected.

In 1998, the Commission received claims lodged by the late Reverend John K Kweetsane on behalf of the Sidney-on-Vaal community. A family claim was lodged by Mrs. Sarah Ruiters on behalf of Mr. Hendrik Langeveld as the originally dispossessed person. A third restitution claim was lodged by Mr. Petrus Johannes Riddles, also on behalf of the Sidney on Vaal Community.

A total number of 269 households with 1345 beneficiaries benefited from the total settlement cost of R50 502 292.00 during the hand-over on 3 September 2006. Some 118 households opted for financial compensation, whilst 88 households opted for restoration to 18 121, 8305 hectares of land, of which the property under application forms a part of.

The state acquired Vaalbos National Park from SANParks. The CPA is now the current caretaker of the land, while the Commission is facilitating the transfer of title deed.

2.3 Describe the existing status of any heritage environment that may be affected.

The area contains some lapidated historical ruins and kraals, burial grounds and graves and archaeological artefacts.

A specialist will be appointed to conduct an in-depth study of the planned mining areas. The findings of this report will be included in the EIA/EMPR document. Any findings of heritage identified in the Archaeological Assessment will be clearly mapped.

2.4 Describe the exiting status of any current land uses and the socio-economic environment that may be directly affected.

Land Uses:

- Current land use is predominantly game farming.
- Theta is currently busy with prospecting sampling on the property.

Socio-Economic:

Five measures of economic impacts can be used to demonstrate the potential effect of the proposed mining operation on the local economy:

- Employment The extent of employment can be measured as number of jobs or in terms of full time equivalents.
- Payroll income The gross remuneration of employees in terms of salaries and wages.
- Capital Expenditure (CAPEX) The total amount spent on the purchasing of fixed assets and total spent on construction.

- Operating expenditure and maintenance (OPEX) The total amount spent locally by businesses on goods and services, excluding salaries and wages as well as rents or interest.
- Revenue The total value of sales arising from business activity at the mine.
- 2.5 Describe the existing status of any infrastructure that may be affected.
 - The gravel roads accessing the property are currently in a very poor condition. The
 on-site gravel roads are in a poor to good condition. Gravel roads accessing the
 planned mining operation will see a minimal increase in traffic which could have
 an impact on these roads.
 - There is a functional Eskom High-Voltage Power line traversing the property. It is not anticipated that Theta's planned mining operation will have an impact to the power grid, as Theta will make use of generators in their operation.
 - There are no railway lines in the immediate vicinity of the property.
 - Some lapidated historical ruins and kraals are present on certain areas of the property.
 - Some buildings, dams and lapidated infrastructure left over from SANParks' land use are still present on the property.
- 2.6 Describe the existing status of the biophysical environment that will be affected, including the main aspects such as water resources, flora, fauna, air, soil, topography etc.

• Air Quality:

Dust from the bulk sampling activities is visible over relatively large distances. This dust is predominately from the haulage operations as opposed to the excavating and processing operations themselves. A specialist company will be appointed to conduct a baseline study of the air quality at the anticipated impact areas. The findings of this report will be included in the EIA/EMPR document.

Other sources of impacts on air quality are:-

- Dust caused by vehicles making use of the gravel farm roads transecting the property.
- Smoke caused by burning of the harvest stubbles on adjacent irrigation lands.

The general air quality on the property is expected to be good.

• Fauna:

Previous and current prospecting activities have disturbed the habitat of the fauna in the areas where bulk sampling took place and where the plant is situated.

These disturbed areas cover an area of approximately 30 hectares.

A specialist will be appointed to conduct an in-depth study of the fauna found

within the planned mining areas. The findings of this report will be included in the

EIA/EMPR document.

Although there are no Sydney-on-Vaal CPA members residing on the property

under application, hunting and snaring of animals takes place as a supplementary

source of protein to some extent by residents from nearby communities.

• Flora:

The application falls within the SVk 4 Kimberley Thornveld, located in the

Savannah Biome. This vegetation type is classed as least threatened. Plains often

slightly irregular with well-developed tree layer with Acacia erioloba, A. tortilis, A.

karroo and Boscia albitrunca and well-developed shrub layer with occasional dense stands of Tarchonanthus camphoratus and A. mellifera. Grass layer with

much uncovered soil.

Tall Tree: Acacia erioloba (d)

Small Trees: Acacia karroo (d), A. mellifera subsp. detinens (d), A. tortilis subsp.

heteracantha (d), Rhus lancea

Tall Shrubs: Tarchonanthus camphoratus (d), Diospyros pallens, Ehretia rigida

subsp. rigida, Euclea crispa subsp. ovata, Grewia flava, Lycium arenicola, L.

hirsutum, Rhus tridactyla

Low Shrubs: Acacia hebeclada subsp. hebeclada (d), Anthospermum rigidum

subsp. pumilum, Helichrysum zeyheri, Hermannia comosa, Lycium pilifolium,

Melolobium microphyllum, Pavonia burchellii, Peliostomum leucorrhizum, Pinthus

sericeus, Wahlenbergia nodosa

Succulent Shrubs: Aloe hereroensis var. hereroensis, Lycium cinereum

Graminoids: Eragrostis lehmanniana (d), Aristida canescens, A. congesta, A. mollissima subsp. argentea, Cymbopogon pospischilii, Digitaria argyrograpta, D. eriantha subsp. eriantha, Enneapogon cenchroides, E. scoparius, Eragrostis rigidior, Heteropogon contortus, Themeda triadra

Herbs: Barleria mactrostegia, Dicoma schinzii, Harpagophytum procumbens subsp. procumbens, Helichrysum ceratioides, Hermbstaedtia odorata, Hibiscus marlothianus, Jamesbrittenia aurantiaca, Lippia scaberrima, Osteospermum muricatum, Vahlia capensis subsp. vulgaris

Succulent Herbs: Aloe grandidentata, Piaranthus decipiens

Old Rooikoppie workings which were not rehabilitated by historical exploration companies are present on the property, which have led to destruction and loss of vegetation in these areas. Exploration activities by Theta have led to destruction and loss of vegetation in the areas where bulk sampling took place. Theta has however rehabilitated most of the disturbed areas, and continues to rehabilitate while exploration activities are taking place.

A specialist will be appointed to conduct an in-depth study of the flora found within the planned mining areas. The findings of this report will be included in the EIA/EMPR document.

Ground Water:

The geohydrological regime in the study area is made up of two main aquifer systems. The first, the upper, unconfined to semi-confined aquifer occurs in the calcrete that cover most of the surface area of the property under application. The aquifer is usually developed on the contact between the calcrete and underlying clay formations or in localized pebble horizons within the calcrete. Although relative low yields occur in this aquifer, it is developed widely throughout most of the project area.

The second aquifer is associated with fractures, fissures, joints and other discontinuities within the consolidated bedrock and associated intrusive of the Transvaal/Griqualand West Sequences. The aquifer occurs at depths from 40 meters to more than 200 meters below surface in the study area. It is semi-confined and has greatly varying yields that are directly associated with the geology and geological structure.

A baseline study of the groundwater will be conducted which will include analysis of groundwater from boreholes. The findings of this report will be included in the EIA/EMPR document.

• Noise:

Sources of current noise disturbances associated with the bulk sampling activities include vehicle movements, earth-moving operations and the operation of the pan plant.

• Soil:

The soil type varies from deep red and yellow sands (Hutton and Clovelly soil forms) to shallow and stoney (Mispah and Kimberley soil forms) while the soil in the north-western floodplain is moderately deep and clayey (Valsrivier soil form).

The banks of the Vaal River consist of the silt-clayey soil (Oakleaf soil form) while the soil of debris of old diamond diggings is very disturbed. The soil type varies from deep to shallow Hutton form as well as Mispah soil form.

The soils land types within the study area are classified as CA, EC, and AC (The ARC Institute for Soil, Climate and Water).

CA soils are soils with a marked clay accumulation, strongly structured and a non-reddish colour. In addition one or more of vertic, melanic and plinthic soils may be present. These are calcarious soils with a strong texture contrast. Soil depth <450mm, clay content >= 15% and <35%.

EC soils are red and yellow, sandy well drained soils with high base status, these are soils that have limited pedological development, and are classified as eutrophic soils. Soil depth >=750mm Clay content=<15%.

AC soils are non-calcarious red-yellow well drained soils lacking a strong texture contrast. They are red, massive or weak structured soils with high base status. Soil depth >=450mm and <750mm, clay content<15%.

A specialist will be appointed to conduct a study of the soil found within the planned mining areas. The findings of this report will be included in the EIA/EMPR document.

• Surface Water:

The property falls under the C92A and C92E tertiary catchment areas. The perennial Vaal River borders the property on the west.

There are minor secondary drainage lines found on the property draining from the higher lying Nooitgedacht Plateau towards the Vaal River Valley predominantly in a north-westernly direction. These drainage lines are normally dry and surface water only occurs periodically during the rainy seasons.

Other surface water found on the property includes residual water in active slimes dams and four small dry pans, which contains rain water during the rainy season.

• **Topography:**

The area lies between 1110m and 1230m above sea level and can be classified as a flat plain that slopes towards the Vaal River in the west.

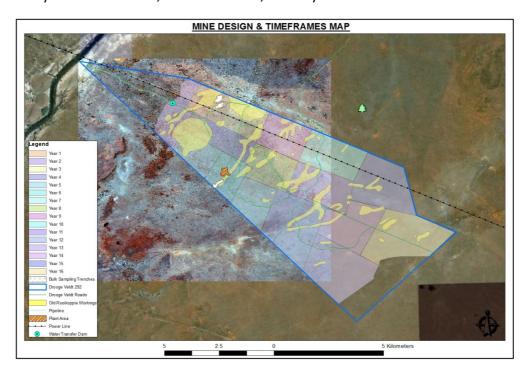
• Visual:

The visual impact on the surrounding properties is insignificant as the most of the mining operation will not be visible from neighbouring farms or the main road between Kimberley and Danielskuil (R31), or from any lookout point. Mining sites such as open excavations, slimes dams, tailings dumps, waste rock dumps and the plant area could be visible from close quarters and from minor rises overlooking the sites.

2.7 Provide any relevant additional information.

There is no additional information which has not been included above.

- 3. Identification of the anticipated environmental, social or cultural impacts, including the cumulative impacts, where applicable.
 - 3.1 Provide a description of the proposed project including a map showing the spatial locality of infrastructure, extraction area, and any associated activities.



3.2 Describe any listed activities (in terms of the NEMA EIA regulations) which will be occurring within the proposed project.

According to Listing Notice 2: List of activities and competent authorities identified in terms of Sections 24(2) and 24D of the National Environmental Management Act, 1998 (Act no. 107 of 1998) of Government Gazette no 33306, No. R. 545 the following activities are applicable according to NEMA EIA regulations:

Activity 15 Physical alteration of undeveloped, vacant or derelict land for residential, retail, commercial, recreational, industrial or institutional use where the total area to be transformed is 20 hectares or more; Except where such physical alteration takes place for: (i) linear development activities; or (ii) agriculture or afforrestation where activity 16 in this Schedule will apply

Activity 20	Any activity which requires a mining right or renewal thereof as
	contemplated in Sections 22 and 24 respectively of the Mineral and
	Petroleum Resources Development Act, 2002 (Act no 28 of 2002).

3.3 Specifically confirm that the community and identified interested and affected parties have been consulted and that they agree that the potential impacts identified include those identified by them.

Notification letters, with a Background Information Document attached, was sent to the identified surface owner, Sydney-on-Vaal CPA (SCPA) and to various other identified interested and affected parties.

A meeting has been requested with the SCPA which has been communicated through their legal representative. Find attached hereto correspondence indicating their response that a meeting will be held at a later date as a part of Annexure 'B'. Please note that a 'Notice of Special General Meeting' was published by the SCPA on 20 March 2012 in the Diamond Fields Advertiser. Find attached this publication as Annexure 'C'. This notice indicates that a proposal for the removal of the chairperson of the SCPA. Further consultation will take place after the election of a new chairperson.

Other meetings that were requested were with The Department of Public Works (Surface owner) and De Beers Consolidated Mines (Surrounding owner). To date no meeting dates were proposed by either of the parties. The meetings will be held in due course and the minutes of these meetings will be included in the EIA/EMPR documents.

A public meeting will be held in due course, should the need arise, during which the existing status of the environment and the potential impacts will be discussed with any other interested and / or affected parties. The minutes of this meeting as well as all issues identified in this meeting will be addressed in detail in the EIA/EMPR document.

Consultation is an ongoing process. The findings and responses received from the notification letters, meetings with communities and the public meeting will be addressed in detail in the EIA/EMPR document.

- 3.4 Provide a list and description of potential impacts identified on the cultural environment.
 - 3.4.1 Provide a list and description of potential impacts identified on the heritage environment, if applicable.

	Potential Impact	Type of impact	Description
Archaeological artefacts	Damage or destruction	Negative	Mining will damage or destruct pre- historic artefacts, should mining take place in areas where these artefacts are present. An archaeological assessment must be conducted at the proposed mining sites before mining commences.
Burial grounds and graves	Damage or destruction	Negative	Mining will damage or destruct burial grounds and graves, should mining take place in areas where these burial grounds and graves are present. An archaeological assessment must be conducted at the proposed mining sites before mining commences.
Buildings and structures older than sixty years	Damage or destruction	Negative	Mining will damage or destruct buildings and structures older than sixty years, should mining take place in areas where these buildings and structures are present. An archaeological assessment must be conducted at the proposed mining sites before mining commences.

3.4.2 Provide a list and description of potential impacts identified on the socioeconomic conditions of any person on the property and on any adjacent or nonadjacent property who may be affected by the proposed prospecting or mining operation.

	Potential Impact	Type of impact	Description
Capital Expenditure	Monies spent in local economy	Positive	Monies spent on the purchasing of fixed assets and total spent on construction.
Payroll income	Monies earned	Positive	Gross remuneration of employees in terms of salaries and wages.
Operating expenditure and maintenance	Monies spent in local economy	Positive	Monies spent locally by businesses on goods and services.
Revenue	Monies generated locally and nationally	Positive	Value of sales arising from mining activities.

3.4.3 Provide a list of potential impacts (positive & negative) on: employment opportunities, community health, community proximity, and links to the Social and Labour Plan.

	Potential Impact	Type of impact	Description
Employment	Job creation	Positive	The mining operation will provide employment opportunities.
Community Health	No anticipated impact	N/A	N/A
Community proximity	No anticipated impact	N/A	The Sydney-on-Vaal CPA members do not reside on the property under application.
Social and Labour Plan	Upliftment of communities And redistribution of wealth	Positive	The mining operation will contribute to the Human Resource Development of its employees and to the Local Economic Development of the Dikgatlong Local Municipality.

3.4.4 Provide a list and description of potential impacts identified on the biophysical environment including but not limited to impacts on: flora, fauna, water resources, air, noise, soil etc.

	Potential Impact	Type of impact	Description
Air Quality	Dust	Negative	Nuisance dust
Fauna	Disturbance and/or destruction of habitat	Negative	Disturbance and/or destruction of habitat.
Flora	Disturbance and/or destruction of vegetation	Negative	Disturbance and/or destruction of vegetation.
Ground Water	No impact expected	N/A	N/A
Noise	Noise	Negative	Noise created by mining equipment.
Soil	Disturbance and destruction	Negative	Removal and disturbance of soil structure by mining activities.
Surface Water	 Consumption Pollution Disturbance of drainage lines 	Negative	 Using of Vaal River water for processing and domestic purposes. Potential pollution of the Vaal River from run-off water contaminated with hydrocarbons. Disturbance of drainages obstruct natural run-off flow

	o Sediment influx		 Influx of suspended silt in run-off water and tailings dam sediments into the Vaal River.
Topography	Alteration	Negative	Changing of natural slopes by mining activities.
Visual	Obscuring natural view	Negative	Changing of natural view by mining activities.

3.4.5 Provide a description of potential cumulative impacts that the proposed operation may contribute to considering other identified land uses which may have potential environmental linkages to the land concerned.

	Description		
Air Quality	 Dust from the gravel farm roads transecting the property. 		
	\circ Smoke from domestic open fires from the communities on adjacent		
	properties.		
	\circ Smoke caused by burning of the harvest stubbles on adjacent irrigation		
	lands.		
	 Nuisance dust created by mining activities. 		
Fauna	 Disturbance and/or destruction of habitat by mining activities. 		
	 Hunting and snaring of animals by nearby communities. 		
Flora	 Disturbance and/or destruction of vegetation by mining activities. 		
Ground Water	\circ Nearby communities extracts groundwater for domestic, livestock and		
	subsistence farming use.		
	\circ Surrounding surface owners extracts groundwater for domestic and		
	livestock uses.		
	 No impact to groundwater by mining activities is expected. 		
Noise	 Noise created by mining activities and traffic. 		
Soil	 Removal and disturbance of soil structure by mining activities. 		
Surface Water	o Using of Vaal River water for processing in prospecting / mining		
	operations.		
	\circ Using of Vaal River water for irrigation purposes by surrounding		
	surface owners.		
Topography	 Changing of natural slopes by mining activities. 		
Visual	 Changing of natural view by mining activities. 		

- 4. Land use or development alternatives, alternative means of carrying out the proposed operation, and the consequences of not proceeding with the proposed operation.
 - 4.1 Provide a list of and describe any alternative land uses that exist on the property or on adjacent or non-adjacent properties that may be affected by the proposed mining operation.

Description		
 Commercial livestock farming on adjacent properties. 		
The property under application formed part of SANPark's Vaalbos National Park before it was sold to the South African Government. Very		

	little of the game that were present on the property during this period	
	remains.	
	 Commercial game farming on adjacent properties. 	
Subsistence Agriculture	The nearby communities use the land for subsistence agriculture.	
Irrigation	Commercial scale crop farming, under centre pivots on adjacent properties.	
Prospecting and Mining	Excavating, hauling and processing of alluvium and diamondiferous alluvial	
activities	gravels on Droogeveldt, Schmidtsdrift and adjacent properties.	

4.2 Provide a list of and describe any land developments identified by the community or interested and affected parties that are in progress and which may be affected by the proposed mining operation.

There are no known land developments identified on the property under application.

4.3 Provide a list of and describe any proposals made in the consultation process to adjust the operational plans of the mine to accommodate the needs of the community, landowners and interested and affected parties.

The consultation process is an ongoing process. To date no adjustment proposals to the operational plans have been received from any interested and/or affected party. Should any proposals be received, it will be addressed in the EIA/EMPR document.

4.4 Provide information in relation to the consequences of not proceeding with the proposed operation.

Game farming activities on the property would continue with a limited contribution to the local economy. Substantial investment opportunities, creation of employment, LED commitments, royalties to the State and tax benefits will be lost.

- 4.5 A description of the most appropriate procedure to plan and develop the proposed mining operation. The applicant must:-
 - 4.5.1 Provide information on its response to the findings of the consultation process and the possible options to adjust the mining project proposal to avoid potential impacts identified in the consultation process.

As the consultation process is an ongoing process, Theta will continue to communicate with any interested and/or affected party. Theta will address all issues identified during the consultation process in detail (including mitigation measures) in the EIA/EMPR document.

The SCPA, De Beers and The Department of Public works have responded to the notification letters which responses are attached hereto as part of Annexure 'B'.

Meetings were requested with the abovementioned parties. To date no meeting dates were proposed by any of the parties. The meetings will be held in due course and the minutes of these meetings will be included in the EIA/EMPR documents.

4.5.2 Describe accordingly the most appropriate procedure to plan and develop the proposed mining operation with due consideration of the issues raised in the consultation process.

Theta will develop an EIA/EMPR document, which document will be made available to all interested and/or affected parties for their response. A final EIA/EMPR document will be submitted to DMR, within the allotted timeframe provided. Should DMR approve this document Theta undertakes to comply with the relevant conditions contained in the EIA/EMPR document.

- 5. A description of the process of engagement of identified interested and affected parties, including their views and concerns
 - 5.1 Provide a description of the information provided to the community, landowners, and interested and affected parties to inform them in sufficient detail of what the prospecting or mining operation will entail on the land, in order for them to assess what impact the prospecting will have on them or on the use of their land.

A Background Information Document (attached hereto as Annexure 'D') was provided to the identified communities, the surface owner and all other identified Interested and Affected Parties.

A meeting has been requested with the SCPA which has been communicated through their legal representative. Find attached hereto correspondence indicating their response that a meeting will be held at a later date. Please note that a 'Notice of Special General Meeting' was published by the SCPA on 20 March 2012 in the Diamond Fields Advertiser. Find attached this publication as Annexure 'C'. This notice

indicates that a proposal for the removal of the chairperson of the SCPA. Further consultation will take place after the election of a new chairperson.

Other meetings that were requested were with The Department of Public Works (Surface owner) and De Beers Consolidated Mines (Surrounding owner). To date no meeting dates were proposed by either of the parties. The meetings will be held in due course and the minutes of these meetings will be included in the EIA/EMPR documents.

A public meeting will be held, should the need arise, to discuss the proposed mining operation and any potential impacts to the receiving environment with the communities and any other Interested and Affected Parties.

The responses and findings of these consultation processes will be detailed in the EIA/EMPR document, which document will be made available for comment before the final copy is submitted to DMR.

5.2 Provide a list of which of the identified communities, landowners, lawful occupiers, and other interested and affected parties were in fact consulted.

Name	Description
De Beers Consolidated Mines Ltd	Surrounding Owner
Dikgatlong Local Municipality	Surrounding Owner /
	Government Department
Frances Baard District Municipality	Government Department
Department of Agriculture and Land Reform	Government Department
Department of Environment and Nature Conservation	Government Department
Department of Public Works	Government Department
Department of Rural Development and Land Reform	Government Department
Department of Water Affairs	Government Department
Department of Land Affairs	Government Department
Land Claim Commissioner	Government Department
Eskom	Parastatal
SANRAL	National Agency
Sydney-on-Vaal Communal Property Association	Identified Community
Pniel Communal Property Association	Identified Community

Any other interested and / or affected party was also invited to register as such in advertisements that were placed in the Diamond Fields Advertiser (Local newspaper) and Volksblad (Regional newspaper).

5.3 Provide a list of their views in regard to the existing cultural, socio-economic or biophysical environment, as the case may be.

As the consultation process is of an ongoing nature, a complete, detailed list will be provided in the EIA/EMPR document to ensure that all views regarding the cultural, socio-economic and biophysical environment are addressed.

5.4 Provide a list of their views raised on how their existing cultural, socio-economic or biophysical environment potentially will be impacted on by the proposed prospecting or mining operation.

As the consultation process is of an ongoing nature, a complete, detailed list will be provided in the EIA/EMPR document to ensure that all views regarding the potential impacts on the cultural, socio-economic and biophysical environment are addressed.

5.5 Provide a list of any other concerns raised by the aforesaid parties.

As the consultation process is of an ongoing nature, a complete, detailed list will be provided in the EIA/EMPR document to ensure that all issues and concerns are addressed.

5.6 Provide the applicable minutes and records of the consultations.

A public meeting will be held, should the need arise, to discuss the proposed mining operation and any potential impacts to the receiving environment with the communities and any other Interested and Affected Parties. The minutes and records of this meeting will be detailed in the EIA/EMPR document.

5.7 Provide information with regard to any objections received.

The Department of Public Works (the surface owner) and the Sydney-on-Vaal CPA have both submitted objections to the Mining Right application by Theta. Please find attached their objections as part of Annexure 'B'.

- 6. Describe the nature and extent of further investigations required in the environmental impact assessment report, including any specialist reports that may be required.
 - A specialist company will be appointed to conduct a baseline study of the air quality at the anticipated impact areas.
 - A specialist will be appointed to conduct an in-depth study of the fauna found within the planned mining areas.
 - A specialist will be appointed to conduct an in-depth study of the flora found within the planned mining areas.
 - A baseline study of the groundwater will be conducted which will include analysis of groundwater from boreholes.
 - A specialist company will be appointed to conduct a baseline study of the current noise levels at the anticipated impact areas.
 - A specialist will be appointed to conduct a study of the soil found within the planned mining areas.
 - An Archaeologist will be appointed to conduct an archaeological assessment of the planned mining areas.

Should any impacts or issues not addressed in this Scoping Report be identified during the ongoing consultation process the relevant specialist will be appointed.

B. IDENTIFICATION OF THE REPORT

The report on the results of consultations must, at the end of the report include a certificate of identification as follows;

Herewith I, the person whose name and identity number is stated below, confirm that I am the person authorised to act as representative of the Applicant in terms of the resolution submitted with the application, and confirm that the above report comprises the results of consultation as contemplated in Section 16(4)(b) or 27((5)(b) of the Act, as the case may be.

Full names and surname	YOSEF SHABTAY WELTSMAN
Identity number	570809837087