

# mineral resources

Department:  
Mineral Resources  
REPUBLIC OF SOUTH AFRICA

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**From:** Directorate: Mineral Regulation: Northern Cape      **Date:** 09 November 2010

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**Ref:** NC 30/5/1/1/3/2/1/2334EM

The Director  
South African Heritage Resources Agency  
PO Box 4637  
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8000

**Attention: Mrs Nonofho Ndobochani**

**CONSULTATION IN TERMS OF SECTION 40 OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT 2002, (ACT 28 OF 2002) FOR THE APPROVAL OF AN ENVIRONMENTAL MANAGEMENT PLAN FOR PROSPECTING RIGHT ON THE FARM TWEED NO. 362, SITUATED IN THE MAGISTERIAL DISTRICT KURUMAN, NORTHERN CAPE REGION.**

**APPLICANT: UMBONO MANGANESE SEVERN (PTY) LTD**

Attached herewith, please find a copy of an EMP received from the above-mentioned applicant, for your comments.

It would be appreciated if you could forward any comments or requirements your Department may have to this office and to the applicant before **10 January 2011** as required by the Act.

Consultation in this regard has also been initiated with other relevant State Departments. In an attempt to expedite the consultation process please contact **Mr Vincent Mula** of this office to make arrangements for a site inspection or for any other enquiries with regard to this application.

Your co-operation will be appreciated.

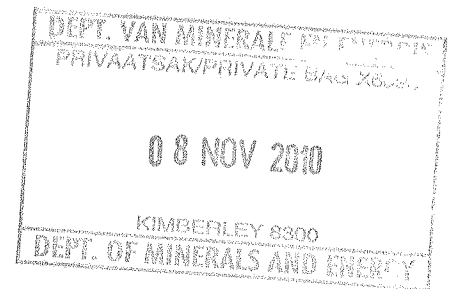
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**REGIONAL MANAGER: MINERAL REGULATION  
NORTHERN CAPE REGION**

File number:...(NC) 30/5/1/2/2/2334PR

## DEPARTMENT OF MINERAL RESOURCES

**ENVIRONMENTAL MANAGEMENT PLAN**

Submitted in support of application for a prospecting right or mining permit.  
Section 39 and Regulation 52 of the Mineral and Petroleum Resources Development  
Act, 2002 (Act 28 of 2002)



Application for a:

Prospecting Right	✓
Mining Permit	

Applicant : Umbono Manganese Severn (Pty) Ltd, Reg No.: 2009/016030/07

Farms : TWEED 362 IL

District : KURUMAN

Minerals : Mn, Fe

Date : 04 November 2010

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## **SECTION A - BACKGROUND TO DOCUMENT AND GUIDELINES**

### **A.1 INTRODUCTION**

This document aims to provide a simplified national standard for applicants for prospecting rights and mining permits to comply with the relevant legislation and environmental regulations as apply to their respective applications in terms of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002)(MPRDA).

Applicants in this sector of the mining industry typically disturb smaller surface areas of land, whether drilling boreholes, small trenches, or mining on a small area, less than 1,5 hectares of land, under a mining permit as contemplated in Section 27 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002)

### **A.2 SCOPE**

This document is intended for use by applicants for mining permits and prospecting rights.

Typically, operations in this sector of the mining industry:

- Use little or no chemicals to extract mineral from ore,
- Work on portions of land of 1,5 hectares in size or smaller,
- Disturb the topography of an area somewhat but have no significant impact on the geology

### **A.3 PURPOSE**

This document aims to:

- Provide a national standard for the submission of Environmental Management Plans for the types of applications mentioned above.
- Ensure compliance with Regulation 52 of the MPRDA.
- Assist applicants by providing the information that the Department of Mineral Resources (DMR) requires in a simple language and in a structured, prescribed format, as contemplated in Regulation 52 (2) of the (MPRDA).
- Assist regional offices of the DMR to obtain enough information about a proposed prospecting/ reconnaissance or mining permit operation to assess the possible environmental impacts from that operation and to determine corrective action even before such right is granted and the operation commences.

This document aims both to provide the DMR regional offices with enough information about applicants for mining permits and applicants with guidance on environmental management matters pertaining to the mitigation of environmental impacts arising from their operations. Given this dual focus and the generic nature of the document, it might not be sufficient for all types of operations under various circumstances. The document may therefore be altered or added to as the particular circumstances of the application in question may require.

#### A.4 USE OF THE DOCUMENT

This document is designed for use by non-professionals and newcomers to the environmental management industry and it incorporates a *very simple* Environmental Impact Assessment (EIA). The EIA is contained in Section C of this document and was designed specifically with the target sectors of the mining industry (described in A.2 above) in mind.

The aim is ultimately to (a) gather information from applicants themselves; (b) to assess the impact of the operation based on that information and then (c) to guide the applicant to mitigate environmental impacts to limit damage to the environment.

Section B of the document gathers demographic information about the applicant. Section C gathers the information that will be used in the Environmental Impact Assessment. The applicant must complete the relevant sections of this document, but the regional office of the DMR will do the scoring of these for the impact assessment rating in Section D.

Section F (the Environmental Management Plan) of the document is prescriptive and gives guidance to the miner or prospector on how to limit the damage of the operation on the environment. This part may be added to by the regional manager, who has the prerogative to decide whether this Environmental Management Plan will adequately address the environmental impacts expected from the operation or whether additional requirements for proper environmental management need to be set. Where these additional requirements are set, they will appear in Section G of this document. The Environmental Management Plan (Section F) of the document is legally binding once approved and, in the undertaking contained in Section H, the applicant effectively agrees to implement all the measures outlined in this Environmental Management Plan.

#### A.5 LEGISLATION/REGULATIONS

The relevant sections of Mineral and Petroleum Resources Development Act and its supporting Regulations are *summarised below* for the information of applicants. The onus is on the applicant to familiarise him/herself with the provisions of the full version of the Mineral and Petroleum Resources Development Act and its Regulations.

Section of Act	Legislated Activity/ Instruction/ Responsibility or failure to comply	Penalty in terms of Section 99
5(4)	No person may prospect, mine, or undertake reconnaissance operations or any other activity without an approved EMP, right, permit or permission or without notifying land owner	R 100 000 or two years imprisonment or both
19	Holder of a Prospecting right must: lodge right with Mining Titles Office within 30 days; commence with prospecting within 120 days, comply with terms and conditions of prospecting right, continuously and actively conduct prospecting operations; comply with requirements of approved EMP, pay prospecting fees and royalties	R 100 000 or two years imprisonment or both
20(2)	Holder of prospecting right must obtain Minister's permission to remove any mineral or bulk samples	R 100 000 or two years imprisonment or both

Section of Act	Legislated Activity/ Instruction/ Responsibility or failure to comply	Penalty in terms of Section 99
26(3)	A person who intends to beneficiate any mineral mined in SA outside the borders of SA may only do so after notifying the Minister in writing and after consultation with the Minister.	R 500 000 for each day of contravention
28	Holder of a mining right or permit must keep records of operations and financial records AND must submit to the DG: monthly returns, annual financial report and a report detailing compliance with social & labour plan and charter	R 100 000 or two years imprisonment or both
29	Minister may direct owner of land or holder/applicant of permit/right to submit data or information	R 10 000
38(1)(c)	Holder of permission/permit/right MUST manage environmental impacts according to EMP and as ongoing part of the operations	R 500 000 or ten years imprisonment or both.
42(1)	Residue stockpiles must be managed in prescribed manner on a site demarcated in the EMP	A fine or imprisonment of up to six months or both
42(2)	No person may temporarily or permanently deposit residue on any other site than that demarcated and indicated in the EMP	A fine or imprisonment of up to six months or both
44	When any permit/right/permission lapses, the holder may not remove or demolish buildings, which may not be demolished in terms of any other law, which has been identified by the Minister or which is to be retained by agreement with the landowner.	Penalty that may be imposed by Magistrate's Court for similar offence
92	Authorised persons may enter mining sites and require holder of permit to produce documents/ reports/ or any material deemed necessary for inspection	Penalty as may be imposed for perjury
94	No person may obstruct or hinder an authorised person in the performance of their duties or powers under the Act.	Penalty as may be imposed for perjury
95	Holder of a permit/right may not subject employees to occupational detriment on account of employee disclosing evidence or information to authorised person (official)	Penalty as may be imposed for perjury
All sections	Inaccurate, incorrect or misleading information	A fine or imprisonment of up to six months or both
All sections	Failure to comply with any directive, notice, suspension, order, instruction, or condition issued	A fine or imprisonment of up to six months or both

## A.6 OTHER RELEVANT LEGISLATION

Compliance with the provisions of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) and its Regulations does not necessarily guarantee that the applicant is in compliance with other Regulations and legislation. Other legislation that may be immediately applicable includes, but are not limited to:

- National Monuments Act, 1969 (Act 28 of 1969)
- National Parks Act, 1976 (Act 57 of 1976)
- Environmental Conservation Act, 1989 (Act 73 of 1989)
- National Environmental Management Act, 1998 (Act No. 107 of 1998)
- Atmospheric Pollution Prevention Act, 1965 (Act 45 of 1965)
- The National Water Act, 1998 (Act 36 of 1998)
- Mine Safety and Health Act, 1996 (Act 29 of 1996)
- The Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983).

## A.7 WORD DEFINITIONS

In this document, unless otherwise indicated, the following words will have the meanings as indicated here:

<b>Act</b>	Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002);
<b>Borehole</b>	A hole drilled for the purposes of prospecting i.e. extracting a sample of soil or rock chips by pneumatic, reverse air circulation percussion drilling, or any other type of probe entering the surface of the soil;
<b>CARA</b>	The Conservation of Agricultural Resources Act;
<b>EIA</b>	An Environmental Impact Assessment as contemplated in Section 38(1) (b) of the Act;
<b>EMP</b>	An Environmental Management Plan as contemplated in Section 39 of the Act;
<b>Fauna</b>	All living biological creatures, usually capable of motion, including insects and predominantly of protein-based consistency;
<b>Flora</b>	All living plants, grasses, shrubs, trees, etc., usually incapable of easy natural motion and capable of photosynthesis;
<b>Fence</b>	A physical barrier in the form of posts and barbed wire and/or "Silex" or any other concrete construction, ("palisade"- type fencing included), constructed with the purpose of keeping humans and animals within or out of defined boundaries;
<b>House</b>	Any residential dwelling of any type, style or description that is used as a residence by any human being;
<b>NDA</b>	National Department of Agriculture;
<b>NWA</b>	National Water Act, Act 36 of 1998;
<b>Pit</b>	Any open excavation;
<b>Porrel</b>	The term used for the sludge created at alluvial diamond diggings where the alluvial gravels are washed and the diamonds separated in a water-and-sand medium;
<b>Topsoil</b>	The layer of soil covering the earth which - <ul style="list-style-type: none"> <li>(a) provides a suitable environment for the germination of seed;</li> <li>(b) allows the penetration of water;</li> <li>(c) is a source of micro-organisms, plant nutrients and in some cases seed; and</li> <li>(d) is not of a depth of more than 0,5 metres or such depth as the Minister may prescribe for a specific prospecting or exploration area or mining area;</li> </ul>
<b>Trench</b>	A type of excavation usually made by digging in a line towards a mechanical excavator and not pivoting the boom – a large, U-shaped hole in the ground, with vertical sides and about 6 – 8 metres in length. Also a prospecting trench;
<b>Vegetation</b>	Any and all forms of plants, see also Fauna;
<b>DWAF</b>	The Department of Water Affairs and Forestry – both national office and their various regional offices, which are divided across the country on the basis of water catchment areas;
<b>MPRDA</b>	The Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002);
<b>EMPlan</b>	An Environmental Management Plan as contemplated in Regulation 52 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) – this document.

**SECTION B - DETAILS OF APPLICANT AND PROPERTIES**

<b>B.1 BIOGRAPHICAL DETAILS OF THE APPLICANT</b>		
<b>B.1.1</b> Full name (and surname) of person or company applying for permit or right	Umbono Manganese Severn (Pty) Ltd	
<b>B.1.2</b> ID number of person or company/ CC registration number	Reg No. 2009/016030/07	
<b>B.1.3</b> Postal address	3 <sup>rd</sup> Floor Block D Old Trafford Building Isle of Houghton Boundary & Carse O'Gowrie Roads Parktown	
<b>B.1.4</b> Physical/ residential address	Postnet Suite # 201 Private Bag X30500 Houghton 2041	
<b>B.1.5</b> Applicant's telephone number	(011) 484 5005	
<b>B.1.6</b> Applicant's cellular phone number	082 958 7251	
<b>B.1.7</b> Alternative contact's name	Kerwin Rana	
<b>B.1.8</b> Alternative contact's telephone/cell phone numbers	(011) 484 5005	
<b>B.2 DETAILS OF PROPERTIES, OWNERS AND OCCUPIERS</b>		
<b>B.2.1a</b> Full name of the property on which mining/ prospecting operations will be conducted	Tweed 362 IL	
<b>B.2.2a</b> Name of the subdivision	Whole Farm	
<b>B.2.3a</b> Approximate center of mining/prospecting area:	Latitude	Longitude
	22.7825	-26.5477
<b>B.2.4a</b> Name of Map		
Sheet no.:	2622DA & 2622DB	
<b>B.2.5a</b> Name of the registered owner of the property	Republic of South Africa Contact: Kgosi T.M. Bareki	
<b>B.2.6a</b> His/her Telephone number	084 385 4586	
<b>B.2.7a</b> His/ her Postal address	Baga Bareki Traditional Affairs PO Box 151	



	<b>Heunaar 8611</b>
<b>B.2.8a</b> Current uses of surrounding areas	Commercial farming of livestock and crops
<b>B.2.9a</b> Are there any other, existing land uses that impact on the environment in the proposed mining/ prospecting area?	Not to the awareness of the applicant
<b>B.2.10</b> Magisterial district	Kuruman
<b>B.2.11</b> What is the name of the nearest town? Kuruman, 120km south east of the farm.	

## SECTION C - ENVIRONMENTAL IMPACT ASSESSMENT

The information provided in this section will enable officials to determine how serious the impact of the prospecting/mining operation will be.

DESCRIBE THE ENVIRONMENT THAT WILL BE AFFECTED BY THE PROPOSED PROSPECTING/MINING OPERATIONS UNDER THE FOLLOWING HEADINGS:

C.1 DESCRIPTION OF THE ENVIRONMENT LIKELY TO BE AFFECTED BY PROPOSED PROSPECTING/MINING OPERATIONS: (REGULATION 52(2)(a))			
ENVIRONMENTAL ELEMENT/ IMPACTOR	VALUE	TICK	OFFICE USE
C.1.1 What does the landscape surrounding the proposed operation look like? (Open veldt/ valley/ flowing landscape/ steep slopes)			
A part of the Southern Kalahari Ecoregion, the landscape is gently sloping towards the Moshaweng River valley with Kalahari sand cover and mostly thorn and hardwood vegetation.			
C.1.2 Describe the type of soil found on the surface of the site			
Combination of fine sandy soil and reddish brown loam.			
	VALUE	TICK	OFFICE USE
C.1.3 How deep is the topsoil estimated to be?			
	0 – 300mm		8
	300 – 600mm		4
	600mm +	✓	2
C.1.4 What <i>plants, trees and grasses</i> grow naturally in the area around the site? (Note: these Plant and tree species are common in the surrounding area).			
Grass species: Suikerbos and savannah.			
Trees: Arcadia tortallis, arcadia rubasta, morula, arcadia cafra, camel thorn and combretum imberbe (lead wood).			
C.1.5 What <i>animals</i> naturally occur in the area? (Note: these animals are common in the surrounding area)			
Game: springbok & kudu, small animals: spring hare; porcupine & antelope, predators: leopard; aardvark & jackal,			
Birds: Pale Chanting Goshawk, Red-headed Finch, Kori Bustard, Burchell's Sandgrouse, Pink-billed Lark; Common Waxbill & Dusky Sunbird			
Snakes: Black mamba, African python, Spitting cobra			
	VALUE	TICK	OFFICE USE
C.1.6 Are there any <i>protected areas</i> (game parks/nature reserves, monuments, etc) close to the proposed operation?			
	Yes		4
	No	✓	0
C.1.7 The farm is bound to the south by the Moshaweng River flowing south westwards as a tributary of the Kuruman River and part of the D41H quaternary catchment. Both rivers are mostly dry except in periods of exceptional rainfall such as floods.			
C.1.8 What mineral are you going to prospect or mine for?			
Manganese, Iron			

<b>C.1.9 Describe the type of equipment that will be used:</b>			
Hand held or vehicle mounted (Carborne) geophysical detectors (electromagnetic or gravitometer), 1 x Diamond core drilling rig, 1 x Support Truck, 1 x Water Bowser, 1 x Bakkie & Associates PPE (to comply with Mine Health & Safety Act)			
<b>C.2 HOW WILL THE PROPOSED OPERATION IMPACT ON THE NATURAL ENVIRONMENT? (REGULATION 52(2)(b))</b>			
<b>ENVIRONMENTAL ELEMENT/ IMPACTOR</b>	<b>VALUE</b>	<b>TICK</b>	<b>OFFICE USE</b>
<b>C.2.1</b> What will the ultimate depth of the proposed prospecting/mining operations be?	0 – 5m		2
	6 – 10m		4
	10 – 25m		8
(See item C.6.7 on details of envisaged prospecting works program)	25m +	✓	10
<b>C.2.2</b> How large will the <i>total</i> area of all excavations be?	<< 1 Ha		Ha
Less than a square meters per drill hole			
<b>C.2.3</b> How large will each excavation be before it is filled up?	<10 X 10m	✓	2
	<20 X 20m		4
	>20 X 20m		8
<b>C.2.4</b> How many <i>prospecting</i> boreholes or trenches will there be?			
<b>Initially between 2 and 5 boreholes, trenching may be required; all subject to prospecting work programme.</b>			
	<b>VALUE</b>	<b>TICK</b>	<b>OFFICE USE</b>
<b>C.2.5</b> Will employees prepare food on the site and collect firewood?	Yes		4
No firewood will be collected. Gas stoves will be used	No	✓	0
<b>C.2.6</b> Will water be extracted from a river, stream, dam or pan for use by the proposed operation?	Yes		4
	No	✓	2
<b>C.2.7</b> If so, what is the name of this water body?	N/A		
<b>C.2.8</b> If water will not be extracted from an open surface source, where will it be obtained?	Drilling contractors will provide own water using a water cart		
	<b>VALUE</b>	<b>TICK</b>	<b>OFFICE USE</b>
<b>C.2.9</b> How much water per day will the <i>mineral processing</i> operation require?	1000 – 10 000 Liters	✓	2
	20 000 – 40 000 L		3
	40 000 – 60 000 L		5
	60 000 – 100 000L		8
	More		10

<b>C.2.10</b> How far is the proposed operation from open water (dam, river, pan, lake)?	0 – 15m		8
	16 – 30m		6
	31 – 60m		4
	More than 60 metres	✓	2
<b>C.2.11</b> What is the estimate depth of the water table?	<b>50 - 150m<sup>1</sup></b>		Metres
<b>C.2.12</b> How much water per day will the proposed operation utilize <i>for employees</i> ?	<b>±1 000</b>		Liters
<b>C.2.13</b> What toilet facilities will be made available to workers?	None		8
	Pit latrine (longdrop)		4
	Chemical toilet	✓	2
<b>C.2.14</b> Would it be necessary to construct roads to access the proposed operations?	Yes		4
Existing road is sufficient.	No	✓	0
	<b>VALUE</b>	<b>TICK</b>	<b>OFFICE USE</b>
<b>C.2.15</b> How long will these access road(s) be (from a public road to the proposed operations)	0 – 0,5 km		4
N/A	0,6 – 1,5 km		2
	1,6 – 3 km		4
<b>C.2.16</b> Will trees be uprooted to construct these access road(s)?	Yes		4
N/A	No	✓	0
<b>C.2.17</b> Will any foreign material, like crushed stone, limestone, or any material other than the naturally occurring topsoil be placed on the road surface?	Yes		4
N/A	No	✓	0
<b>C.3 TIME FACTOR</b>			
<b>C.3.1</b> For what time period will prospecting/mining operations be conducted on this particular site?	0 – 6 months		2
Drill rig will spend 2 to 10 days on each borehole site; more than 4 boreholes are envisaged in the second drilling phase	6 – 12 months		4
	12 – 18 months		6

<sup>1</sup> Obolokile Thothi Obakeng,, Soil moisture dynamics and evapotranspiration at the fringe of the Botswana Kalahari, with emphasis on deep root vegetation, page 100, <http://www.itc.nl> , online PhD Thesis, 2007, [http://www.itc.nl/library/papers\\_2007/phd/obakeng.pdf](http://www.itc.nl/library/papers_2007/phd/obakeng.pdf) , accessed 30 September 2010.  
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	18 – 24 months	✓	8
	>24 months		10
<b>C.4 HOW WILL THE PROPOSED OPERATION IMPACT ON THE SOCIO-ECONOMIC ENVIRONMENT? (REGULATION 52(2)(b))</b>			
<b>ELEMENT/ IMPACTOR</b>	<b>VALUE</b>	<b>TICK</b>	<b>OFFICE USE</b>
C.4.1 How many people will be employed?	10		
C.4.2 How many men?	8		
C.4.3 How many women?	2		
C.4.4 Where will employees be obtained? (Own or employed from local communities?)	Own	✓	2
	Local		4
C.4.5 How many hours per day will employees work?	Sunrise→ Sunset		4
	Less	✓	2
	More		8
	<b>VALUE</b>	<b>TICK</b>	<b>OFFICE USE</b>
C.4.6 Will operations be conducted within 1 kilometer from a residential area	Yes		6
	No	✓	1
C.4.7 How far will the proposed operations be from the nearest fence/windmill/house/dam/built structure?	0 – 50 metres		8
	51 – 100 metres		4
	150 or more metres	✓	2
<b>C.5 HOW WILL THE PROPOSED OPERATION IMPACT ON THE CULTURAL HERITAGE OF THE SURROUNDING ENVIRONMENT? REGULATION 52(2)(b)</b>			
<b>ELEMENT/ IMPACTOR</b>	<b>VALUE</b>	<b>TICK</b>	<b>OFFICE USE</b>
C.5.1 Are there any graveyards or old houses or sites of historic significance within 1 kilometer of the area?	Yes		8
	No	✓	0
<b>C.6 SPECIFIC REGULATORY REQUIREMENTS</b>			
<b>C.6.1 Air quality Management and Control (Regulation 64)</b>			
Describe how the operation will impact on the quality of the air, taking into account predominant wind direction and other affected parties in the downwind zone:			
Minimal air pollution. Only exhaust gases from diesel engine and dust from the drilling action into the ground.			
Mitigation: ensure minimal vehicle movement, only 2 support vehicles envisaged and in the case of abundance of water then dusting down of roads (using Water Bowser)			

<b>C.6.2 Fire Prevention (Regulation 65)</b>	
Applicants for permits, rights or permissions involving <u>coal or bituminous rock</u> must:	
<ul style="list-style-type: none"> <li>• <b>Indicate on a plan</b> where the coal or rock discard dump will be located (If applied for a permit to mine or prospect for coal or bituminous rock, indicate the exact location of the discard dump on the plan and write "EMPlan C6.2" next to it)</li> </ul>	
Not applicable. All material generated from borehole will be removed from site.	
<b>C.6.3 Noise control (Regulation 66)</b>	
Indicate how much noise the operation will generate, and how it will impact on the surrounding environment, who might be influenced by noise from your operation.	
Minimal noise will be generated. Only engine noise from drill rig is expected to be continuous source of noise. Mitigation: It is the intention of Umbono to outsource drilling activities, we will engage with service providers that comply with Mine Health Safety Act standards	
<b>C.6.4 Blasting, vibration and shock (Regulation 67)</b>	
Please indicate whether any blasting operations will be conducted.	
Blasting:	Yes/ No    No                      How often? N/A
<b>C.6.5 Disposal of waste material (Regulation 69)</b>	
<b>Indicate on your plan</b> where waste will be dumped in relation to the beneficiation works/ washing pans Also indicate below how domestic waste material will be managed.	
Waste material from drilling rig, 'drilling sludge' and generated domestic waste will be temporarily stored on site and regularly disposed of at authorised landfill sites near Kuruman.	
<b>C.6.6 Soil pollution and erosion control (Regulation 70)</b>	
<b>C.6.6.1</b> Indicate how topsoil will be handled on the area.	
Topsoil will be temporarily removed to dig sumps. Sumps will be lined with builders plastic to prevent ingress of drilling water into the soil. Sumps will be filled in with original topsoil and the entire site rehabilitated to original condition.	
<b>C.6.6.2</b> Describe how spills of oil, grease, diesel, acid or hydraulic fluid will be dealt with.	
The entire drill site will be covered with builder's plastic to prevent any soil contamination from drilling activities i.e. artificial drip tray. Should any contamination occur in minor amounts of soil, the soil would be removed to an approved dumping site.	
<b>C.6.6.3</b> Briefly describe the storage facilities available for the above fluids:	
Stored on mobile trailer or in bounded areas on site capable of containing 110% of the volume of fluid stored.	

<b>C.6.7 DESCRIPTION OF THE PROSPECTING WORK PROGRAMME</b>	
<b>C.6.7.1</b> Desktop review of all available historical information	1 month
<b>C.6.7.2</b> Planning & execution of initial diamond drilling programme	3 months
<b>C.6.7.3</b> Geological & grade modeling if necessary	3 months
<b>C.6.7.4</b> Planning & execution of infill drilling programme	14 month
<b>C.6.7.5</b> Mining methods and scoping studies	2 months
<b>C.6.7.6</b> Feasibility Study	18 months
Economic, mining, engineering and environmental studies will be conducted in preparation for application of the mining right application.	

<p><b>C.6.8 If significant impacts on any element of the environment mentioned in Section C 1 to C 6.7 above have been identified, summarise all of them here: (Regulation 52(2)(c))</b></p>	<p><b>Example:</b> Section C 6.4 Blasting. I have identified that the people living on the neighbouring property are sensitive to loud noises as they have children that must study during the afternoons</p>	<p><b>C.6.9 How will the negative impacts on the environment be mitigated or managed (as described in C 6.8 to the left? (Regulation 57(2)(c))</b></p>	<p><b>Example:</b> I will mitigate the impact of my blasting operations on the interested Parties by limiting blasting operations to school hours, when no one in the affected area is at home.</p>
<p>1. The activities listed in C6.7 except for C6.7.2, and C6.7.4 will be done off site and will not affect the environment in any manner. The potential impact on the environment may occur when executing C6.7.2 and C6.7.4, that are dealt with under item 2 and 3 (below).</p>	<p>1. No mitigating measures necessary.</p>		
<p>2. Air pollution from gases exhausted from the drilling rig is expected to be insignificant.</p>	<p>2. Ensure that drilling rig is in good condition and uses water circulation to suppress dust; ensure minimal vehicle movement; only 2 support vehicles envisaged; while dusting down of roads will be considered in the case of abundance of water.</p>		
<p>3. Pollution of soil from drilling operations is unlikely.</p>	<p>3. A drip tray will be placed under the drill rig to catch any spillage of oil and grease. All sludge and oil spills will be removed from site and be disposed at a an approved dumping site.</p>		



<p><b>C.6.8 If significant impacts on any element of the environment mentioned in Section C 1 to C 6.7 above have been identified, summarise all of them here: (Regulation 52(2)(c))</b></p> <p><b>Example:</b> Section C 6.4 Blasting. I have identified that the people living on the neighbouring property are sensitive to loud noises as they have children that must study during the afternoons</p>	<p><b>C.6.9 How will the negative impacts on the environment be mitigated or managed (as described in C 6.8 to the left? (Regulation 57(2)(c))</b></p> <p><b>Example:</b> I will mitigate the impact of my blasting operations on the Interested Parties by limiting blasting operations to school hours, when no one in the affected area is at home.</p>
<p>4. Noise from the drilling rig engine will be insignificant.</p>	<p>4 It is the intention of Umbono to outsource drilling activities; in which service providers to be engaged will have to comply with Occupational Health and Safety Act, and Mine Health Safety Act standards (Adequate Personal Protection Equipment will be provided at all times while on site).</p>
<p>5. An excavation sump of 2m x 2m x 1m will be made at each borehole site for water circulation.</p>	<p>5 The sump for water circulation will be lined with watertight ground sheet to prevent discharge of fluid into the soil. All drill cuttings and sludge that may occur are removed from site and disposed off at an approved facility at the completion of the borehole. Only bio-grade fluid will be used.</p>

**C.7 FINANCIAL PROVISION (Regulation 54)**

The amount that is necessary for the rehabilitation of damage caused by the operation, both sudden closure during the normal operation of the project and at final, planned closure will be estimated by the regional office of the DMR, based on the information supplied in this document. This amount will reflect how much it will cost the Department to rehabilitate the area disturbed in case of liquidation or abscondence.

Enter the amount of financial provision required here: **R38, 591.00**

See Appendix A for break down of total rehabilitating costs.

What method will be used to furnish DMR with this financial provision?

Cash deposit	
Bank guarantee	✓
Trust Fund	
Other: (specify) (Note: other methods must be approved by the Minister)	

**Please note that Umbono Manganese Severn (Pty) Ltd has already submitted a Standard Bank financial guarantee for R38 591 as part of our first application for the same area.**

The standard formats for each of these types of guarantees are available from your regional office of the DMR.

**C.8 MONITORING AND PERFORMANCE ASSESSMENT**

**C.8.1 Monitoring and performance assessment**

Regulation 55 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) clearly describes the process and procedure as well as requirements for monitoring and auditing of the performance of this plan to adequately address environmental impacts from the operation. The following information must be provided:

<b>C.8.2 Please describe how the adequacy of this programme will be assessed and how any inadequacies will be addressed. (Regulations 55(1) and 52(2)(e))</b>
<i>Example: I will, on a bi-monthly basis, check every aspect of my operation against the prescriptions given in Section F of this document and, if I find that certain aspects are not addressed or impacts on the environment are not mitigated properly, I will rectify the identified inadequacies immediately.</i>
Compliance with the environmental plan will be monitored continuously during drilling team's activities on site and any inadequacies will be rectified as they are noticed.

<b>C.9 ENVIRONMENTAL OBJECTIVES (Regulation 52(2)(f))</b>
Clearly state the intended end use for the area prospected/mined after closing of operations
When the prospecting program has been completed and results could support further mineral development, then environmental assessments will be conducted. However, when the results prove to be negative, then the area will be rehabilitated to a standard equal to the current activities.

<b>C.9.1 Describe, in brief terms, what the environment will look like after a closure certificate has been obtained.</b>
At the end of the prospecting tenure, all sites will be rehabilitated to their original condition. Drill holes will have a small concrete beacon marking their location, but this will not pose a tripping hazard or any other danger to humans, livestock or wildlife. Any roads or tracks created will be closed using thorn brush in order to mitigate the effects of soil erosion and to promote the rehabilitation process.

Note: The proposed end-state of your area must be consulted with interested and affected parties in terms of Regulation 52(2) (g). Details of the acceptability of the end-state must appear in the section below.

## **C.10 CLOSURE**

Regulations 56 to 62 outline the entire process of mine closure, and these are copied in Section F of this document, both as a guide to applicants on the process to be followed for mine closure, and also to address the legal responsibility of the applicant with regard to the proper closure of his operation. In terms of Section 37 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002), the holder of a permit is liable for any and all environmental damage or degradation emanating from his/her operation, until a closure certificate is issued in terms of Section 43 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002).

## **C.11 PUBLIC PARTICIPATION (Regulation 52(2) (g))**

In terms of the above regulation consultation with interested and affected person or persons must take place prior to the approval of the environmental management plan. This regulation is quoted below for ease of reference.

***"a record of the public participation undertaken and the results thereof"***

- C.11.1** Any comments lodged by an interested and affected person or persons in terms of section 10(1) (b) of the Act, must be in writing and addressed to the relevant Regional Manager.
- C.11.2** Any objections lodged by an interested and affected person or persons against the application for a right or permit in terms of the Act, must set out clearly and concisely the facts upon which it is based and must be addressed to the relevant Regional Manager in writing.
- C.11.3** The Regional Manager must make known by way of publication in a local newspaper or at the office of the Regional Manager, that an application for a right or permit in terms of the Act has been received.

In the table below, please list the names of people or organisations likely to be influenced by the proposed operations (these might include neighbours, other water users, etc.) Kindly indicate how these people were consulted (egg. By letter or by phone) *and provide proof* of that consultation. What were the main concerns/ objections raised by the interested and affected parties to the proposed operation?

Name of Interested/affected party	Contact details: Address & telephone number	How did consultation take place?	What were his /her main concerns about the operation?
Local community	C/O Kgosi T.M. Bareki Baga Bareki Traditional Affairs PO Box 151 Heunaar 8611 Mobile : 084 385 4586	<ul style="list-style-type: none"> <li>• Telephonically</li> <li>• Meeting</li> </ul>	None (Please see Appendix C for more information).

## SECTION D - SCORING OF EIA – FOR OFFICIAL USE ONLY

### Instructions for officials:

In this table, complete the totals of each section indicated below and do the calculation. **Remember to first add all the values of sections C.1, 2, 4 and 5 and then to multiply it by the time factor in Section C.3**

Note that the value for the time factor element of the impact rating appears in Section C3. This is the total amount of time that the operation is expected to impact on the environment and all other factors are MULTIPLIED by this value. Compare the score (Impact rating) with the table below to help you make a decision on the total impact of the operation and also on the sufficiency of this programme to address all expected impacts from the operation on the environment.

### D.1 CALCULATION TABLE

Section C.1 Total	+	Section C.2 Total	+	Section C.4 Total	+	Section C.5 Total	=	<i>Subtotal</i>	X	Time Factor Section C.3	=	Score (Impact rating)
	+		+		+		=		X		=	

### D.2 IMPACT RATING SCALE

SCORE ATTAINED	IMPACT RATING	REMARKS
46 – 300	Low	No additional objectives needed – this programme is sufficient
301 - 800	Medium	Some specific additional objectives to address focal areas of concern may be set.
801 - 1160	High	Major revision of Environmental Management Plan for adequacy and full revision of objectives.

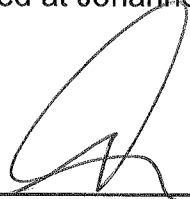
**Additional Objectives:**

Based on the information provided by the applicant and the regional office's assessment thereof, combined with the interpretation of the scoring and impact rating attained for the particular operation above, the Regional Manager of the regional office of the DMR may now determine additional objectives /requirements for the mine owner/manager to comply with. *These measures will be specific and will address specific issues of concern that are not adequately covered in the standard version of this document.* These requirements are not listed here, but are specified under Section G of this document, so as to form part of the legally binding part of this Environmental Management Plan.

**SECTION E - UNDERTAKING**

I, **Kerwin Rana**, as duly authorised official of **Umbono Manganese Severn (Pty) Ltd**, the applicant for a **Prospecting Right** hereby declare that the above information is true, complete and correct. We undertake to implement the measures as described in Sections F and G hereof. We understand that this undertaking is legally binding and that failure to give effect hereto will render us liable for prosecution in terms of Section 98 (b) and 99 (1)(g) of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002). We are also aware that the Regional Manager may, at any time but after consultation with us, make such changes to this plan as he/she may deem necessary.

Signed at Johannesburg on this <sup>24<sup>th</sup></sup> day of November 2010.



**Signature of applicant**

## SECTION F - ENVIRONMENTAL MANAGEMENT PLAN

### INTRODUCTION

This Environmental Management Plan contains guidelines, operating procedures and rehabilitation/pollution control requirements which will be binding on the holder of the mining permit/ prospecting permission/ reconnaissance permission after approval of the Environmental Management Plan. It is essential that this portion be carefully studied, understood, implemented and adhered to at all times.

### F.1 GENERAL REQUIREMENTS

#### F.1.1 MAPPING AND SETTING OUT

##### F.1.1.1 LAYOUT PLAN

- A copy of the layout plan as provided for in Regulation 2.2 must be available at the prospecting/mining site for scrutiny when required.
- The plan must be updated on a regular basis with regard to the actual progress of the establishment of surface infrastructure, mining operations and rehabilitation (a copy of the updated plan shall be forwarded to the Regional Manager on a regular basis).
- A final layout plan must be submitted at closure of the mine or when operations have ceased.

**NOTE:** Regulation 2.2 of the regulations promulgated in terms of the Act requires:

*"An application contemplated in sub-regulation (1) must be accompanied by a plan that must contain –*

- (a) *the co-ordinates of the land or area applied for;*
- (b) *the north point;*
- (c) *the scale to which the plan has been drawn;*
- (d) *the name, number and location of the land or area covered by the application; and*
- (e) *in relation to farm boundaries and surveyed points–*
  - (i) *the size and shape of the proposed area;*
  - (ii) *the boundaries of the land or area comprising the subject of the application concerned;*
  - (iii) *the layout of the proposed reconnaissance, prospecting, exploration, mining or production operations;*
  - (iv) *surface structures and servitudes;*
  - (v) *the topography of the land or area; "*

##### F.1.1.2 DEMARCATING THE MINING/PROSPECTING AREA

- The mining/ prospecting area must be clearly demarcated by means of beacons at its corners, and along its boundaries if there is no visibility between the corner beacons.
- Permanent beacons as indicated on the layout plan or as prescribed by the Regional Manager must be firmly erected and maintained in their correct position throughout the life of the operation.
- Mining/ prospecting and resultant operations shall only take place within this demarcated area.

### **F.1.1.3 DEMARCATING THE RIVER CHANNEL AND RIVERINE ENVIRONMENT**

The following is applicable if operations are conducted within the riverine environment (See F 3.2):

- Beacons as indicated on the layout plan or as prescribed by the Regional Manager must be erected and maintained in their correct position throughout the life of the operation.
- These beacons must be of a permanent nature during the operations and must not be easily removable, especially those in a river channel. The beacons must, however, be removed at the end of the operations.
- The mining of and prospecting for any mineral shall only take place within this demarcated mining area.
- If riverine vegetation is present in the form of reeds or wetland vegetation, the presence of these areas must be entered in Part C 1.45 of the EMPlan and indicated on the layout plan.
- The holder of the mining permit/ prospecting right will also be required to permanently demarcate the areas as specified in F 1.1.2.

### **F.1.2 RESTRICTIONS ON MINING/PROSPECTING**

- On assessment of the application, the Regional Manager may prohibit the conducting of mining or prospecting operations in vegetated areas or over portions of these areas
- In the case of areas that are excluded from mining or prospecting, no operations shall be conducted within 5 m of these areas.

### **F.1.3 RESPONSIBILITY**

- The environment affected by the mining/ prospecting operations shall be rehabilitated by the holder, as far as is practicable, to its natural state or to a predetermined and agreed to standard or land use which conforms with the concept of sustainable development. The affected environment shall be maintained in a stable condition that will not be detrimental to the safety and health of humans and animals and that will not pollute the environment or lead to the degradation thereof.
- It is the responsibility of the holder of the mining permit/ prospecting right to ensure that the manager on the site and the employees are capable of complying with all the statutory requirements which must be met in order to mine, which includes the implementation of this EMP.
- If operations are to be conducted in an area that has already been disturbed, the holder must reach specific agreement with the Regional Manager concerning the responsibilities imposed upon himself/herself pertaining to the rehabilitation of the area and the pollution control measures to be implemented.

## **F.2 INFRASTRUCTURAL REQUIREMENTS**

### **F.2.1 TOPSOIL**

- Topsoil shall be removed from all areas where physical disturbance of the surface will occur.
- All available topsoil shall be removed after consultation with the Regional Manager prior to the commencement of any operations.

- The topsoil removed, shall be stored in a bund wall on the high ground side of the mining/prospecting area outside the 1:50 flood level within the boundaries of the mining area/ prospecting.
- Topsoil shall be kept separate from overburden and shall not be used for building or maintenance of access roads.
- The topsoil stored in the bund wall shall be adequately protected from being blown away or being eroded.

## **F.2.2 ACCESS TO THE SITE**

### **F.2.2.1 Establishing access roads on the site**

- The access road to the mining/prospecting area and the camp-site/site office must be established in consultation with the landowner/tenant and existing roads shall be used as far as practicable.
- Should a portion of the access road be newly constructed the following must be adhered to:
  - The route shall be selected that a minimum number of bushes or trees are felled and existing fence lines shall be followed as far as possible.
  - Water courses and steep gradients shall be avoided as far as is practicable.
  - Adequate drainage and erosion protection in the form of cut-off berms or trenches shall be provided where necessary.
- If imported material is used in the construction or upgrading of the access road this must be listed in C 2.17
- The erection of gates in fence lines and the open or closed status of gates in new and existing positions shall be clarified in consultation with the landowner/tenant and maintained throughout the operational period.
- No other routes will be used by vehicles or personnel for the purpose of gaining access to the site.

**NOTE: The design, construction and location of access to provincial roads must be in accordance with the requirements laid down by the Provincial or controlling authority.**

### **F.2.2.2 Maintenance of access roads**

- In the case of dual or multiple uses of access roads by other users, arrangements for multiple responsibility must be made with the other users. If not, the maintenance of access roads will be the responsibility of the holder of the mining permit/ prospecting right.
- Newly constructed access roads shall be adequately maintained so as to minimize dust, erosion or undue surface damage.



### **F.2.2.3 Dust control on the access and haul roads**

- The liberation of dust into the surrounding environment shall be effectively controlled by the use of, inter alia, water spraying and/or other dust-allaying agents. The speed of haul trucks and other vehicles must be strictly controlled to avoid dangerous conditions, excessive dust or excessive deterioration of the road being used.

### **F.2.2.4 Rehabilitation of access roads**

- Whenever a mining permit/ prospecting right is suspended, cancelled or abandoned or if it lapses and the holder does not wish to renew the permit or right, any access road or portions thereof, constructed by the holder and which will no longer be required by the landowner/tenant, shall be removed and/or rehabilitated to the satisfaction of the Regional Manager.
- Any gate or fence erected by the holder which is not required by the landowner/tenant, shall be removed and the situation restored to the pre mining/ prospecting situation.
- Roads shall be ripped or ploughed, and if necessary, appropriately fertilised (based on a soil analysis) to ensure the re-growth of vegetation. Imported road construction materials which may hamper re-growth of vegetation must be removed and disposed of in an approved manner prior to rehabilitation.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation, be corrected and the area be seeded with a seed mix to the Regional Manager's specification.

## **F.2.3 OFFICE/CAMP SITES**

### **F.2.3.1 Establishing office/camp sites**

- Office and camp sites shall be established, as far as is practicable, outside the flood plain, above the 1 in 50 flood level mark within the boundaries of the mining/ prospecting area.
- The area chosen for these purposes shall be the minimum reasonably required and which will involve the least disturbance to vegetation. Topsoil shall be handled as described in F 2.1 above
- No camp or office site shall be located closer than 100 metres from a stream, river, spring, dam or pan.
- No trees or shrubs will be felled or damaged for the purpose of obtaining firewood, unless agreed to by the landowner/tenant.
- Fires will only be allowed in facilities or equipment specially constructed for this purpose. If required by applicable legislation, a fire-break shall be cleared around the perimeter of the camp and office sites.
- Lighting and noise disturbance or any other form of disturbance that may have an effect on the landowner/tenant/persons lawfully living in the vicinity shall be kept to a minimum.

### F.2.3.2 Toilet facilities, waste water and refuse disposal

- As a minimum requirement, the holder of a mining permit/ prospecting right shall, at least, provide pit latrines for employees and proper hygiene measures shall be established.
- Chemical toilet facilities or other approved toilet facilities such as a septic drain shall preferably be used and sited on the camp site in such a way that they do not cause water or other pollution.
- The use of existing facilities must take place in consultation with the landowner/tenant.
- In cases where facilities are linked to existing sewerage structures, all necessary regulatory requirements concerning construction and maintenance should be adhered to.
- All effluent water from the camp washing facility shall be disposed of in a properly constructed French drain, situated as far as possible, but not less than 200 metres, from any stream, river, pan, dam or borehole.
- Only domestic type wash water shall be allowed to enter this drain and any effluents containing oil, grease or other industrial substances must be collected in a suitable receptacle and removed from the site, either for resale or for appropriate disposal at a recognised facility.
- Spills should be cleaned up immediately to the satisfaction of the Regional Manager by removing the spillage together with the polluted soil and by disposing of them at a recognised facility.
- Non-biodegradable refuse such as glass bottles, plastic bags, metal scrap, etc., shall be stored in a container at a collecting point and collected on a regular basis and disposed of at a recognised disposal facility. Specific precautions shall be taken to prevent refuse from being dumped on or in the vicinity of the camp site.
- Biodegradable refuse generated from the office/camp site, processing areas vehicle yard, storage area or any other area shall either be handled as indicated above or be buried in a pit excavated for that purpose and covered with layers of soil, incorporating a final 0,5 metre thick layer of topsoil (where practicable). Provision should be made for future subsidence of the covering.

### F 2.3.3 Rehabilitation of the office/camp site

- On completion of operations, all buildings, structures or objects on the camp/office site shall be dealt with in accordance with section 44 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002), which states:
  - (1) *When a prospecting right, mining right, retention permit or mining permit lapses, is cancelled or is abandoned or when any prospecting or mining operation comes to an end, the holder of any such right or permit may not demolish or remove any building, structure, object -*
    - (a) *which may not be demolished in terms of any other law;*
    - (b) *which has been identified in writing by the Minister for purposes of this section; or*
    - (c) *which is to be retained in terms of an agreement between the holder and the owner or occupier of the land, which agreement has been approved by the Minister in writing.*

(2) *The provision of subsection (1) does not apply to bona fide mining equipment which may be removed*

- Where office/camp sites have been rendered devoid of vegetation/grass or where soils have been compacted owing to traffic, the surface shall be scarified or ripped.
- Areas containing French drains shall be compacted and covered with a final layer of topsoil to a height of 10cm above the surrounding ground surface.
- The site shall be seeded with a vegetation seed mix adapted to reflect the local indigenous flora.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation be corrected and the area be seeded with a vegetation seed mix to his or her specification.
- Photographs of the camp and office sites, before and during the mining/prospecting operation and after rehabilitation, shall be taken at selected fixed points and kept on record for the information of the Regional Manager.

#### **F.2.4 VEHICLE MAINTENANCE YARD AND SECURED STORAGE AREAS**

##### **F.2.4.1 Establishing the vehicle maintenance yard and secured storage areas**

- The vehicle maintenance yard and secured storage area will be established as far as is practicable, outside the flood plain, above the 1 in 50 flood level mark within the boundaries of the mining/prospecting area.
- The area chosen for these purposes shall be the minimum reasonably required and involve the least disturbance to tree and plant life. Topsoil shall be handled as described in F 2.1 above.
- The storage area shall be securely fenced and all hazardous substances and stocks such as diesel, oils, detergents, etc., shall be stored therein. Drip pans, a thin concrete slab or a facility with PVC lining, shall be installed in such storage areas with a view to prevent soil and water pollution.
- The location of both the vehicle maintenance yard and the storage areas are to be indicated on the layout plan.
- No vehicle may be extensively repaired in any place other than in the maintenance yard.

##### **F.2.4.2 Maintenance of vehicles and equipment**

- The maintenance of vehicles and equipment used for any purpose during the mining/prospecting operation will take place only in the maintenance yard area.
- Equipment used in the mining/prospecting process must be adequately maintained so that during operations it does not spill oil, diesel, fuel, or hydraulic fluid.
- Machinery or equipment used on the mining/prospecting area must not constitute a pollution hazard in respect of the above substances. The Regional Manager shall order such equipment to be repaired or withdrawn from use if he or she considers the equipment or machinery to be polluting and irreparable.

### **F.2.4.3 Waste disposal**

- Suitable covered receptacles shall be available at all times and conveniently placed for the disposal of waste.
- All used oils, grease or hydraulic fluids shall be placed therein and these receptacles will be removed from the site on a regular basis for disposal at a registered or licensed disposal facility.
- All spills should be cleaned up immediately to the satisfaction of the Regional Manager by removing the spillage together with the polluted soil and by disposing of them at a recognised facility.

### **F.2.4.4 Rehabilitation of vehicle maintenance yard and secured storages areas**

- On completion of mining/prospecting operations, the above areas shall be cleared of any contaminated soil, which must be dumped as referred to in section F 2.4.3 above.
- All buildings, structures or objects on the vehicle maintenance yard and secured storage areas shall be dealt with in accordance with section 44 of the Mineral and Petroleum Resources Development Act, 2002.
- The surface shall then be ripped or ploughed to a depth of at least 300mm and the topsoil previously stored adjacent the site, shall be spread evenly to its original depth over the whole area. The area shall then be fertilised if necessary (based on a soil analysis).
- The site shall be seeded with a vegetation seed mix adapted to reflect the local indigenous flora.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation be corrected and the area be seeded with a seed mix to his or her specification.

## **F.3 OPERATING PROCEDURES IN THE MINING AREA**

### **F.3.1 Limitations on mining/prospecting**

- The mining of or prospecting for precious stones shall take place only within the approved demarcated mining or prospecting area.
- Mining/ prospecting may be limited to the areas indicated by the Regional Manager on assessment of the application.
- The holder of the mining permit/ prospecting right shall ensure that operations take place only in the demarcated areas as described in section F 1.1.2 above.
- Operations will not be conducted closer than one and a half times the height of the bank from the edge of the river channel and in such manner that the stability of the bank of the river is affected.
- Precautions shall also be taken to ensure that the bank of the river is adequately protected from scouring or erosion. Damage to the bank of the river caused by the operations, shall be rehabilitated to a condition acceptable to the Regional Manager at the expense of the holder.
- Restrictions on the disturbance of riverine vegetation in the form of reeds or wetland vegetation must be adhered to. The presence of these areas must be entered in Part of the programme and indicated on the layout plan.

### F.3.2 Mining/prospecting operations within the riverine environment

**NOTE: The Department of Water Affairs and Forestry may impose additional conditions which must be attached to this EMP. In this regard, please see the Best Practice Guideline for small scale mining developed by DWAF (BPG 2.1)**

(Available from <http://www.dwaf.gov.za>)

- The mining of or prospecting for precious stones in the river or the banks of the river will be undertaken only after the Regional Manager has consulted with the Department of Water Affairs and Forestry.
- The canalisation of a river will not be undertaken unless the necessary permission has been obtained from the Department of Water Affairs and Forestry. Over and above the conditions imposed by the said Department, which conditions shall form part of this EMPLan, the following will also apply:
  - ❖ The canalisation of the flow of the river over different parts of the river bed shall be constructed in such a manner that the following are adhered to at all times:
    - ◆ The flow of the river may not be impeded in any way and damming upstream may not occur.
    - ◆ The canalisation of the flow may not result in scouring or erosion of the river-bank.
    - ◆ Well points or extraction pumps in use by other riparian users may not be interfered with and canalisation may not impede the extraction of water at these points.
- Access to the riverbed for the purpose of conducting excavations in the river-bed, shall be through the use of only one access at a time. The location of the access to the river channel across the river-bank shall be at a point of the river-bank where the least excavation and damage to vegetation will occur and shall not be wider than is reasonably required. The position of the river access together with all planned future access points, must be indicated on the layout plan.

#### F.3.2.1 Rehabilitation of access to river-bed

- When rehabilitating the access point, the original profile of the river-bank will be re-established by backfilling the access point with the original material excavated or other suitable material.
- The topsoil shall then be returned over the whole area to its original depth and if necessary fertilised and the vegetation allowed to grow.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation be corrected and the area be seeded with a seed mix to his or her specification.
- In the event of damage from an occurrence where high flood waters scour and erode access points in the process of rehabilitation over the river-bank or an

access point currently in use, repair of such damage shall be the sole responsibility of the holder of the mining permit or prospecting right.

- Repair to the river-bank to reinstate its original profile to the satisfaction of the Regional Manager must take place immediately after such event has occurred and the river has subsided to a point where repairs can be undertaken.
- Final acceptance of rehabilitated river access points will be awarded only after the vegetation has re-established to a point where the Regional Manager is satisfied that the river-bank is stable and that the measures installed are of durable nature and able to withstand high river-flow conditions.

### F.3.2.2 Rehabilitation of mining/prospecting area in the bed of the river

- The goal of rehabilitation with respect to the area where mining/prospecting has taken place in the river-bed is to leave the area level and even, and in a natural state containing no foreign debris or other materials and to ensure the hydrological integrity of the river by not attenuating or diverting any of the natural flow.
- All scrap and other foreign materials will be removed from the bed of the river and disposed of as in the case of other refuse (see section F 2.3.2 above), whether these accrue directly from the mining/prospecting operation or are washed on to the site from upstream.
- Removal of these materials shall be done on a continuous basis and not only at the start of rehabilitation.
- Where reeds or other riverine vegetation have been removed from areas, these shall be re-established systematically in the approximate areas where they occurred before mining/prospecting.
- An effective control programme for the eradication of invader species and other exotic plants, shall be instituted on a regular basis over the entire mining/prospecting area under the control of the holder of the mining permit/prospecting right, both during mining/prospecting and at the stage of final rehabilitation.

### F.3.2.3 Water Use Licences

The National Water Act, (Act 36 of 1998), is based on the principles of sustainability, efficiency and equity, meaning that the protection of water resources must be balanced with their development and use.

In addition to being issued with a prospecting right or mining permit a small-scale miner may also need to get a **water use licence** for the proposed water uses that will take place, except in certain cases.

*NOTE: The Department of Water Affairs and Forestry (DWAF) developed specific Best Practice Guideline for small scale mining that relates to storm water management, erosion and sediment control and waste management. Copies of these guidelines can be obtained from the regional office of DMR or DWAF.*

Applications for a water use licence must be made in good time, such that approval can be granted before a water use activity can begin. The appropriate licence forms for each kind of expected water use should be completed together with supporting documentation. The main supporting document required is a technical report. To make the technical report easier, you can refer to sections in this EMPLan, as most of what the technical report requires has already been done in the EMPLan. If you refer to the EMPLan it must be attached to the technical report.

### **F.3.3 EXCAVATIONS**

#### **F.3.3.1 Establishing the excavation areas**

- Whenever any excavation is undertaken for the purpose of locating and/or extracting ore bodies of all types of minerals, including precious stone-bearing gravels, the following operating procedures shall be adhered to:
  - ❖ Topsoil shall, in all cases (except when excavations are made in the river-bed), be handled as described in F 2.1 above.
  - ❖ Excavations shall take place only within the approved demarcated mining/prospecting area.
  - ❖ Overburden rocks and coarse material shall be placed concurrently in the excavations or stored adjacent to the excavation, if practicable, to be used as backfill material once the ore or gravel has been excavated.
  - ❖ Trenches shall be backfilled immediately if no ore or precious stone-bearing gravel can be located.

#### **F.3.3.2 Rehabilitation of excavation areas**

The following operating procedures shall be adhered to:

- The excavated area must serve as a final depositing area for the placement of tailings during processing.
- Rocks and coarse material removed from the excavation must be dumped into the excavation simultaneously with the tailings.
- Waste, as described in paragraph F 2.3.2 above, will not be permitted to be deposited in the excavations.
- Once excavations have been refilled with overburden, rocks and coarse natural materials and profiled with acceptable contours and erosion control measures, the topsoil previously stored shall be returned to its original depth over the area.
- The area shall be fertilised if necessary to allow vegetation to establish rapidly. The site shall be seeded with a local or adapted indigenous seed mix in order to propagate the locally or regionally occurring flora.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/ prospecting operation, be corrected and the area be seeded with a vegetation seed mix to his or her specification.

### **F.3.4 PROCESSING AREAS AND WASTE PILES (DUMPS)**

#### **F.3.4.1 Establishing processing areas and waste piles**

- Processing areas and waste piles shall not be established within 100 metres of the edge of any river channel or other water bodies.
- Processing areas should be established, as far as practicable, near the edge of excavations to allow the waste, gravel and coarse material to be processed therein.

- The areas chosen for this purpose shall be the minimum reasonably required and involve the least disturbance to vegetation.
- Prior to development of these areas, the topsoil shall be removed and stored as described in paragraph F.2.1 above.
- The location and dimensions of the areas are to be indicated on the layout plan and once established, the processing of ore containing precious stones shall be confined to these areas and no stockpiling or processing will be permitted on areas not correctly prepared.
- Tailings from the extraction process must be so treated and/or deposited that it will in no way prevent or delay the rehabilitation process.

#### **F.3.4.2 Rehabilitation of processing areas**

- Coarse natural material used for the construction of ramps must be removed and dumped into the excavations.
- On completion of mining/prospecting operations, the surface of the processing areas, especially if compacted due to hauling and dumping operations, shall be scarified to a depth of at least 300mm and graded to an even surface condition and the previously stored topsoil will be returned to its original depth over the area.
- Prior to replacing the topsoil the material that was removed from the processing area will be replaced in the same order as it originally occurred.
- The area shall then be fertilised if necessary to allow vegetation to establish rapidly. The site shall be seeded with a local, adapted indigenous seed mix.
- If a reasonable assessment indicates that the re-establishment of vegetation is unacceptably slow, the Regional Manager may require that the soil be analysed and any deleterious effects on the soil arising from the mining/prospecting operation be corrected and the area be seeded with a seed mix to his or her specification.

#### **F.3.5 TAILINGS DAM(S) (SLIMES DAM)**

The permission of the Regional Manager must be obtained should a tailings dam be constructed for the purpose of handling the tailings of the mining/prospecting operations. The construction, care and maintenance of tailings dams have been regulated and the relevant regulation is copied herewith, both for your information and as a guideline to the commissioning, management, operation, closing and aftercare of a tailings deposition facility.

***Regulation 73 promulgated under the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) requires the following:***

##### ***Management of residue stockpiles and deposits***

56. (1) *The assessment of impacts relating to the management of residue stockpiles and deposits, where appropriate, must form part of the environmental impact assessment report and environmental management programme or the environmental management plan.*
- (2) *Residue characterisation*
- (a) *Mine residue must be characterised to identify any potentially significant health and safety hazard and environmental impact that may be associated with the residue when stockpiled or deposited at the site(s) under consideration.*
- (b) *Residue stockpiles and deposits must be characterised in terms of its –*
- (i) *physical characteristics, which may include -*



- (aa) *the size distribution of the principal constituents;*
  - (bb) *the permeability of the compacted material;*
  - (cc) *void ratios of the compacted material;*
  - (dd) *the consolidation or settling characteristics of the material under its own weight and that of any overburden;*
  - (ee) *the strength of compacted material;*
  - (ff) *the specific gravity of the solid constituents; and*
  - (gg) *the water content of the material at the time of deposition, after compaction, and at other phases in the life of the deposit.*
- (ii) *chemical characteristics, which may include -*
    - (aa) *the toxicity;*
    - (bb) *the propensity to oxidize and /or decompose;*
    - (cc) *the propensity to undergo spontaneous combustion;*
    - (dd) *the pH and chemical composition of the water separated from the solids;*
    - (ee) *stability and reactivity and the rate thereof; and*
    - (ff) *neutralising potential.*
  - (iii) *mineral content, which include the specific gravity of the residue particles and its impact on particle segregation and consolidation;*
- (3) *Classification of residue stockpiles and deposits*
- (a) *All residue stockpiles and deposits must be classified into one or a combination of the following categories –*
    - (i) *the safety classification to differentiate between residue stockpiles and deposits of high, medium and low hazard on the basis of their potential to cause harm to life or property; and*
    - (ii) *the environmental classification to differentiate between residue stockpiles and deposits with -*
      - (aa) *a potentially significant impact on the environment due to its spatial extent, duration and intensity of potential impacts; or*
      - (bb) *no potentially significant impact on the environment.*
  - (b) *All mine residue stockpiles and deposits must be classified by a suitably qualified person(s).*
  - (c) *The classification of residue stockpiles and deposits shall determine the –*
    - (i) *level of investigation and assessment required;*
    - (ii) *requirements for design, construction, operation, decommissioning, closure and post closure maintenance; and*
    - (iii) *qualifications and expertise required of persons undertaking the investigations, assessments, design, construction thereof.*
  - (d) *The safety classification of residue stockpiles and deposits shall be based on the following criteria –*

<i>Number of residents in zone of influence</i>	<i>Number of workers in zone of influence</i>	<i>Value of third party property in zone of influence</i>	<i>Depth to underground mine workings</i>	<i>Classification</i>
<i>0</i>	<i>&lt; 10</i>	<i>0 – R2 m</i>	<i>&gt; 200m</i>	<i>Low hazard</i>
<i>1 – 10</i>	<i>11 – 100</i>	<i>R 2 m – R20 m</i>	<i>50 m – 200 m</i>	<i>Medium hazard</i>
<i>&gt; 10</i>	<i>&gt; 100</i>	<i>&gt; R20 m</i>	<i>&lt; 50 m</i>	<i>High hazard</i>

- (e) *A risk analysis must be carried out and documented on all high hazard residue stockpiles and deposits.*
- (f) *The environmental classification of residue stockpiles and deposits must be undertaken on the basis of –*
  - (i) *the characteristics of the residue;*
  - (ii) *the location and dimensions of the deposit (height, surface area);*

- (iii) *the importance and vulnerability of the environmental components that are at risk; and*
  - (iv) *the spatial extent, duration and intensity of potential impacts.*
- (g) *An assessment of the environmental impacts shall be done on all environmental components which are significantly affected.*
- (h) *The assessment of impacts and analyses of risks shall form part of the environmental assessment and management programme.*
- (4) *Site selection and investigation:*
- (a) *The process of investigation and selection of a site must entail -*
    - (i) *the identification of a sufficient number of possible candidate sites to ensure adequate consideration of alternative sites;*
    - (ii) *qualitative evaluation and ranking of all alternative sites;*
    - (iii) *qualitative investigation of the top ranking sites to review the ranking done in (ii);*
    - (iv) *a feasibility study to be carried out on the highest ranking site(s), involving -*
      - (aa) *a preliminary safety classification;*
      - (bb) *an environmental classification;*
      - (cc) *geotechnical investigations; and*
      - (dd) *groundwater investigations.*
  - (b) *The geotechnical investigations may include-*
    - (i) *the characterization of the soil profile over the entire area to be covered by the residue facility and associated infrastructure to define the spatial extent and depth of the different soil horizons;*
    - (ii) *the characterization of the relevant engineering properties of foundations soils and the assessment of strength and drainage characteristics.*
  - (c) *The groundwater investigations may include-*
    - (i) *the potential rate of seepage from the residue facility;*
    - (ii) *the quality of such seepage;*
    - (iii) *the geohydrological properties of the strata within the zone that could potentially be affected by the quality of seepage;*
    - (iv) *the vulnerability and existing potential use of the groundwater resource within the zone that could potentially be affected by the residue facility.*
  - (d) *From these investigations, a preferred site must be identified.*
  - (e) *Further investigation on the preferred site, shall include –*
    - (i) *land use;*
    - (ii) *topography and surface drainage;*
    - (iii) *infrastructure and man-made features;*
    - (iv) *climate;*
    - (v) *flora and fauna;*
    - (vi) *soils;*
    - (vii) *ground water morphology, flow, quality and usage; and*
    - (viii) *surface water.*
  - (f) *The investigations, laboratory test work, interpretation of data and recommendations for the identification and selection of the most appropriate and suitable site for the disposal of all residue that have the potential to generate leachate that could have a significant impact on the environment and groundwater must be carried out by a suitably qualified person.*
- (5) *Design of residue stockpile and deposit*
- (a) *The design of the residue stockpile and deposit shall be undertaken by a suitably qualified person.*

- (b) An assessment of the typical soil profile on the site is required for residue stockpiles and deposits which -
- (i) have a low hazard potential; and
  - (ii) have no significant impact on the environment.
- (c) The design of the residue stockpile and deposit must take into account all phases of the life cycle of the stockpile and deposit, from construction through to closure and must include -
- (i) the characteristics of the mine residue;
  - (ii) the characteristics of the site and the receiving environment;
  - (iii) the general layout of the stockpile or deposit, whether it is a natural valley, ring dyke, impoundment or a combination thereof and its 3-dimensional geometry at appropriate intervals throughout the planned incremental growth of the stockpile or deposit;
  - (iv) the type of deposition method used; and
  - (v) the rate of rise of the stockpile or deposit.
- (d) Other design considerations, as appropriate to the particular type of stockpile and deposit must be incorporated -
- (i) the control of storm water on and around the residue stockpile or deposit by making provision for the maximum precipitation to be expected over a period of 24 hours with a frequency of once in a 100 years, in accordance with the regulations made under section 8 of the National Water Act, 1998;
  - (ii) the provision, throughout the system, of a freeboard of at least 0.5 m above the expected maximum water level, in accordance with regulations made under the National Water Act, 1998, to prevent overtopping;
  - (iii) keeping the pool away from the walls; where there are valid technical reasons for deviating from this, adequate motivation must be provided and the design must be reviewed by a qualified person as required in terms of sections 9(6) or 9(7) of the Mine Health and Safety Act, 1996;
  - (iv) the control of decanting of excess water under normal and storm conditions;
    - (aa) the retention of polluted water in terms of polluted water in terms of GN R991(9), where measures may be required to prevent water from the residue deposit from leaving the residue management system unless it meets prescribed requirements;
    - (bb) the design of the penstock, outfall pipe, under-drainage system and return water dams;
    - (cc) the height of the phreatic surface, slope angles and method of construction of the outer walls and their effects on shear stability;
    - (dd) the erosion of slopes by wind and water, and its control by (ee) vegetation, berms or catchment paddocks; and
    - (ee) the potential for pollution.
- (e) A design report and operating manual shall be drawn up for all residue stockpiles and deposits which -
- (i) have a medium to high hazard; and
  - (ii) have a potentially significant impact on the environment.
- (f) Relevant information must be included in the draft environmental management programme or environmental management plan.
- (6) Construction and operation of residue deposits:
- (a) The holder of any right or permit in terms of the Act, must ensure that-
    - (i) the residue deposits, including any surrounding catchment paddocks, is constructed and operated in accordance with the approved environmental management programme or environmental management plan;
    - (ii) the design of the residue deposit is followed implicitly throughout the construction thereof, and that any deviations from the design be approved by the Regional Manager and the environmental manage programme and environmental management plan be amended accordingly;

- (iii) *as part of the monitoring system, measurements of all residues transported to the site and of all surplus water removed from the site are recorded;*
  - (iv) *the provision for appropriate security measures be implemented to limit unauthorised access to the site and intrusion into the residue deposit;*
  - (v) *specific action be taken in respect of any sign of pollution;*
  - (vi) *adequate measures be implemented to control dust pollution and erosion of the slopes; and*
  - (vii) *details of rehabilitation of the residue deposit be provided in the draft environmental management programme or environmental management plan.*
- (b) *A system of routine maintenance and repair in respect of the residue deposit must be implemented to ensure the ongoing control of pollution, the integrity of rehabilitation and health and safety matters at the site.*
- (7) *Monitoring of residue stockpiles and deposits:*
- (a) *A monitoring system for residue stockpiles and deposits with respect to potentially significant impacts as identified in the environmental assessment must be included in the environmental management programme or environmental management plan.*
  - (b) *In the design of a monitoring system for a residue stockpile or deposit, consideration must be given to –*
    - (i) *baseline and background conditions with regard to air, surface and groundwater quality;*
    - (ii) *the air, surface and groundwater quality objectives;*
    - (iii) *residue characteristics;*
    - (iv) *the degree and nature of residue containment;*
    - (v) *the receiving environment and specifically the climatic, local geological, hydro-geological and geochemical conditions;*
    - (vi) *potential migration pathways;*
    - (vii) *potential impacts of leachate;*
    - (viii) *the location of monitoring points and the prescribed monitoring protocols; and*
    - (ix) *the reporting frequency and procedures.*
- (8) *Decommissioning, closure and after care:*
- (a) *The decommissioning, closure and post closure management of residue deposits must be addressed in the closure plan, which must contain the following -*
    - (i) *the environmental classification, including assumptions on which the classification was based;*
    - (ii) *the closure objectives, final land use or capability;*
    - (iii) *conceptual description and details for closure and post closure management;*
    - (iv) *cost estimates and financial provision for closure and post-closure management; and*
    - (v) *residual impacts, monitoring and requirements to obtain mine closure in terms of the Act.*

### **F.3.6 FINAL REHABILITATION**

- All infrastructure, equipment, plant, temporary housing and other items used during the mining period will be removed from the site (section 44 of the MPRDA)
- Waste material of any description, including receptacles, scrap, rubble and tyres, will be removed entirely from the mining area and disposed of at a recognised landfill facility. It will not be permitted to be buried or burned on the site.
- Final rehabilitation shall be completed within a period specified by the Regional Manager.

## F.4 MONITORING AND REPORTING

### F.4.1 Inspections and monitoring

- Regular monitoring of all the environmental management measures and components shall be carried out by the holder of the prospecting right, mining permit or reconnaissance permission in order to ensure that the provisions of this programme are adhered to.
- Ongoing and regular reporting of the progress of implementation of this programme will be done.
- Various points of compliance will be identified with regard to the various impacts that the operations will have on the environment.
- Inspections and monitoring shall be carried out on both the implementation of the programme and the impact on plant and animal life.
- Visual inspections on erosion and physical pollution shall be carried out on a regular basis.

**Regulation 55 promulgated in terms of the MPRDA requires the following:**

**Monitoring and performance assessments of environmental management programme or plan**

- (1) *As part of the general terms and conditions for a prospecting right, mining right or mining permit and in order to ensure compliance with the approved environmental management programme or plan and to assess the continued appropriateness and adequacy of the environmental management programme or plan, the holder of such right must-*
  - (a) *conduct monitoring on a continuous basis;*
  - (b) *conduct performance assessments of the environmental management programme or plan as required; and*
  - (c) *compile and submit a performance assessment report to the Minister to demonstrate adherence to sub-regulation (b).*
- (2) *The frequency of performance assessment reporting shall be-*
  - (a) *in accordance with the period specified in the approved environmental management programme or plan, or, if not so specified;*
  - (b) *as agreed to in writing by the Minister; or*
  - (c) *biennially (every two years).*
- (3) *The performance assessment report, shall be in the format provided in guidelines that will from time to time be published by the Department and shall as a minimum contain-*
  - (a) *information regarding the period that applies to the performance assessment;*
  - (b) *the scope of the assessment;*
  - (c) *the procedure used for the assessment;*
  - (d) *the interpreted information gained from monitoring the approved environmental management programme or plan;*
  - (e) *the evaluation criteria used during the assessment;*
  - (f) *the results of the assessment; and*
  - (g) *recommendations on how and when deficiencies that are identified and/or aspects of non-compliance will be rectified.*
- (4) *The holder of a prospecting right, mining right or mining permit may appoint an independent qualified person(s) to conduct the performance assessment and compile the performance assessment report provided that no such appointment shall relieve the holder of the responsibilities in terms of these regulations.*
- (5) *Subject to section 30(2) of the Act, the performance assessment report submitted by the holder shall be made available by the Minister to any person on request.*
- (6) *If upon consideration by the Minister, the performance assessment executed by the holder is not satisfactory or the report submitted by the holder is found to be unacceptable, the holder must-*

- (a) *repeat the whole or relevant parts of the performance assessment and revise and resubmit the report; and/or*
  - (b) *submit relevant supporting information; and/or*
  - (c) *appoint an independent competent person(s) to conduct the whole or part of the performance assessment and to compile the report.*
- (7) *If a reasonable assessment indicates that the performance assessment cannot be executed satisfactorily by the holder or a competent person(s) appointed by the holder, the Minister may appoint an independent performance assessment person(s) to conduct such performance assessment. Such appointment and execution shall be for the cost of the holder.*
- (8) *When the holder of a prospecting right, mining right or mining permit intends closing such operation, a final performance assessment shall be conducted and a report submitted to the Minister to ensure that -*
- (a) *the requirements of the relevant legislation have been complied with;*
  - (b) *the closure objectives as described in the environmental management programme or plan have been met; and*
  - (c) *all residual environmental impacts resulting from the holder's operations have been identified and the risks of latent impacts which may occur have been identified, quantified and arrangements for the management thereof have been assessed.*
- (9) *The final performance assessment report shall either precede or accompany the application for a closure certificate in terms of the Act.*

#### **F.4.2 Compliance reporting / submission of information**

- Layout plans will be updated on a regular basis and updated copies will be submitted on a biennial basis to the Regional Manager
- Reports confirming compliance with various points identified in the environmental management programme will be submitted to the Regional Manager on a regular basis and as decided by the said manager.
- Any emergency or unforeseen impact will be reported as soon as possible.
- An assessment of environmental impacts that were not properly addressed or were unknown when the programme was compiled shall be carried out and added as a corrective action.

#### **F.5 CLOSURE**

When the holder of a prospecting right, mining permit or reconnaissance permission intends closing down his/her operations, an environmental risk report shall accompany the application for closure. The requirements of such a risk report is contained in Regulation 60 of the Regulations promulgated in terms of the Act and is quoted below:

##### **F.5.1 ENVIRONMENTAL RISK REPORT**

*"An application for a closure certificate must be accompanied by an environmental risk report which must include-*

- (a) *the undertaking of a screening level environmental risk assessment where-*
  - (i) *all possible environmental risks are identified, including those which appear to be insignificant;*
  - (ii) *the process is based on the input from existing data;*
  - (iii) *the issues that are considered are qualitatively ranked as –*
    - (aa) *a potential significant risk; and/or*
    - (bb) *a uncertain risk; and/or*
    - (cc) *an insignificant risk.*
- (b) *the undertaking of a second level risk assessment on issues classified as potential significant risks where-*
  - (i) *appropriate sampling, data collection and monitoring be carried out;*
  - (ii) *more realistic assumptions and actual measurements be made; and*
  - (iii) *a more quantitative risk assessment is undertaken, again classifying issues as*

- posing a potential significant risk or insignificant risk.*
- (c) *assessing whether issues classified as posing potential significant risks are acceptable without further mitigation;*
- (d) *issues classified as uncertain risks be re-evaluated and re-classified as either posing potential significant risks or insignificant risks;*
- (e) *documenting the status of insignificant risks and agrees with interested and affected persons;*
- (f) *identifying alternative risk prevention or management strategies for potential significant risks which have been identified, quantified and qualified in the second level risk assessment;*
- (g) *agreeing on management measures to be implemented for the potential significant risks which must include-*
  - (i) a description of the management measures to be applied;*
  - (ii) a predicted long-term result of the applied management measures;*
  - (iii) the residual and latent impact after successful implementation of the management measures;*
  - (iv) time frames and schedule for the implementation of the management measures;*
  - (v) responsibilities for implementation and long-term maintenance of the management measures;*
  - (vi) financial provision for long-term maintenance; and*
  - (vii) monitoring programmes to be implemented."*

## **F.5.2 CLOSURE OBJECTIVES**

Closure objectives form part of this EMPLan and must-

- (a) identify the key objectives for mine closure to guide the project design, development and management of environmental objectives;
- (b) provide broad future land use objective(s) for the site; and
- (c) provide proposed closure cost

## **F.5.3 CONTENTS OF CLOSURE PLAN**

A closure plan forms part of the EMP and must include the following:

- (a) a description of the closure objectives and how these relate to the prospecting or mine operation and its environmental and social setting;
- (b) a plan contemplated in Regulation 2(2), coordinated according to generally accepted standards, showing the land or area under closure;
- (c) a summary of the regulatory requirements and conditions for closure negotiated and documented in the environmental management programme or plan;
- (d) a summary of the results of the environmental risk report and details of identified residual and latent impacts;
- (e) a summary of the results of progressive rehabilitation undertaken;
- (f) a description of the methods to decommission each prospecting or mining component and the mitigation or management strategy proposed to avoid, minimize and manage residual or latent impacts;
- (g) details of any long-term management and maintenance expected;
- (h) details of financial provision for monitoring, maintenance and post closure management, if required;
- (i) a plan or sketch at an appropriate scale describing the final land use proposal and arrangements for the site;
- (j) a record of interested and affected persons consulted; and
- (k) technical appendices, if any.

#### F.5.4 TRANSFER OF ENVIRONMENTAL LIABILITIES TO A COMPETENT PERSON

Should the holder of a prospecting right, mining permit or reconnaissance permission wish to transfer any environmental liabilities and responsibilities to another person or persons, the following will pertain:

- (1) An application to transfer environmental liabilities to a competent person in terms of section 48) of the Act, must be completed on Form O as set out in Annexure 1 to the Regulations and be lodged to the Minister for consideration.
- (2) The holder of a prospecting right, mining right or mining permit may transfer liabilities and responsibilities as identified in the environmental management plan and the required closure plan to a competent person as contemplated in Regulation 58.
- (3) When considering the transfer of environmental liabilities and responsibilities in terms of section 48) of the Act, the Minister must consult with any State department which administers any law relating to matters affecting the environment.
- (4) No transfer of environmental liabilities and responsibilities to a competent person may be made unless the Chief Inspector of Mines and the Department of Water Affairs and Forestry have confirmed in writing that the person to whom the liabilities and responsibilities is transferred to, have the necessary qualifications pertaining to health and safety and management of potential pollution of water resources.

#### F 5.5 NOTES ON LEGAL PROVISIONS

<b>NOTE:</b>	The holder of a prospecting right, mining permit or reconnaissance permission must also take cognisance of the provisions of other legislation dealing with matters relating to conservation, and which include, <i>inter alia</i> , the following:
* National Monuments Act, 1969 (Act 28 of 1969).	
* National Parks Act, 1976 (Act 57 of 1976)	
* Environmental Conservation Act, 1989 (Act 73 of 1989)	
* National Environmental Management Act, 1998 (Act No. 107 of 1998)	
* Atmospheric Pollution Prevention Act, 1965 (Act 45 of 1965)	
* The National Water Act, 1998 (Act 36 of 1998)	
* Mine Safety and Health Act, 1996 (Act 29 of 1996)	
* The Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983).	



**G. SPECIFIC ADDITIONAL REQUIREMENTS DETERMINED BY THE REGIONAL MANAGER**

Officials in regional offices may use the following matrix to determine the necessity for additional objectives to be included in this Section of the document:

<b>G.1 POTENTIAL ENVIRONMENTAL IMPACTS OF MINING</b>										
Activity	Disturbance					Pollution				Visual
	Landform	Soil	Flora	Fauna	Heritage	Land	Water	Air	Noise	
Mining										
Access										
Topsoil removal										
Overburden removal										
Mineral Extraction										
Tailings disposal										
Water Abstraction										
Pipeline route										
Transport										
Accommodation										
Waste Disposal										
Electricity										
Hydrocarbon storage										
Workforce										

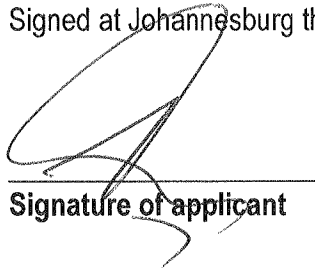
Please indicate VL, L, M, H, and VH for Very Low, Low, Medium, high and Very High in each column to determine the main area and severity of impact.

**G.2** This section outlines the specific additional requirements that may be set for the operation by the Regional Manager. Additional requirements will only have been set if the Regional Manager is of the opinion that there are specific impacts on the environment which will not be adequately mitigated by the provisions set within the standard version of the Environmental Management Plan. These requirements form part of the Environmental Management Plan and all elements and instructions contained herein must be complied with by the applicant.


**H. UNDERTAKING**

I, Kerwin Rana the undersigned and applicant has studied and understand the contents of this document in it's entirety and hereby duly undertake to adhere to the conditions as set out therein including the amendment(s) agreed to with the Regional Manager in Section G and approved on \_\_\_\_\_

Signed at Johannesburg this 4<sup>th</sup> day of November 2010



**Signature of applicant**

**J. APPROVAL**

Approved in terms of Section 39(4) of the Mineral and Petroleum Resources Development Act, 2002 (Act 29 of 2002)

Signed at KIMBERLEY on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

**REGIONAL MANAGER**

**REGION: NORTHERN CAPE**

This document has been compiled by the Directorate: Mine Environmental Management of the Department of Mineral Resources at their Head Office in Pretoria. Any comments, suggestions or inputs will be sincerely appreciated. If you have any comments or suggestions regarding this document or its application, please forward your contribution to:

The Director: Mine Environmental Management  
Private Bag X 59  
PRETORIA  
000

Tel : 012 317 9288  
Fax: 012 320 6786  
E-mail: dorothy@mepta.pwv.gov.za

## **Appendices Index**

**Appendix A: Quantification of Financial Provision**

**Appendix B: Prospecting Work Programme Budget**

**Appendix C: Consultation with IAP**

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## **Appendix A: Quantification of Financial Provision**

**ACTIVITIES & QUANTUM OF FINANCIAL PROVISION  
NC 30/5/1/2/2/2334 PR**

**1.1 Quantum of Financial Provision**

*1.1.1. Premature Closure*

The calculation for the costs associated with premature closure of the exploration activities, is based on the assumption that a maximum of 1 drilling site will be active at any given time (Table 1).

The rehabilitation of the drilling sites will be an ongoing process during the exploration activities and could result in 1 site being drilled while 1 site is being rehabilitated. The costs of rehabilitation as a result of the premature closure will be limited to the rehabilitation of a maximum of 2 sites together with the associated infrastructure.

Table 1: Quantum of financial provision for premature closure

<b>Activity</b>	<b>Final Closure</b>	<b>Unit</b>	<b>Quantity</b>	<b>Rate</b>	<b>Cost</b>
<b>1</b>	<b>Drill Site</b>				
1.1	Sealing of boreholes with cement	boreholes	2	R150.00	R300.00
1.2	Costs of profiling disturbed areas	m <sup>2</sup>	200	R1.00	R200.00
1.3	Ripping of compacted surfaces	m <sup>2</sup>	200	R1.00	R200.00
1.4	Remediation of contaminated soil	m <sup>2</sup>	6	R45.00	R270.00
1.5	Seeding	m <sup>2</sup>	200	R1.00	R200.00
1.6	Disposal of waste				R1000.00
<b>2</b>	<b>Camp Site</b>				
2.1	Ripping of compacted surfaces	m <sup>2</sup>	75	R1.00	R75.00
2.2	Costs of filling trenches and pits and replacing topsoil.	m <sup>2</sup>	75	R1.00	R75.00
2.3	Costs of re-vegetation (seeding)	m <sup>2</sup>	75	R1.00	R75.00
<b>3</b>	<b>Management Costs</b>				
3.1	Rehabilitation manager	hrs	8	R450.00	R3600.00
<b>4</b>	<b>Monitoring and Maintenance</b>				
4.1	Follow up monitoring	hrs	8	R450.00	R3600.00
4.2	Physical weed removal	hrs	8	R100.00	R800.00
4.3	Planting / seeding and fertilizer application (to promote vegetation establishment)	m <sup>2</sup>	200	R1.00	R200.00
	<b>Total (excl VAT)</b>				<b>R10595.00</b>

	<b>Management fees (10% of Sub-total)</b>				R1059.50
	<b>Value Added Tax</b>				R1631.63
	<b>Grand Total</b>				<b>R13286.13</b>

### 1.1.2 Final Closure

The calculation for the costs associated with final closure of the exploration activities, is based on the assumption that a maximum 1 drilling site will be active at any time (Table 2).

The rehabilitation of the drilling site will be an ongoing process during the exploration activities. The cost of the final rehabilitation will be limited to 1 active site.

Table 2: Quantum of financial provision for final closure

<b>Activity</b>	<b>Final Closure</b>	<b>Unit</b>	<b>Quantity</b>	<b>Rate</b>	<b>Cost</b>
<b>1</b>	<b>Drill Site</b>				
1.1	Sealing of boreholes with cement	boreholes	30	R150.00	R4500.00
1.2	Costs of profiling disturbed areas	m <sup>2</sup>	3000	R1.00	R3000.00
1.3	Ripping of compacted surfaces	m <sup>2</sup>	3000	R1.00	R3000.00
1.4	Remediation of contaminated soil	m <sup>2</sup>	90	R45.00	R4050.00
1.5	Seeding	m <sup>2</sup>	3000	R1.00	R3000.00
1.6	Disposal of waste				R2000.00
<b>2</b>	<b>Camp Site</b>				
2.1	Ripping of compacted surfaces	m <sup>2</sup>	75	R1.00	R75.00
2.2	Costs of filling trenches and pits and replacing topsoil.	m <sup>2</sup>	75	R1.00	R75.00
2.3	Costs of re-vegetation (seeding)	m <sup>2</sup>	75	R1.00	R75.00
<b>3</b>	<b>Management Costs</b>				
3.1	Rehabilitation manager	hrs	8	R450.00	R3600.00
<b>4</b>	<b>Monitoring and Maintenance</b>				
4.1	Follow up monitoring	hrs	8	R450.00	R3600.00
4.2	Physical weed removal	hrs	8	R100.00	R800.00
4.3	Planting / seeding and fertilizer application (to promote vegetation establishment)	m <sup>2</sup>	3000	R1.00	R3000.00
	<b>Total (excl VAT)</b>				<b>R30775.00</b>

	<b>Management fees (10% of Sub-total)</b>				R3077.50
	<b>Value Added Tax</b>				R4739.35
	<b>Grand Total</b>				<b>R38591.85</b>

### **1.2 Provision to be made**

The calculation of financial provision as stated above is based on the exploration to be conducted as part of Phase 2 of the exploration work programme. The exploration work programme will be conducted with a phased approach. After the desktop study and geological analysis of Phase 1 of the exploration work programme, one borehole will be drilled. Upon notice of successful results from the drilling of the first borehole, Umbono will make the decision to commence with the rest of the exploration work programme. The EMP as well as the financial provision for the rehabilitation of the Project Area will be adjusted accordingly.

Umbono's exploration work programme will commence with Phase 1 which does not involve drilling or any other invasive exploration activities. There will be significantly less requirements for rehabilitation in the first year of the exploration programme, and financial provision that should be made is therefore less. It is recommended that Umbono's financial provision to cover the rehabilitation of possible damage in the first year of exploration be set at R20 000.00.

### **1.3 Annual Assessment**

The estimation of the quantum of financial provision must be re-assessed on an annual basis. The re-assessment should take into consideration the rehabilitation requirements of the exploration work undertaken in the past year and the exploration activities planned for the coming year.

## Appendix B: Prospecting Work Programme Budget



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**ESTIMATED EXPENDITURE FOR THE PROSPECTING WORK PROGRAM**

Phase	Activity	Labour costs <sup>1</sup>	Direct costs	Total Costs
1	Purchase of Historic Data**			100,000.00
1	Desktop studies and information review <sup>2</sup>	20,000.00		20,000.00
1	Remote Sensing - GIS, LANDSAT, Aerial Photography <sup>3</sup>	20,000.00		20,000.00
1	Fieldwork - groundtruthing, mapping <sup>3</sup>	35,000.00		35,000.00
1	Sampling program and analysis <sup>3</sup>	35,000.00	35,000.00	70,000.00
1	Electronic capture of existing data <sup>2</sup>	10,000.00		10,000.00
	<b>Subtotal</b>	<b>120,000.00</b>	<b>35,000.00</b>	<b>255,000.00</b>
2	Planning of the drilling program	50,000.00		50,000.00
2	Initial drill program <sup>4</sup>	20,000.00	581,500.00	601,500.00
2	Assay Analysis			60,000.00
2	Geological and grade modelling, if required	100,000.00		100,000.00
	<b>Subtotal</b>	<b>170,000.00</b>	<b>581,500.00</b>	<b>811,500.00</b>
3	Planning of the drilling program	80,000.00		80,000.00
3	Infill/resource drilling program	60,000.00	3,277,000.00	3,337,000.00
3	Assay Analysis			180,000.00
3	Mining method options study	500,000.00		500,000.00
3	Preliminary financial modelling	100,000.00		100,000.00
	<b>Subtotal</b>	<b>740,000.00</b>	<b>3,277,000.00</b>	<b>4,197,000.00</b>
4	Feasibility Study <sup>5</sup>	1,000,000.00		
	<b>Grand Total</b>		<b>Grand Total</b>	<b>5,263,500.00</b>

**Notes**

- \*\* The purchase of the Historic Data from Anglo Operations Ltd included information over four farms: Leinster 363, Hull 361, Abbey 364, and Tweed 362. The cost of the data will come to a total of R400,000. Tweed will account for a quarter of this total
- 1 In-house source will be relied on to perform certain functions. The geologists will be remunerated at the company level and the cost has not been included with project estimates
- 2 Historic Data has been purchased from Anglo Operations Ltd. An extensive review of the data followed by data capturing will take approximately 4 weeks to complete
- 3 Remote Sensing, Ground Truthing and Surface Sampling programmes may not be necessary as the historic data provides sufficient information to commence with Twin Drilling and New Borehole Drilling
- 4 The drilling contractor will be bound under the conditions of contract to rehabilitate all drill sites to the satisfaction of Umbono and in compliance with environmental legislation
- 5 The costs of the feasibility Study is only an estimate

**BREAKDOWN OF DRILLING COSTS**

Phase	Activity	Drilling cost	Set up cost per hole	No. of holes	Mobilisation & demobilisation costs per rig	No. of rigs	Water cartage	Workforce accomoda-tion	Total Costs
2	Initial drill program	700/meter	2 500	10 @ 150 meters each	40 000	1	4 000	20 000	
	<b>Sub total</b>	<b>525,000</b>	<b>12,500</b>	<b>500 m</b>	<b>40,000</b>		<b>4,000</b>	<b>20,000</b>	<b>601,500</b>
3	Infill/resource drilling program	700/meter	2 500	30 @ 100 meters each	40 000	1	12 000	60 000	
	<b>Sub total</b>	<b>3,150,000</b>	<b>75,000</b>	<b>3 000 m</b>	<b>40,000</b>		<b>12,000</b>	<b>60,000</b>	<b>3,337,000</b>
								<b>Grand total</b>	<b>3,938,500</b>

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## Appendix C: Record of public consultation

Dear Regional Manager,

This is the second application by Umbono Manganese Severn ("Umbono") for the farm Tweed 362 IL. The report below will start off with the progress made in consultation under the first application (NC 2086 EM) and will then connect it with the consultation activities carried out under the current application (NC 2334 PR).

### **CONSULTATION ACTIVITIES UNDER NC 2086 EM ON THE FARM TWEED 362 IL**

As the title deeds obtained at the beginning of our application process indicated that the State is the owner of the land efforts were made to trace the responsible officials to consult. This proved fruitless and a site visit was subsequently made to the area on the 15th and 16th of February 2010 by Clive Machingaifa, Umbono Manganese Severn Process Manager.

Upon arrival one of the local farmers confirmed that the land was owned by the State and that Mr. Wynand Nel at the Department of Agriculture in Mothibistad was the person to consult.

Upon consultation Mr. Wynand Nel suggested that the land is now owned by a Community Association led by Mr. Isaac Lebogo. However, Mr. Lebogo explained that he is not on that particular farm or Community Association and that Mr. Nel was mistaken.

Upon re-engaging Mr. Nel he then explained that he had made an error in his directions. He then identified the Extension Officer in the Madibeng area, Mr. Mnzane, who is better placed to assist with contact details of landowners. Mr. Mnzane confirmed that the farm is on Tribal Land, under the Chieftainship of Kgosi Bareki whose actual residence is some 50km from the farm Tweed 362 IL.

He has promised to get back to Umbono with Kgosi Bareki's contact details so that a meeting for face to face consultation can be set up.

Consultation was also done with the Department of Agriculture, Conservation, Environment & Rural Development in Mafikeng to talk about the possible existence of a nature reserve near the application area. This took the form of faxes sent to relevant officials in February 2010 (also attached). Although no feedback was obtained from these, a visit was made to the Department's offices on 16 February. A meeting was held with Mr. E. M. Ntshontsho, the Land Reform Officer who confirmed that there was no nature reserve near the application area as had previously been thought at the time of compiling our Environmental Management Plan. He supplied the latest map in use in his department to back this up (attached).

Despite this, further consultation was done with Julius Koen, the Deputy Director General for Nature Conservation for the Northern Cape, based in Kimberly. He confirmed that there is no nature reserve near the application.

These confirmations from both Northwest and Northern Cape officials have led to the conclusion that there is no nature conservancy near the application area as had been thought. It was touted by the officials that there could possibly have been an application to make them conservancies which failed long ago.

Below are the contact details for the persons referred to in the activities reported above.

- |                     |   |
|---------------------|---|
| 1. Wynand Nel       | 073 229 3579.   |
| 2. Isaac Lebogo     | 076 211 2159.   |
| 3. Mr. Mnanzane     | 082 819 0621.   |
| 4. E. M. Ntshontsho | <u><a href="mailto:Entshontsho@nwpg.gov.za">Entshontsho@nwpg.gov.za</a></u> |



## CONSULTATION ACTIVITIES UNDER NC 2334 PR ON THE FARM TWEED 362 IL

Umbono then followed up with Mr. Mnzane to obtain the necessary contact details so as to hold a face to face meeting with Kgosi Bareki and the community on the farm. Kgosi Bareki supplied Umbono with an email address to which the attached Background Information Document ("BID") (Appendix C1) was sent to Kgosi Bareki who then informed us that we could only meet after they had held their Tribal Council meeting on, which was planned for Sunday 3 October. The date for this meeting could not be changed as Tribal Council members are scattered in rural areas and Kgosi Bareki remarked that he was not in a position to get the meeting date changed. We then agreed that the Council would discuss our BID and we would then set up a meeting subsequent to the Council meeting but before 7 October 2010, the aim of which would be to note and address any concerns and questions they may have in an open and face to face dialogue.

We were then informed by Kgosi Bareki that their meeting was now to be held on Tuesday 5 October 2010 and that instead of meeting face to face with Umbono representatives he would be happy to fax a record of the Council's response to us after the meeting. Umbono then requested an extension of the consultation period which was granted (Appendix C2), and for which we are very grateful. On 8 October 2010, Umbono then received a fax invitation (Appendix C3) from the Baga Bareki Tribal Council for a consultation meeting on 2 November 2010.

Our Community Liason Officer, Mr. Joggie Prinsloo, attended the meeting on the said date. He explained the application process and the activities Umbono has proposed to carry out in the prospecting work programme. The Tribal Council was in attendance and Kgosi Bareki signed a notification letter (Appendix C4) and confirmed that he had no objections to Umbono's application or proposed prospecting activities.

Below are the contact details for the persons referred to in the activities reported above.

- |                      |               |
|----------------------|---------------|
| 1. Kgosi T.M. Bareki | 084 385 4586. |
| 2. Joggie Prinsloo   | 082 600 0550. |
| 3. Mr. Mnzane        | 082 819 0621. |

We hope you find the report to be in order and we await your favourable response.

Yours sincerely,



Clive Machingaifa.  
*Process Manager*

## Appendix C1

**Clive Machingaifa**

---

**From:** Bongiwe Mkhize  
**Sent:** 23 July 2010 10:28 AM  
**To:** bagalotlhaREhs@yahoo.com  
**Cc:** Clive Machingaifa  
**Subject:** Consultation for Tweed  
**Attachments:** B.I.D.20100201.doc

Dear Kgosi

As per our telephonic conversation yesterday, please find attached a copy of the template of the public participation form. Please use this as a guide to see what we need regarding consultation. We would also like to meet all affected parties such as the families or people residing on the farm as well neighbouring community members. It would be ideal to set up a meeting on the same day as you so that we make one trip out to the Northern Cape.

Please do not hesitate to contact me should you require further information.

Regards,

Bongiwe Mkhize  
Umbono Group of Companies  
Johannesburg, South Africa  
+27 11 484 5005 (Tel)  
+27 11 484 5004 (Fax)  
Vancouver, Canada  
+1 604 346 8360 (Tel)  
+1 604 677 5486 (Fax)

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# UMBONO

UMBONO MANGANESE SEVERN (PROPRIETARY) LIMITED  
3<sup>RD</sup> FLOOR, BLOCK D, OLD TRAFFORD BUILDING, ISLE OF HOUGHTON,  
CNR BOUNDARY & CARSE O'GOWRIE ROADS, PARKTOWN  
POSTNET SUITE 201, PRIVATE BAG X30500, HOUGHTON, 2041  
TEL: (011) 464-5005, FAX: (011) 464-5004, WWW.UMBONO.COM

Dear Participant

## PROSPECTING PROJECT ON THE FARM TWEED 362 IL

Umbono Manganese Severn (Pty) Ltd ("Umbono") is undertaking a public consultation exercise regarding the above project located west of Madibeng (as shown in the attached map).

Enclosed herewith a Background Information Document ("BID"), the purpose of which is to:

- Inform you of the proposed project,
- Explain the prospecting process and,
- Explain how you can be involved.

Attached is a registration form, whereby you can register as an interested or affected person. You are requested to provide us with the Department's comments on the project. If the project has the potential of crossing over any properties of concern or affecting their development, please give us details of such properties or development.

Issues raised by the participants will be taken into account. Should the prospecting right be granted then all interested and affected parties will be informed of the decision by the Department of Mineral Resources in Kimberley. Individual land owners of identified exploration drill sites will be contacted in writing and a Land Access Agreement developed to define all aspects of the prospecting process. Particular attention will be give to the management of the prospecting activities and the associated impacts as well as to the rehabilitation of target sites on the respective properties.

For any other information that you may require please contact the company representative below.

Yours faithfully



Clive Machingaifa  
*Process Manager*

**Public Participation for the Tweed Project  
REGISTRATION FORM**

Clive Machingaifa, Postnet Suite 201, Private Bag X30500, Houghton, 2041

E-mail: cmachingaifa@umbono.co.za

Tel.: 011 484 5005

Fax: 011 484 5004

*Please provide your complete contact details:*

<b>Name:</b>
<b>Surname:</b>
<b>Designation</b>
<b>Postal Address:</b>
<b>Telephone number:</b>
<b>Cellphone number</b>
<b>Fax number:</b>
<b>E-mail address</b>

*Would you like to register as an interested and affected party?*

You have to register in order to receive further correspondence regarding the environmental process of the prospecting right applications

 Yes

 No

(Tick the relevant box)

*If you know of someone who you regard as a potential interested or affected party, please provide us with their contact details:*

<b>Name:</b>
<b>Surname:</b>
<b>Designation</b>
<b>Postal Address:</b>
<b>Telephone number:</b>
<b>Cellphone number</b>
<b>Fax number:</b>
<b>E-mail address</b>

**PLEASE LIST YOUR QUESTIONS, VIEWS OR CONCERNS BELOW:**

<p>My comments and concerns regarding the project are:</p>           
--

*Please use additional pages if needed.*

**Umbono Manganese Severn (Pty) Ltd  
Tweed Project  
BACKGROUND INFORMATION DOCUMENT**

Umbono Manganese Severn (Pty) Ltd ("Umbono") has submitted an application (reference number NC 30/5/1/1/3/2/1/2086 EM) to the Department of Mineral Resources ("DMR") for a prospecting right to prospect for Manganese, Iron, Cobalt, Titanium, Vanadium and Chrome ("the minerals") on the farm Tweed 362 IL ("the farm") which is located in the Kuruman Magisterial District, Northern Cape Province. The aim of this project is to identify possible resources of the minerals in their ores underground.

The application to the DMR was made in terms of the Mineral and Petroleum Resources Development Act of 2002 ("MPRDA"). In terms of the application, Umbono has to notify in writing, and consult with the landowners or lawful occupiers of the land on which the proposed prospecting is sought to be conducted, as well as any other interested and affected parties.

Even though the regional geology indicates that the presence of the minerals in the area is a possibility, it is by no means a certainty that significant deposits will be found on the farm Tweed 362 IL ("the Project").

A broad overview of the application and prospecting process is set out below.

1. As a first step in the process Umbono submitted its prospecting right application for the minerals to the Northern Cape regional office of the DMR.
2. Subsequent to submission of the initial application follows a period of consultation between Umbono and the affected surface rights holders.
3. Umbono has also developed an Environmental Management Plan ("EMP"), which stipulates measures to control the impact of envisioned prospecting activities on the environment.
4. Once the regional DMR is satisfied with progress in the consultation process and has approved the EMP, the application should be recommended to the office of the Minister of Mineral Resources for final approval.
5. Should the application be approved, Umbono will proceed with a non-invasive field survey programme to determine the presence of the minerals on the farm. This phase of the envisioned programme will have a negligible impact on farming and related activities.
6. Upon completion of the initial field surveys, and if the results prove to be supportive of additional exploration, two phases of drilling will follow. The first phase of target drilling will have a limited but measurable impact on farming and related activities, but impact will be contained to the limited number of sites where drilling will take place. One of the aims of the consultation process is that access and compensation agreements will be concluded with the surface rights holders before any drilling commences.
7. If target drilling indicates significant mineralisation, it will be followed by a more comprehensive and therefore more invasive drilling programme aimed at delineating ore bodies. The expansion of the programme will of course follow further consultation with surface rights holders.

## FREQUENTLY ASKED QUESTIONS

We have provided the answers to some frequently asked questions regarding the proposed prospecting activities. These responses have been grouped into six categories, namely (1) Prospecting Activities, (2) Environmental Management and Rehabilitation, (3) Timeframes and Communication, (4) Safety and Security, (5) Access Agreements and (6) General Information.

### 1. Prospecting Activities

#### **Which minerals will be prospected for?**

Manganese, Iron, Cobalt, Titanium, Vanadium and Chrome ("the minerals").

#### **How will exploration activities be conducted?**

The presence of the minerals can be detected using non-invasive methods, thus enabling the initial field surveys to be conducted using appropriate handheld sensors or detectors mounted on either an aircraft or a vehicle. Upon completion of the initial field surveys, and if the results prove to be supportive of additional exploration, two phases of drilling will follow. The initial drilling phase may require from two to five holes to be drilled at targets identified by the initial field survey. If results of the initial drilling prove to be positive, then a bulk drilling phase will follow.

#### **What machinery and equipment will be brought onto the properties for the purpose of conducting exploration activities?**

As per our response in 1(b), the initial field survey requires either hand-held, airborne or vehicle mounted sensors, while the drilling phases require a drilling rig, support truck, water bowser and a bakkie.

#### **Where on the property will exploration activities take place?**

As per our response in 1(b), the initial field survey will cover the entire property, while the drilling phases will be determined by the results of the field surveys.

### 2. Environmental Management and Rehabilitation

#### **What is the expected impact on current farming activities and practises?**

No interruptions on the current farming activities and practises are envisaged during the initial field survey. However, there is a possibility that prospecting activities during the initial drilling and bulk drilling phase could interrupt current farming activities. In terms of the Minerals and Petroleum Resources Development Act of 2002 ("the Act"), the affected areas are required to be rehabilitated to the original state after exploration, particularly if the survey and/or drill results do not justify continuation of the prospecting programme. Should further prospecting be justified however, the impact of additional prospecting activities will be disclosed to the affected party and a mutual agreement is envisaged.

#### **How will pollution hazards be managed?**

No significant impact in respect of air, water and soil pollution is envisioned, while noise pollution may become relevant should field surveys be conducted using an aeroplane or helicopter. Minimal noise is expected from the diesel engines of the drilling rig, support truck,

water bowser and bakkie. Appropriate protective structures will be constructed to prevent ground or open water contamination.

**Will hazardous chemicals be used in the course of prospecting activities?**

Equipment and machinery used during the initial and bulk drilling phases will require diesel, oil, grease, acid, and hydraulic fluid. All these chemicals will be handled in accordance with the approved Environmental Management Program.

**Will environmental disturbances be rehabilitated?**

The MPRDA makes it clear that rehabilitation of any environmental disturbances is not an option but a requirement. The DME will be expecting Umbono to rehabilitate any environmental disturbances.

**Will sanitisation and/or toilet facilities be provided?**

During the drilling phase of the program, when labour is required on site, Umbono will provide temporary chemical toilets at the drilling areas.

**How are fire hazards to be controlled?**

The fire hazard is considered to be minimal as equipment used and methods implemented during the various phases of exploration are not sources of open flame. A complete risk assessment will be conducted prior to commencement of both the initial drilling phase and bulk drilling phase. Dedicated facilities equipped with fire extinguishing devices will be provided for cigarette smoking and cooking areas.

### **3. Timeframes and Communication**

**When are the anticipated prospecting activities likely to commence, and what is the duration of the program?**

The initial field survey should be completed within twelve to eighteen months after Umbono is granted a prospecting permit. Thereafter, the initial drilling phase will commence at the earliest six months later, and the bulk drilling phase will commence at the earliest twelve months after the start date of the initial drilling phase.

**How will the landowners be notified of the start date and end dates of exploration activities?**

The commencement of exploration activities is dependent on the date the DMR issues the prospecting permit. Umbono aims to enter into an Access Agreement with the landowners of the affected properties.

### **4. Safety and Security**

**How many people are expected to be on site at any given moment?**

No more than ten people are expected to require access during the initial field survey, and no more than thirty during prospecting and/or drilling.

**How will authorised personnel from Umbono be identified?**

Umbono will aim to reach agreement with the affected party as to the most effective way of identification of its personnel and/or contractors. Proposed methods commonly used include e.g. clothing, identity cards, etc.



**How will security on the farm be managed?**

Umbono and the landowner will jointly agree on the areas of operation on the property, and Umbono's contractors and personnel will be restricted to such areas as required for the execution of their duties in relation to prospecting activities and or activities incidental to prospecting activities. It will be the responsibility of Umbono to implement this agreement.

**How will people and livestock be protected while various exploration activities are being conducted?**

Areas where holes have been drilled and/or where trenches have been opened will be barricaded and clear signage placed around the barricaded areas.

**5. Access Agreements**

**When will lease agreements be negotiated?**

Lease / access agreements will be negotiated after the prospecting right has been issued.

**What will the lease rates be?**

This will be agreed with the landowners through a negotiated settlement.

**6. General Information**

**Does Umbono satisfy MPRDA requirements?**

Acceptance of an application to prospect on the farm by the DME was conditional to Umbono demonstrating its Technical Ability and other requirements, as per Regulation 6, 7 & 8 of the MPRDA. Acceptance of our application is sufficient to demonstrate our ability to professionally and successfully conduct prospecting activities related to the Project.

**Who will cover any legal fees during the consultation process of the Prospecting Right application?**

In the experience of Umbono with other landowners, each party has to arrange and pay for its own legal fees if need be.

**Economic participation of the local community (e.g. Development Trust) in the Project?**

Inhlanipho Education Development Trust ("the Trust"), the single largest shareholder in Umbono, was established for the benefit of Historically Disadvantaged South Africans. Umbono undertakes to use the Trust to channel economic benefits in the Project (if any) to the local community. It is anticipated that a formal agreement will be concluded between Umbono, the Trust and the local community after the DME has issued a prospecting permit for the Project to Umbono.

Queries can be directed to:

Clive Machingaifa

UMBONO MANGANESE SEVERN (PTY) LTD

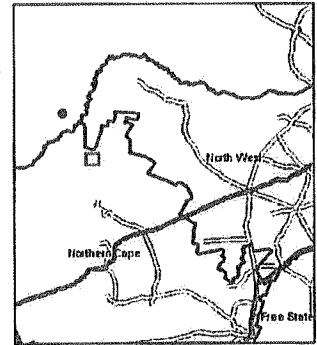
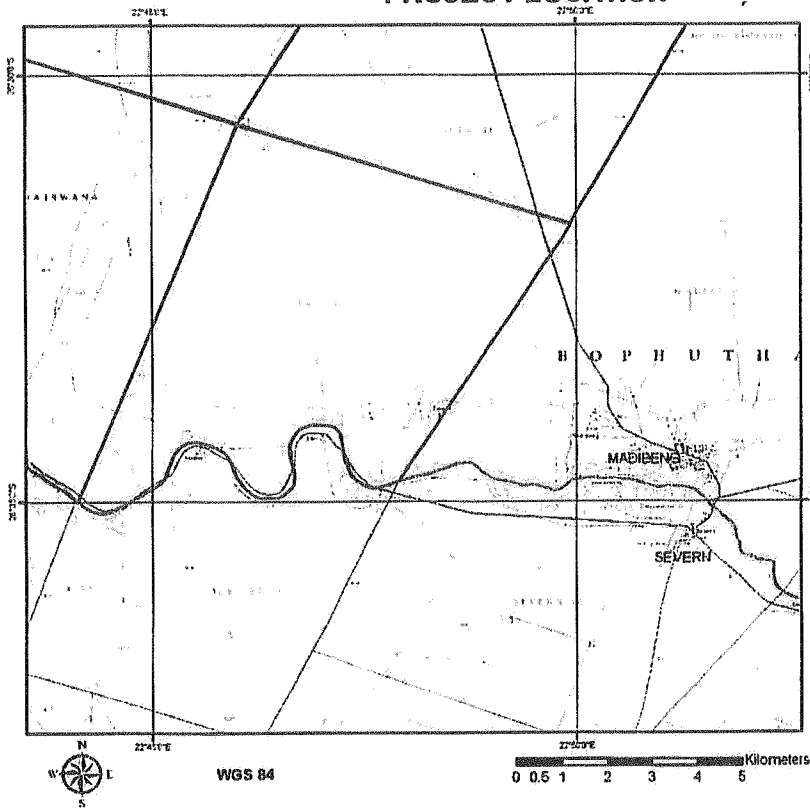
Postal: Postnet Suite 201, Private Bag X30500, Houghton, 2041

Tel.: 011 484 5005

Fax: 011 484 5004

E-mail: cmachingaifa@umbono.co.za

### PROJECT LOCATION



Plan showing the location of the Project under application  
Applicant: Umbeno Manganese Severn (Pty) Ltd.  
Contact: Clive Machingaila  
Tel.: (01) 484 5005

## Appendix C2



## mineral resources

Department:  
Mineral Resources  
REPUBLIC OF SOUTH AFRICA

DMR 11

KIMBERLEY  
Private Bag X8093, KIMBERLEY, 8300, Tel:(063) 807 1700, Fax: (063) 832 5631  
1<sup>st</sup> Floor, Liberty Corner Building, 29-31 Curry Street, Kimberley, 8301

### FAX COVER SHEET

DATE: 01 November 2010

TO:	Clive Machingalfa		
ORGANISATION:	Umbono Manganese Severn		
FAX:	011 484 5004		
FROM:	P Swart		
TEL:	053 8071700	ROOM NO:	1727
FAX:	053 832 5631		
E-MAIL:	natasha.arends@dme.gov.za		
NO PAGES:	1		
SUBJECT:	REQUEST FOR EXTENTION OF CONSULTATION PERIOD FOR NC 2334 PR		
MESSAGE:	Your fax dated 11 October 2010 is hereby acknowledged. Extention is granted untill the 8 <sup>th</sup> of November 2010.		

*PIP Arends*  
REGIONAL MANAGER  
NORTHERN CAPE REGION

## Appendix C3

ENQ: KGOSI TM BAREKI  
CELL NO: 084 385 4586

Baga Bareki Traditional Affairs  
P O Box 151  
Heunaar  
8611  
08 October 2010

Clive Machingaifa  
Umbono Manganese Severn (Pty) LTD  
Postnet Suite 201  
Private Bag x 30500  
Houghton  
2041

#### INVITATION TO A MEETING

You are cordially invited to attend a meeting scheduled as follows:

Date: 2 November 2010  
Time: 9H00  
Venue: Ba ga Bareki Traditional Office

The meeting is in connection with Umbono Manganese Project at Madibeng (Severn). The Traditional Council would like you to explain about this project.

Your presence will be highly appreciated.

Yours truly

S A Mabinl  
Tribal Secretary

## Appendix C4

ATTENTION: KGOSI T.M. BAREKI TEL. NO. 084 385 4586  
ADDRESS: BAGA BAREKI TRADITIONAL OFFICE-MAIL  
P.O. BOX 151  
HEUNEAR 8611

Prospecting right over – TWEED No. 362 IL

INTERESTED AND AFFECTED PARTY NOTIFICATION AND  
CONSULTATION for a PROSPECTING RIGHT APPLICATION.

ON BEHALF OF UMBONO MANGANESE SEVERN (PTY) LTD

We hereby advise that it is the company's intention to conduct prospecting operations on the above – mentioned property on issuance of a prospecting right for which we have applied in terms of section 16 of the MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT No.28 OF 2002.

This notice is in accordance with clause 16 (4) (b) of the Act, which reads as follows;

“ To notify in writing and consult with the land owner or lawful occupier and any other affected party and submit the result of the consultation within 30 days from the date of the notice.”

Should you have any comments regarding this please let us know within 15 days.

Should we have had no response within 15 days we will presume that you have no comments.

Also feel free to contact your local Department of Mineral Resources, KIMBERLEY RSA. Tel: 053 807 1700

Please also discuss it with our representative.

Regards

  
-----  
J.P. PRINSLOO

Postnet suite 201. Private Bag X30500, Houghton, 2041  
Tel: (011) 484 5005. Fax. (011) 484 5004



I hereby acknowledge receipt and understand the contents of this letter and that I have no objections / object to the proposed prospecting activities.

SIGNED:-----

A handwritten signature in cursive script, appearing to be 'B. J. ...', written over a dashed line.

DATE:-----

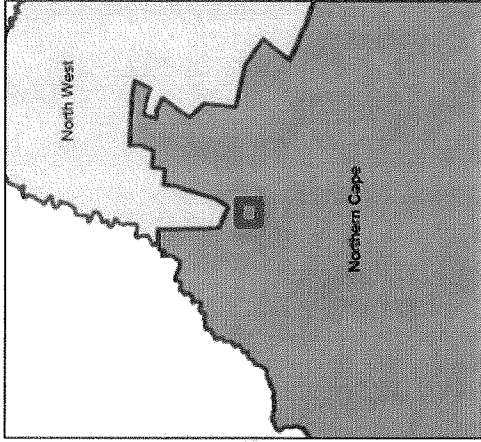
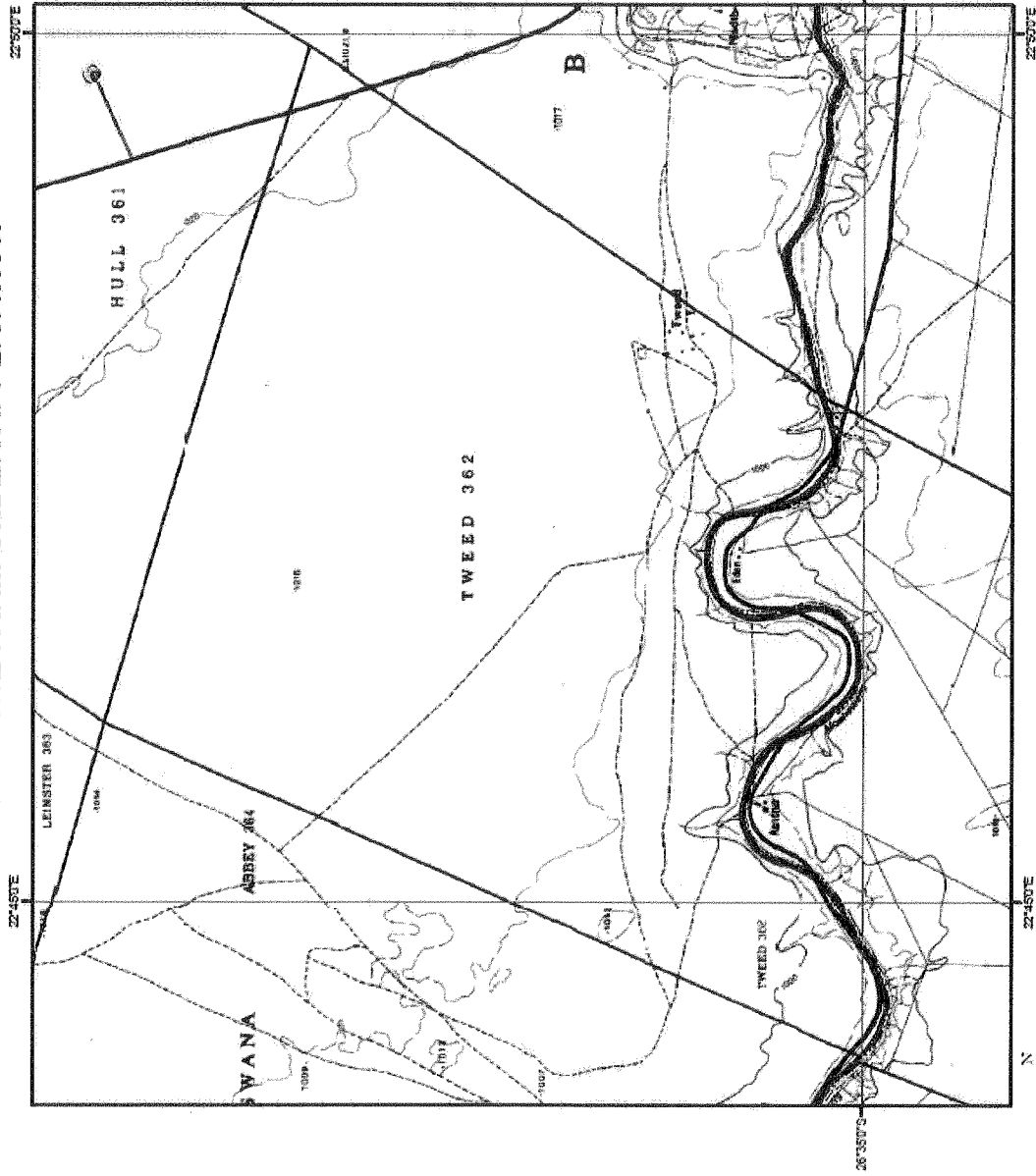
02/11/2010

## Appendix D: Sketch of the Land

NB: Although a scale of either 1:50 000 or 1:10 000 would have been preferred for representation, the closest scale which will enable us to show the whole farm is 1:60 000 and as such this is the scale to which the plan was produced.



# MAP OF THE FARM UNDER APPLICATION



Plan showing the prospecting right application area with the farm Tweed 362 IL in the Kuruman Magisterial District, Northern Cape.

With total area of 4 434,45Ha

Applicant:  
 Umbono Manganese Severn (Pty) Ltd.  
 Reg.: 2009/016030/07  
 Contact person: Kerwin Rana  
 Telephone number: (011) 484 5005

Applicant's signature:

Date:

Regional Manager's Signature:

Date:

WGS 84

SHEETS 2622 DA & 2622 DB



SCALE 1:60 000