# **GEJ RESOURCES (PTY) LTD**

Registration Number: 2021/558314/07

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DMRE File Ref Nr: (NC) 30/5/1/1/2/13159 PR

SAHRA Case ID: 19173

Attention: Ms. Natasha Higgitt

RE: UNDERTAKING TO SAHRA RELATED TO THE PROSPECTING RIGHT APPLICATION OF GEJ RESOURCES (PTY) LTD OVER THE REMAINING EXTENT, REMAINING EXTENT OF PORTION 1 AND PORTION 2 OF THE FARM BULLS RUN 164 AND THE REMAINING EXTENT OF THE FARM HARTFELL 172, HAY DISTRICT, NORTHERN CAPE PROVINCE

We refer to your Interim Comment dated 22 August 2022 in which the SAHRA Archaeology, Palaeontology and Meteorites (APM) Unit requested that an assessment of the impact to heritage resources be conducted as part of the EA process. This assessment must include an archaeological and palaeontological component.

GEJ Resources (Pty) Ltd ('GEJ') has obtained two quotations, one for a desktop Paeolontological Impact Assessment and one for a field-based Heritage Impact Assessment, from Dr. Joseph Chikumbirike.

GEJ is committed to appoint Dr. Chikumbirike to conduct the Specialist Studies; however the following should be noted: A meeting was held with the surface owners of the properties under application for a Prospecting Right on the 24<sup>th</sup> of October 2022. During this meeting GEJ was informed that access will be denied to the properties for any Specialist as the surface owners shall oppose the application. Attached hereto is a copy of the 'Minutes of the Meeting' for easy reference.

GEJ wishes to adhere to all legislative requirements and timeframes to obtain the Prospecting Right applied for; however due to the abovementioned denied access is unable to obtain the relevant Specialist Studies as requested by SAHRA.

GEJ hereby provides an Undertaking that a field-based Heritage Impact Assessment and Palaeontological Impact Assessment shall be conducted before any invasive prospecting activities commence.

Please feel free to contact the writer should you require any additional information.

We look forward to your response in this regard.

Yours truly

Mr. G.T. Michaelides



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# MINUTES OF THE MEETING HELD WITH THE SURFACE OWNERS WITH REGARD TO THE PROSPECTING RIGHT APPLICATION OF GEJ RESOURCES (PTY) LTD (NC) 30/5/1/1/2/13159 PR

## 1. Present

Mr. J.L. Jordaan – Surface Owner ('JJ')

Mr. J. Gous - Surface Owner (Temdale Boerdery (Pty) Ltd) ('JG')

Mr. C.J. Coetzee – Surface Owner (Hartveld Trust) ('CC')

Ms. L. Coetzee – Mr. C.J. Coetzee's Spouse ('LC')

Mr. J. Kotze – GEJ Resources (Pty) Ltd ('JK')

Ms. T. Jooste – M and S Consulting (Pty) Ltd ('TJ')

# 2. Welcome:

The meeting was held on the Farm Turnfell near Griekwastad, Northern Cape Province, at 10:00 on the 24<sup>th</sup> of October 2022.

TJ of M and S Consulting (Pty) Ltd ('M&S') advised that the meeting will be recorded. All parties agreed thereto.

#### 3. Discussions:

Note: The discussions have been placed in alphabetical order for ease of reference – this section is not in the same sequence as the meeting.

#### - Application Process:

JK states that he is aware that mineral right applications make surface owners (farmers) unhappy. This is mainly because the surface owners don't know the applicant, their method of prospecting and their ability to rehabilitate.

TJ: The application process:

- Application is submitted to DMRE;
- DMRE accepts / rejects the application;
- Consultation is conducted and the results thereof submitted to the DMRE;
- Specialists are appointed;
- EIA/EMPr document submitted to the DMRE;
- DMRE grants / refuses the application.

JK: The application process is handled in phases, the last of which is the submission of the Environmental Impact Assessment / Environmental Management Programme Report ('EIA/EMPr'). This is a long process through the DMRE, which could take up to two years before a right is issued.

TJ: Prospecting activities may only commence after issuance of the Prospecting Right. Activities conducted in accordance with a surface use agreement.

#### Conservation:

JG: Has initiated the process to declare a large area in the region as a 'conservation area' (±150 000 hectares).

#### Consultation:

JG: All meetings held are to be formally recorded and the minutes of the meeting/s included in the EIA/EMPr.

JG: Understands that consultation is a requirement; however he is not willing to form part of this process as he will oppose the application. Prospecting will have a negative impact on his current farming activities, the continued existence thereof and ultimately the legacy for future generations.

TJ: Noted. The written objection / opposition shall be submitted to the DMRE and handled in accordance with legislation.

JG: Surface owners do not stand a chance to oppose an application process. The EAP / DMRE always favours prospecting / mining.

TJ: If a surface owner provides valid reasons for objection, the DMRE has to take these into consideration when evaluating an application. The onus lies with the EAP to provide the DMRE with accurate information for evaluation. Should DMRE grant the application, GEJ will have to enter into a surface use agreement with the surface owners before any prospecting activities may commence on the property.

JG: Surrounding surface owners should also be consulted with. Prospecting activities will also affect neighbouring farms.

TJ: All consultation conducted is included, in detail, in the EIA/EMPr document. Proof of consultation will be appended to the final submitted EIA/EMPr.

#### - EAP:

JG states that TJ is not independent in the application process as GEJ pays M&S invoice for the application.

TJ: National Environmental Management Act ('NEMA') requires an applicant to appoint an independent Environmental Assessment Practitioner ('EAP') in an application for any mineral right. TJ is registered at the Environmental Assessment Practitioners Association of South Africa ('EAPASA') as an independent EAP. An EAP's responsibility is to assess the existing environment, anticipated impacts of the prospecting operation to the receiving environment, proposed mitigation to those impacts and ultimately to evaluate the environmental viability of the project. The DMRE is the custodian of the

minerals of South Africa and is responsible to make the final decision on whether or not to issue the Prospecting Right.

#### - EIA/EMPr:

A draft EIA/EMPr has been provided per hand to all three of the surface owners. TJ requested that the surface owners peruse this document and provide written comments thereon.

A conceptual site layout map has been provided to all three of the surface owners. TJ stated that the indicated localities are not final; the final drill localities can only be determined after the non-invasive geological work has been completed.

## - Geologist / Specialists:

JK enquired if the surface owners would allow a Geologist visit the farms under application before the granting of the Prospecting Right. Should the Geologist's findings be that the minerals applied for are not present within the area, GEJ is willing to withdraw the application.

TJ: Request access for Specialists (Archaeology; Heritage; Fauna & Flora) to conduct assessments of the application area, which reports shall form part of the EIA/EMPr.

JJ: Will an Economic Impact Study be conducted to determine the economic impact on the surface owners' farming activities?

TJ: An Economic Impact Study can be considered as part of the EIA/EMPr phase to have a detailed assessment of the impact of the proposed prospecting activities on farming activities.

JG declined this request. No Geologist or Specialist will be allowed to enter the site as JG will object to the application.

#### Guarantee:

TJ: The draft EIA/EMPr document includes a financial quantum calculation which indicates the amount GEJ has to provide, in the form of a guarantee, to the DMRE for environmental rehabilitation before any prospecting activities may commence.

### Historical Prospecting:

JJ: There have been numerous prospecting right applications on the application area. Geologists associated with the previous applications have visited the site, but to date there was no positive confirmation that the minerals applied for are found within the area.

JK: Prospecting right applications are expensive, especially the financial rehabilitation guarantees provided to the Department of Mineral Resources and Energy ('DMRE'). Many companies apply for mineral rights without knowing the total monetary requirement associated with such a project and without investors to fund such an operation. GEJ Resources (Pty) Ltd ('GEJ')

has existing iron ore / manganese ore mining operations and is able to fund its own prospecting operations.

JJ: There has been Geologists and historical drilling within the area and wonders why their reports are not made available to prospective applicants. Even the surface owners have not received the results from the exploration drilling.

TJ: Companies have an expense to obtain the geological reports / drilling results. Thus the reason they do not share the information freely.

# - Operational activities:

JG: Concerned that GEJ will not be personally involved in prospecting, i.e. the drilling team damages infrastructure or the environment. The conditions contained in the documentation pertaining to the prospecting right and the practical implementation thereof during activities rarely coincides. How will GEJ address this issue?

JJ: Concern about issues such as litter and persons visiting the farm who may leave open farm gates.

JK: Asks for an opportunity from the surface owners that GEJ can prove their intentions; their method of prospecting and their ability to rehabilitate.

# - Water Use License ('WUL'):

JG: When must a WUL be applied for? Anticipated water uses include drinking water and water for dust suppression above and beyond the water needed for the prospecting activities.

TJ:

- Percussion drilling activities does not require water use. No WUL is necessary in this instance.
- If water uses, i.e. drinking water, falls within the Schedule 1 water uses allowed on the farms, and the surface owners agree, this water can be obtained from the farmers. A surface use agreement can be used to regulate this.
- If a wet processing plant (i.e. DMS / JIG) is used during bulk sampling phase, a WUL is a requirement and no water may be used without permission from Department of Water and Sanitation ('DWS').

# 4. Adjournment:

The meeting was adjourned at 10:45.

Minutes compiled by: Ms. T. Jooste

Minutes reviewed by: Mr. J. Kotze

# 5. <u>Distribution list:</u>

Mr. J.L. Jordaan: bullsrun1@gmail.com

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Mr. C.J. Coetzee / Ms. L. Coetzee: cjcwitdorpers@gmail.com

Mr. Kotze: jkotze.lagomgroup@gmail.com