

Annex C

## Stakeholder Meeting Minutes

**Meeting  
minutes**

***Subject/Ref*** Minutes of meeting with Dr Pixley Kalsaka Seme  
Local Municipality

***Venue*** Dr Pixley Kalsaka Seme Local Municipality – Council  
Chambers

***Date of Meeting*** 20 July 2011

***Present*** As per the table below

***Distribution*** All in attendance; Councillors for Ward 10; Internal  
ERM team; Kangra Coal representatives

***Date*** 16 August 2011

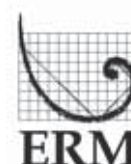
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**Environmental  
Resources  
Management**

*Johannesburg Office*  
Building 32, 1st Floor  
The Woodlands Office Park,  
Woodlands Drive  
Woodmead, 2148  
South Africa

Tel: +27 (0) 11 798 4300  
Fax: +27 (0) 11 804 2289  
www.erm.com

*Postal Address:*  
Postnet Suite 624



Private Bag X29  
Gallo Manor, 2052  
Johannesburg  
South Africa

This note serves as the record of the meeting with Dr Pixley Kalsaka Seme Municipality on 21 July 2011. The objective of the meeting was to discuss the proposed Kangra Coal Mine Expansion into the Kusipongo Resource. Table 1 below indicates who attended the meeting.

<b>Name &amp; Surname</b>	<b>Organisation</b>	<b>Position</b>
Oupa D KA Sibeko Mavuso	Department of Urban and Economic Development	Director of Urban and Economic Development
Munira Omarjee	Dr Pixley Kalsaka Seme Local Municipality	Dr Pixley Kalsaka Seme Local Municipality Secretary
Sipho Shabalala	Dr Pixley Kalsaka Seme Local Municipality	Manager for the Officer of the Speaker - Dr Pixley Kalsaka Seme Local Municipality
Cllr ZH Luhlanga	Dr Pixley Kalsaka Seme Local Municipality	Honourable Speaker - Dr Pixley Kalsaka Seme Local Municipality
Peter Moloji	Tribal Authority Council	Representative of the Tribal Authority Council on behalf of Chief Moloji
King S Nkambule	Kangra Coal	Transformation Manager
Sipho Mkhathshwa	Department of Urban and Economic Development – Local Economic Development	Local Economic Development Manager
Fanyana Mazibuko	Dr Pixley Kalsaka Seme Local Municipality	Ward Councillor 6 - Dr Pixley Kalsaka Seme Local Municipality
Nomsa Fulbrook-Bhembe	ERM	Consultant
Jimmy Mnisi	Di-Idea	Facilitator
Lisa van Dongen	ERM	Consultant

Prior to initiation of the meeting formal apologies were given on behalf of the Dr Pixley Kalsaka Seme's Municipal Manager and Executive Mayor as they were not able to attend the meeting. Apologies were also given on behalf of Chief Moloji who also was not able to attend.

Lisa van Dongen of ERM gave a presentation introducing the proposed Project, the associated licensing processes and the proposed plan for the upcoming public participation process (PPP).

## KEY OUTCOMES OF THE MEETING

## ACTION OR OBSERVATIONS

### *A1.1 RESPONSES TO THE PRESENTATION ON THE PROPOSED PROJECT*

The following key questions were raised after the introduction to the project:

- The Speaker raised the question about the approximate distance from the existing mine to the proposed mine. He also enquired whether mining activities would continue at the existing mine.
  - ERM responded that an approximate distance would be 7km. Furthermore it was explained that the existing mine would slowly close but that the proposed mine would serve to transfer the employees from the existing mine to the proposed mine.
- Peter Moloji asked how Dr Pixley Kalsaka Seme would be affected by the proposed mine, where the existing map did not clearly show where the municipal boundary fell.
  - An explanation was provided as to how Dr Pixley Kalsaka Seme would be affected in terms of the properties that would be affected by the Project. It was agreed that the local municipality boundaries would be added to the map to illustrate this clearly.

### *A1.2 RESPONSES TO THE PRESENTATION ON THE LICENSING PROCESSES*

The following responses were made to the presentation on the licensing processes:

- The licensing processes, in addition to the responsible authorities, that are required for the project were identified by ERM. It was clearly identified that these processes will be run in an integrated manner.
- In addition the need to potentially to discuss access to land was raised. It was emphasised that these negotiations will occur separately from the public participation and Environmental and Social Impact Assessment (ESIA) process and the scope of work currently identified. In addition it was emphasised that any commitments in this regards cannot be made at this stage.

ERM requested input into the proposed Public Participation Process (PPP) and further asked the municipality to advise on which stakeholders should be targeted for inclusion into the public participation process. The following responses were made:

- It was agreed that the stakeholder groups identified, and the means of communication are relevant for this project.

### ***A1.3 RESPONSES TO PRESENTATION ON PROPOSED PPP PROCESS***

- It was also identified that the key Wards to be involved in this process are Wards 5 and 10 (it was later identified that Ward 5 was related to the Wakkerstroom town and that the only directly affected ward was Ward 10). It was also agreed that the Councillors from these Wards would be given the material from the presentation, and would be fully informed of the project and process.
- Peter Moloji also requested for the public participation materials to be sent directly to Chief Moloji. (Note: By telephone later, a follow up meeting was requested between ERM and the traditional authority).  
*\*Note: Concerns around gate keeping from the Traditional Authority (intimation that there might be contest of Traditional leadership)*
- It was recommended that there was a need to make direct contact with farmer owners, rather than to rely on the public notification process. Similarly, for affected communities it was noted that the distribution of flyers would not be sufficient and that these would need to be augmented with face-to-face engagement to ensure full understanding.
- The three languages identified (Zulu, English and Afrikaans) were identified as being the appropriate languages for the targeted stakeholders.
- The current stakeholder database for Dr Pixley Kalsaka Seme from their IDP processes was provided to ERM when the meeting was adjourned; however, it was agreed that research about unions would need to be conducted by ERM.  
*Action: research to be conducted on relevant Unions, as well as social NGOs and CBOs in the area*
- In response to a question about appropriate publications the Director of Urban and Economic Development identified that the Excelsior and Vuka Pixley newspaper were appropriate. The Highvelder newspaper was identified as not being a relevant newspaper for the project, given that it was distributed in Ermelo area.
- Venues to display the materials were identified. It was suggested that Volksrust, Wakkerstroom and Dirkiesorp be the main towns to display materials. Key locations were identified as the Post Office, Library and Municipal Offices. Daggakraal was also suggested as an appropriate place to display materials, given that this was where the Traditional Authority was based. It was also suggested that the Project could make use of the schools in the surrounding farms for venues for documents and meetings.
- Potential venues for public meetings were also discussed with the abovementioned towns being suggested. Lisa van Dongen noted that the proposal was not to have road show of meetings in different towns but rather to convene one integrated meeting so all interests would be exposed to one another. The value of such an integrated meeting was acknowledged. It was, however, recommended that transportation be provided to stakeholders for the public meeting.  
*Action: Identify potential venue/s to convene public meeting. To be discussed internally followed by external discussion with key*
- It was suggested that direct contact be initiated with affected communities when information with regards to the project is disseminated.
- It was suggested that the relevant Ward Councillor (or member of Dr Pixley

Kalsaka Seme Local Municipality) attend meetings with ERM when these stakeholders were undertaken in the communities, for example the public meetings.

- ERM noted their support of the idea of the Councillors attending the public meetings.

- The Speaker raised the question as to how this proposed project will benefit their community, not only from an employment perspective but also in terms of sustainable development and investment in the area. Furthermore, it was suggested that there was a need for the municipality as an institution to be considered as a beneficiary.

- Kangra Coal responded that their Social and Labour Plan will aim to answer this.

- ERM also pointed out that the PPP is an excellent opportunity for relationship building between the municipality and Kangra Coal.

Action: ERM to provide Scoping Report directly to Oupa Mavuso

- The Director of Urban and Economic Development suggested that the draft Scoping Report should be sent to the Director of Planning and Economic Development. He then took responsibility for championing this internally, by summarising the key aspects of the Project for Council. This provides a means of stakeholders comprehensively understanding the key findings of the Scoping Phase.

- ERM endorsed this and thanked the Director for his willingness to be involved in this way. It was broadly agreed that this should complement and not replace a broad distribution of materials to anyone in the municipality who would be interested in receiving these.

- The general question was raised about whether the municipality will be able to comment during the PPP.

- It was confirmed that the municipality was considered one of the key stakeholders in the process and that ERM would welcome them to comment on the proposed project as well as the associated processes. This could be at any point in the process, but particularly in response to the release of the draft Scoping and draft Environmental Impact Reports, which would be tabled for comment and review.

- Furthermore, Lisa van Dongen stressed upon them the importance of their considering the technical proposal in a neutral way so as support ERM conduct a balanced impact assessment was possible. She noted that ERM would be relying on the municipality to help identify all the potential impacts of the proposed project, and encourage stakeholders to put forward their concerns and opinions.

***A1.4 IDENTIFICATION OF CONTACT PERSON FOR ESIA APPLICATION***

It was agreed that the official contact person for Dr Pixley Kalsaka Seme would be Mr Oupa Mavuso – Director of Urban and Economic Development.

In addition for future correspondence with the municipality, it was requested that all correspondence continue to be sent to the Executive Mayor, the Officer of the Speaker and the Municipal Manager for them to distribute internally as appropriate.

***A1.5 ADDITIONAL & CLOSING COMMENTS***

- It was stressed by Mr Oupa Mavuso that consideration should already be taken of mine closure and rehabilitation.
- It was highlighted that concerns will most likely be raised with regards to NO<sub>x</sub> and SO<sub>x</sub> emissions, soil rehabilitation and impact on water resources. It is therefore essential that answers will be made available with scientific backing. He noted that he would take responsibility for ensuring the technocrats in the municipality provide technical input and review of such matters.
- It was noted that the municipality's name was changed from Pixley Ke Seme Local Municipality to Doctor Pixley Kalsaka Seme Local Municipality. All materials should reflect the new name.

Finally the municipality thanked Kangra Coal and ERM for coming to involve them early in the process. They expressed their confidence that this process would be undertaken in an appropriate manner going forward.

**Subject/Ref** Minutes of meeting with CFJ Greyling

**Venue** Wakkerstroom

**Date of Meeting** 21 July 2011

**Present** Mr CJF Greyling, Mr Greyling Senior (father), Nomsa Fulbrook-Bhembe, Jimmy Mnisi, Lisa van Dongen

**Distribution** Internal ERM Team; Hatch; Kangra Coal

**Date** 16 August 2011

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Environmental  
Resources  
Management



## KEY OUTCOMES OF THE MEETING

## ACTION OR OBSERVATIONS

### ***A1.6 BACKGROUND:***

Mr CFJ Greyling was identified at the beginning of the Public Participation Process (PPP) as the owner of Donkerhoek 14 HT. Mr CFJ Greyling has had previous engagement with ERM (the Water Specialists), and thus was aware of ERM. The meeting served as an introduction to ERM's Public Participation team and to follow up on Mr CFJ Greyling's concerns that he had raised previously.

### ***A1.7 COMMENTS AND INPUTS: WATER USE IMPACTS***

Mr CJF Greyling's current use of water (particularly for watering his livestock) is via springs. Mr Greyling stated that the first 100 (approximately) exploration holes drilled by Kangra Coal were not filled properly. Consequently he is concerned the holes will 'drain the water table', and cause depletion of water resources.

He also voiced concern over the short and long term impacts: depletion of water resources and the overall impacts on water resources.



***A1.8 COMMENTS AND INPUTS: MINING RELATED ACTIVITIES***

Mr CFJ Greyling queried why the shaft and surface infrastructure located at Adit A cannot be located on the Kransbank farm.

Mr CFJ Greyling would like confirmation on the exact locations of the mining activities – he thinks mining will be done on either side of Adit A, thus confirmation is required on the exact location and extent of the mining at Adit A.

Mr Greyling Senior (father) also queried the depth of the proposed mining as well as the thickness of the layers to be mined.

Mr CFJ Greyling would like confirmation or evidence that the underground mine will have no effect on any of his surface infrastructure (house etc.) or people living on top of the land.

Mr CFJ Greyling also queried the type of coal to be mined.

***A1.9 COMMENTS AND INPUTS: AIR IMPACTS***

Mr CFJ Greyling noted that the dust resulting from the proposed activities at Adit A will directly affect his land for grazing leaving it unsuitable for such activities.

In addition Mr CFJ Greyling noted westward winds will also leave Mr CL Greyling's (Mr CFJ Greyling's uncle) land unsuitable for grazing. It will also impact upon the properties south of Adit A.

***A1.10 COMMENTS AND INPUTS: ENGAGEMENT WITH KANGRA COAL***

He noted that he has only met Kangra Coal's contractors to date. He would like to meet the management of Kangra Coal – this is particularly important as they have already started drilling on his land.

Mr CFJ Greyling would like to speak to Kangra Coal about compensation for the use of his land.

Mr CFJ Greyling would also like a guarantee and plan, provided by Kangra Coal; outlining how they will deal with potential draining of water from his farm – in the instance that he no longer has access to water will water be supplied to him?

***A1.11 COMMENTS AND INPUTS: ADDITIONAL***

Mr CFJ Greyling requested that the detailed findings of the hydrological survey be sent to him before they are put in a report and disclosed to the public. This includes providing him details on all of the relevant springs. He requested for this to happen so that he would have time to process and understand the results of the report.

***A1.12 PROCESS CONSIDERATIONS:***

Mr CFJ Greyling is aware of previous EIA processes that have been conducted in the area for mining related projects, and hence this should be taken into account. More importantly Mr CFJ Greyling raised some important points about his expectations on engagement particularly with Kangra Coal.

This needs to be taken into account by ERM when conducting the PPP and while working at the interface between Kangra Coal and persons like Mr CFJ Greyling.

**Meeting  
minutes**

***Subject/Ref*** Minutes of meeting with Mkhondo Local  
Municipality

***Venue*** Mkhondo Local Municipality – Council Chambers

***Date of Meeting*** 21 July 2011

***Present*** As listed in the table below

***Distribution*** All in attendance; Councillors for Ward 2; Internal  
ERM team; Hatch team; Kangra Coal representatives

***Date*** 16 August 2011

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**Environmental  
Resources  
Management**



This note serves as the record of the meeting with Mkhondo Municipality on 21 July 2011. The objective of the meeting was to discuss the proposed Kangra Coal Mine Expansion into the Kusipongo resource. Table 1 below indicates who attended the meeting.

**Table.1      *Attendees at the Public Participation Meeting***

<b>Name &amp; Surname</b>	<b>Position</b>
Shadrak Ngema	Member of Ngema
William Ngema	Communications – Ngema
Robson Ngema	Chairperson – Ngema
King Solomon Nkambule	Kangra Coal
Sibongile Mathacha	Ward Councillor – Ward 3
Lesia Nhlenyeniwa	PR Ward Councillor – Ward 3
Khanyisile Masondo	Ward Councillor – Ward 15
Ngelosi Ndhlovu	Member of the Mayoral Committee: Mkhondo Local Municipality
BH Mtshali	Executive Mayor Mkhondo Local Municipality
VD Nkosi	Member of the Mayoral Committee Mkhondo Local Municipality
AT Thwala	Ward Councillor – Ward 1
Inkosi Mthetwa	Representative of Madabukela Traditional Council
Nomsa Fulbrook-Bhembe	Consultant ERM
Jimmy Mnisi	Facilitator Di-Idea Communications
Lisa van Dongen	Senior Consultant ERM

Lisa van Dongen of ERM gave a presentation introducing the proposed project, the associated licensing processes and the proposed plan for the upcoming public participation process (PPP). The map of the proposed mining site was provided to all attendees together with a hard copy of the presentation.

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**KEY OUTCOMES OF THE MEETING**

**ACTION OR  
OBSERVATIONS**

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***A1.13 RESPONSES TO THE PRESENTATION ON THE  
PROPOSED PROJECT***

The following key questions were raised after the introduction to the project:

- Councillor VD Nkosi (MMC) raised the question about the potential for job creation and the number of jobs that would be created.
  - King Solomon Nkambule from Kangra Coal responded indicating that an approximate 750 existing jobs would be saved through this proposed intervention. In addition to this it was estimated that an additional 300 jobs would be created as a result of the proposed project.
  - ERM noted that these would not be created for several years, where the licensing processes were anticipated to go on for about 2 years, followed by planning and construction phases.
- A general concern was raised about the potential negative impacts of the proposed mine. Specific current negative impacts that were identified with the existing mine were identified including the increased number of trucks on the road related to the mine and the associated increase in fatalities. Lisa van Dongen thanked them for raising these concerns. She also stressed the important role the municipality had in ensuring a balanced impact assessment was possible, where all stakeholder concerns are captured.

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**KEY OUTCOMES OF THE MEETING**

**ACTION OR  
OBSERVATIONS**

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***A1.14 RESPONSES TO THE PRESENTATION ON THE  
LICENSING PROCESSES:***

The following responses were made to the presentation on the licensing processes:

- Mayor BH Mtshali raised the question about how many people would potentially have to move as a result of the proposed project.
  - ERM responded by noting that current estimations suggest that 35 households may need to be moved, but noted that these were early projections which would need to be ground truthed.
- The Executive Mayor also enquired about how much land the directly affected communities own.
  - Both ERM and Kangra Coal noted that this had not been ascertained as of yet.
- In response to a question, Lisa van Dongen confirmed that all comments received from the municipality would be forwarded to the decision making authorities at National and Provincial government levels so that they were considered during the decision making.

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**KEY OUTCOMES OF THE MEETING**

**ACTION OR  
OBSERVATIONS**

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***A1.15 RESPONSES TO PRESENTATION ON PROPOSED  
PUBLIC PARTICIPATION PROCESS (PPP);***

ERM requested input into the proposed PPP and further asked the municipality to advise on which stakeholders should be targeted for inclusion into the PPP. The following responses were made:

- It was agreed that the stakeholder groups identified by ERM and the means of communication are relevant for this project.
- It was identified that the directly affected Ward in this process is Ward 2. However the Councillor from Ward 2, Councillor Nkosi, was not present. It was agreed that Councillor Thwala (Ward 1) will liaise with Councillor Nkosi about the meeting and the project. Furthermore, several other councillors live in Driefontein and surrounds and it was recommended that they therefore should be included (including the councillor for Wards 1 and 18). It was further suggested that ERM should work with the councillor to identify the directly and indirectly affected stakeholders as well as other possible interested stakeholders.  
  
Action: There remains a need to engage the appropriate Ward Councillors, especially Councillor for Ward 2 who was not in attendance.
- Inkosi Mthethwa (Madabukela Traditional Council) emphasised the importance of involving the right people and communities in the PPP. It was noted that it is important to clearly communicate and engage with local communities. Inkosi Mthethwa suggested that this was best achieved through engaging with the correct Traditional Authority. He noted that they would otherwise get left behind in such processes.  
  
\*Note: concerns around gate keeping from the Traditional Authority (intimation that there might be contest of Traditional leadership)
- The three languages identified (Zulu, English and Afrikaans) were identified as being the appropriate languages for the targeted stakeholders.
- With regards to the establishment of a stakeholder database, it was agreed that this would need to occur through an information gathering process.  
  
Action: Receive their IDP database
- In response to a question about appropriate publications, it was identified that the Mkhondo News was an appropriate channel. A contact person for Mkhondo News was provided.  
  
Action: Investigate whether there are land claims in the area and,

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<b>KEY OUTCOMES OF THE MEETING</b>	<b>ACTION OR OBSERVATIONS</b>
<ul style="list-style-type: none"><li>• Venues to display the materials were endorsed. It was suggested that Piet Retief should be the main town to display materials. Key locations were identified as the post office, library and municipal offices. It was further suggested that notices could be made available in Driefontein and around the neighbouring farms.</li><li>• It was noted that, if there were land claims, these people should be included in the process.</li><li>• It was noted that, if considered necessary, the Mkhondo Municipality would be willing to attend a meeting held in conjunction with Dr Pixley Kalsaka Seme Municipality as the project will span across both municipalities.</li></ul>	<p>if so, involve these stakeholders in our process.</p>

**A1.16**

***A1.17 IDENTIFICATION OF CONTACT PERSON FOR ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA) APPLICATION;***

It was agreed that the official contact person for the Mkhondo Municipality should be Mr Phasha – Local Economic Development Manager.

In terms of future correspondence with the municipality, it was requested that all correspondence be sent to the Executive Mayor and the Municipal Manager for them to distribute internally as appropriate.

***A1.18 CLOSING COMMENTS;***

The municipality noted that they had a good relationship and were hoping that this would continue. They thanked Kangra Coal and ERM for coming to involve them early in the process. They expressed their confidence that this process would be undertaken in an appropriate manner going forward.

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<b>Subject/Ref</b>	Notes of Meeting with CL Greyling
<b>Venue</b>	Wakkerstroom
<b>Date of Meeting</b>	22 July 2011
<b>Present</b>	Jimmy Mnisi, Lisa van Dongen, Nomsa Fulbrook-Bhembe, CL Greyling
<b>Distribution</b>	Internal ERM Team; Hatch; Kangra Coal
<b>Date</b>	16 August 2011

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## KEY OUTCOMES OF THE MEETING

## ACTION OR OBSERVATIONS

### *A1.19 BACKGROUND:*

CL Greyling is the uncle of CJF Greyling. CL Greyling was identified as the key landowner on the neighbouring land on Roodeport, Blinkwater, Naauwhoek and Kikvorschfontein.

Lisa van Dongen introduced the proposed Project and provided an explanation on ERM and the public participation process.

### *A1.20 COMMENTS AND INPUTS:*

Following an introduction from Lisa, CL Greyling viewed the map and indicated the properties he farms on.

During the meeting CL Greyling did not voice any concerns; however, it was noted that he was fully aware of Environmental Impact Assessment (EIA) processes and the potential (negative) impacts of mining projects.

**Subject/Ref** Minutes of meeting with Kanluka Community

**Venue** Central Meeting Venue on Kanluka Community Land

**Date of Meeting** 22 July 2011

**Present** Nomsa Fulbrook-Bhembe, Jimmy Mnisi, Lisa van Dongen, Members of Kanluka community (see below)

**Distribution** Internal ERM Team; Hatch; Kangra Coal

**Date** 11 August 2011

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<b>Name &amp; Surname</b>	<b>Organisation/Position</b>
Richard Hlatsbuayo	Representative of Kanluka community
Themba Maisela	Representative of Kanluka community
Jabulani Nhleko	Representative of Kanluka community
Sphiwe Senyivango	Representative of Kanluka community
Solomon Dhlongolo	Representative of Kanluka community
Nomsa Fulbrook-Bhembe	Consultant ERM
Jimmy Mnisi	Facilitator Di-Idea
Lisa van Dongen	Consultant ERM

## KEY OUTCOMES OF THE MEETING

## ACTION OR OBSERVATIONS

### *A1.21 BACKGROUND:*

The Kanluka Community have been identified as one of the communities that own land, and who will be affected by the proposed Project. The Kanluka community form the Kransbank Communal Property Association who has owned land since 2002. The land was acquired through a land claim.

The area of land owned by the Kransbank Communal Property Association was identified as approximately 1,499ha with 54 households. It was estimated that each house accommodates on average 10 to 15 people.

### *A1.22 COMMENTS AND INPUTS:*

The representatives present at the meeting stated that Kangra Coal has already started prospecting and has spoken to members of the Kransbank CPA.

Observation: this may cause fragmentation between communities.

The representatives at the meeting raised the concern that the underground mine will cause cracks in their aboveground structures (houses etc).

Action: some sort of confirmation will need to be ascertained from the technical team in this respect, as there are several parties that have voiced this concern.

They also voiced their concern over the benefits that they will derive from the mine. They voiced the concern that less infrastructure on their property would decrease the flow of benefits to their community.

The representatives noted the existence of the Kransbank Trust/Heritage Site but noted that there has not been a lot of involvement from authorities. However the government did fence the area off.

Action: further research to be conducted.

### *A1.23 PROCESS CONSIDERATIONS:*

The fact that Kangra Coal has already had prior engagement with the Kanluka Community may establish an expectation of ERM coming into the arena. There is therefore a need to engage with all communities appropriately.

## Record of Second Meeting

Jimmy Mnisi attended a second meeting on 29 July. The purpose of the meeting was to drop-off materials with Mr Nhleko that will be distributed to the wider community.

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<b>KEY OUTCOMES OF THE MEETING</b>	<b>ACTION OR OBSERVATIONS</b>
Jimmy Mnsis met with Jabulani Nhleko of Kanluka Community near his house.	
The meeting consisted of dropping off the material and an explanation about the content of the materials.	
Mr Nhleko agreed to distribute to the community. However it was noted by Jimmy that there is no way to ascertain that the materials have reached the community at large.	Action: follow up on distribution of material is required
It was suggested by Jimmy (to ERM) that a day of follow up or going door-door is needed for the directly affected communities.	

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<b>Subject/Ref</b>	Minutes of meeting with Thuthukani
<b>Venue</b>	Mr Linda's homestead
<b>Date of Meeting</b>	22 July 2011
<b>Present</b>	Nomsa Fulbrook-Bhembe, Jimmy Mnisi, Lisa van Dongen, Mr Linda, Mr Sibiya
<b>Distribution</b>	Internal ERM Team; Hatch; Kangra Coal
<b>Date</b>	16 August 2011

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<b>KEY OUTCOMES OF THE MEETING</b>	<b>ACTION OR OBSERVATIONS</b>
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***A1.24 BACKGROUND:***

The Thuthukani Community was identified as owning land that will be directly affected by the proposed Project. The current representative of the Thuthukani Community is Mr Linda.

The land belonging to the Thuthukani community has been identified as Twyfelhoek 379.

***A1.25 RESULTS OF THE MEETING:***

The meeting served as an introductory visit. Following introductions it was suggested that a second visit should be organised whereby Jimmy would attend a meeting with the relevant community members.

It was agreed that Jimmy would return to conduct a formal and thorough introduction to ERM, the Public Participation Process and the Project.

**RECORD OF JIMMY MNISI'S MEETING – 28 JULY 2011**

***Record of Second Meeting***

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<b>KEY OUTCOMES OF THE MEETING</b>	<b>ACTION OR OBSERVATIONS</b>
Jimmy Mnisi met with Mr Linda of Thuthukani Community near his house.	
The meeting consisted of dropping off the material with Mr Linda and providing an explanation about the content of the materials.	
Places to distribute the materials were discussed. In addition it was indicated that Mr Linda would distribute the materials to his community.	Action: follow up to establish the materials were distributed

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***Subject/Ref*** Minutes of meeting with Dr Yende of Yende  
community

***Venue*** Dr Yende's homestead

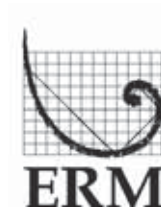
***Date of Meeting*** 22 July 2011

***Present*** Nomsa Fulbrook-Bhembe, Jimmy Mnisi, Lisa van  
Dongen, Dr Yende

***Distribution*** Internal ERM team; Hatch; Kangra Coal

***Date*** 16 August 2011

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**KEY OUTCOMES OF THE MEETING**

**ACTION OR  
OBSERVATIONS**

***A1.26 BACKGROUND:***

The Yende Community was identified as owning land that will be directly affected by the proposed Project. Dr Yende spoke on behalf of the Yende Community; however, it was noted that there was uncertainty over the new election of a Chairperson of the community. Dr Yende was identified as the Chairperson of the Donkerhoek Development Committee.

Action: more information required on the Yende Community

The land belonging to the Yende Community has been identified as Twyfelhoek. In addition Dr Yende identified parts of Donkerhoek that also belong to the Yende Community.

***A1.27 COMMENTS AND INPUTS:***

Dr Yende identified that there are other communities in addition to the directly affected communities that should be addressed in the Public Participation Process (PPP). The communities live on the following four farm properties: Prospect 1, Prospect 2, Witbank and Jagdrift. These are neighbouring properties to the north of the Project area. Chairpersons of the Communal Property Associations (from the four farm properties) plus the three affected farm properties form the Donkerhoek Development Committee.

Action: it was agreed that materials will be distributed to the CPA representing the seven communities.

Dr Yende requested full inclusion of all of the aforementioned communities in the PPP. He also requested that if any negotiations occur with Kangra Coal that these communities should be included.

Dr Yende noted that Kangra Coal had already engaged with the Kanluka community (who neighbour on the Yende community), and this had caused some friction between the communities.



Dr Yende also requested that the long term benefits of such a project should be identified. He emphasised that the project needs to be sustainable, and needs to consider long term impacts on the unborn generation.

Dr Yende identified the Rural Development Office as a good place for a public meeting (near Driefontein); however, transportation would need to be arranged.

Action: transportation arrangements to be made by ERM for the public meeting.

***A1.28 PROCESS CONSIDERATIONS:***

It has been noted that there may be existing friction between the directly affected communities as a result of Kangra Coal's previous engagement. This history will go to inform the ongoing PPP. Therefore careful consideration must be taken when engaging with the communities.

***RECORD OF JIMMY MNISI'S MEETING – 28 JULY 2011***

Jimmy Mnisi attended a second trip to the area and met with Dr Yende (at his house) on 28 July. The outcomes of this meeting are documented below.

***Record of Second Meeting***

<b>KEY OUTCOMES OF THE MEETING</b>	<b>ACTION OR OBSERVATIONS</b>
<p>It was established that Dr Yende has introduced ERM and our process to the Donkerhoek Development Committee.</p> <p>It was confirmed that Donkerhoek Development Committee structure comprises of Chairpersons of the neighbouring CPAs (farm properties). The contact details of the individual Chairpersons were received from Dr Yende.</p>	
<p>Jimmy provided the materials to Dr Yende to distribute to the Chairpersons of the CPAs. It was established that a follow up call must be made to ascertain that they have received the materials.</p>	<p>Action: follow up call to the individual Chairpersons of the Donkerhoek Development Committee.</p>
<p>Dr Yende offered to erect posters at the shop near Twyfelhoek Primary School and on the sign post on the main road.</p>	<p>Action: Dr Yende will supply proof of site notice erection to Jimmy Mnisi.</p>
<p>It was noted by Dr Yende that he may not stay the Chairperson of the Yende Community. He stated that the election of the Yende Community Chairperson has been chaotic. Dr Yende will let us know as soon as a new Chairperson has been elected.</p>	



Subject/Ref            Notes of Meeting with Chief Moloi

Venue                    Driefontein

Date of Meeting        29 July 2011

Present	Jimmy Mnisi, Chief Moloi, Peter Moloi, Mr Matona, Tau (Di-Idea Communications)
Distribution	Internal ERM Team; Hatch; Kangra Coal
Date	16 August 2011

**KEY OUTCOMES OF THE MEETING**

**ACTION OR  
OBSERVATIONS**

***A1.29 BACKGROUND:***

Chief Moloi has been identified as the Tribal Authority in the area of Dr Pixley Kalsaka Seme Local Municipality.

This meeting originally served as an introductory visit; however, Chief Moloi had not been briefed on ERM’s meeting with the municipality. Thus a brief presentation was given by Jimmy outlining ERM, their process and the proposed project.

***A1.30 COMMENTS AND INPUTS:***

Chief Moloi requested for meeting or for a discussion with Kangra Coal regarding royalties paid to him and the community. He has requested that ERM pass on the message and is requesting for a private meeting with Kangra Coal.

Chief Moloi would like assurance that the mine operation will not be releasing emissions into the surrounding air. He indicated specifically the release of harmful fumes as well as odours that may emanate from proposed project activities.

Chief Moloi noted that he would like meaningful jobs to be created for the community as a result of this proposed Project.

Chief Moloi requested that the materials are translated in to Sesotho for the future. He suggested that this would a better means of communicating with his community.

Action: ERM will pass Chief Moloi’s request for a private meeting on to Kangra Coal

Action: the comment was noted however it was explained that the selection of languages to be used was based on the approval received from both municipalities and all those in attendance at the meetings.

Chief Moloji mentioned the existence of another Tribal Authority in the area. The Chief's surname was indicated to be Tshabalala. Chief Moloji did not have the contact details for Chief Tshabalala and was not keen to give more information.

Action: Follow up on contacting Chief Tshabalala, and establish contact details.

***A1.31 PROCESS CONSIDERATIONS:***

Due to the issues raised over the relevant languages to be used in the PPP materials this may need to be discussed as part of our PPP going forward.

Action: consider languages to be included in the next round of engagement or if there is motivation to reconsider the use of languages.

During the meetings with both Local Municipalities it was agreed on the use of isiZulu however Chief Moloji's preferred the use of isiZulu.

Chief Moloji's potential reluctance to provide details on the other Traditional Authority in the area may point to the fact that there maybe rivalry/political agendas between both Authorities in the area.

Action: confirm the presence of the traditional authority.

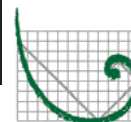
Consider the way in which both traditional authorities will be engaged during the PPP.

**Environmental  
Resources  
Management**

*Johannesburg Office*  
Building 32, 1st Floor  
The Woodlands Office Park,  
Woodlands Drive  
Woodmead, 2148  
South Africa  
Tel: +27 (0) 11 798 4300  
Fax: +27 (0) 11 804 2289  
www.erm.com

<i>Subject/Ref</i>	Introduction of Kangra Coal Kusipongo Resource Expansion Project to the Department of Water Affairs
<i>Venue</i>	ERM Offices, Johannesburg
<i>Date of Meeting</i>	25 October 2011
<i>Present</i>	Please see attached attendance register
<i>Distribution</i>	All in attendance; Internal Hatch team; Internal ERM team
<i>Date</i>	3 November 2011

*Postal Address:*  
Postnet Suite 624  
Private Bag X29  
Gallo Manor, 2052  
Johannesburg  
South Africa



**ERM**

This minute serves as the record of the meeting between Hatch, HydroScience, Environmental Resources Management and the Department of Water Affairs (DWA) on 25 October 2011. The objective of the meeting was to introduce the Project to the DWA. In addition the meeting served to discuss the key sensitivities of the Project and the scheduling going forward.

*Registered Company address:*  
Environmental Resources  
Management  
Southern Africa (Pty) Ltd  
Building 32, 1st Floor,  
The Woodlands Office Park,  
Woodlands Drive  
Woodmead, 2148

*Company registration number*  
2003/001404/07

*Directors*  
Jeremy Soboil (Managing)  
Dylan Campbell  
Grant Bassingthwaighte  
John Alexander (UK)  
John Simonson (UK)

*Offices worldwide*

A member of the  
Environmental Resources  
Management Group

<p><b>Welcoming to the Meeting</b></p> <ul style="list-style-type: none"> <li>ERM welcomed all attendees to the meeting</li> <li>HydroScience gave an introduction of all attendees</li> </ul>	
<p><b>Objective of the meeting as presented by HydroScience</b></p> <ul style="list-style-type: none"> <li>Objectives of the meeting were identified (please refer to presentation attached as Annex B)</li> <li>HydroScience identified that they will be submitting the Integrated Water and Waste Management Plan (IWWMP) to support the Integrated Water Use License Application (WULA) during the latter part of next year.</li> </ul>	<p><b>ACTION</b></p>
<p><b>Locality of the Project Area</b></p> <ul style="list-style-type: none"> <li>HydroScience presented the locality of the Project including maps illustrating the Projects proximity to Ermelo, Piet Retief and Driefontein</li> <li>The Study Area was identified including the current location of the Main Mine Adit, and Adits B &amp; D</li> </ul>	
<p><b>Project Overview</b></p> <ul style="list-style-type: none"> <li>The existing mine, proposed expansion and all associated infrastructure were identified</li> <li>It was confirmed that there will be no electricity distribution lines running from Adit A to Adits B &amp; D</li> <li>The layout of the Main Mine Adit and associated infrastructure was discussed</li> <li>The Kransbank Site was also identified and described to the DWA</li> <li>The conveyor belt was identified as one of the new infrastructure items for the Project. The distance of the proposed conveyor belt was noted as being 7.3km in length</li> <li>The depth to be mined was queried by the DWA, in addition to the thickness of each of the seams, and the overburden depth</li> <li>When discussing the Project overview it was established that there are currently no plans for the underground storage of groundwater seeping into the underground workings. The DWA suggested that provision for a underground storage dam should be included in the Water Use License Application</li> </ul> <p><i>Please note it has now been confirmed that there will be a series of dams constructed underground as part of the Project</i></p>	<ul style="list-style-type: none"> <li>Confirm distance of conveyor belt to wetlands and crossings over</li> <li>This information will be made available in the draft Scoping Report (DSR)</li> <li>Include underground storage facility</li> </ul>
<p><b>NWA Section 21 Water Uses</b></p> <ul style="list-style-type: none"> <li>The potential uses of water for the Project were outlined. The relevant sub-sections under Section 21 of the NWA were also identified</li> <li>It was confirmed that a borehole (located just north east of the site) would be used as a potable water source. Water used in operations will be sourced from stormwater, groundwater seeping into the mine workings, and sewage. It was established that dirty stormwater will be cleaned and processed on site</li> <li>The location of the sewage sludge drying beds, emergency overflow evaporation pond, and waste rock dump were identified as areas of concern by the DWA (discussed further under wetland section)</li> <li>DWA noted that all infrastructure within 500 m of a wetland should be included in the Water Use Licence Application</li> </ul>	
<p><b>Water Environment</b></p> <ul style="list-style-type: none"> <li>The water resources in the area were identified during the presentation. These include water management areas, quaternary catchments, and surface water resources (please refer to presentation attached as Annex B)</li> <li>Surface water (particularly wetland at Adit A, rivers etc), and groundwater features in the area were identified as being in pristine condition. Water resources were identified at Adit B and D, thus it was agreed that the total Adit area of 500m<sup>2</sup> was necessary to allow for the ventilation shafts to be suitably positioned away from the wetlands</li> </ul>	<ul style="list-style-type: none"> <li>This information</li> </ul>

<ul style="list-style-type: none"> <li>• The DWA queried the type of aquifers that are present in the study area. This is important for identifying the connectivity between shallow and deep aquifers in the area, and their influence on the wetland</li> <li>• The type of aquifers present will also inform which aquifers feed the wetlands, and therefore the depth of mining that should be conducted</li> <li>• The DWA recommended that groundwater monitoring systems are put in place for the boreholes taking into account both shallow and deep aquifers. Surface and shallow groundwater should be monitored monthly, and deep groundwater quarterly</li> <li>• The DWA requested that stormwater management on the Main Mine Adit be addressed. Particularly due to the proximity of the adit to the Hlelo River and its tributary the Ohlelo River</li> <li>• The EIA must not only look at the potential impacts on the immediate wetlands, rather potential impacts to the entire reserve and catchment need to be assessed</li> <li>• It was discussed that the Geelhoutboom Dam and Heyshope Dam may fall under the jurisdiction of the DWA. The EIA will also need to assess the impacts that the proposed Project may have on these two significant water resources.</li> <li>• The EIA will need to also assess the impacts that the proposed Project will have on springs in the area. Affected springs will need to be included in the Water Use Licence Application.</li> <li>• WULAs require a reserve determination to be completed by DWA before the licence can be issued. For this project a reserve would have to be done for the Ohlelo River and the affected wetlands.</li> <li>• It is possible for the Project to undertake a reserve determination but this has to be confirmed in writing by Ms. Barbara Weston and has to be done by specialists recognised by DWA.</li> <li>• The DWA requested that a decant and geochemical model must also be submitted. Acid base accounting and leachate results must be included.</li> <li>• It was established that water quality targets for the area indicate a TDS of 80mg/l. Thus it was questioned whether this could be honoured by the Project.</li> <li>• The DWA also indicated that the water quality of the old mine must be compared with the intended new activity taking into account current compliance at the existing mine.</li> </ul>	<p>will be made available in the draft Scoping Report (DSR)</p> <ul style="list-style-type: none"> <li>• Confirmation required under which jurisdiction the Geelhoutboom and Heyshope Dam fall under</li> </ul>
<p><b>Wetland – Adit A</b></p>	
<ul style="list-style-type: none"> <li>• The DWA identified that the conveyor belt crossings over the wetland are a concern. However the DWA voiced greater concern over the permanent infrastructure at Adit A, particularly because the majority of the Adit is located within a wetland.</li> <li>• At least a third of Adit A is located on wetlands – the DWA requested for the current ecological status of the wetlands to be included in ERM’s assessment.</li> <li>• The sewage sludge drying beds and emergency evaporation pond are key red flags as they are too close to the Hlelo River.</li> <li>• The lining of the pollution control dams will be confirmed in the Scoping Report but it was believed that they would be lined with HDPE lining.</li> <li>• The Project needs to assess the impacts on deep and shallow aquifers in the area.</li> <li>• The DWA strongly recommended reviewing the position of Adit A. The DWA stressed the technical and financial implications of the current siting. If the groundwater level in the Main Mine Adit area is shallow this will result in large volumes of water in the workings area. Water from the wetland will also be dewatered as the water will be drawn to the underground workings. Dewatering the wetland would also require a Section 21(a) WUL.</li> <li>• The waste rock dump was also identified as a red flag by the DWA. Reason being that the soils on which the dump will be located are unstable, which may result in the rock dump cascading into the Ohlelo River.</li> <li>• Given the reasons above, it was identified that a wetland study must be conducted to understand whether the wetlands are fed by groundwater aquifers (shallow or deep) or surface water.</li> <li>• The wetland assessment must include an assessment of the area within 500 m of the wetland.</li> <li>• An estimate of the probability that the WULA would be approved given the location of Adit A and the project intention to investigate a suitable biodiversity offset was requested from the DWA.</li> <li>• In response to the above Dr Meulenbeld responded that with the current positioning of Adit A, there was a 20% probability that the WULA would be approved by the DWA.</li> <li>• In addition Dr Meulenbeld raised the concern of water infiltration into the Adit A area.</li> </ul>	<ul style="list-style-type: none"> <li>• This information will be made available in the draft Scoping Report (DSR)</li> </ul>

<p>Consequently there will be water management and treatment costs which maybe financially viable during the life of the mine. However once the mine closes this will become a government problem, and it is therefore perceived to be a significant liability.</p> <ul style="list-style-type: none"> <li>• It was stressed that the rehabilitation funds available from Financial Provision set aside for mine closure would be insufficient to cover the costs of water management and treatment.</li> <li>• The DWA strongly recommended shifting Adit A out of the wetland. This would result in a decreased risk of impacting on receiving water resources. This would also increase the chance of the WULA being approved to over a 60% probability.</li> </ul>	<ul style="list-style-type: none"> <li>• Assessment of the current location of Adit A to be conducted</li> </ul>
<p><b>Wetland – Adit B</b></p>	
<ul style="list-style-type: none"> <li>• Wetland areas at Adit B were discussed.</li> <li>• . The ventilation shaft must be sited outside of the wetlands. If any groundwater decanting is required then a license must be applied for.</li> </ul>	
<p><b>Wetland – Adit D</b></p>	
<ul style="list-style-type: none"> <li>• Again the area for the ventilation shaft should be sited away from the wetland. Consideration must be given to ensure that the access road does not encroach on the wetland.</li> </ul>	
<p><b>Wetlands and Mining</b></p>	
<ul style="list-style-type: none"> <li>• The ecological and social ranking (functionality) of the wetland is also a key factor in the assessment for a WULA.</li> <li>• The DWA identified that the mining plan must overlay all watercourses on a master plan.</li> <li>• The DWA also identified that a soil map of the area is required. The map must cover all mining and wetland areas.</li> <li>• From the sensitivity studies conducted by ERM thus far the wetland has been ranked between 4.0 and 5.0, as such these wetlands are in a near pristine condition.</li> <li>• The DWA stated that wetlands with such a rating are almost a no-go. If the ranking of a wetland of such pristine condition is lowered as a result of the Project, it will be very difficult to implement ecological offsets (refer to comments on offsetting below).</li> <li>• It was established by the DWA that for this Project they are not in favour of the offsetting option. The wetland that is to be disturbed/lost is in pristine condition. It is impossible to restore wetland offset areas to a functionality ranking like that of the wetland proposed to be disturbed at Adit A.</li> <li>• On the topic of offsetting the DWA stated that to effectively offset the impacts the Project would need to have an overall positive balance. This would effectively mean upgrading another wetland to pristine condition (and to the same ecological functionality) which is almost impossible and economically unviable. Furthermore the wetlands functionality on water quality is difficult to achieve through offsetting.</li> <li>• The DWA requested for the impact of establishing infrastructure near wetlands to be reassessed, as this Project (as it stands) has a high probability of impacting on the greater catchment.</li> <li>• DWA noted that adit locations in wetlands were common in water use licence applications because this often happened to be the easiest route for accessing the resource. If all the water management and treatment costs over the life of the mine (including the technical design aspects for the water) due to placement of the adit in the wetland were considered, the Adit A location may not prove to be the best location.</li> <li>• The upcoming COP17 in Durban will look towards identifying areas of high conservation status in South Africa. This will put pressure on the DWA to conserve areas such as where the Project is located.</li> <li>• The key point stressed by the DWA was the impact of dewatering on the wetland.</li> <li>• The geology of the area will also influence the impacts. The DWA stressed the importance of including information on soils in the EIA report.</li> <li>• Hatch questioned that if all the possible Project alternatives had been assessed and this positioning was deemed the most reasonable and feasible option, what would the DWA’s requirements be if the Project was approved? The DWA responded that if the application was not denied, there will be certain restrictions to the Project. . Such restrictions / conditions of</li> </ul>	



<p>the WUL may also render the project economically unviable or not feasible. The Client must carefully assess the risks of the positioning of Adit A, and the financial costs associated with this.</p> <ul style="list-style-type: none"> <li>• The DWA asked whether ERM will be taking into account the impacts that are associated with current Kangra Coal mining operations in the area. ERM/Hatch responded that the cumulative impacts will be assessed in the EIA report.</li> <li>• Stormwater outlets for clean stormwater runoff into the receiving river courses must not be erosive. As such, energy dissipaters need to be included in Project design and stormwater inflow and outflow rates (m<sup>3</sup>/s) need to be calculated.</li> <li>• If the DWA had to grant a WUL for a Project such as this, it would set a negative precedence for other mining Projects in the area, and will place the DWA in a difficult position.</li> </ul>	
<p><b>Public Participation Process</b></p>	
<ul style="list-style-type: none"> <li>• Eskom was identified as a potential stakeholder given their interest in the surrounding dams.</li> <li>• In addition the importance of trans-boundary impacts was discussed. This included international agreements with countries such as Swaziland. The importance of this being that Swaziland is fed by water from this area.</li> <li>• The local community needs to be included in discussions on the use of water resources in the Project area, particularly the use of the springs.</li> <li>• The DWA confirmed that it is best practice to extend the 60 day comment period to all stakeholders in the process.</li> <li>• Mr Pieter Viljoen and Mr Kelvin Legge from the National DWA need to be included on the stakeholder database, on dam infrastructure, water quality and international obligations.</li> </ul>	
<p><b>Schedule</b></p>	
<ul style="list-style-type: none"> <li>• The schedule for the EIA process and all associated license applications was outlined by ERM.</li> <li>• With regards to the WULA, Hatch queried whether geological exploratory drilling could go ahead on and around the wetland before the WULA for the greater Project is concluded.</li> <li>• In response to the above, the DWA stated that a separate application must be lodged for any geological exploratory drilling on the wetland (and within the 500 m radius of the wetland). However given the DWA's knowledge of the application's association with the proposed Project the DWA raised concerns over authorisation. Dr Meulenbeld stated that authorisation for geological exploratory drilling (and any damages to wetlands) is dependent on the view of the greater application.</li> <li>• The DWA estimated that the licensing period for exploratory drilling will be approximately one week for the National DWA to review and issue authorisation, if all supporting documentation is sufficient and appropriate.</li> <li>• The DWA estimated that the processing and potential approval of the WULA for the greater Project will take approximately six months. These timeframes however assume that all the necessary supporting information accompanies the application.</li> </ul>	
<p><b>Additional</b></p>	
<ul style="list-style-type: none"> <li>• The DWA requested for the colour scheme on the site layout maps to be changed. They requested for clearer delineation on the map between the clean and dirty water systems.</li> <li>• In the EIA report the Main Mine Adit (Adit A) layout needs to be overlaid on the wetland delineation map for the area.</li> <li>• No regional water quality guidelines are available. The baseline water quality for the area was therefore important information for the department consideration of the WULA.</li> </ul>	