

Ref: Morehill Gold Dump Prospecting

9 August, 2012 SAHRA - APM Unit PO Box 437 Cape Town 8000

Attention: Mr. Andrew Salamon

Dear Andrew

RE: APPLICATION FOR EXEMPTION FROM AN ARCHAEOLOGICAL IMPACT ASSESSMENT FOR THE PROPOSED MOREHILL GOLD DUMP PROSPECTING, BENONI, GAUTENG PROVINCE

Background

Morehill Gold Dump Reclamation CC is applying for prospecting rights, over the remainder of portion 61 of the farm Vlakfointein no 69-IR, Magisterial District of Benoni, Ekurhuleni (Figure 1). The application is made in terms of the Mineral and Petroleum Resources Development Act, 2002 where the prospecting application concerns a tailings dam (dump) of 22 hectares.

The objective of the prospecting is to locate and define any remaining ore and, on the basis thereof, to motivate the mining, and consequent removal, of the dump.

The site is bordered on the southern side by the N12, and by Landau Street to the north.

There are no streets bounding the eastern or western aspect, the nearest streets being Carina Avenue to the East and Marcus Avenue to the West.

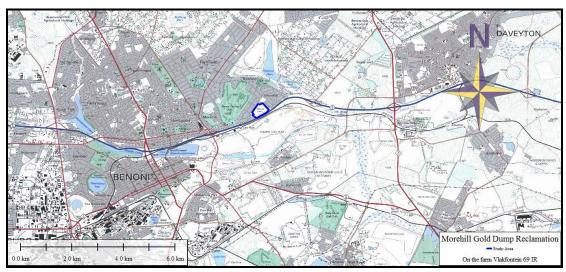


Figure 1: Locality of the study area

Prospecting Plan

Prospecting comprises three on site activities. These will involve negligible impact on surrounding infrastructure and minimal disturbance of the dump itself. Activities will be limited to the dump only that measures 15 meter high.

The first activity concerns the Geological Mapping and Survey of the Site: A geologist will locate features within the tailings to help with the drill hole locations. Secondly a series of grab samples will be analysed (referred to as grabbing) to arrive at a rough estimate of the dump resource and inform the decision to drill or not and, if so, will inform the drilling plan.

Lastly will be the actual drilling itself. Drilling will be by reverse circulation to the base of the dump. Samples will be evaluated to produce a detailed resource for grade control and mine planning purposes. In the order of 15 holes (Annexure A) will be drilled representing a grid of 100 meters by 100 meters, set approximately fifty meters from the edge of the top surface. The drill holes will be back-filled and the material removed will be negligible. Each hole will be drilled to the base of the dump.

The site

As this is an existing dump (Figure 2) that would have destroyed any surface evidence of heritage sites or features. The dump itself is however older than 60 years and therefore protected by legislation.

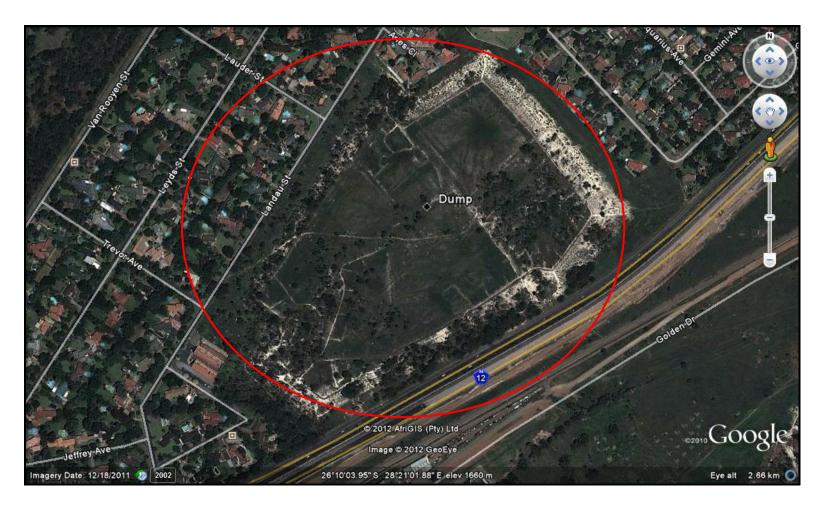


Figure 2: Google image of the study area indicated in red.

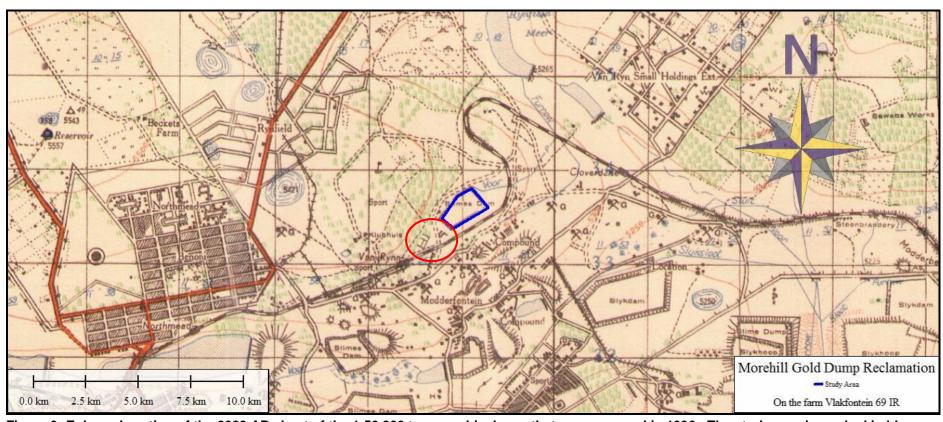


Figure 3: Enlarged section of the 2628 AB sheet of the 1:50 000 topographical map that was surveyed in 1939. The study area is marked in blue, note the presence of mining related structures (in red) and an old canal that traverses the site to the north and the railway line to the south.

It is clear from the archival map (figure 3) that several heritage features that is protected by heritage legislation occurred close to the study area.

Firstly the slimes dam itself is older than 60 years and associated with the early mining history of the West Rand, on the periphery of the dump mining infrastructure can also be expected. The railway line to the south date from 1910 (Bergh 1999), but will however not be threatened by the proposed exploring activities. A Canal and dirt road is indicated to the north of the dump but it is not certain if these features are still intact as it seems if the dump was enlarged after 1939 and would have "engulfed" these features.

What needs to be noted is the occurrence of Chinese and native cemeteries that have been buried underneath dumps like these in the West rand and that are exposed by current mining activities on these dumps for example Star of the west and Crown mines to name a few. These accidental discoveries led to expensive relocation and mitigation of the skeletal material and long delays.

Plan of study

From an archaeological perspective the minimal impact the 15 drill holes will have on the slimes dump does not warrant a full Phase 1 study in our opinion. However the possibility of exposing archaeological/historical or skeletal remains buried underneath the dump warrant some recommendations for chance find procedures to be followed.

- The site manager should have the number of a qualified archaeologist who will be on call to assess any artefacts or bone material exposed by drilling activities.
- All work in this area will have to be stopped until finds have been assessed by a qualified archaeologist.
- The significance of the mine dump as a historical landmark should be determined during the social consultation process (although the socio economic benefits outweigh the historical significance of the site).

Should the results from the drilling program prove that the gold can be economically recovered from the tailings a full phase 1 Impact Assessment will have to be conducted as part of the Environmental Impact assessment (EIA) or Basic Impact Assessment (BA).

If the above mentioned recommendations are adhered by we support the application for exemption from a Phase 1 study for the prospecting phase of the project.

Should the project proceed further a full phase 1 study will have to be conducted that will include aspects like a monitoring program during mining, archival study on the dump and the importance of the site as part of the cultural landscape.

Any further queries can be forwarded to Jaco van der Walt on Cell: +27 82 373 8491 or to jaco.heritage@gmail.com

Jaco van der Walt Archaeologist

Heritage Contracts and Archaeological Consulting CC (HCAC)