

Private Bag X7279, Witbank, 1035, Tel: 013 653 0500, Fax 013 690 3288, Saveways Centre, First Floor, Mandela Drive, Witbank, 1035, Mpumalanga Province, Directorate: Mineral Regulation: Mpumalanga Region Subdirectorate: Mineral Laws Enquiries: Me S Sekgetho Email Address: seapei.sekgetho@dmre.gov.za Ref: MP 305/1/2/2/10335 MR.

BY EMAIL/FAX

kenneth@singoconsulting.co.za

The Members **Top One Conctruction & General Services CC**P/BAG 7297 **EMALAHLENI**1035

Dear Sir/Madam

APPLICATION FOR MINING RIGHT IN TERMS OF SECTION 22 OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT, 2002 (ACT 28 OF 2002) [HEREIN AFTER REFERRED TO AS THE ACT] AS AMENDED BY SECTION 18 OF THE MINERALS AND PETROLEUM RESOURCES DEVELOPMENT AMENDMENT ACT, 2008 (ACT 49 OF 2008) [HEREINAFTER REFERRED TO AS THE AMENDMENT ACT: PORTION OF PORTION 27 OF THE FARM MIDDELBURG TOWN AND TOWNLANDS, SITUATED IN THE MAGISTERIAL DISTRICT OF MIDDELBURG.

- I refer to the abovementioned matter and confirm that your application for a mining right in terms of section 22(2) of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) as amended by section 18 of the Amendment Act 2008 (Act 49 of 2008) has been accepted for Sand general.
- 2. In terms of Section 18(4) (a) and(b) as amended, you are required to submit:
 - 2.1 The required environmental reports and documents as stipulated at your acknowledgement of receipt of an environmental authorisation in this regard.

- 2.2 In light of the minimum requirements as stipulated on Regulation 16(1) and 16(2) of the EIA Regulations, your application for an Environmental Authorisation was incomplete as it was not accompanied by this acceptance letter as per Sub Regulation 16(1)(ix) and considering that it is now completed by this acceptance letter, you are hereby required to submit the documents as stipulated on Regulation 19(1) to 19(8) of the EIA Regulations(only in cases where Basic Assessment Report is applicable) or Regulations 21 (Scoping Report) and Regulation 23 (EIR and EMPr) (In case of Scoping Report).All timeframes are effective from the date of this letter
- To notify and in writing consult with the landowner (s) or lawful occupier(s) and all interested and affected parties (I and AP) and upload the results of such consultation within 180 days from the date of this letter.
- 4. Should the land be owned by the communities of a Trust on Behalf of the community, a proper and thorough consultation process must be engaged upon and a legitimate Tribal Resolution or consent must be obtained from the Traditional Authority/ Council or Trust and be submitted with the results consultation.
- 5. In other for your application to comply with the ownership element in your prospecting right in furthering the objects of Section 2(d) read together with Mining Charter, your shareholding must achieved the target which is the minimum of 30% BEE shareholding in terms of the 2018 Charter and must be distributed in the following manner:
 - (i) A minimum of 5% non-transferable carried interest to qualifying employees from the effective date of a mining right.
 - (ii) A minimum of 5% non-transferable carried interest or minimum 5% equity equivalent benefit as defined herein to host communities from the effective date.
 - (iii) A minimum of 20% effective ownership in the form of shares to a BEE which Entrepreneur, 5% of which must preferably.

You are therefore urged to consider aligning your shareholding with the 2018 Charter.

You are advised to apply for water use licence from the Department of Water and Sanitation. Do not hesitate to contact us, should you need clarity

Yours Faithfully:

REGIONAL MANAGER MPUMALANGA REGION
DATE: 08 08 202