

Directorate: Mineral Regulation: North West Region,
Private Bag A1, Klerksdorp, 2570 Cnr Margaretha Prinsloo & Voortrekker Streets
Vaal University of Technology Building, Klerksdorp, 2571

Enquiries: Mr. Christopher Tshisevhe Tel: (018) 487 4300 Fax: 086 710 1017/ (018) 487 4394 E-Mail: chris.tshisevhe@dmr.gov.za Ref: NW 30/5/1/1/3/2/1/ (12088) EM

REGISTERED MAIL

Attention: Mulaudzi Divhani
M2 Precious and Base Metals (Pty) Ltd
209 Lynwood Road
Brooklyn
PRETORIA
0002

Cell: 079 4938 644

Per-Email: mbombela.coal@executivemail.co.za

COMMENTS ON THE BASIC ASSESSMENT REPORT AND ENVIRONMENTAL MANAGEMENT PROGRAMME FOR M2 PRECIOUS AND BASE METALS (PTY) LTD SUBMITTED IN TERMS OF REGULATION 19 (1) OF THE ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2014 IN SUPPORT OF AN APPLICATION FOR AN ENVIRONMENTAL AUTHORISATION IN RESPECT OF PORTIONS 99, 100, 101 102, 163, 164, 175, 176, 177 AND A PORTION OF PORTION 4 OF THE FARM ZILKAANSNEK 439 JQ, SITUATED IN THE MAGISTERIAL DISTRICT OF BRITS, NORTH WEST REGION.

- Reference is hereby given to your Basic Assessment Report and Environmental Management Programme (hereinafter referred to as the report) received by this office on the 15th August 2017.
- 2. This letter serves to inform you that the above-mention report was reviewed by this office and the following has been noted:

- 2.1 Your report was not consulted with the South African Heritage Resource Agency (SAHRA) and or North West Province Heritage Resource Agency as required by regulation 7 (2) of the EIA regulations, 2014 and as requested by this office on our acknowledgement letter sent to you on the 11 April 2017.
- 2.2 Your report did not provide a proof on how organs of states such as DWS, DEDECT and DAFF has been consulted as required by regulation 3 (h) (ii) of the EIA Regulations, 2014.
- 2.3 Furthermore your report did not provide a copy of notice which fixed as part of notifying interested and affected parties.
- 2.4 Several pages on your report has a grammatical error which need to be corrected this include page 10, 16, 26 etc.
- 2.5 Your report has also failed to provide the dimensions of the sumps associated with your drilling programme.
- 2.6 Your report has also failed to provide a summary of the issues raised by interested and affected parties in a prescribed manner provided for on the template provided for the basic assessment report.
- 2.7 Page 24 of your report has also specified that public participation process was done on the 08 July 2017. This statement is contradicting with the statement discussed on page 44 which states that no public participation process was done.
- 2.8 Page 28 your report has also specified that the proposed prospecting area is currently being used for residential and cultivation purposes. Kindly note that section 48 (1) (a) the Mineral and Petroleum Recourses Development Act, 2002 (Act No. 28 of 2002) as amended state that no reconnaissance permission, prospecting right, mining right or mining permit may be issued in respect of land comprising a residential area.
- 2.9 Page 71 of your report has specified that the required financial provision was derived from three factors however, only two factors was stated (rehabilitation of access roads and general surface rehabilitation) whereas the third factor and the dimensions of the access roads was not provided.

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- 2.10 Page 72 of your report has also specify that there is no sign of any heritage that were identified within the proposed prospecting site. In order for this office to be certain on this matter, kindly consult with the South African Heritage Resource Agency (SAHRA) and or North West Province Heritage Resource Agency. Alternatively you may submit the study which may have been conducted to confirm such.
- 2.11 Kindly also note that this office has received concerns/abjection regarding your application (see attached copy for your reference). You are therefore requested to address this concerns and send a response to objector and this office.
- 2.12 This office has also note that you have attached an MPRDA consultation report on your basic assessment report. Kindly note that Public Participation Process for NEMA: EIA regulations application must be conducted in terms of Chapter 6 regulation 41 of the EIA Regulations, 2014.
- 2.13 Your report has also specified telephonic calls and SMS where used during consultation process. Kindly note that telephonic calls and SMS are not recognized by the Environmental Impact Assessment Regulations, 2014 or by this office therefore telephone calls and sending SMS cannot be used as means of conducting public participation process.
- 2.14 Kindly also note that your proposed quantum of financial provision to the amount of R35 945.00 was evaluated by this office and could not be accepted. This is because your report did not specified that dimensions of the sump associated with your drilling programme. Your report did not specify the third factor which was used to calculate proposed financial provision. Furthermore your report did not provide the dimensions of access roads which will be used during prospecting operation. You are therefore required to submit revised financial provision quantum which must explain as to how the final amount has been calculated taking into consideration all factors used to calculate the final amount, the sizes of the borehole sumps and access roads. This office would then review your financial provision quantum and request the financial provision for rehabilitation and or management of negative environmental impacts as a result of your proposed prospecting operation. The said revised financial provision quantum specified above must be submitted to this office on or before the 18th September 2017.

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3. In order for this Department to efficiently evaluate your report, you are hereby required to revise your BAR and EMPr of which two copies must be manually submitted to this office. The revised BAR and EMPr must take into consideration all the comments

specified on paragraph 2 above and must be submitted to this officer on or before

10th October 2017.

4. Further note that Department reserves the right to revise initial comments and

request further information to you based on the revised information.

5. You also reminded that if the EAP/applicant is unwilling or unable to comply

with the prescribed timeframes and or adequately address the comments

specified above, your application for Environmental Authorisation will be

refused without any further communication to you.

6. Kindly contact this Department if you have any queries regarding this correspondence.

Yours faithfully

REGIONAL MANAGER: MINERAL REGULATION

NORTH WEST REGION

DATE: 06/09/2017

ALL THE CORRESPONDENCE SHOULD BE ADDRESSED TO THE ATTENTION OF THE REGIONAL MANAGER OF DEPARTMENT OF MINERAL RESOURCES: NORTH WEST REGION.

Ref No.: NW 30/5/1/1/3/2/1/ (12088) EM

JP Kemp / SM Kemp

Plot 103, Road 23, Zilkaatsnek, 439

PO Box 94, De Wildt, 0251

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082 771 4845

27th July 2017

Department Mineral Resources

Regional Manager

P/Bag A1, Klerksdorp, 2570

Fax: 018 462 9039



Dear Sir/Madam,

Re: Comments on the following applications for Prospecting Rights by M2 Precious and Base Metals (Pty Ltd).

The applications was acceptance with reference numbers NW30/5/1/1/2/12088PR

The applied farm is Zilkaastnek 439

From JP Kemp / SM Kemp owners of Plot 103, Zilkaatsnek, 439

The meeting held at Tutuwedzo Lodge with some Landowners and M2 Precious Metals/ Geoprospect Investments Holdings (Pty) Ltd on 8th July 2017

The minutes of this meeting were not sent out to the Landowners as promised and not all Landowners were invited to the meeting. (we only heard of the meeting the day before the meeting ,after being informed of the meeting by Mr. Scribante). Many of the affected landowners were not informed of this meeting.

We were informed that only a small number of plots had been applied for prospecting rights by M2. The representatives seemed unaware that there had been a previous application for prospecting rights which was strongly objected to by the residents in the whole area and to our knowledge was turned down by the Dept. of

Mineral affairs.(ref:Stoney Butt Application No: NW10697PR - Portions 15, 76, 77, 78, 101, 102, 103, 163, 164 and 166

Application No: NW10699PR - Portion 4

Application No: NW10720PR - Portions 14, 64, 134, 135, 139, 140, 141, 142, 143, 144, 146, 147, 149, 150, 151, 202, 215 and 222

Application No: NW10698PR - Portions 77, 88, 89, 90, 94, 103, 162, and 190)

- 2) Our question for both M2 and the Dept of Mineral Affairs is how many times do we have to suffer the stress of these applications to the life style we have and our homes value?
- 3) Prospecting Rights on our property/and then Mining Rights, therefore our homes value will drop. It was also stated in the Stoney Butt application, that there could be 18 to 24 months between the prospecting and the results. During this time we, as the legal owners of the land and homes, live in limbo and we cannot sell without disclosure of the fact of the possibility of mining, which will make the market value fall. Then when the Mining Rights are issued the market value will be paid. At what point will the market value be discussed, as already the application is in public view and our value is falling. This will de-value all the properties in the Zilkaatsnek area. We bought this property for the lifestyle it offered of country living / clean air / a view and a quiet peaceful area, this lifestyle is in jeopardy.
- 4) In the immediate area are World renowned Tourism sites like The Ann van Dyk Cheetah Centre and the Margaret Roberts Herbal Centre. The Ann van Dyk Centre holds red data birds including breeding pairs of Egyptian Vultures, endangered Cheetahs and wild Dogs. There are also Grass Owls in the area to be prospected. A Raptor Rehabilitation Centre is operated on our property, Plot 103 and many birds have been released in the area.
- 5) The cost of prospecting and then mining this area would not only be too expensive because of the large number of people who live and work on this land but also the cost to the environment and wildlife in this conservancy, an area already under stress due to other mining activities in the area.
- 6) Water is of a high concern to all the land owners. In Stoney Butt,s Pervious application it stated that prospecting uses no water therefore it is not a problem, but surely prospecting is only done with an intent to mine and mining does use a lot of water, therefore this is a very important issue in regard to the issuing of Prospecting and Mining Rights.
- M2 Precious Metals is as I understand it a small company, what guarantees do the Land owners have regarding any future purchase of our homes?. What compensation will the owners of the land receive during the prospecting operations in terms of access to our property and damage done by M2 to our property? We own a lot of large trees, what happens if they cannot be relocated? What happens if buildings are where they want to prospect?
- 8) It must also be <u>Placed on record</u>, as it was raised at the meeting on 8th July 2017, That this area is currently the centre of a University of Pretoria Scientific study of a <u>unique species</u> of Moles <u>only found in this area</u>. Which is being used as the study area for a PHD student, an Honour student and a Masters student plus others, due to its potential medical possibilities. Any prospecting in the area could Destroy the underground tunnels of these moles and <u>therefore completely interfere with the current research</u>. As various Land owners included

- in this application have given permission to The University of Pretoria to use their land we strongly object to the possibility of this research beginning destroyed by prospecting of any kind on these properties now or in the future.
- 9) It is also noted that M2 also has another application on other properties in this area which would have the same impact as the application above ,we strongly object to any applications for either prospecting or mining in this area .
- 10) This area is part of the Peglerae Conservancy, and The Magaliesberg Biosphere, these area are put in place to protect the area for generations to come. There are currently more people employed in the tourism ,ecotourism ,conservation and agricultural than would be employed in mining /prospecting activities ,therefore this application can add no economic advantage to the area ,as most mining in the area is either closed or on low production .
- 11) As stated at the meeting 8th July 2017 ,we have 30 days of this meeting to give our comments and objections, from the date of the meeting .
- 12) What In Summary:
 - a) The minutes were never sent to the landowners to be ratified.
 - b) The meeting did not include all stakeholders, not all Landowners were informed.
 - The possibility of important scientific research being destroyed is totally unacceptable.
 - d) How many times will the dept. of mineral affair give prospecting applications approval?
 - e) There are No added benefits to the economics of this area by this application.

As the Landowners we strongly oppose the granting of the Prospecting Rights and Mining Rights on our land Plot 103, Zilkaatsnek, 439 and our area. The impact of Prospecting and Mining could not be suitably rehabilitated and would severely impact our Lifestyle, Environment and local Ecotourism.

Yours sincerely,

JP Kemp / SM Kemp

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