



Applicant:
 Invest in Property 99 (Pty) Ltd
 14 River Street
 Christiana
 2680
 Cell: 076 335 5332
 Fax: 086 546 0579

BACKGROUND INFORMATION DOCUMENT

1 November 2018

To whom it may concern

RE: NOTICE OF APPLICATION IN TERMS OF SECTION 22 OF THE MINERALS AND PETROLEUM RESOURCES DEVELOPMENT ACT, 2002 (ACT NO 28 OF 2002) AND THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT 107 OF 1998 NEMA) AS WELL AS THE ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2014 (AS AMENDED)

Invest in Property 99 (Pty) Ltd (“Applicant”) intends applying for a mining right in respect of the following properties, as listed below, within the Lejweleputswa magisterial district of the Free State Province.

PROPERTY DESCRIPTION	
APPLICATION AREA	SUB-DIVISION DESCRIPTION
Whole farm of Abramsyskraal 175 RD	<ul style="list-style-type: none"> ➤ Portion 0 (Remaining Extent) of the farm Abramsyskraal 175 RD ➤ Portion 1 of the farm Abramsyskraal 175 RD ➤ Portion 2 (Remaining Extent) of the farm Abramsyskraal 175 RD ➤ Portion 3 of the farm Abramsyskraal 175 RD ➤ Portion 6 of the farm Abramsyskraal 175 RD ➤ Portion 8 of the farm Abramsyskraal 175 RD
Whole farm Annex-Naudesfontein 259 RD	<ul style="list-style-type: none"> ➤ Portion 0 (Remaining Extent) of the farm Annex-Naudesfontein 259 RD ➤ Portion 2 of the farm Annex-Naudesfontein 259 RD ➤ Portion 3 of the farm Annex-Naudesfontein 259 RD ➤ Portion 4 of the farm Annex-Naudesfontein 259 RD
Whole farm Beth-EI-Pella 623 RD	<ul style="list-style-type: none"> ➤ Portion 0 (Remaining Extent) of the farm Beth-EI-Pella 623 RD ➤ Portion 1 (Remaining Extent) of the farm Beth-EI-Pella 623 RD ➤ Portion 2 (Remaining Extent) of the farm Beth-EI-Pella 623 RD ➤ Portion 4 of the farm Beth-EI-Pella 623 RD ➤ Portion 6 of the farm Beth-EI-Pella 623 RD ➤ Portion 7 of the farm Beth-EI-Pella 623 RD
Whole farm Ebenezer 127 RD	<ul style="list-style-type: none"> ➤ Portion 0 (Remaining Extent) of the farm Ebenezer 127 RD ➤ Portion 1 of the farm Ebenezer 127 RD ➤ Portion 2 of the farm Ebenezer 127 RD
Whole farm Leeuwheuvel 262 RD	<ul style="list-style-type: none"> ➤ Portion 1 (Remaining Extent) of the farm Leeuwheuvel 262 RD ➤ Portion 2 (Remaining Extent) of the farm Leeuwheuvel 262 RD ➤ Portion 4 of the farm Leeuwheuvel 262 RD ➤ Portion 5 of the farm Leeuwheuvel 262 RD

the goal isn't to live forever, it is to protect a planet that will

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PROPERTY DESCRIPTION	
APPLICATION AREA	SUB-DIVISION DESCRIPTION
	<ul style="list-style-type: none"> ➤ Portion 7 (Remaining Extent) of the farm Leeuwheuvel 262 RD ➤ Portion 8 of the farm Leeuwheuvel 262 RD
Whole farm Smithskraal 1519 RD	<ul style="list-style-type: none"> ➤ Portion 2 (Remaining Extent) of the farm Smithskraal 1519 RD ➤ Portion 4 of the farm Smithskraal 1519 RD ➤ Portion 5 of the farm Smithskraal 1519 RD ➤ Portion 7 of the farm Smithskraal 1519 RD ➤ Portion 9 of the farm Smithskraal 1519 RD ➤ Portion 12 (Remaining Extent) of the farm Smithskraal 1519 RD ➤ Portion 13 (Remaining Extent) of the farm Smithskraal 1519 RD ➤ Portion 15 of the farm Smithskraal 1519 RD ➤ Portion 17 of the farm Smithskraal 1519 RD ➤ Portion 18 of the farm Smithskraal 1519 RD
Whole farm Thorburnton 106 RD	<ul style="list-style-type: none"> ➤ Portion 0 of the farm Thorburnton 106 RD

SITE DESCRIPTION

The application area is situated approximately 56 km north of Boshof, and \pm 53 km west of Hertzogville extending from the eastern bank of the Vaal River in land. The extent of the proposed mining area is 20 340.26 ha, and the GPS coordinates of the area to be applied for are as listed below.

GPS COORDINATES OF MINING RIGHT AREA	
DEGREES MINUTES SECONDS	DECIMAL DEGREES
0. 28°04'24.46"S; 25°01'41.16"E	0. -28.07346°S; 25.02810°E
1. 28°04'06.38"S; 25°02'14.20"E	1. -28.06844°S; 25.03728°E
2. 28°04'14.74"S; 25°03'34.70"E	2. -28.07076°S; 25.05964°E
3. 28°03'56.52"S; 25°04'25.64"E	3. -28.06570°S; 25.07379°E
4. 28°02'59.03"S; 25°04'35.08"E	4. -28.04973°S; 25.07641°E
5. 28°00'57.02"S; 25°06'18.14"E	5. -28.01584°S; 25.10504°E
6. 28°00'37.33"S; 25°06'26.39"E	6. -28.01037°S; 25.10733°E
7. 28°00'03.38"S; 25°06'08.75"E	7. -28.00094°S; 25.10243°E
8. 28°00'46.26"S; 25°09'38.38"E	8. -28.01285°S; 25.16066°E
9. 28°02'14.03"S; 25°11'40.42"E	9. -28.03723°S; 25.19456°E
10. 28°03'31.97"S; 25°11'52.22"E	10. -28.05888°S; 25.19784°E
11. 28°07'05.77"S; 25°10'36.30"E	11. -28.11827°S; 25.17675°E
12. 28°06'05.00"S; 25°09'53.93"E	12. -28.10139°S; 25.16498°E
13. 28°06'44.24"S; 25°09'10.08"E	13. -28.11229°S; 25.15280°E

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LEGAL COMPLIANCE

The proposed project triggers the following listed activities in terms of the National Environmental Management Act, 1998 (Act 107 of 1998) and the Environmental Impact Assessment Regulations 2014 (as amended 2017) and therefore requires an environmental impact assessment to be carried out in order to obtain environmental authorisation:

➤ GNR 325 Listing Notice 2 of 2017 Activity 15:

The clearance of an area of 20 hectares or more of indigenous vegetation.

➤ GNR 325 Listing Notice 2 of 2017 Activity 17:

Any activity including the operation of that activity which requires a mining right as contemplated in section 22 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002), including –

- a) Associated infrastructure, structures and earthworks, directly related to the extraction of a mineral resource; or*
- b) The primary processing of a mineral resource including winning, extraction, classifying, concentrating, crushing, screening or washing.*

➤ GNR 327 Listing Notice 1 of 2017 Activity 22:

The decommissioning of any activity requiring –

- i) a closure certificate in terms of section 43 of the Mineral and Petroleum Resources Development Act, 2002 (act No. 28 of 2002); or*
- ii) a prospecting right, mining right, mining permit, production right or exploration right, where the throughput of the activity has reduced by 90% or more over a period of 5 years excluding where the competent authority has in writing agreed that such reduction in throughput does not constitute closure.*

➤ GNR 327 Listing Notice 1 of 2017 Activity 24:

The development of a road –

- ii) with a reserve wider than 13.5 meters, or where no reserve exists where the road is wider than 8 metres.*

➤ GNR 327 Listing Notice 1 of 2017 Activity 28:

Residential, mixed, retail, commercial, industrial or institutional developments where such land was used for agriculture, game farming, equestrian purposes or afforestation on or after 01 April 1998 and where such development:

- ii) will occur outside an urban area, where the total land to be developed is bigger than 1 hectare.*

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➤ GNR 327 Listing Notice 1 of 2017 Activity 56:

The widening of a road by more than 6 metres, or the lengthening of a road by more than 1 kilometre –

- i) Where the existing reserve is wider than 13.5 metres; or*
- ii) Where no reserve exists, where the existing road is wider than 8 metres.*

OTHER LEGISLATION TRIGGERED BY THE PROPOSED PROJECT:

- An application for a Mining Right in terms of Section 22 of the Mineral and Petroleum Resources Development Act, 2002 (Act No 28 of 2002) will be submitted to the Department of Mineral Resources – Free State Province.
- An application for a Water Use License in terms of the National Water Act, 1998 (Act No 36 of 1998) will be submitted to the Department of Water and Sanitation.
- A heritage impact assessment, inclusive of a palaeontological opinion, will be submitted to the South African Heritage Resources Agency (SAHRA) in terms of the National Heritage Resources Act, 1999 (Act No 25 of 1999).

PROJECT DESCRIPTION

The applicant currently holds a prospecting right (FS 30/5/1/1/2/474 PR) over the proposed mining right application area, where the prospecting for alluvial diamonds is in progress. Owing to the outcome of the prospecting operation up until now, the applicant wishes to convert the prospecting right into a mining right for the winning of alluvial diamonds, gold and sand.

The mining method to be used, will resemble the current prospecting invasive activities implemented by the applicant, as part of the approved prospecting right. Upon the prospecting and exploration of allowable (agreed to by the landowner) farm portions to determine the precise location and direction of the channels to be mined, the opencast and strip-mining method will be implemented to recover the alluvial diamond bearing gravel of the footprint area. After the removal of topsoil, excavators will open pits of ±350 m² that will vary in depth from 300 mm – 1.2 m depending on the presence of the diamondiferous gravel. The diamondiferous gravel will then be excavated and transported to the processing area where it will be fed into a scrubber and sizing screen. Excess sand will be removed, and the product will continue from the material conveyor to a stockpile, from where it will be fed into the washing pans. The concentrated product from the pans will be extracted into steel containers that will be loaded onto a truck and transported to an off-site recovery plant. The paddle from the washing pans will be pumped into the settling pond where excess water is allowed to evaporate. Oversized rock, sand and tailings will

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be used to refill the excavation and landscape the disturbed area prior to the replacement of the previously stockpiled topsoil.

Should gold be recovered from the concentrated product, at the recovery plant, the applicant will sell the mineral in accordance with the approved mining right. No additional activities/process will be required to win/extract gold from the mining right area. Sand screened from the diamondiferous gravel will be sold to the building industry on a supply-and-demand basis.

It is proposed that six sites will be operated simultaneously within the footprint of the mining right area. The estimated footprint of a single site will be ± 2 ha meaning that the unrehabilitated mining areas calculates to ± 12 ha at any given time.

THE MINING ACTIVITIES (AT A SINGLE SITE) WILL CONSIST OF THE FOLLOWING:

1. Stripping and stockpiling the topsoil;
2. Excavating pits to uncover the diamondiferous gravel;
3. Processing the excavated material;
4. Transporting the product to the off-site recovery plant;
5. Backfilling the excavation;
6. Rehabilitating the settling pond footprint;
7. Removing the temporary infrastructure from the processing area;
8. Ripping compacted areas, landscaping and replacing the topsoil; and
9. Vegetating the entire reinstated area.

The applicant will exclusively make use of temporary equipment that can easily be removed upon rehabilitation of the affected area.

EACH MINING SITE WILL CONTAIN THE FOLLOWING:

- Excavation Equipment;
- Earth Moving Equipment;
- Screens, conveyors and pans of the processing plant;
- Containers for administration, storage and workshop purposes;
- Mobile ablution facilities;
- Generator;
- Diesel tanks (<80 m³);
- Water winning and storage equipment; and

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- A settling pond.

The life of mine is expected to be in excess of 30 years, and the applicant will apply for the mining right to be valid for a 30-years period.

ACCESS ROUTE:

- Access to the farms are from the provincial surfaced road, crossing the properties, from Christiana in the north running parallel to the Vaal River in a south-western direction.
- The applicant will strive to make use of the existing farm roads as far as possible, however some new roads, or upgrading of existing roads may be required to reach allowable mining areas. The construction of a new access road will be in consultation with the landowner and will as far as possible be kept to already disturbed areas following fence lines or similar infrastructure.
- Haul roads, at each operational site, will be extended as mining progress, and will be rehabilitated as part of the final reinstatement of the area.
- All roads will be selected to avoid watercourses and steep gradients. Adequate drainage and erosion protection in the form of cut-off berms or trenches will be provided where necessary.

WATER USE:

- Water for processing purposes will be extracted from the Vaal River upon approval received from the Department of Water and Sanitation.
- Potable water will be obtained from existing boreholes on the farms in accordance with landowner approval.

ELECTRICITY:

- The applicant will make use of generators to power the processing plant and office equipment.
- Should a connection to the national grid be approved by Eskom the generators will be replaced, only to be used as a backup.

BRIEF SITE DESCRIPTION

VISUAL EXPOSURE:

- Even though the proposed mining area extends over a vast footprint area, only ± 12 ha will be disturbed at any given time as the applicant will implement the strip-mining method which requires the rehabilitation of an excavated area, prior to the opening of a consecutive site.
- The nature of the proposed mining method and the use of temporary infrastructure does not create a significant visual impact, and the activities will be screened by the existing vegetation of the study area.

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Unless mining takes place immediately adjacent to the provincial road, no mining activities will be visible to road users, and it is believed that the negative visual impact on the landowners will be of low significance should the applicant rehabilitated as mining progress.

- Upon final closure, it will be ensured that all disturbed areas are rehabilitated and sloped to return the footprint to its previous- or a better state.

EXISTING INFRASTRUCTURE:

- Various power lines traverse the properties.
- Farm buildings and associated infrastructure such as dams, roads, pivots, radio towers etc. is present throughout the proposed mining right area.
- As mentioned, a provincial surfaced road runs parallel to the Vaal River and traverse various properties.

VEGETATION COVER:

- The vegetation cover of the application area varies from highly degraded to natural with a well-established layer of indigenous vegetation representative of the Kimberley Thornveld (SVk 4), Schmidtsdrift Thornveld (SVk 6), or the Highveld Alluvial Vegetation (Aza 5) as classified by Mucina and Rutherford (2006).
- The areas used by the landowners for crop production will not be disturbed by the proposed mining activities, as the applicant will establish the mining areas on the undeveloped parts of the farms. This will necessitate the removal of indigenous vegetation to allow access to the mineral.
- A list of red data and/or protected species that may be present within the natural areas will be compiled during the environmental impact assessment, and the applicant will have to obtain the necessary permits from the Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs prior to the removal, translocation or destruction of said species.
- Upon rehabilitation, the disturbed footprint will be vegetated with locally adapted indigenous grass species.

SURFACE AND GROUND WATER:

- The proposed mining area borders the Vaal River, and encloses various tributaries, drainage channels, earth dams, boreholes and some wetlands and pans.
- The applicant will not mine within 100 m from any natural water source, and the project is therefore not expected to have a negative impact on the surface and/or ground water of the area.
- Mining operations may however come within 500 m from wetlands, and a comprehensive hydrological study will be conducted as part of the water use licence application to be submitted to the Department of Water and Sanitation (DWS) for authorisation.
- As mentioned earlier process water will be extracted from the Vaal River upon approval by DWS and potable water will be obtained from existing boreholes on the farms upon receipt of approval from the landowner.

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- Should the applicant comply with the conditions of the water use licence and requirements stipulated by DWS as part thereof; at this preliminary stage the negative impact on the surface/ground water of the study area is deemed to be of low significance.

SITES OF ARCHAEOLOGICAL AND CULTURAL INTEREST

- An archaeologist will be contracted to comment on the heritage impact of the proposed activity. The heritage impact assessment will include a desktop study on the palaeontological status, and proposed impact thereto, of the study area.

FAUNA:

- The fauna at the site will not be impacted by the proposed mining activity as it will be able to move away or through the site, without being harmed.
- Operational areas will be fenced to prevent domestic animal and/or game entering the work areas getting trapped in excavations/settling ponds.

POTENTIAL ENVIRONMENTAL IMPACTS

DUST:

- After hours, excavation- and earthmoving equipment will remain on-site to lessen the traffic volume on the farm roads.
- The speed of mining equipment travelling on the access roads will be limited to 30 km/h to prevent the generation of excessive dust.
- Roads will be sprayed with water or an environmentally friendly dust-allaying agent that contains no PCB's (e.g. DAS products) if dust is generated above acceptable limits.
- Stockpile- and denuded areas will be moistened when necessary to suppress fugitive dust.

NOISE:

- It will be ensured that employees and staff conduct themselves in an acceptable manner while on site.
- All mining vehicles will be equipped with silencers and maintained in a road worthy condition in terms of the Road Transport Act.

ABLUTION, WASTE WATER & WASTE DISPOSAL:

- Ablution facilities will drain into a septic tank that will be pumped, when necessary, by the municipality or a similar qualified contractor.

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- Any effluents containing oil, grease or other industrial substances will be collected in a suitable receptacle and removed from the site, either for resale or for appropriate disposal at a recognised facility.
- Spills will be cleaned up immediately to the satisfaction of the Regional Manager by removing the spillage together with the polluted soil and by disposing of it at a recognised facility.
- Non-biodegradable refuse such as glass bottles, plastic bags, metal scrap, etc., will be stored in a container at a collecting point and collected on a regular basis and disposed of at a recognised landfill site. Biodegradable refuse generated will be handled as indicated above.
- No waste will be burned or buried on site.

FINAL REHABILITATION

- Rehabilitation of all the disturbed surface areas shall entail landscaping, levelling, top dressing, land preparation, seeding (if required), and weed / alien clearing.
- All infrastructures, equipment, and other items used during the mining period will be removed from the site (section 44 of the MPRDA).
- Waste material of any description, including receptacles, scrap, rubble and tyres, will be removed entirely from the mining area and disposed of at a recognized landfill facility. It will not be permitted to be buried or burned on the site.
- Weed / Alien clearing will be done in a sporadic manner during the life of the mining activities. Species regarded as Category 1a and 1b invasive species in terms of NEM:BA (National Environmental Management: Biodiversity Act 10 of 2004 and regulations applicable thereto) need to be eradicated from the site on final closure.
- Final rehabilitation shall be completed within a period specified by the Regional Manager.

APPLICATION FOR CLOSURE

- Once the full mining area has been rehabilitated the mining right holder will submit a closure application to the Department of Mineral Resources in accordance with section 43(4) of the MPRDA, 2002 that states: *“An application for a closure certificate must be made to the Regional Manager in whose region the land in question is situated within 180 days of the occurrence of the lapsing, abandonment, cancellation, cessation, relinquishment or completion contemplated in subsection (3) and must be accompanied by the prescribed environmental risk report”*.
- The Closure Application will be submitted in terms of Regulation 62 of the MPRDA, 2002, and Government Notice 940 of NEMA, 1998.

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PUBLIC INVOLVEMENT

This document is to inform you about the proposed activity and to determine whether there are any concerns or objections from interested and affected parties (I&AP's) that need to be considered.

As interested and affected party you are kindly requested to complete the comments form and give any comment/concern or input with regard to the current land use of the area, the environment as well as socio-economic conditions that you feel might be affected by the proposed activity. When submitting response please provide suggestions to mitigate the anticipated impact of each identified activity.

Please contact Christine Fouche at the contact details as presented in the letterhead or at christine.f@greenmined.co.za through any means should you need more information, have concerns or comments that need to be considered or if you want to be registered as an interested and/or affected party and would like to receive a copy of the Draft Scoping Report (DSR) on or before 3 December 2018. If we do not receive any comments from you on or before 3 December 2018, it will be accepted that you do not have any objections/comments with regard to the project and do not require any further documentation.

Should you be interested, you are also invited to a public meeting where the proposed project will be discussed. The meeting details are as follows:

- **Date:** 20 November 2018
- **Time:** 18:00
- **Venue:** The Christiana All Seasons Resort, giraffe conference venue.
- **Directions to Venue:** When travelling from Warrenton, on the N12 (northward bound) continue past the town of Christiana for ±3 km. The venue will be on the right-hand side.
- **GPS Coordinates:** -27.883832°S 25.195027°E / 27°53'01.79"S 25°11'42.10"E

A register of interested and affected parties (I&AP's) will be opened and maintained containing the names, contact details and address of all persons who have submitted written comments, attended meetings or have in writing requested to be registered and all organs of state which have jurisdiction in respect of the activity. Please note that only registered I&AP's and stakeholders will be entitled to comment on reports and plans to be submitted to the Department provided that the party provide its name, contact details and address and discloses any direct business, financial, personal or other interest which he/she may have in the approval or refusal of the applications.

The Draft Scoping Report (DSR) will be submitted to the Department of Mineral Resources – Free State (DMR) for review purposes. This report will also be made available to the public for a 30 days review period. An electronic copy of the report will be published on the Greenmined Environmental website (www.greenmined.com). All registered I&AP's and stakeholders will be notified of the commenting period in advance as above.

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The DSR will then be updated to reflect the comments received during the public commenting period. Thereafter, Final Scoping Report (FSR) will be submitted to DMR for its consideration as part of the authorization process in terms of the NEMA, 2014 regulations (as amended 2017). A copy of the FSR will be made available on the Greenmined Environmental website. Once the Final Scoping Report has been accepted by the DMR, the Draft Environmental Impact Assessment Report (DEIAR) will be prepared and also made available to the public for a 30-day commenting period. An electronic copy of the DEIAR report will also be published on the Greenmined Environmental website. All registered I&AP's and stakeholders will be notified of the commenting period in advance.

Upon expiry of the commenting period the DEIAR will be updated to reflect the comments received during the public commenting period. Thereafter, the Final EIAR will be submitted to the DMR for its consideration as part of the authorization process in terms of the NEMA 2014 regulations (as amended by GNR 326 effective 7 April 2017). A copy of the final report will be made available on the Greenmined Environmental website. All registered I&AP's and stakeholders will be notified in writing within 14 days of the date of the decision of the outcome of the application, including the reasons for the decision and the right of appeal.

CONTACT DETAILS

Name/Name	
Organisation/Instansie	
Interest/Belange	
Postal Address/Pos Adres	
Tel	
Fax/Faks	
E-mail/E-pos	

DMR Reference Number: To be confirmed

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COMMENTS/ OPMERKINGS

No Objection:	
Request additional information:	
Concerns:	

Signature: _____

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Are there any other organisations or individuals that you feel should be invited to comment? If so, please provide their contact details:

Contact name:
Organisation (if applicable):
Address:
Tel:
Fax
E-mail

Your feedback is valued and will be addressed appropriately.

Kind Regards



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Christine Fouche
Greenmined Environmental