

BLACK MOUNTAIN MINING PTY LTD

GIFKOP PROSPECTING RIGHT PROJECT

BACKGROUND INFORMATION DOCUMENT

DMR REFERENCE NUMBER:

NC30/5/1/1/2/12388 PR

PROJECT INTRODUCTION:

Environmental Impact Management Services (Pty) Ltd (EIMS), an independent environmental consulting firm, has been appointed by Black Mountain Mining (Pty) Ltd, (the applicant), to assist in preparing and submitting, in support of an Environmental Authorisation application, a Basic Assessment Report (BAR), Environmental Management Programme (EMPR), as well as an Integrated Interested and Affected Party Consultation (I&AP) for a prospecting right application.

AIM OF THE BACKGROUND INFORMATION DOCUMENT (BID):

The aim of the BID is to:

- Provide an overview of the Environmental Authorisation Process which will be undertaken for the proposed Black Mountain Mining Prospecting Right in terms of the Mineral and Petroleum Resources Development Act (MPRDA, Act 28 of 2002, as amended) and the listed activities in terms of the National Environmental Management Act (NEMA, Act 107 of 1998).
- Allow I&AP's the opportunity to obtain a broad understanding of the proposed project and submit any initial comments, concerns and objections with regard to the project.
- Notify I&AP's of the compilation of a Basic Assessment Report (BAR) which will address all comments received and in turn will be submitted to the Relevant Authority for decision making.

LOCATION, SCALE, AND EXTENT OF THE PROPOSED PROJECT:

The proposed prospecting activity area is located approximately 75 to 120 kilometres South East of the town of Aggeneys and 130 kilometres East South East of the town of Springbok, Namaqualand District, Northern Cape Province. Gifkop covers an area of 177 468 hectares, the affected properties are described in the table below.

PROJECT DESCRIPTION:

The applicant, Black Mountain Mining (Pty) Ltd, is applying for a prospecting right application in order to ascertain if economically viable mineral deposits exist within the application area for the following : Ferrous & base metals (Copper, Iron, Lead, Zinc, Manganese, Nickel, Molybdenum) and all associated metals and minerals, precious metals (Gold, Silver) and all associated metals and minerals. Both non-invasive and invasive prospecting techniques will be utilized. The target geological formation is the Bushmanland Group.

The application will follow a phased approach, and project is divided into several sequential phases. The different phases and timeframes of the prospecting envisaged are, by their nature, dependent on the results obtained during the preceding phases of prospecting. The project will include the use of Non-Invasive and Invasive prospecting techniques. It is anticipated that invasive activities will only be utilized after the second year of prospecting.

Non-Invasive Prospecting Techniques:

The project will include the following non-invasive activities:

- Desktop Study/Literature review
- Regional Airborne Geophysical Survey
- Ground Geophysical Surveys and Geological Field Mapping
- Compilation, Interpretation and Modelling of Data
- Detailed Ground Geophysical Survey on individual positively mineralized targets to define possible extent
- Analytical Desktop Pre-Feasibility Study

Invasive Prospecting Techniques:

Invasive techniques that will be utilized during prospecting include the following:

- Exploration Boreholes
- Boreholes to confirm continuity of mineralization & potential deposit size
- Resource Definition Drilling

DURATION OF ACTIVITY:

The Prospecting Right Project is scheduled to take place over a period of 5 years.

NEMA LISTED ACTIVITIES:

The following NEMA listed activities have been applied for in this application:

- Listing Notice 1 Activity 20: Activities directly related to prospecting of a mineral resource, including the operation of that activity which requires a prospecting right in terms of section 16 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002), including associated infrastructure, structures and earthworks, directly related to prospecting of a mineral resource.
- Listing Notice 1 Activity 27: The clearance of an area of 1 hectares or more, but less than 20 hectares of indigenous vegetation.
- Listing Notice 3 Activity 12 (g) (ii): The clearance of an area of 300 square metres or more of indigenous vegetation within critical biodiversity areas identified in bioregional plans.

TYPICAL IMPACTS ASSOCIATED WITH THESE ACTIVITIES:

Non-invasive and invasive prospecting techniques will be utilised. Site access will be required for during the topographical and geophysical surveys. Potential impacts that may occur as a result of the proposed activities are as follows:

- Top Soil Removal;
- Vegetation Clearance;
- Surface and Groundwater Contamination;
- Noise and Air Pollution; and
- General and Hazardous Waste Generation.

HOW TO GET INVOLVED:

As an I&AP you need to ensure that you are registered as an I&AP for the Prospecting Right and that you forward through any comments, concerns or objections to EIMS within the stipulated timeframes provided. You may register as an I&AP in any of the following ways.

1. Via E-mail, Fax, Letter or Telephone Call addressed to the contact person stipulated at the end of this document;
2. Through the review and comment on Reports.

In order to ensure that you are identified and registered as an interested and affected party (I&AP) please submit your name, contact details and the reason for your interest, in writing or telephonically, to Environmental Impact Management Services (Pty) Ltd. Comments will be included in the final BAR, to be submitted to the DMR at the end of the process. Please include comments, concerns and suggestions to be submitted and considered by the DMR.. Please note that only registered I&AP's will be included in future correspondence regarding this project. Please submit any queries, comments, concerns or issues (including the reference number 1304-1) to:

Environmental Impact Management Services (Pty) Ltd

Contact Person: GP Kriel

Reference Number: 1304-1

Postal Address: PO.Box 19731, Tecoma, 5214

Telephone: (043) 722 7572 / **Fax:** 086 571 9047

E-mail: gifkop@eims.co.za

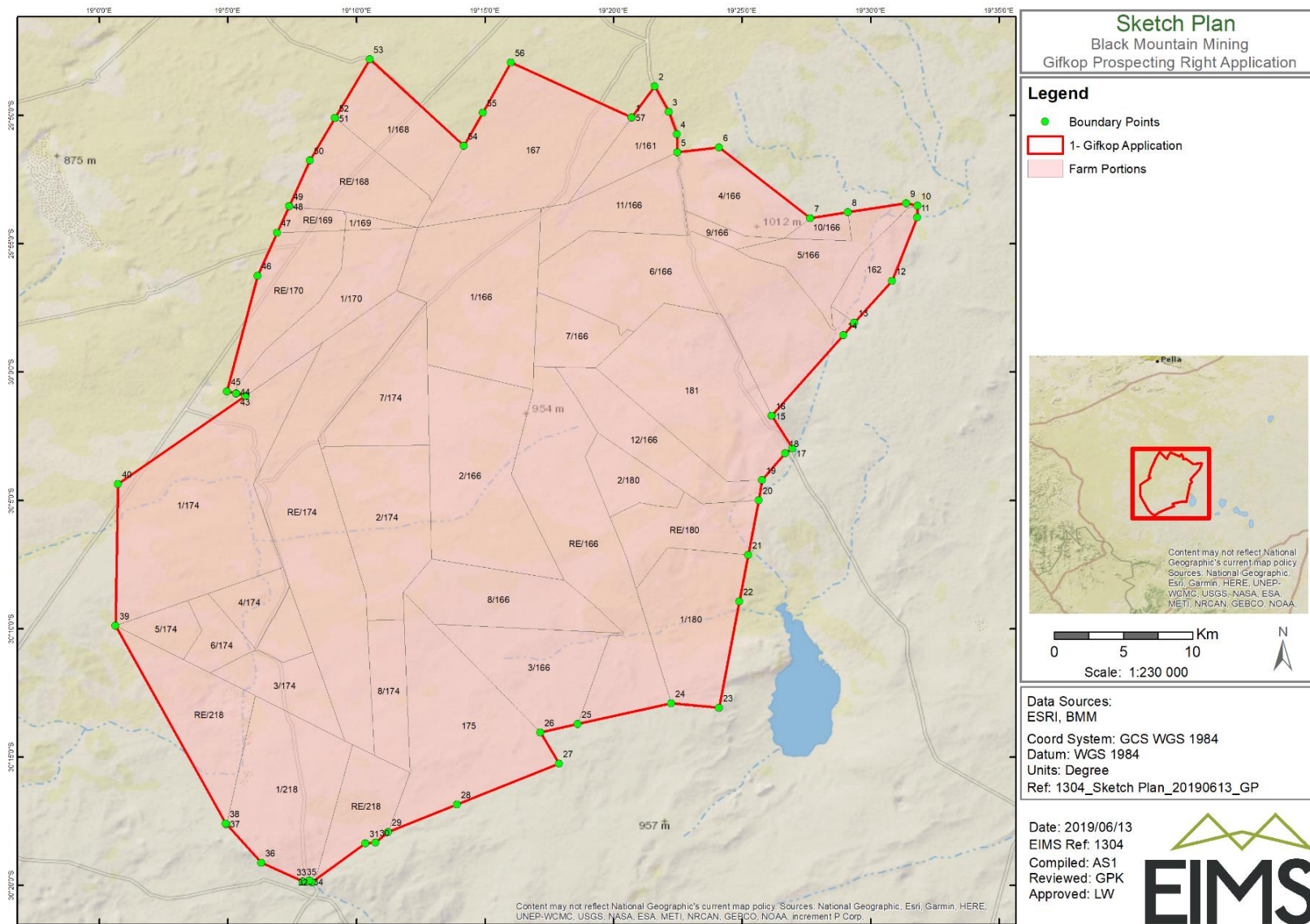


Figure 1: Locality Map

Table 1: List of properties affected by Gifkop application

Nr	Registered Land Description	Magisterial District	Extent (Ha)	Title Deed/Diagram Deed	SG Code
1	Farm Doels Vley 161 Portion 1	Calvinia Rd	2002,856118	T11976/2002	C0150000000016100001
2	Farm Wiel Kolk 162 Portion 0	Calvinia Rd	1723,804067	T42497/2004CTN	C0150000000016200000
3	Farm Gifkop 166 Portion 0 RE	Calvinia Rd	9900,733147	T33330/2008	C0150000000016600000
4	Farm Gifkop 166 Portion 1	Calvinia Rd	8571,290413	T49679/1991CTN	C0150000000016600001
5	Farm Gifkop 166 Portion 2	Calvinia Rd	8598,744804	T44479/2001CTN	C0150000000016600002
6	Farm Gifkop 166 Portion 3 RE	Calvinia Rd	4797,919502	T31072/1969CTN	C0150000000016600003
7	Farm Gifkop 166 Portion 4 RE	Calvinia Rd	3215,062565	T4968/1969	C0150000000016600004
8	Farm Gifkop 166 Portion 5 RE	Calvinia Rd	2772,254526	T11974/2002CTN	C0150000000016600005
9	Farm Gifkop 166 Portion 6	Calvinia Rd	11333,04917	T1633/2018	C0150000000016600006
10	Farm Gifkop 166 Portion 7	Calvinia Rd	2168,292651	T10760/2012CTN	C0150000000016600007
11	Farm Gifkop 166 Portion 8	Calvinia Rd	4523,208891	T84902/2007CTN	C0150000000016600008
12	Farm Gifkop 166 Portion 9	Calvinia Rd	554,960605	T4968/1969	C0150000000016600009
13	Farm Gifkop 166 Portion 10	Calvinia Rd	565,77058	T11974/2002CTN	C0150000000016600010
14	Farm Gifkop 166 Portion 11	Calvinia Rd	3564,825963	T39084/2000	C0150000000016600011
15	Farm Gifkop 166 Portion 12	Calvinia Rd	3771,057983	T33330/2008	C0150000000016600012
16	Farm Paul Se Vley 167 Portion 0	Calvinia Rd	8237,317651	T62188/2002	C0150000000016700000
17	Farm Tweeling 168 Portion 0	Calvinia Rd	3647,09889	T46509/2011	C0150000000016800000
18	Farm Tweeling 168 Portion 1	Calvinia Rd	3679,449156	Unknown	C0150000000016800001
19	Farm Annex Koffie Meul 169 Portion 1	Calvinia Rd	299,662049	T12/2005	C0150000000016900001
20	Farm Koffie Meul 170 Portion 0 RE	Calvinia Rd	3697,617482	T92055/1994	C0150000000017000000
21	Farm Koffie Meul 170 Portion 1	Calvinia Rd	4007,591845	T12/2005	C0150000000017000001
22	Farm Kapsvlei 174 Portion 0 RE	Calvinia Rd	12122,93286	T23295/1976CTN	C0150000000017400000
23	Farm Kapsvlei 174 Portion 1	Calvinia Rd	12135,63083	T51683/1986CTN	C0150000000017400001
24	Farm Kapsvlei 174 Portion 2	Calvinia Rd	6038,50704	Unknown	C0150000000017400002
25	Farm Kapsvlei 174 Portion 3 RE	Calvinia Rd	2391,011479	T64404/2009	C0150000000017400003

Nr	Registered Land Description	Magisterial District	Extent (Ha)	Title Deed/Diagram Deed	SG Code
26	Farm Kapsvlei 174 Portion 4	Calvinia Rd	1472,643465	T67149/2002	C0150000000017400004
27	Farm Kapsvlei Portion 5	Calvinia Rd	1147,322511	T51684/1986	C0150000000017400005
28	Farm Kapsvlei 174 Portion 6	Calvinia Rd	2327,361793	T64404/2009	C0150000000017400006
29	Farm Kapsvlei 174 Portion 7	Calvinia Rd	3776,592667	T84533/1992	C0150000000017400007
30	Farm Kapsvlei 174 Portion 8	Calvinia Rd	2323,931687	T84533/1992	C0150000000017400008
31	Farm Blaauw Pan 175 Portion 0	Calvinia Rd	8382,488799	T9011/1981CTN	C0150000000017500000
32	Farm Hoepel 180 Portion 0 RE	Calvinia Rd	3283,250155	T11332/2012	C0150000000018000000
33	Farm Hoepel 180 Portion 1	Calvinia Rd	5639,188171	T9853/1990CTN	C0150000000018000001
34	Farm Hoepel 180 Portion 2	Calvinia Rd	1868,732534	T33330/2008	C0150000000018000002
35	Farm Groot Zevenfontein West 181 Portion 0	Calvinia Rd	8448,556192	T10760/2012CTN	C0150000000018100000
36	Farm Lospers Plaats 218 Portion 0 RE	Calvinia Rd	4491,872035	T32740/1982CTN	C0150000000021800000
37	Farm Lospers Plaats 218 Portion 0 RE	Calvinia Rd	2695,115949	T32740/1982CTN	C0150000000021800000
38	Farm Lospers Plaats 218 Portion 1	Calvinia Rd	6660,830913	T3878/2018	C0150000000021800001
	TOTAL AREA (HA)		177 468		

It should be noted that these properties may change after acceptance of the Prospecting Right Applications by the DMR. Should the application area change, the updated properties will be provided in the draft Basic Assessment Report which will be available for public comment.