

BLACK MOUNTAIN MINING PTY LTD

WIT PUTS PROSPECTING RIGHT PROJECT

BACKGROUND INFORMATION DOCUMENT

DMR REFERENCE NUMBER:

NC30/5/1/1/2/12390 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 114 kilometers South East of the town of Aggeneys and 200 kilometers East of the town of Springbok, Northern Cape Province. Wit Puts covers an area of 174 126 hectares, the affected properties are described in Table 1 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 1304-3) to:

Environmental Impact Management Services (Pty) Ltd

Contact Person: GP Kriel

Reference Number: 1304-3

Postal Address: PO.Box 19731, Tecoma, 5214

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

E-mail: witputs@eims.co.za

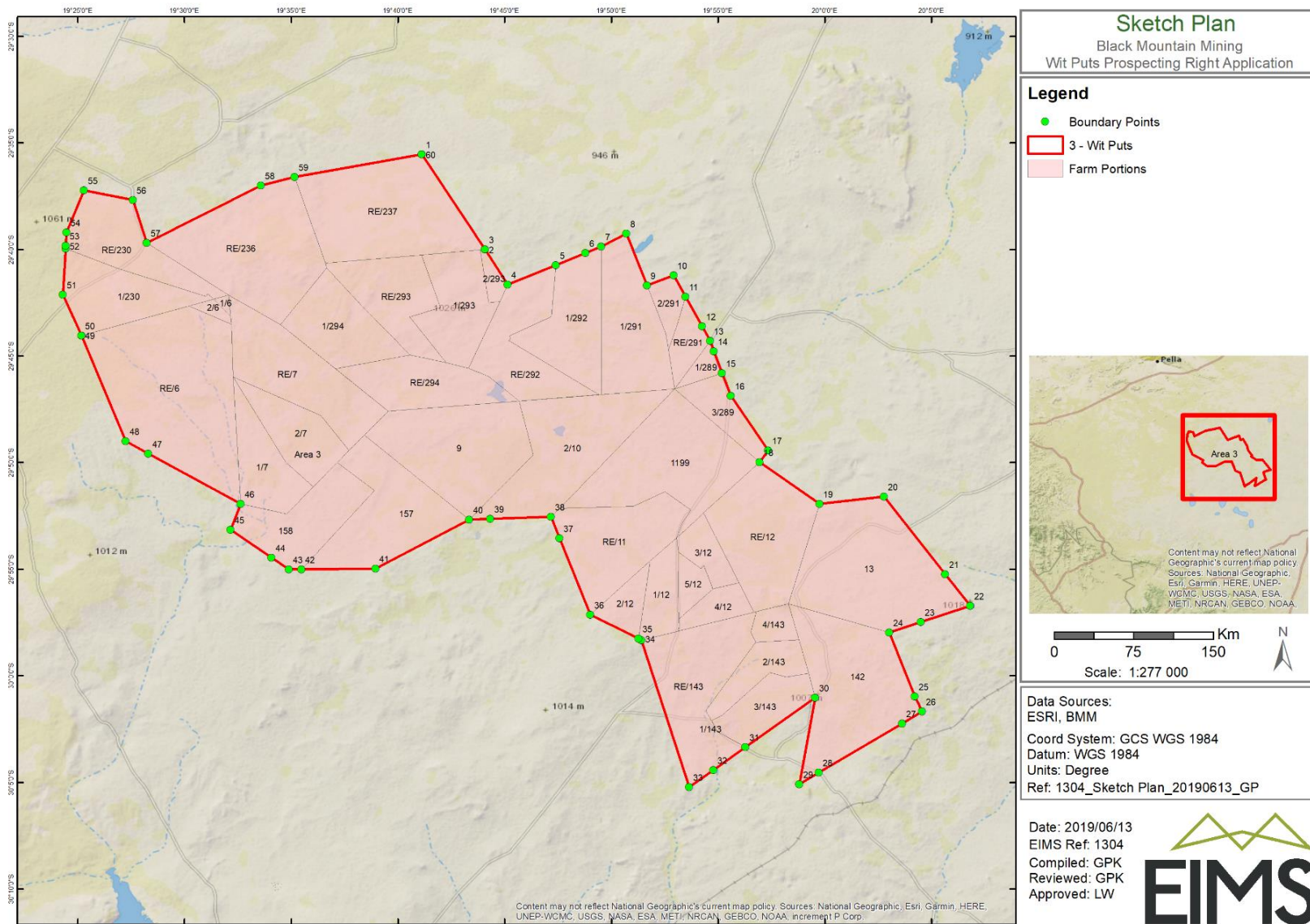


Figure 1: Locality Map

Table 1: List of properties affected by Wit Puts application

Nr	Registered Land Description	Magisterial District	Extent (Ha)	Title Deed/Diagram Deed	SG Code
1	Farm Nieuw Jaars 6 Portion 0 RE	Calvinia Rd	12928,51143	T423/1996CTN	C0150000000000600000
2	Farm Nieuw Jaars 6 Portion 1 RE	Calvinia Rd	106,35445	T32947/1979CTN	C0150000000000600001
3	Farm Nieuw Jaars 6 Portion 2	Calvinia Rd	282,51192	T95792/2000CTN	C0150000000000600002
4	Farm Koebas Hoek 7 Portion 0 RE	Calvinia Rd	6287,71959	T101542/2007CTN	C0150000000000700000
5	Farm Koebas Hoek 7 Portion 1 RE	Calvinia Rd	3192,963485	T76578/2012CTN	C0150000000000700001
6	Farm Koebas Hoek 7 Portion 2	Calvinia Rd	3232,650177	T15601/1985CTN	C0150000000000700002
7	Farm Wit Puts 9 Portion 0	Calvinia Rd	7830,549328	Unknown	C0150000000000900000
8	Farm Boks Kolk 10 Portion 2	Calvinia Rd	7752,468326	T82745/2001CTN	C0150000000001000002
9	Farm Zout Dwaggas 11 Portion 0 RE	Calvinia Rd	5778,754484	T24140/1977CTN	C0150000000001100000
10	Farm Gurreys 12 Portion 0 RE	Calvinia Rd	6724,354994	T43980/1987CTN	C0150000000001200000
11	Farm Gurreys 12 Portion 1 RE	Calvinia Rd	1862,176627	T27625/2002CTN	C0150000000001200001
12	Farm Gurreys 12 Portion 2	Calvinia Rd	1323,010938	Unknown	C0150000000001200002
13	Farm Gurreys 12 Portion 3 RE	Calvinia Rd	1431,27379	T23270/1976CTN	C0150000000001200003
14	Farm Gurreys 12 Portion 4	Calvinia Rd	1242,586144	T43980/1987CTN	C0150000000001200004
15	Farm Gurreys 12 Portion 5	Calvinia Rd	889,590938	T23270/1976CTN	C0150000000001200005
16	Farm Hou Hou 13 Portion 0	Calvinia Rd	10108,00581	T23270/1976CTN	C0150000000001300000
17	Farm Teriris 142 Portion 0	Calvinia Rd	8527,132152	T36260/2004CTN	C01500000000014200000
18	Farm Onap 143 Portion 0 RE	Calvinia Rd	6713,466657	T16844/1997CTN	C01500000000014300000
19	Farm Onap 143 Portion 1	Calvinia Rd	1,711307	T4570/1925CTN	C01500000000014300001
20	Farm Onap 143 Portion 2 RE	Calvinia Rd	2083,661739	T8553/2013CTN	C01500000000014300002
21	Farm Onap 143 Portion 3	Calvinia Rd	2594,860708	T39074/2005CTN	C01500000000014300003
22	Farm Onap 143 Portion 4	Calvinia Rd	889,303181	T43980/1987CTN	C01500000000014300004
23	Farm Karesses 157 Portion 0	Calvinia Rd	6513,991031	T74859/1990CTN	C01500000000015700000
24	Farm Izaks Puts 158 Portion 0	Calvinia Rd	4482,539852	T23007/1982CTN	C01500000000015800000
25	Farm Soutdwaggas 1199 Portion 0	Calvinia Rd	8124,067635	Unknown	C015000000000119900000
26	Farm Burtons-Vlei 230 Portion 0 RE	Calvinia Rd	4328,445271	T32947/1979CTN	C03600000000023000000

Nr	Registered Land Description	Magisterial District	Extent (Ha)	Title Deed/Diagram Deed	SG Code
27	Farm Burtons-Vlei 230 Portion 1	Calvinia Rd	4164,211965	T95792/2000CTN	C03600000000023000001
28	Farm Klercks Goubeep 236 Portion 0	Calvinia Rd	9224,931233	T46708/1995CTN	C03600000000023600000
29	Farm Baiang Putsen 237 Portion 0	Calvinia Rd	9102,438223	T67184/1992CTN	C03600000000023700000
30	Farm Ysis 289 Portion 1 RE	Calvinia Rd	560,956382	T55001/1984CTN	C03600000000028900001
31	Farm Ysis 289 Portion 3	Calvinia Rd	1842,672858	T55001/1984CTN	C03600000000028900003
32	Farm Ramans Kolk 291 Portion 0 RE	Calvinia Rd	1214,132963	T55001/1984CTN	C03600000000029100000
33	Farm Ramans Kolk 291 Portion 1	Calvinia Rd	5469,985336	T55000/1984CTN	C03600000000029100001
34	Farm Ramans Kolk 291 Portion 2 RE	Calvinia Rd	913,512887	T55001/1984CTN	C03600000000029100002
35	Farm Bossie Kom 292 Portion 0 RE	Calvinia Rd	4667,909982	T21286/1989CTN	C03600000000029200000
36	Farm Bossie Kom 292 Portion 1	Calvinia Rd	4747,531828	T51889/2000CTN	C03600000000029200001
37	Farm Half Kroon 293 Portion 0 RE	Calvinia Rd	4133,77771	T51889/2000CTN	C03600000000029300000
38	Farm Half Kroon 293 Portion 1	Calvinia Rd	4091,527565	T51889/2000CTN	C03600000000029300001
39	Farm Half Kroon 293 Portion 2	Calvinia Rd	495,717382	T21286/1989CTN	C03600000000029300002
40	Farm Wolf Kop 294 Portion 0 RE	Calvinia Rd	4100,068116	T42498/2004CTN	C03600000000029400000
41	Farm Wolf Kop 294 Portion 1	Calvinia Rd	4167,492678	T11247/2006CTN	C03600000000029400001
	TOTAL AREA (HA)		174 126		

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.