

BLACK MOUNTAIN MINING PTY LTD

TIERKLIP PROSPECTING RIGHT PROJECT

BACKGROUND INFORMATION DOCUMENT

DMR REFERENCE NUMBER:

NC30/5/1/1/2/12391 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 100 to 170 kilometres South East of the town of Aggeneys and 173 kilometres South West of the town of Upington, Namaqualand District, Northern Cape Province. Tierklip covers an area of 180 001 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 1304-4) to:

Environmental Impact Management Services (Pty) Ltd

Contact Person: GP Kriel

Reference Number: 1304-4

Postal Address: PO.Box 19731, Tecoma, 5214

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

E-mail: tierklip@eims.co.za

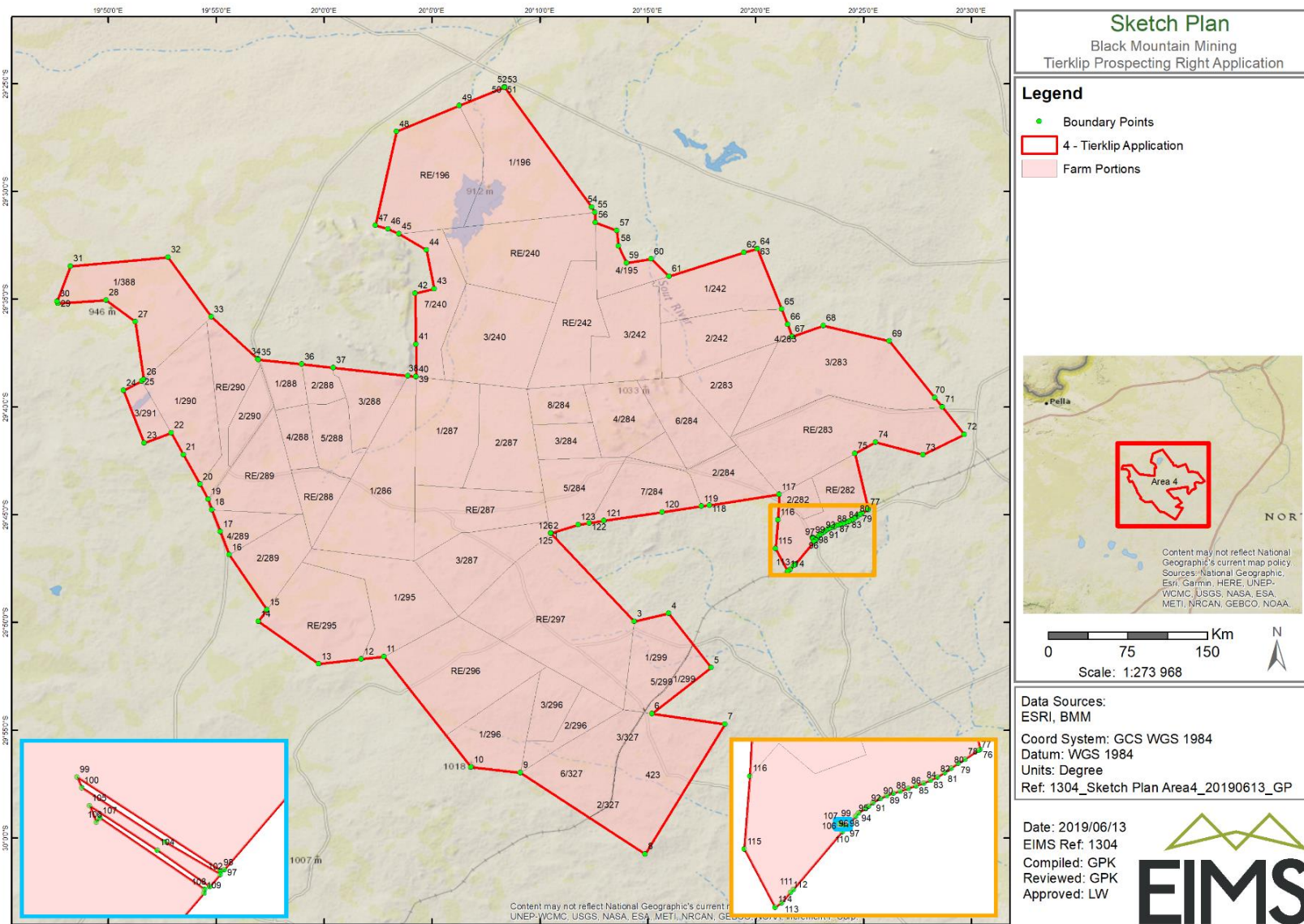


Figure 1: Locality Map

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 Loog Kolkjes 195 Portion 4	Kenhardt Rd	1695,541253	T76872/1998CTN	C0360000000019500004
2	Farm Geel Vloer 196 Portion 0 RE	Kenhardt Rd	6388,716298	T32084/2014CTN	C0360000000019600000
3	Farm Geel Vloer 196 Portion 1	Kenhardt Rd	6495,72027	T32083/2014CTN	C0360000000019600001
4	Farm Hendrik Zyn Puts 240 Portion 0 RE	Kenhardt Rd	5937,038478	T69407/2015CTN	C0360000000024000000
5	Farm Hendrik Zyn Puts 240 Portion 3	Kenhardt Rd	5592,531803	T32299/1996CTN	C0360000000024000003
6	Farm Hendrik Zyn Puts 240 Portion 7	Kenhardt Rd	3069,23921	T4059/1997CTN	C0360000000024000007
7	Farm Brosdoorns Annex 242 Portion 0 RE	Kenhardt Rd	3779,114231	T96126/2002CTN	C0360000000024200000
8	Farm Brosdoorns Annex 242 Portion 1	Kenhardt Rd	3723,132824	T96127/2002CTN	C0360000000024200001
9	Farm Brosdoorns Annex 242 Portion 2	Kenhardt Rd	3792,754523	T41356/1988CTN	C0360000000024200002
10	Farm Brosdoorns Annex 242 Portion 3	Kenhardt Rd	3758,354959	T93751/2005CTN	C0360000000024200003
11	Farm Dagab 282 Portion 0 RE	Kenhardt Rd	2895,332837	T107940/2000CTN	C0360000000028200000
12	Farm Dagab 282 Portion 2	Kenhardt Rd	743,42116	T107940/2000CTN	C0360000000028200002
13	Farm De Paarden Vleyen 283 Portion 0 RE	Kenhardt Rd	7297,452848	T52179/2003CTN	C0360000000028300000
14	Farm De Paarden Vleyen 283 Portion 2	Kenhardt Rd	2557,950064	T59522/2008CTN	C0360000000028300002
15	Farm De Paarden Vleyen 283 Portion 3 RE	Kenhardt Rd	7311,383444	T28241/2002CTN	C0360000000028300003
16	Farm De Paarden Vleyen 283 Portion 4	Kenhardt Rd	2,279856	T64504/2010CTN	C0360000000028300004
17	Farm Koranna Kolken 284 Portion 2 RE	Kenhardt Rd	2767,258409	T73814/1992CTN	C0360000000028400002
18	Farm Koranna Kolken 284 Portion 3 RE	Kenhardt Rd	1398,347791	T60270/1989CTN	C0360000000028400003
19	Farm Koranna Kolken 284 Portion 4	Kenhardt Rd	2766,353335	T49042/1988CTN	C0360000000028400004
20	Farm Koranna Kolken 284 Portion 5	Kenhardt Rd	2779,152907	T73814/1992CTN	C0360000000028400005
21	Farm Koranna Kolken 284 Portion 6	Kenhardt Rd	2774,510498	T41357/1988CTN	C0360000000028400006
22	Farm Koranna Kolken 284 Portion 7	Kenhardt Rd	2808,393233	T112445/1997CTN	C0360000000028400007
23	Farm Koranna Kolken 284 Portion 8	Kenhardt Rd	1399,755636	T60270/1989CTN	C0360000000028400008
24	Farm Tyger Kolk 286 Portion 1	Kenhardt Rd	6513,215404	T9930/2016CTN	C0360000000028600001
25	Farm Tierklip 287 Portion 0 RE	Kenhardt Rd	3824,554934	T63458/1991CTN	C0360000000028700000
26	Farm Tierklip 287 Portion 1	Kenhardt Rd	4105,883653	T27803/2014CTN	C0360000000028700001
27	Farm Tierklip 287 Portion 2	Kenhardt Rd	3986,88955	T8698/2012CTN	C0360000000028700002

Nr.	Registered Land Description	Magisterial District	Extent (Ha)	Title Deed/Diagram Deed	SG Code
28	Farm Tierklip 287 Portion 3	Kenhardt Rd	3864,303082	T63458/1991CTN	C0360000000028700003
29	Farm Corgas 288 Portion 0 RE	Kenhardt Rd	1550,993638	T19766/1966CTN	C03600000000028800000
30	Farm Corgas 288 Portion 1	Kenhardt Rd	1097,405028	T54668/2014CTN	C03600000000028800001
31	Farm Corgas 288 Portion 2	Kenhardt Rd	827,575974	T54668/2014CTN	C03600000000028800002
32	Farm Corgas 288 Portion 3	Kenhardt Rd	2093,705186	T54668/2014CTN	C03600000000028800003
33	Farm Corgas 288 Portion 4	Kenhardt Rd	1208,533245	T54668/2014CTN	C03600000000028800004
34	Farm Corgas 288 Portion 5	Kenhardt Rd	1847,942913	T9930/2016CTN	C03600000000028800005
35	Farm Ysis 289 Portion 0 RE	Kenhardt Rd	3460,975441	T21976/1977CTN	C03600000000028900000
36	Farm Ysis 289 Portion 2 RE	Kenhardt Rd	2516,077576	T14248/1957CTN	C03600000000028900002
37	Farm Ysis 289 Portion 4	Kenhardt Rd	1224,537064	T35410/2007CTN	C03600000000028900004
38	Farm Makkies Plaats 290 Portion 0 RE	Kenhardt Rd	2567,205047	T49914/1981CTN	C03600000000029000000
39	Farm Makkies Plaats 290 Portion 1	Kenhardt Rd	4314,771455	T10968/2009CTN	C03600000000029000001
40	Farm Makkies Plaats 290 Portion 2	Kenhardt Rd	1331,822886	T48093/1983CTN	C03600000000029000002
41	Farm Ramans Kolk 291 Portion 3	Kenhardt Rd	911,425182	T55001/1984CTN	C03600000000029100003
42	Farm Koic 295 Portion 0 RE	Kenhardt Rd	5105,389027	T91639/1994CTN	C03600000000029500000
43	Farm Koic 295 Portion 1	Kenhardt Rd	4638,917471	T91639/1994CTN	C03600000000029500001
44	Farm Nanibies 296 Portion 0 RE	Kenhardt Rd	6249,006579	T91639/1994CTN	C03600000000029600000
45	Farm Nanibies 296 Portion 1 RE	Kenhardt Rd	3117,041098	T91639/1994CTN	C03600000000029600001
46	Farm Nanibies 296 Portion 2 RE	Kenhardt Rd	1551,574551	T91639/1994CTN	C03600000000029600002
47	Farm Nanibies 296 Portion 3	Kenhardt Rd	1575,832314	T91639/1994CTN	C03600000000029600003
48	Farm Schansklip 297 Portion 0	Kenhardt Rd	9892,946319	T6475/1987CTN	C03600000000029700000
49	Farm Zoo Afs Puts 299 Portion 1 RE	Kenhardt Rd	785,885346	T48561/2013CTN	C03600000000029900001
50	Farm Zoo Afs Puts 299 Portion 1	Kenhardt Rd	2711,26684	T48561/2013CTN	C03600000000029900001
51	Farm Zoo Afs Puts 299 Portion 5	Kenhardt Rd	36,442582	T56301/1998CTN	C03600000000029900005
52	Farm Na 327 Portion 2	Kenhardt Rd	21,668427	T61257/1998CTN	C03600000000032700002
53	Farm Na 327 Portion 3	Kenhardt Rd	24,948437	T61258/1998CTN	C03600000000032700003
54	Farm Na 327 Portion 6	Kenhardt Rd	3795,781318	T79044/2008CTN	C03600000000032700006
55	Farm Kabiep 388 Portion 1	Kenhardt Rd	5510,955644	T25847/2009CTN	C03600000000038800001

Nr.	Registered Land Description	Magisterial District	Extent (Ha)	Title Deed/Diagram Deed	SG Code
56	Farm Na 423 Portion 0	Kenhardt Rd	6033,031312	T79045/2008CTN	C03600000000042300000
	Total Area (HA)		180 001		

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.