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REPORT ON THE RESULTS OF CONSULTATION WITH COMMUNITIES AND INTERESTED AND AFFECTED PARTIES

AS REQUIRED IN TERMS OF SECTIONS, 16(4)(b) or 27 (5) (b) OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT 28 of 2002), AND IN ACCORDANCE WITH THE STANDARD DIRECTIVE FOR THE COMPILATION THEREOF AS PUBLISHED ON THE OFFICIAL WEBSITE OF THE DEPARTMENT OF MINERAL RESOURCES.



**REPORT ON THE RESULTS OF
CONSULTATION WITH COMMUNITIES AND INTERESTED AND AFFECTED
PARTIES**

WRE NKUNZANA PROSPECTING RIGHT PROJECT

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DEFINITIONS

‘Consultation’ means a two way communication process between the applicant and the community or interested and affected party (I&AP) wherein the former is seeking, listening to, and considering the latter’s response, which allows openness in the decision making process.

‘Community’ means a group of historically disadvantaged persons with interest or rights in a particular area of land on which the members have or exercise communal rights in terms of an agreement, custom or law: Provided that, where as a consequence of the provisions of the Act negotiations or consultations with the community are required, the community shall include the members or part of the community, directly affected by prospecting or mining, on land occupied by such members or part of the community.

‘Interested and Affected’ Parties include, but are not limited to; –

- (i) Host Communities
- (ii) Landowners (Traditional and Title Deed owners)
- (iii) Traditional Authorities
- (iv) Land Claimants
- (v) Lawful land occupier
- (vi) The Department of Land Affairs
- (vii) Any other person (including on adjacent and non-adjacent properties) whose socio-economic conditions may be directly affected by the proposed prospecting or mining operation
- (viii) The Local Municipality
- (ix) The relevant Government Departments, agencies and institutions responsible for the various aspects of the environment and for infrastructure which may be affected by the proposed project

CONTENTS

1	METHODOLOGY APPLIED TO CONSULTATION	1
1.1	Name the community or communities identified, or explain why no such community was identified.	1
1.2	Specifically state whether or not the Community is also the landowner.	1
1.2	State whether or not the Department of Land Affairs been identified as an interested and affected party.	1
1.4	State specifically whether or not a land claim is involved.	1
1.5	Name the Traditional Authority identified.	2
1.6	List the landowners identified by the applicant. (Traditional and Title Deed owners).....	2
1.7	List the lawful occupiers of the land concerned.....	2
1.8	Explain whether or not other persons' (including on adjacent and non-adjacent properties) socio-economic conditions will be directly affected by the proposed prospecting or mining operation and if not, explain why not.....	4
1.9	Name the Local Municipality identified by the applicant.	4
1.10	Name the relevant Government Departments, agencies and institutions responsible for the various aspects of the environment and for infrastructure which may be affected by the proposed project.	4
1.11	Submit evidence that the landowner or lawful occupier of the land in question, and any other interested and affected parties including all those listed above, were notified.....	5
2	DESCRIPTION OF THE EXISTING STATUS OF THE CULTURAL, SOCIO-ECONOMIC OR BIOPHYSICAL ENVIRONMENT, AS THE CASE MAY BE, PRIOR TO THE PROPOSED PROSPECTING OR MINING OPERATION	6
2.1	Confirm that the identified and consulted interested and affected parties agree on the description of the existing status of the environment.....	6
2.2	Describe the existing status of the cultural environment that may be affected	7
2.3	Describe the existing status of any heritage environment that may be affected	7
2.4	Describe the existing status of any current land uses and the socio-economic environment that may be directly affected	7
2.5	Describe the existing status of any infrastructure that may be affected.....	8
2.6	Describe the existing status of the biophysical environment that will be affected, including the main aspects such as water resources, flora, fauna, air, soil, topography etc.	8
2.7	Provide any relevant additional information.	10
3	THE ANTICIPATED ENVIRONMENTAL, SOCIAL OR CULTURAL IMPACTS IDENTIFIED	10
3.1	Confirm that the community and identified interested and affected parties have	

	been consulted and that they agree that the potential impacts identified include those identified by them.	11
3.2	Provide a list and description of potential impacts identified on the cultural environment. .	11
3.3	Provide a list and description of potential impacts identified on the heritage environment, if applicable.	11
3.4	Provide a list and description of potential impacts identified on the socio-economic conditions of any person on the property and on any adjacent or non-adjacent property who may be affected by the proposed prospecting or mining operation.	12
3.5	Provide a list and description of potential impacts (positive & negative) identified on: employment opportunities, community health and community proximity.	13
3.6	Provide a list and description of potential impacts identified on the biophysical environment including but not be limited to impacts on: flora, fauna, water resources, air, noise, soil etc.	13
3.7	Provide a description of potential cumulative impacts that the proposed operation may contribute to considering other identified land uses which may have potential environmental linkages to the land concerned.	14
4	LAND USE OR DEVELOPMENT ALTERNATIVES, ALTERNATIVE MEANS OF CARRYING OUT THE PROPOSED OPERATION, AND THE CONSEQUENCES OF NOT PROCEEDING WITH THE PROPOSED OPERATION	15
4.1	Provide a list of and describe any alternative land uses that exist on the property or on adjacent or non-adjacent properties that may be affected by the proposed mining operation.	15
4.2	Provide a list of and describe any land developments identified by the community or interested and affected parties that are in progress and which may be affected by the proposed mining operation.	15
4.3	Provide a list of and describe any proposals made in the consultation process to adjust the operational plans of the mine to accommodate the needs of the community, landowners and interested and affected parties.	16
4.4	Provide information in relation to the consequences of not proceeding with proposed operation.	16
5	DESCRIPTION OF THE PROCESS OF ENGAGEMENT WITH IDENTIFIED COMMUNITIES, LANDOWNERS AND INTERESTED AND AFFECTED PARTIES	17
5.1	Provide a description of the information provided to the community, landowners, and interested and affected parties to inform them in sufficient detail of what the prospecting or mining operation will entail on the land, in order for them to assess what impact the prospecting will have on them or on the use of their land.	17

5.2	Provide a list of which of the identified communities, landowners, lawful occupiers, and other interested and affected parties were in fact consulted.	18
5.3	Provide a list of their views raised in regard to the existing cultural, socio-economic or biophysical environment, as the case may be.....	18
5.4	Provide a list of their views raised on how their existing cultural, socio-economic or biophysical environment potentially will be impacted on by the proposed prospecting or mining operation.	19
5.5	Provide list of any other concerns raised by the aforesaid parties.....	19
5.6	Provide the applicable minutes and records of the consultations as appendices.	19
5.7	Provide information with regard to any objections received.	20
6	DESCRIBE THE MOST APPROPRIATE MEANS TO CARRY OUT THE PROPOSED OPERATION WITH DUE ACCOMMODATION OF THE ISSUES RAISED IN THE CONSULTATION PROCESS	20
7	REFERENCES	20
8	IDENTIFICATION OF THE REPORT	20

TABLES

Table 1: Legal landowner.	2
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APPENDICES

Appendix E1: Comments and Responses Report
Appendix E2 Landowner and Key Interested and Affected Party Database
Appendix E3: Proof of I&AP Initial Notification
Appendix E4: Proof of Advertisement
Appendix E5: Proof of Site Notices and Poster Placement
Appendix E6: Proof of Correspondence with I&APs

1 METHODOLOGY APPLIED TO CONSULTATION

1.1 Name the community or communities identified, or explain why no such community was identified.

Three rural communities (Ntolwane, Mdimela and Emachubeni) were identified within the prospecting area. These rural communities are under the traditional leadership of three Traditional Authorities (Chief Nxamalala, Chief Magwaza and Chief Shezi). A detailed site visit was conducted on the 11th January 2018, including the consultation with the lawful landowner of the application area (the Ingonyama Trust). Land occupiers confirmed that three rural communities reside within the proposed Prospecting Right Application area.

1.2 Specifically state whether or not the Community is also the landowner.

According to the Deeds Office, the Ingonyama Trust is the lawful landowner of the two farm portions within the proposed Prospecting Right Application area. The Ingonyama Trust administers these two farm portions on behalf of King Zwelithini who is the custodian of the land.

1.3 State whether or not the Department of Land Affairs been identified as an interested and affected party.

Yes, the Department of Rural Development and Land Reform (provincial and national) was identified as a Key Interested and Affected Party (I&AP) and sent a registered letter notifying them of the proposed Prospecting Right Application and the farm portions included within the application area. The letter posted on the 8th January 2018 invited the Department, at both provincial and national level to comment on the proposed Prospecting Right Application. Ms Lynn Boucher, Senior Admin Officer: Information Management and Lodgement from the Kwa-Zulu Natal Commission on Land Restitution of Land Rights advised the Environmental Assessment Practitioner (EAP) that no claim for restitution has been lodged in respect of the properties within the project application area.

1.4 State specifically whether or not a land claim is involved.

Registered letters were sent to both the national and provincial Departments of Rural Development and Land Reform via registered post on the 8th January 2018. The letters specifically requested the Department to inform the Applicant of any land claims that may be pending on the properties within the proposed Prospecting Right Application area.

Should any further comment be received from the Department, it will be included on the Basic Assessment Report and Environmental Management Programme to be submitted on the 9th May 2018.

1.5 Name the Traditional Authority identified.

- Chief Vusimuzi Nxamalala
- Chief Vincent Magwaza
- Chief Bhekisabelo Shezi

1.6 List the landowners identified by the applicant. (Traditional and Title Deed owners).

The Landowner within the proposed Prospecting Right Application area is the Title Deed owner and the legal surface right holder. The landowner identified by the Applicant is the Ingonyama Trust. Contact details of the landowner were obtained from the Deeds Office by utilising the WinDeed online search portal. Contact information of the legal landowner is provided below (Table 1).

Table 1: Legal landowner.

Farm name and number	Farm portion	Owner	Contact Person
Reserve No. 19 15839 GU	RE of portion 24	Ingonyama Trust	Ellis Suewellan / Siph Jerome Ngwenya
Reserve No. 19 15839 GU	RE of portion 26	Ingonyama Trust- Trustees	Siph Jerome Ngwenya / Ellis Suewellan

1.7 List the lawful occupiers of the land concerned.

Occupiers of the land within the application area belong to the identified three rural communities under traditional leadership. Notification documents were extended to the chiefs of these three rural communities as well as to the land occupiers within the application area utilising the following methods:

- Placement of 8 x A1 correx board site notices around the application area
- Placement of 5 x A3 posters at public places such as the Kwa-Nxamalala Post Office and Police Station, Nkandla Forest Reserve office notice board and at two local shops within the application area

- Placement of background information documents, notification letters and A4 site notices at local shops, the police station and at the Thusong Service Centre.

The notification included the following information:

- Purpose of the proposed prospecting operation
- The minerals being prospected for
- Details of the proposed prospecting operation including prospecting techniques to be employed
- Details and deadlines of the engagement process
- State any comment, concerns or objections to the proposed Prospecting Right Application
- Contact details of the DMR and Shango Solutions respectively, to forward any comments to

Included in the notification document was a questionnaire to be completed and returned to Shango Solutions with the following information for inclusion into the Results of the I&AP Consultation and the Basic Assessment reports:

- Name and contact details of the landowner
- Details of any lawful land occupiers
- Details of any communities within the area
- A description of the receiving environment of the affected property including land uses, vegetation, sensitive features, fauna and flora
- Information on any land developments of the affected property and surrounding area
- Details of any cultural or heritage features within the proposed prospecting area
- Details of any impacts to the biophysical, cultural, heritage and socio-economic environment as a result of the proposed prospecting operation
- A description of any measures that should be implemented to mitigate, manage, avoid, or remedy the anticipated bio-physical and socio-economic impacts of the proposed prospecting operation
- Specific comments, concerns or objections to the proposed prospecting operation

1.8 Explain whether or not other persons' (including on adjacent and non-adjacent properties) socio-economic conditions will be directly affected by the proposed prospecting or mining operation and if not, explain why not.

The proposed prospecting operation is limited in terms of the scale and duration. As such, it is highly unlikely that the socio-economic conditions of persons on adjacent and non-adjacent properties will be meaningfully affected. The proposed Prospecting Right Application and associated Prospecting Work Programme (PWP) is intended for a period of five (5) years.

The nature of the proposed Prospecting Right Application and associated PWP will entail invasive prospecting techniques such as drilling, trenching, grid sampling, stream sediment sampling and underground sampling of the historical Nkuzana mine. These techniques require space and may interfere with the current land uses of the respective landowner and land occupiers. However, this interference is of a short duration and the Applicant, prior to undertaking any prospecting work, will enter into negotiations with the landowner and land occupiers with regard to access to land, use of water, safety and security and compensation for damages that may occur during prospecting.

1.9 Name the Local Municipality identified by the applicant.

The proposed Prospecting Right Application area falls within the jurisdiction of the Nkandla Local Municipality of the King Cetshwayo District Municipality in the Kwa-Zulu Natal Province. The following Nkandla Local Municipality Councillors were sent notifications via registered post and e-mail:

- Councillor Thokozana Ntombela (Ward 11)
- Councillor BS Mbambo (Ward 14)

1.10 Name the relevant Government Departments, agencies and institutions responsible for the various aspects of the environment and for infrastructure which may be affected by the proposed project.

The following Government Departments, Agencies and Institutions were identified and notified via registered post and/or e-mail. Each of the Key I&APs identified and notified below are responsible for various aspects of the environment and infrastructure within

the proposed Prospecting Right Application area which have the potential to be affected:

- National Department of Mineral Resources
- National Department of Agriculture, Forestry and Fisheries
- National Department of Rural Development and Land Reform
- National Department of Water and Sanitation
- Nation Department of Transport
- South African National Roads Agency Ltd (SANRAL)
- South African Local Government Association (SALGA): Kwa-Zulu Natal
- South African Heritage Resources Agency (SAHRA) - National
- South African National Parks (SANParks)
- Kwa-ZuluNatal Department of Agriculture and Rural Development
- Kwa-Zulu Natal Department of Cooperative Governance, Traditional Affairs and Human Settlements
- Kwa-Zulu Natal Department of Economic Development, Tourism, Environmental Affairs and Small Business
- Kwa-Zulu Natal Department of Police, Roads and Transport
- Kwa-Zulu Natal Department of Public Works
- Kwa-Zulu Natal Department of Water and Sanitation
- Ezemvelo KZN Wildlife
- Amafa KZN Heritage
- King Cetshwayo District Municipality
- Nkandla Local Municipality
- Agri KZN
- Eskom
- Transnet

Please refer to Appendix E2 for the I&AP Database which represents the pre-identified I&APs as well as the I&APs that have registered during the course of this Prospecting Right and Environmental Authorisation application.

1.11 Submit evidence that the landowner or lawful occupier of the land in question, and any other interested and affected parties including all those listed above, were notified.

All pre-identified I&APs were notified of the proposed Prospecting Right Application via the following methods:

- Registered letters
- Facsimiles
- E-mails

Notification included letters, background information document questionnaires (Appendix E3, placement of 8 x A2 Correx site notices around the application area (Appendix E5), placement of adverts in the Isolezwe (in isiZulu) and Mercury (in English) newspapers on the 11th January 2018 as well as on site consultation (Appendix E5).

All notification documents were distributed in English and isiZulu. The background information document, questionnaire and the project locality map were made available on the EAP's website (www.shango.co.za) for download.

2 DESCRIPTION OF THE EXISTING STATUS OF THE CULTURAL, SOCIO-ECONOMIC OR BIOPHYSICAL ENVIRONMENT, AS THE CASE MAY BE, PRIOR TO THE PROPOSED PROSPECTING OR MINING OPERATION

2.1 Confirm that the identified and consulted interested and affected parties agree on the description of the existing status of the environment.

The description of the existing status of the receiving environment was compiled through desktop studies such as Google Earth Imagery as well as onsite inspection undertaken during the site visit. In addition, the landowner, land occupiers and key I&APs were provided with a questionnaire to complete in which they were asked to describe the receiving environment in terms of current land uses, vegetation, sensitive features, fauna, flora, infrastructure and features of cultural or heritage significance. As such, the description of the existing status of the environment that will be provided in the Basic Assessment Report and Environmental Management Programme will be compiled in agreement with I&APs.

Please refer to Appendix E3 for an example of the questionnaire included in the notification documents sent to I&APs.

2.2 Describe the existing status of the cultural environment that may be affected

The existing cultural environment of the proposed Prospecting Right Application area is pastoral and one of small homesteads with mixed land uses such as forestry, subsistence farming and grazing for cattle, sheep and goats.

Due to the limited scale and short duration of the proposed prospecting operation, it is unlikely to impact on the existing status of the cultural environment, especially if the proposed mitigation measures to be included in the Environmental Management Programme are applied by the applicant. The potential impact on the existing cultural environment will be examined in the Basic Assessment Report.

2.3 Describe the existing status of any heritage environment that may be affected

The Zulu King Cetshwayo's grave is situated within application area, approximately 10 kilometres northeast of the area proposed for invasive prospecting. A notification e-mail was sent to AMAFA Heritage Kwa-Zulu Natal (the provincial heritage conservation agency) and notification documents were uploaded to the South African Heritage Resource Agency website portal (SAHRIS).

2.4 Describe the existing status of any current land uses and the socio-economic environment that may be directly affected

The existing land uses within the proposed prospecting Right application areas includes:

- Homesteads
- Cattle, sheep and goat livestock grazing
- A forest
- Vacant land
- Eskom power lines
- Telephone lines
- A communication tower
- Water schemes
- Schools
- A police station
- A post office
- Local shops
- A community hall

- Zulu King Cetshwayo's grave
- Rivers and streams
- Bridges (for river crossings)

The existing status of the socio-economic environment within the proposed Prospecting Right application area includes:

- Subsistence farming
- Homesteads
- A police station
- A post office
- Local shops

No large scale economic developments are located within the proposed Prospecting Right application area.

2.5 Describe the existing status of any infrastructure that may be affected

No national roads fall within the proposed Prospecting Right Application area and the site is accessed via two regional roads. Existing unsurfaced roads cover the interior of the area, presumably created by land occupiers. The most notable infrastructure features on site include:

- Homesteads
- Telephone lines
- A Communication tower
- Eskom power lines
- A paved regional road
- Fences

Should the Prospecting Right application be granted by the DMR, no prospecting activities will be undertaken within 100 m of any sensitive receptor infrastructure, without prior consent from the landowner/land occupier.

2.6 Describe the existing status of the biophysical environment that will be affected, including the main aspects such as water resources, flora, fauna, air, soil, topography etc.

The application area falls within four vegetation units, namely: Nongoni Veld, Eastern Valley Bushveld, Northern Zululand Sourveld and Scarp Forest.

The Nongoni Veld located within the savanna biome is distributed in Kwa-Zulu Natal and the Eastern Cape Provinces. This vegetation type can be found at an altitude of 400 - 900 m above mean sea level (MAMSL). The Nongoni Veld supports dense, tall grasslands that are overwhelmingly dominated by unpalatable, wiry Nongoni grass (*Aristida junciformis*). This monodominance is associated with low species diversity. Wooded areas (*thornveld*) are found in valleys at lower altitudes. The Nongoni Veld currently is considered a **Vulnerable** and a **Protected** ecosystem under the National Environmental Management Biodiversity Act, 2004 (Act 10 of 2004). Of the National Conservation Target of 25%, only less than 1% of the unit is statutorily conserved. Approximately 39% of this vegetation unit has been transformed for cultivation, plantations and urban development (Mucina and Rutherford, 2006).

The Eastern Valley Bushveld located within the savanna biome is described by Mucina and Rutherford (2006) as being semi deciduous savanna woodlands with pockets of thickets in a mosaic pattern, often succulent and dominated by *Euphorbia* and *Aloes*. The Eastern Valley Bushveld can be found in Kwa-Zulu Natal and the Eastern Cape Provinces. Deeply incised river valleys run through this vegetation. The Eastern Valley Bush currently retains the conservation status of being **Least Threatened**. Of the National Conservation Target of 25% only 0.8% is statutorily conserved. This vegetation unit is underlain by the sediments of the Karoo Supergroup with the mudstones and sandstones of the Adelaide and Tarkstad subgroups (Beaufort Group) as well as Ecca Group shale.

The Northern Zululand Sourveld, also located within the savanna biome, is found in the Kwa-Zulu Natal Province and in Swaziland. Scattered patches are distributed in northern Zululand in the surrounds of Hlomohlomo, east of Louwsburg, Nongoma and the vicinity of Ulundi including Nkandla. The vegetation unit can be found at an altitude of 450 - 900 MAMSL. The dominant structural vegetation type is wooded grassland. In some areas, pure sour grasslands are found including rare, dense bushveld thickets. The terrain is characterised by low, undulating mountains, in some areas highly dissected, moderately undulating plains and hills occur. According to Mucina and Rutherford (2006), the Northern Zululand Sourveld is considered **Vulnerable**. Of the National Conservation Target of 19% only 4% are statutorily conserved. Approximately 22% of this vegetation unit has been transformed, mainly by cultivation and plantations.

The Scarp Forest located within the forest biome is described by Mucina and Rutherford (2006) as tall (15 – 25 m), species-rich and structurally diverse, multi-layered forest, with

well-developed canopy and understorey tree layers, but a poorly developed herb layer. Buttressed stems are common in the Scarp Forest. The Scarp Forest can be found in the Eastern Cape, Kwa-Zulu Natal and Mpumalanga Provinces (and possibly also in Mozambique). In Kwa-Zulu Natal this forest type is distributed in the southern part of Lebombo Mountains can be found at low altitudes of between 50 and 600 MAMSL. The Scarp Forest currently has the conservation status of being ***Least Threatened*** (Mucina and Rutherford, 2006). Of the 40% National Conservation Target, more than 20% is statutorily conserved. Almost 5% of this vegetation unit has been transformed for cultivation or plantations. Collapse of traditional authorities in both Eastern Cape (especially in Transkei) and in Kwa-Zulu Natal has led to uncontrolled use of forests formerly protected under the authority of headmen and chiefs. Bark stripping, muthi collection, deadwood extraction, and land-claims may become other major sources of threat to the existence of some forest patches.

There are many important floral taxa ranging from tall trees, small shrubs, low shrubs, succulent shrubs, grammanoids and herbs within the vegetation units mentioned above. The proposed Prospecting Right Application area also falls within the SANBI critical biodiversity Area (CBA) and deemed important in terms of biodiversity due to its proximity to the protected Nkandla Forest Reserve.

The climate is classified as warm and temperate. The summer season experiences more rain than during winter. The average annual temperature is 17.1 °C. The annual average rainfall amounts to 765 mm.

2.7 Provide any relevant additional information.

Additional information on the existing cultural, heritage, socio-economic and biophysical environment are provided in detail in the Basic Assessment Report and Environmental Management Programme.

3 THE ANTICIPATED ENVIRONMENTAL, SOCIAL OR CULTURAL IMPACTS IDENTIFIED

3.1 Confirm that the community and identified interested and affected parties have been consulted and that they agree that the potential impacts identified include those identified by them.

The impacts on the receiving cultural, heritage, socio-economic and biophysical environment was determined through examination of the Prospecting Work Programme, the prospecting techniques to be employed, the sensitivities identified within the area and in consultation with all I&APs including the landowner and key I&APs such as government departments, agencies and non-government organisations.

I&APs were provided with a questionnaire to complete in which they were asked to describe any impacts on the cultural, heritage, socio-economic and biophysical environment that should be considered in the Basic Assessment Report and Environmental Management Programme.

Please refer to Appendix E3 for a copy of the questionnaire sent to I&APs.

3.2 Provide a list and description of potential impacts identified on the cultural environment.

One (1) potential impact on the existing cultural environment has been identified and are further investigated in the Basic Assessment Report and Environmental Management Programme where suitable mitigation measures are suggested.

The likely impact on the cultural environment includes:

- Impact on sense of place

Due to the limited scope and short duration of the proposed Prospecting Right application, it is unlikely that the operation will result in any significant impacts to the cultural environment. The cultural environment is one of mixed agricultural use and rural human settlements in the surrounding area. As such, only the impact of change in sense of place to the cultural environment as a result of the proposed prospecting operation has been identified.

3.3 Provide a list and description of potential impacts identified on the heritage environment, if applicable.

One (1) potential impact on the existing heritage environment has been identified and are further investigated in the Basic Assessment Report and Environmental Management Programme where suitable mitigation measures are suggested.

The likely impact on the heritage environment includes:

- Disturbance, damage and destruction of potential heritage features on site from proposed prospecting activities specifically drilling and trenching

Due to the limited scope and short duration of the proposed Prospecting Right Application and the fact that approximately 0.98 ha (9 800 m²) is likely to be disturbed, it is unlikely that the proposed prospecting operation will have any significant impact on heritage resources, if any within the proposed Prospecting Right Application area.

Notification was sent to AMAFA Heritage Kwa-Zulu Natal (the provincial heritage conservation agency) and they were given an opportunity to provide comment. Any comments received from AMAFA during this Basic Assessment process are included in the Comments and Responses Report accompanying the Basic Assessment Report and Environmental Management Programme.

3.4 Provide a list and description of potential impacts identified on the socio-economic conditions of any person on the property and on any adjacent or non-adjacent property who may be affected by the proposed prospecting or mining operation.

Eight (8) potential impacts on the existing socio-economic environment have been identified and are investigated further in the Basic Assessment Report and Environmental Management Programme where suitable mitigation measures are suggested.

The likely impacts on the socio-economic environment include:

- Interference with existing land uses such as agriculture and human settlement
- Safety and security risks to the landowner and land occupiers due to required access to the prospecting site by the applicant
- Risk of fires due to prospecting operations
- Noise or dust nuisance from prospecting operations
- Increased use of existing access roads
- Damage to and disturbance of existing infrastructure by prospecting operations
- Generation and disposal of waste

Due to the limited scope and short duration of the proposed Prospecting Right Application and the fact that approximately 0.98 ha (9 800 m²) is likely to be disturbed, it is unlikely that the proposed prospecting operation will have any significant impact on the existing socio-

economic environment, within the Prospecting Right Application area. Regardless, conditions in the Basic Assessment Report and Environmental Management Programme will include additional consultation and negotiations with the landowner to reduce and negate the potential impacts identified.

3.5 Provide a list and description of potential impacts (positive & negative) identified on: employment opportunities, community health and community proximity.

Three (3) potential impacts have been identified with regard to employment opportunities and community health. These impacts have been investigated in the Basic Assessment Report and Environmental Management Programme where suitable mitigation measures are suggested.

The likely impacts on employment and community health include:

- Employment of local, unskilled labourers to assist with the proposed prospecting operations
- Discovery of economic viable minerals
- Environmental Awareness training of the unskilled labourers which is likely to be filtered down to the communities and the areas from which they are sourced

Due to the limited scope and short duration of the proposed Prospecting Right Application, it is unlikely that the proposed prospecting operation will have any significant impact on employment opportunities as only a limited number of unskilled labourers will be required for the duration of the project. Regardless, the labourers will be educated and will be provided with basic Environmental Awareness Training.

3.6 Provide a list and description of potential impacts identified on the biophysical environment including but not be limited to impacts on: flora, fauna, water resources, air, noise, soil etc.

Twelve (12) potential impacts have been identified and were investigated in the Basic Assessment Report and Environmental Management Programme where suitable mitigation measures for the impacts are suggested.

The likely impacts include:

- Interference with existing land uses
- Loss of natural vegetation due to drill sit preparation/clearance and trenching

- Habitat loss/destruction
- Overall reduction of biodiversity due to prospecting operations
- Introduction of alien invasive species
- Changes in natural topography due to trenching
- Soil erosion and sedimentation
- Soil pollution and contamination from hydrocarbons, oils, lubricants and drilling fluids
- Surface and groundwater pollution
- Ponding in trenches
- Nuisance fallout dust
- Nuisance noise

The Basic Assessment Report and Environmental Management Programme have suggested mitigation measures and a plan has been developed to negate and reduce the potential impacts identified above.

3.7 Provide a description of potential cumulative impacts that the proposed operation may contribute to considering other identified land uses which may have potential environmental linkages to the land concerned.

The alternative existing land use within the proposed Prospecting Right Application area that may be affected by the proposed prospecting activities include:

- A forest
- Cattle, sheep and goat livestock grazing
- Homesteads
- Vacant land
- Nkuzana stream
- Eskom powerlines lines

4 LAND USE OR DEVELOPMENT ALTERNATIVES, ALTERNATIVE MEANS OF CARRYING OUT THE PROPOSED OPERATION, AND THE CONSEQUENCES OF NOT PROCEEDING WITH THE PROPOSED OPERATION

4.1 Provide a list of and describe any alternative land uses that exist on the property or on adjacent or non-adjacent properties that may be affected by the proposed mining operation.

The alternative existing land uses within the proposed Prospecting Right Application area that may be affected by the proposed Prospecting Right include:

- Homesteads
- Cattle, sheep and goat livestock grazing
- A forest
- Vacant land
- Eskom transmission/distribution lines
- Telephone lines
- A communication tower
- Water schemes
- Schools
- A police station
- A post office
- Local shops
- A community hall
- Zulu King Cetshwayo's Grave
- Rivers and streams
- Bridges (for river crossings)

No large scale economic developments are located within the proposed Prospecting Right Application area.

4.2 Provide a list of and describe any land developments identified by the community or interested and affected parties that are in progress and which may be affected by the proposed mining operation.

No future developments were identified by the community or I&APs that are in progress and which may be affected by the proposed prospecting operation during the initial phase of the Public Participation Process for this project. The Participation Process is on-going and will continue throughout the Basic Assessment process. Should the community or I&APs identify any future developments during the basic assessment process, this will be reported and included in the comments and responses report, for consideration by the Competent Authority.

4.3 Provide a list of and describe any proposals made in the consultation process to adjust the operational plans of the mine to accommodate the needs of the community, landowners and interested and affected parties.

No proposal from the landowner, land occupiers or other I&APs have been received. However, I&APs have requested information regarding opportunities for employment, access to land and compensation for use and damages (if any) caused by the proposed prospecting operations. I&APs have been informed that negotiations regarding employment opportunities, access to properties, use of land, use of water and any damages caused will be made with the Applicant (WRE Base Metals (Pty) Ltd) prior to the initialisation of the prospecting operations, in the event that the Prospecting Right is granted by the Department of Mineral Resources. These stipulations regarding employment opportunities, negotiations for access and use of land, use of water as well as compensation for damages are included in the Basic Assessment Report and Environmental Management Programme.

4.4 Provide information in relation to the consequences of not proceeding with proposed operation.

The purpose of prospecting is to determine if economically viable mineral deposits are present and have the potential to be mined. In the event that the Prospecting Right is not granted by the Department of Mineral Resources, the opportunity to determine if viable resources of silver, gold, copper, iron, manganese, molybdenum, nickel, tungsten, zinc, diamond (alluvial), cobalt, coal, lead, platinum group metals, rare earths, sulphur and uranium will be lost.

As all minerals are the property of the State, the consequence of not approving the Prospecting Right will result in the potential loss of resources which will in turn result in a loss of employment opportunities and Growth Domestic Products (GDP) for the country from exports of the minerals mentioned above. The mineral resource sector is of paramount importance to South Africa and is responsible for absorbing a significant number of

unskilled labour which assists with the problem of unemployment and contributes to the country's economy in terms of mineral exports.

5 DESCRIPTION OF THE PROCESS OF ENGAGEMENT WITH IDENTIFIED COMMUNITIES, LANDOWNERS AND INTERESTED AND AFFECTED PARTIES

5.1 Provide a description of the information provided to the community, landowners, and interested and affected parties to inform them in sufficient detail of what the prospecting or mining operation will entail on the land, in order for them to assess what impact the prospecting will have on them or on the use of their land

I&APs were notified of the Prospecting Right application via registered letters, e-mails and facsimiles sent out on the between the 8th and the 11th January 2018. A site visit was conducted on the 11th January 2018 during which 8 x A2 correx board site notices were placed in and around the proposed application area. In addition, two newspaper advertisements were placed in the Mercury (in English) and in the Isolezwe (in isiZulu) on the 11th January 2018. These newspapers are widely distributed in the Nkandla region.

The notification included the following information:

- Purpose of the proposed prospecting operation
- The minerals being prospected for
- Details of the proposed prospecting operation including prospecting techniques to be employed
- Details and deadlines of the engagement process
- State any comment, concerns or objections to the proposed Prospecting Right Application
- Contact details of the DMR and Shango Solutions respectively for which to forward the comment to

Included in the notification document was a questionnaire to be completed and returned to Shango Solutions with the following information for inclusion into the Results of I&AP Consultation Report and the Basic Assessment Report:

- Name and contact details of the landowner

- Details of any lawful land occupiers
- Details of any communities within the area
- A description of the receiving environment of the affected property including land uses, vegetation, sensitive features, fauna and flora
- Information on any land developments of the affected property and surrounding area
- Details of any cultural or heritage features within the proposed prospecting area
- Details of any impacts to the biophysical, cultural, heritage and socio-economic environment as a result of the proposed prospecting operation
- A description of any measures that should be implemented to mitigate, manage, avoid, or remedy the anticipated bio-physical and socio-economic impacts of the proposed prospecting operation
- Any specific comments, concerns or objections to the proposed prospecting operation

5.2 Provide a list of which of the identified communities, landowners, lawful occupiers, and other interested and affected parties were in fact consulted.

Only one legal landowner is affected by this project. The landowner was notified of this project via registered letter, e-mail and facsimile. During the site visit, the communities and lawful occupiers were notified via A2 correx boards site notice (in English and isiZulu) placements in and around the application area, placement of A3 site notices at Kwa-Nxamalala Police Station, Post Office, Nkandla Forest Reserve office notice board and two local shops, as well as placement of background information documents at the two local shops and at the Thusong Service Centre. Traditional leaders were also notified of the proposed project.

5.3 Provide a list of their views raised in regard to the existing cultural, socio-economic or biophysical environment, as the case may be.

To date, the following I&APs have provided the following comments and concerns with regard to the proposed project:

- AMAFA has requested payment fee before they can comment on the project
- Mr B Shezi has requested a meeting with the project team
- Ms Zintle Ngema requested information about employment opportunities
- Mr Lindah Mdunge (legal occupier) requested to be registered as an I&AP, forwarded his company details and enquired about employment opportunities

- Ezemvelo KZN Wildlife requested a copy of the Prospecting Right and Environmental Authorisation application
- The Department of Agriculture, Forestry and Fisheries requested title deeds, locality map and power of attorney
- The Department of Rural Development and Land Reform informed us that no claim for restitution in terms of the Restitution of Land Rights Act, 22 of 1994 (as amended) has been lodged in respect of the application area
- Transnet has no objection to the proposed application for a Prospecting right near Nkandla, as it does not affect Transnet owned land (Transnet land is approximately 13,4 km south of Nkandla)
- Mr. John Phipson (registered I&AP) sent his CV and project experience documents
- Ms. Ann Mc Donnell (DA constituency) asked to be registered as an I&AP
- Mr. Craig Burne (registered I&AP) asked for clarity regarding the process that is being followed for the Prospecting Right and Environmental Authorisation. Mr Burne also requested for project information and he completed the registration form indicating that he has no specific concerns, comments or objection at this stage
- Mr. D Shezi requested to be added as an I&AP as a member of the Chube (Zimbidla) community and a business person
- Mr. Michael Bhengu requested to be registered as an I&AP and to be kept informed about opportunities for involvement in this process

5.4 Provide a list of their views raised on how their existing cultural, socio-economic or biophysical environment potentially will be impacted on by the proposed prospecting or mining operation.

Please refer to Appendix E1 and E6 for all comments raised by I&APs to date.

5.5 Provide list of any other concerns raised by the aforesaid parties.

Please refer to Appendix E1 and E6 for all comments raised by I&APs to date.

5.6 Provide the applicable minutes and records of the consultations as appendices.

Please refer to Appendix E1 for minutes and records of consultations held to date.

5.7 Provide information with regard to any objections received.

To date, no objections have been received. Please refer to the Appendix E1 and E6 for all comments raised by I&APs to date.

6 DESCRIBE THE MOST APPROPRIATE MEANS TO CARRY OUT THE PROPOSED OPERATION WITH DUE ACCOMMODATION OF THE ISSUES RAISED IN THE CONSULTATION PROCESS

The most appropriate means of carrying out the proposed prospecting operations is to consider and address all I&AP comments. All comments, concerns and/or objections submitted by I&APs to date are captured Appendix E1. The assessment will consider impacts identified by I&APs and appropriate mitigation measures will be suggested for implementation by the Applicant, should the Prospecting Right be granted.

By including and addressing I&AP comments and concerns in the Basic Assessment Report, it is likely that impacts that may be caused by the proposed prospecting operations can be negated or reduced through appropriate mitigation measures thereby allowing for the continuation of existing land uses with minimal interference from the proposed project.

7 REFERENCES

Mucina, L. & Rutherford, M.C. (eds) Reprint 2011. The Vegetation of South Africa, Lesotho and Swaziland. Strelitzia 19. South African National Biodiversity Institute, Pretoria. ISBN: 978-1919976-21-1

8 IDENTIFICATION OF THE REPORT

Herewith I, the person whose name and identity number is stated below, confirm that I am the person authorised to act as representative of the applicant in terms of the resolution submitted with the application, and confirm that the above report comprises the results of consultation as contemplated in Section 16 (4) (b) or 27 (5) (b) of the Act, as the case may be.

Full Names and Surname	Corneluis Theodorus Pieters
Identity Number	6509265009088