

29 November 2024

BACKGROUND INFORMATION DOCUMENT

MMS GENERAL AUTHORISATION FOR THE DRILLING OF EXPLORATION BOREHOLES FOR RESOURCE QUANTIFICATION ON THE FARMS MIDDELDRIFT 42 IS AND WOLVERKRANS 17 IS, NEAR MIDDELBURG, IN THE MPUMALANGA PROVINCE (WU39929)

1 Purpose Of This Document

This Background Information Document (BID) introduces all stakeholders to the General Authorisation application process for the drilling of exploration boreholes for Middelburg Mine Services (MMS) on portion 11 of the farm Middeldrift 42 IS and the remaining extent of portion 3 and 6 of the farm Wolverkrans 17 IS, in the Mpumalanga Province.

This BID also aims to provide I&APs with an understanding of the required General Authorisation Process to be undertaken as well as to provide stakeholders with the following information:

- Project overview;
- Locality of the Project Area;
- Legal Framework and Environmental Regulatory Process to be followed;
- How the public can register as Interested and Affected Parties (I&APs);
- Enclosed to this document is the Comments and Registration form- you are kindly requested to complete the Comments and Registration form. This is to ensure that we record your comments and register you as an I&AP. This will ensure that you receive up-to-date and relevant information regarding the Project.

2 Project Background

Middelburg Mine Services (owned and operated by Seriti Power (Pty) Ltd)) is applying for General Authorisation in terms of the National Water Act, Act 36 of 1998 for the drilling of exploration boreholes. The exploration drilling project aims to quantify the mineral resource potential within an area where mining rights have been granted but resource estimates remain unconfirmed. By

Mpumalanga Office 22 Lowveld Country Manor, Aurora Drive, Steiltes, Nelspruit, 1201 KwaZulu Natal Office 59 Beaumont Road, Bluff, Durban, 4052



systematically drilling boreholes and analysing core samples, this project will generate essential data for precise resource estimation, enabling informed decision-making regarding future mining operations.

Objectives:

- **Resource Assessment**: Determine the quantity, quality, and distribution of mineral resources within the designated area.
- **Geological Understanding:** Gain insights into the geological characteristics, stratigraphy, and structure of the subsurface to understand the resource formation and distribution.
- Risk Mitigation: Identify potential geological hazards, such as unstable formations or igneous intrusions, to mitigate risks
 associated with future mining operations.
- Regulatory Compliance: Ensure compliance with local, national, and international regulations governing mineral exploration and environmental protection.

Niara Environmental Consultants (Pty) Ltd (Niara) has been appointed by MMS to undertake the General Authorisation Application (GA). Therefore, approval is required in terms of the National Water Act (NWA) (Act No. 36 of 1998) for water uses associated with the proposed project, and as such an GA will be submitted.

3 Locality

Farm:	Portion 11 of the farm Middeldrift 42 IS and the remaining extent of portion 3 and 6 of the farm Wolverkrans 17 IS.
Closest town:	Albion and eMalahleni
District Municipality:	Nkangala District Municipality
Local Municipality:	eMalahleni Local Municipality



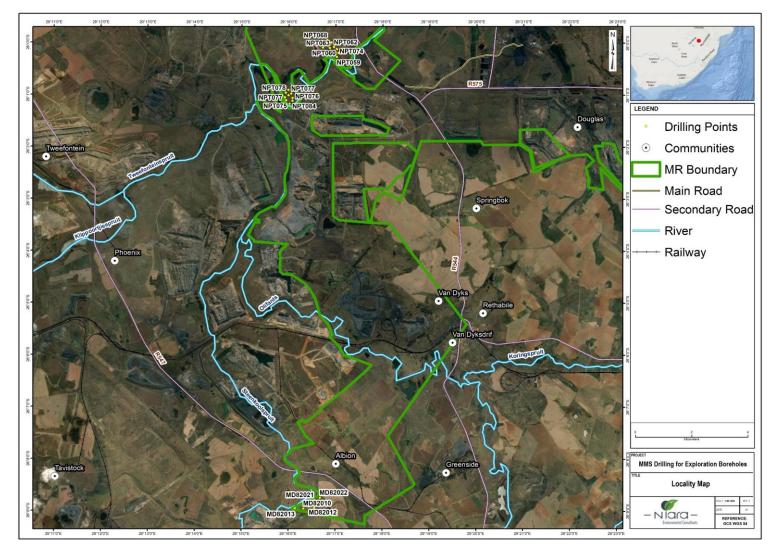


Figure 1: Locality map of borehole locations

SER11



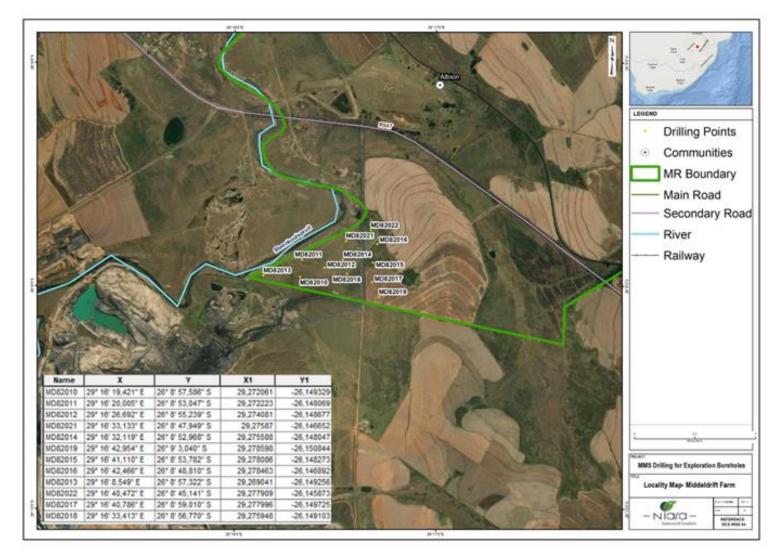


Figure 2: Locality map of borehole locations at Middeldrift Section



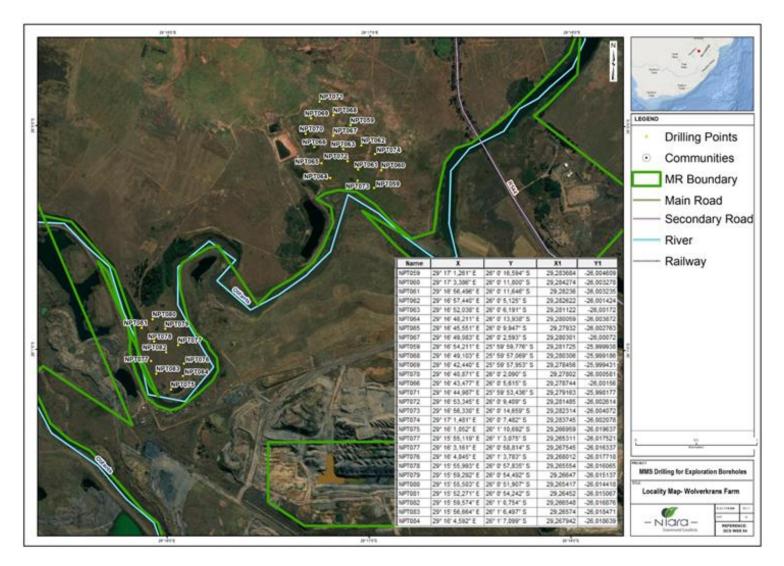


Figure 3: Locality map of borehole locations at Wolvekrans Section

SER11



4 Project Description

Key activities include:

• Drilling of exploration boreholes to quantify the mineral resource potential within the area

5 Legislative Framework

The South African Government has enacted comprehensive legislation to safeguard and effectively manage the nation's water resources for the benefit of all citizens. This legislation, particularly the National Water Act 36 of 1998 (NWA), aims to protect, control, conserve, and sustainably develop water resources. The NWA recognizes water as a scarce national asset belonging to the people of South Africa and mandates the Department of Water and Sanitation (DWS) to oversee its management.

Under the NWA, water users are categorized based on location, quantity, and nature of water use, with requirements ranging from Water Use Licences (WUL's) to general authorisations. These mechanisms ensure responsible water usage in accordance with the law. Chapter 4 of the NWA establishes the framework for water use authorization, which includes the online Water Use License Application (WULA) and General Authorisation System (e-WULAAS). This system streamlines the process for obtaining authorization and managing water uses, aligning with the NWA's goal of integrated and sustainable water resource management.

The water uses requiring authorization before they can be practiced are defined by Section 21 of the NWA and reads as follows -

- (a) Taking water from a water resource
- (b) Storing water
- (c) Impeding or diverting the flow of water in a watercourse
- (d) Engaging in a stream flow reduction activity contemplated in section 36
- (e) Engaging in a controlled activity identified as such in section 37(1) or declared under section 38(1)
- (f) Discharging waste or water containing waste into a water resource through a pipe, canal, sewer, sea outfall or other conduit
- (g) Disposing of waste in a manner which may detrimentally impact on a water resource
- (h) Disposing in any manner of water which contains waste from, or which has been heated in, any industrial or power generation process
- (i) Altering the bed, banks, course or characteristic of a watercourse
- (j) Removing, discharging or disposing of water found underground if it is necessary for the efficient continuation of an activity or for the safety of people
- (k) Using water for recreational purposes.

The water uses applicable for this project

(c) Impeding or diverting the flow of water in a watercourse



(i) Altering the bed, banks, course or characteristic of a watercourse

6 General Authorisation (GA)

General Authorization refers to a provision under South African water law that permits the use of water resources without the need to obtain a formal water use license. This is allowed only if the intended water use falls within specific thresholds, limitations, and conditions prescribed in the Gazetted General Authorisation, as determined by the Department of Water and Sanitation (DWS).

The Gazetted General Authorisation outlines the quantity, purpose, and geographic scope of permissible water use to ensure sustainable management of water resources and compliance with environmental standards. These conditions are designed to protect water resources while allowing lower-impact or small-scale water uses to proceed without the burden of a full licensing process.

7 Approach to the General Authorisation

The GA application process will be phased out as follows:



8 Public Participation Process

The National South African Regulatory Framework requires a Public Participation Process (PPP) to be undertaken as part of either an Environmental General Authorisation or General Authorisation application. The PPP involves notifying stakeholders of the proposed Project and providing Interested and Affected Parties (I&APs) with enough information to enable effective engagement. The PPP also offers stakeholders the opportunity to be informed about the proposed project, to raise issues of concern, and to make suggestions for enhanced project benefits.

As part of the process stakeholders are notified of and are invited to register as I&APs, they are also invited to participate in the General Authorisation process by commenting on the project, asking questions, and raising issues/concerns that will be included in the project documents. In addition to this document, at various stages of the General Authorisation process, information and reports will be made available for registered stakeholders to comment on. A Niara consultant will document the views and concerns of



stakeholders and make the project team and relevant authority aware of issues that need to be considered during the compilation and evaluation of the potential risks and impacts associated with the proposed Project.

9 Registration of Interested and Affected Parties

Niara hereby informs all Interested and Affected Parties (I&APs) that all documents related to the PPP inclusive of a comments and response form will be made available at the following locations:

Location	Contact person
Niara website: www.niara.co.za under 'Downloads'	Ms Orlinda Mafika on 066 526 5099

The Draft GA Technical Document will be available for public review on the Niara Environmental Consultants website (www.niara.co.za) starting Friday, 29 November 2024. Kindly note that the documents are being made available to ensure transparency and to keep Interested and Affected Parties (I&APs) fully informed. While the documents are primarily for review purposes, we welcome any feedback or inquiries to enhance stakeholder engagement.

10 Comments and Queries

Your comments/ inputs regarding the proposed project are valuable. For your convenience, a registration and/or comment sheet is appended to this document. If you do not wish to submit comments and would like to be removed from the mailing list, please send us an email indicating as such.

Should you wish to be registered as an I&AP, to obtain additional information or comment on the proposed project, please use the contact details below, using the Niara reference number <u>SER11.</u>

Contact person:	Ms Orlinda Mafika
Telephone:	066 526 5099
Email:	stakeholder@niara.co.za
Postal Address:	Office 1 Palm Place Office Park, 22 Bram Fischer Drive, Linden, Johannesburg, 2195

In order to ensure that you are identified as an interested and/or affected party, please submit your name, contact information and interest in the project to the contact person preferably within 30 days of receipt of this document.