

ENVIRONMENTAL IMPACT ASSESSMENT AND PUBLIC PARTICIPATION PROCESS FOR A PROSPECTING RIGHT APPLICATION ON A PORTION OF PORTION 21 OF THE FARM SCHOONGEZICHT 218 IR NEAR OGIES WITHIN THE EMALAHLENI LOCAL MUNICIPALITY AND THE NKANGALA DISTRICT MUNICIPALITY, MPUMALANGA PROVINCE



BACKGROUND INFORMATION DOCUMENT

1. INTRODUCTION

K2026155035 (Pty) Ltd has applied for Prospecting Right of coal ('Project') on a Portion of Portion 21 of the Farm Schoongezicht 218 IR near Ogies, within the Emalahleni Local Municipality within the Nkangala District Municipality in the Mpumalanga Province. The project site, a Portion of Portion 21 of the Farm Schoongezicht 218 IR is located 35km south-west of the town of Emalahleni and 10km south-west of the town Ogies. The project site borders the Kendal Power Station to the north and lies across the Kendal Power Station Ash Dam.

The Project is a Listed Activity and requires Environmental Authorisation (EA) in terms of the 2014 Environmental Impact Assessment (EIA) Regulations published under the National Environmental Management Act (Act 107 of 1998) as amended, herein referred to as NEMA.

The purpose of this Background Information Document is to provide you as an Interested and Affected Party with:

- Key and relevant information about the Project and the requisite EIA process to be followed by the Applicant, K2026155035 (Pty) Ltd;
- A summary of the specialist studies that will be undertaken to assess the environmental impact of the Project; and
- Details on how you as an Interested and Affected Party (I&AP) can become involved in the EIA process, receive information or raise issues that may concern / interest you.

2. LOCALITY

The Prospecting Right Area (PRA), the entire extent of the project site, a Portion of Portion 21 of the Farm Schoongezicht 218 IR is located 10km south-west of the town of Ogies and directly south of the Kendal Power Station. Key details of the PRA are provided below in Table 1.

Table 1: Prospecting Right Area Description

Province	Mpumalanga
District Municipality	Nkangala
Local Municipality	Emalahleni
Nearest Town(s)	Ogies ~10km Emalahleni ~ 35km
Farm Name, Number and Portion	A Portion of Portion 21 of the Farm Schoongezicht 218 IR
Extent (ha)	270
Centre Coordinates	26° 6'21.66"S 28°57'51.01"E

A regional map of the PRA has been included in Figure 1 below.

3. SURROUNDING LAND USE

Surrounding land uses within the vicinity of the PRA include the Kendal Power Station (including its associated infrastructure), existing and operational coal mining operations, subsistence and commercial agricultural operations. The current land use on the PRA is agriculture.

4. PROJECT DESCRIPTION

Prospecting activities will be undertaken within the PRA to determine the presence, depth, thickness, quality and lateral extent of any coal seams which may be present within the PRA.

Prospecting activities will include the following:

- A desktop study and review of existing geological data, aerial imagery and historical exploration information.

- Geological mapping and surface sampling within the PRA.
- Geophysical surveys (non-intrusive) to delineate sub-surface structures, where applicable.
- Exploration Core Drilling to retrieve drill core and coal samples for analysis. Drill sites / locations within the PRA will be small, localised and temporary.
- Logging, sampling and laboratory analysis of recovered core to determine coal quality and resource parameters.
- Rehabilitation of drill sites and access tracks on completion of the prospecting activities.

Key information regarding the prospecting programme is included below in Figure 1.

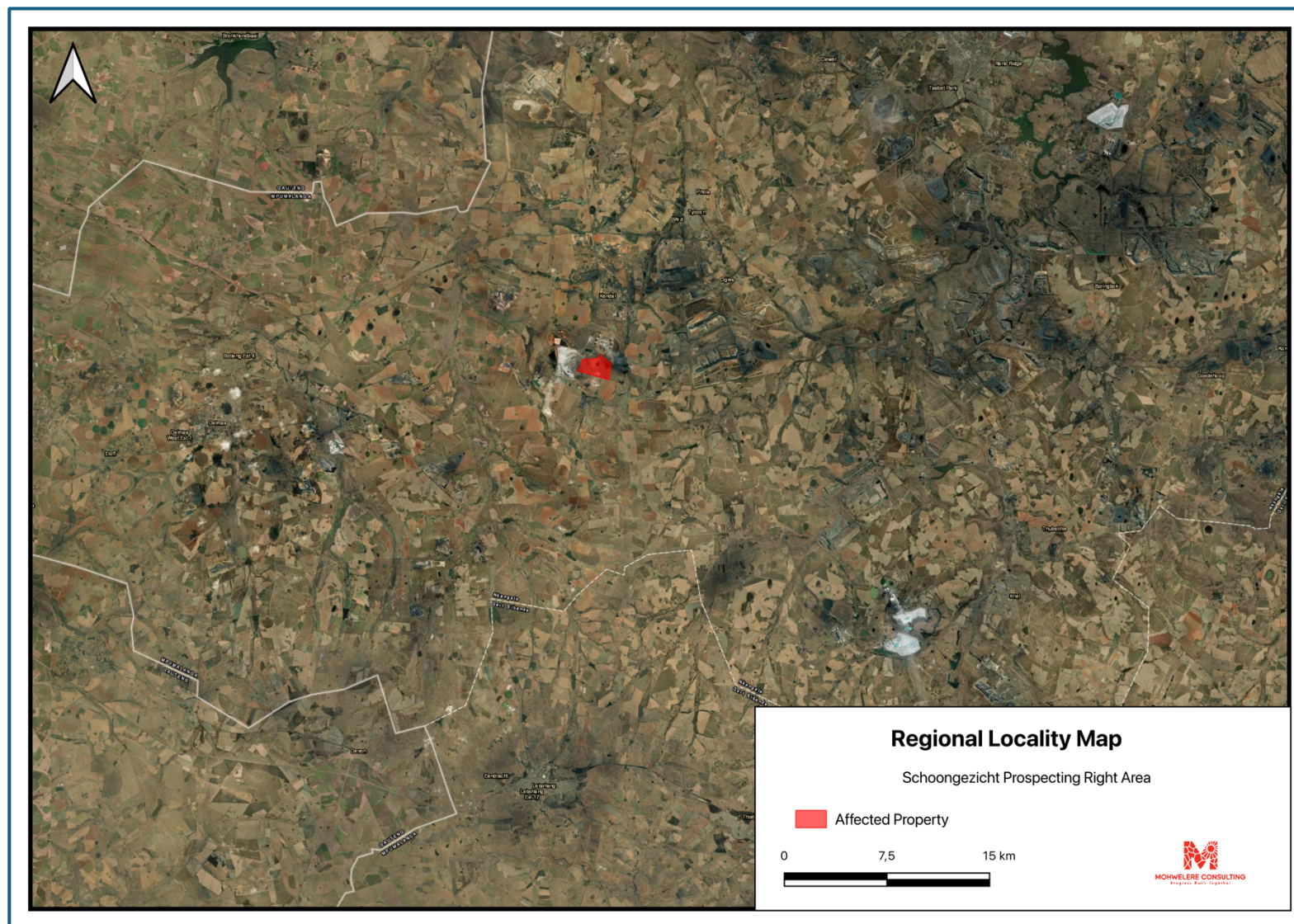


Figure 1: A regional locality map of the prospecting right area near Ogie, Mpumalanga

Table 2: Key information of the PR programme

Prospecting Right Duration/Term	Up to 3 years
Type of Drilling & Number of Holes	Diamond Core Drilling Up to 10 holes
Estimated disturbance footprint (m²)	Up to 250m ² per borehole site
Water Requirements (m³)	Up to 10 000 for the duration of the drilling programme
Labour Requirements	Up to eight (8) people on site
Road Access	Access to site will be obtained off the R38 via the gravel road that provides direct access to the project site.

5. POTENTIAL ENVIRONMENTAL AND SOCIAL IMPACTS

The environmental impact assessment process will identify, describe and evaluate the potential impacts associated with the proposed prospecting activities and will recommend mitigation measures which can be implemented to avoid, minimise or manage environmental and social impacts associated with the prospecting activities. Potential environmental and social impacts that will be considered include, but are not limited to, the following:

5.1. Biophysical Impacts

- Disturbance of soils and limited vegetation clearance at drill sites and access routes.
- Potential impacts on surface water and groundwater, including the risk of contamination from drilling fluids or hydrocarbons.

- Impacts on wetlands, watercourses and associated buffers, where present.
- Potential effects on fauna, flora and sensitive or protected habitats.
- Dust and noise generation from drilling and vehicle movement.

5.2. Socio-economic and heritage impacts

- Effects on existing land use, particularly agricultural activities.
- Potential disturbance of heritage, cultural or archaeological resources, including graves that may be present within the PRA.
- Traffic, safety and nuisance impacts on neighbouring properties.
- Potential local economic benefits, including temporary employment and procurement opportunities.

Each potential impact will be assessed in terms of its nature, extent, duration, intensity and probability, both before and after the application of mitigation measures, in the manner prescribed by the 2014 EIA Regulations as amended. Recommended mitigation measures will be consolidated into an Environmental Management Programme (EMPr).

6. THE ENVIRONMENTAL AUTHORISATION PROCESS

In addition to the prospecting right application under the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA), K2026155035 (Pty) Ltd must obtain EA under the NEMA before commencing with prospecting activities on site. PR applications

generally follow Basic Assessment (BA) processes as part of the application for EA. Key steps of the process are outlined below in Table 3:

Table 3: A summary of the BA activities

Step	Activity	Opportunity for I&AP involvement
1	Application lodged with the DMRE and acceptance confirmed.	Notification of the application.
2	Public participation initiated — release of this BID, site notices, advertisements and landowner notification.	Register as an I&AP; raise initial issues.
3	Compilation of the draft Basic Assessment Report (BAR) and EMP, including specialist input where required.	Review and comment on the draft report (typically a 30-day period).
4	Comments incorporated; final BAR and EMP submitted to the competent authority.	Comments and responses recorded in the report.
5	Decision by the competent authority (grant or refusal), with conditions.	Notification of the decision; right of appeal.

Indicative timeframes for each phase will be communicated to registered Interested and Affected Parties. Statutory comment

periods will be clearly advertised, and all comments received will be captured in a Comments and Responses Report which will be appended to the final BA Report.

7. HOW TO REGISTER AND PARTICIPATE

Interested and Affected Parties are invited to register and to submit any comments, questions or concerns regarding the Project. To ensure your input is recorded and considered, please register as an I&AP and direct all your comments and queries to:

Name & Surname	Tsepo Lepono
Email	pp@mohwelereconsulting.co.za
Mobile Number	
Subject	Schoongezicht PR BAR

When registering or providing comments, please provide your full name, contact details, and an indication of your interest in or concern about the proposed activity. This helps us keep you informed and respond appropriately. You may also request that your details be kept confidential from other parties where permitted.

Who should register? Landowners and lawful occupiers of the affected land and adjacent properties; traditional authorities; local and district municipalities; relevant organs of state; community-based organisations; and any person or organisation with an interest in the proposed activities or the environment that may be affected.