

APP-0010332



REPUBLIC OF NAMIBIA



PRO-FORMA ENVIRONMENTAL CONTRACT

WHEREAS the Applicant/ Company referred to below, has been notified under section 48(4) of the Minerals (prospecting and Mining) Act, 1992 that the Minister of Mines and Energy is prepared to grant the applicant **Mining Claims** subject to certain terms and conditions and;

WHEREAS such terms and conditions include the condition precedent that the applicant enters into an Environmental Contract with the Government of Namibia;

IT is hereby agreed as follows:

1. PARTIES.

The parties to this contract are: Andreas G. Palfi (hereinafter referred to as the "Holder") being the holder of Non-Exclusive Prospecting Licence
Mining Claims..... 68279

on the one hand, and THE GOVERNMENT OF NAMIBIA
(Hereinafter referred to as "the Government")

duly represented by:
THE MINISTRY OF ENVIRONMENT, FORESTRY & TOURISM (MEFT)
and THE MINISTRY OF MINES & ENERGY (MME)

on the other.

2. GENERAL OBLIGATIONS.

- 2.1 The provisions contained in this contract are in addition to and do not detract from any obligations which the Holder may have under the Minerals (Prospecting and Mining) Act, 1992 (the Act).
- 2.2 The Holder recognises that its prospecting / mining operations may have significant impacts on the environment. Accordingly the Holder undertakes that during the course of its operations it will take every practicable step necessary to ensure the mitigation of such impacts. In doing so it will liaise with the MEFT and MME as provided for in 3.3 and 4 below.
- 2.3 In particular the Holder will undertake necessary and adequate steps to ensure that environmental damage is reduced to a minimum and prevented insofar, as is practicable.

[Handwritten initials]

- 2.4 Should the Holder not carry out its environmental obligations it shall be liable for the environmental damage that may result. In this regard the Government reserves the right to:
- 2.4.1 demand at any time financial or other guarantees to restore the environment or mitigate environmental damage which has, or which may occur, as a result of the Holder's activities;
 - 2.4.2 itself undertake such mitigatory or restorative measures and to recover the costs thereof from the Holder;
 - 2.4.3 claim compensation for environmental damage, which may have been brought about by the Holder's activities.
- 2.5 The Holder shall on completion or suspension of its operations, ensure that the impact on the environment is minimised and that every reasonable and practicable step is undertaken to ensure that the environment is left in a reasonable state. The provisions of clause 2.4 apply *mutatis mutandis* to environmental damage evident after prospecting; mining or other operations have been suspended or completed.
- 2.6 The Holder acknowledges that should it apply for a mining licence in consequence of its prospecting or other operations, it will have to comply with Namibia's National Environmental Assessment Policy (Directorate of Environmental Affairs, Jan, 1995) and that this will entail the carrying out of an Environmental Assessment (EA).

3. THE ENVIRONMENTAL CONDITIONS

- 3.1 In accordance with section 68(f) of the Act, which provides that an application for a licence shall contain particulars of the existing condition of the environment, an estimate of the effect which the proposed operations may have, and the proposed steps to be taken to prevent or minimise such effect, the Holder has attached Environmental Conditions marked Appendix A.
- 3.2 The Holder acknowledges that once the MEFT and MME has determined that the information furnished in Appendix A is satisfactory, it will form part of this contract.
- 3.3 The Holder warrants that the information contained in Appendix A is to the best of its knowledge and belief true and correct and that it will notify the Government of any material changes therein. Should there be such material changes, the Government reserves the right to re-negotiate the terms and conditions of this agreement.




4. COMPLIANCE AND NOTIFICATION

- 4.1 The Holder acknowledges that the reports, which it is obliged to furnish to the MME (which is provided for in the notice from the office of the Mining Commissioner under section 48(4) of the Act) will include an Environmental Report.
- 4.2 The Holder acknowledges that officials from the MME and/or the MEFT may at any time conduct a compliance and/or performance inspection of its operations.
- 4.3 The Holder will keep records of its environmental performance and make these available to the officials referred to in 4.2.

SIGNED AT Windhoek on this 13 day of April 2022

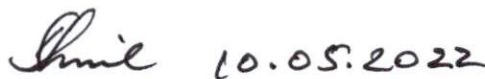
For the Holder:
(duly authorised thereto)



For the Government of Namibia:

.....
Mr Timoteus Mufeti
Environmental Commissioner
Ministry of Environment, Forestry and Tourism

and



.....
Mr. E. Shivolo
Mining Commissioner
Ministry of Mines and Energy



REPUBLIC OF NAMIBIA

MINISTRY OF ENVIRONMENT, FORESTRY AND TOURISM

Department of Environmental Affairs and Forestry
Private Bag 13306, Windhoek
Tel. + 264 61 2842811: Fax. + 264 61 229936

Enquiries: Josafat K Hiwana
Josafat.hiwana@meft.gov.na

18 July 2022

Andreas G Palfi
P. O. Box 23532
Windhoek
Namibia

ENVIRONMENTAL CONTRACT FOR MINING CLAIM 68279

Please study the **Environmental Conditions**, should you be satisfied with them, kindly initial each page and sign the last page.

Once you have done this, please return the original to me so that it can be counter-signed. Should you not agree with any of the environmental conditions, you are invited to propose modifications for us to consider.

Thank you,

Timoteus Mufeti
ENVIRONMENTAL COMMISSIONER

ENVIRONMENTAL CONDITIONS FOR MINING CLAIM 68279

1. Pollution and waste

1.1 No toxic or hazardous chemicals may be brought into the prospecting area or deposited thereon (this excludes the use of petrol & diesel as fuel).

1.2 All domestic refuse and industrial waste will be deposited in a designated municipal refuse dump at regular intervals, but at least once every three months. No refuse may be dumped or buried within the prospecting or surrounding area, except if the landowner has an own specific designated refuse site for this purpose. Dumping of refuse on this site shall be negotiated with the landowner. It is permissible to store refuse temporarily in containers until such time as they are ready for removal. During such temporary storage, all paper and plastic refuse should be incinerated to avoid wind-blown litter. All attempts should be made to keep the area clean.

1.3 Pit latrines (toilets) will be provided for, and used by, all staff. Non-specific shallow pits may be used for toilets where small groups of people (< five) are staying in an area for less than one week with approval of the landowner.

2. Vehicles and Earthmoving equipment

2.1 Vehicular movement shall be restricted to existing fence-lines, roads and tracks wherever possible. Where it is unavoidable that vehicles and machinery need to create new roads or tracks, these new access routes shall be carefully planned so as not to cause unnecessary environmental damage. In any event, no new road may be established without the prior approval of the landowner.

2.2 Any trenches where prospecting or mining has been completed, shall be systematically backfilled with overburden and topsoil, and the area rehabilitated to as near as possible a natural state.

2.3 Notwithstanding clause 2.1, during the reconnaissance and planning phase of exploration, off-road vehicle access is permitted to areas where tracks are sparse. Specifically this access is to define places to which tracks may at a later stage be constructed. Such access is subject to prior approval by the landowner.

3. Water

3.1 Water shall be used sparingly and all reasonable attempts will be made to avoid water wastage.

3.2 Water shall be used only for human consumption, washing and essential prospecting-related activities.

4. Protection of Fauna and Flora

4.1 No hunting wood or plant collecting shall be allowed within the prospecting or surrounding area. The collecting of dead wood for domestic use may only take place with the concurrence of the landowner.

4.2 Every effort shall be made avoid starting veld fires. Should a fire occur as a direct or indirect result of the companies' activities, the company/ claim holder shall make every reasonable effort to extinguish such fire.

4.3 The company/ claim holder shall provide written instructions to its entire staff and sub-contractors to this effect.

5. Interaction with neighbouring communities and / or tourists

5.1 The company/ claim holder shall maintain good relations with any surrounding communities, and shall not deny any person transit rights through the prospecting area. This condition is mainly relevant for prospecting activities on state lands.

6. Rehabilitation

6.1 The company/ claim holder shall ensure that sufficient funds are available to affect appropriate rehabilitation of environmental damage.

6.2 The company/ claim holder shall ensure that rehabilitation of exploration trenches / holes / pits will take place within 8 weeks of the completion of exploration at any site.

6.3 Under no circumstances, shall trenches / holes / pits be left in a state where their existence endangers human or animal life.

7. Monitoring and reporting

7.1 The company/ claim holder shall submit every six months an Environmental Report to the Ministry of Environment, Forestry and Tourism according to the prescribed format.


7.2 Staff from the Ministry of Environment, Forestry and Tourism and / or the Ministry of Mines and Energy may at any time inspect prospecting areas.

8. General

The conditions stated in this notification are in addition to and do not detract from any obligations which the prospecting company may have under the Minerals (Prospecting and Mining) Act, 1992 The Nature Conservation Ordinance (Ordinance 4 of 1975), or the attached Pro-Forma Environmental Contract including the Environmental Questionnaire for Prospecting in Namibia, being Appendix A.

We agree to abide by the Pro-Forma Environmental Contract and the Environmental Conditions.

For the Holder:
(Duly authorised thereto)



Andreas G Palfi

19.07.2022

Date

.....
Timoteus Mufeti
ENVIRONMENTAL COMMISSIONER
Ministry of Environment, Forestry and Tourism

.....
Date



REPUBLIC OF NAMIBIA

ENVIRONMENTAL QUESTIONNAIRE FOR MINING CLAIMS IN NAMIBIA

BEING APPENDIX A TO THE ENVIRONMENTAL CONTRACT

1. BACKGROUND INFORMATION

- 1.1 Companies/Natural persons applying for **MINING CLAIMS** must complete this questionnaire. (Please fill in ALL questions).
- 1.2 The answers provided in this questionnaire shall be regarded as commitments which will become part of the **Environmental Contract** between the Holder and the Government of the Republic of Namibia, duly represented by the Ministry of Environment and Tourism (MET) and the Ministry of Mines and Energy (MME).
- 1.3 Once the Holder has completed this questionnaire MET and MME will either accept/reject/request further information regarding the environmental commitments made therein. MET and MME reserve the right to add further conditions.
- 1.4 Once agreed to by all parties concerned, the completed questionnaire shall form part of the **Environmental Contract**.
- 1.5 Please attach a map of the mining claim area and a copy of the application to register mining claims.

2. Holder details

2.1 Name of Holder	Andreas G. Palfi
2.2 Name of Mining Claim Holder (if different from 2.1)	
2.3 Telephone, Fax, Cell Phone and/or E-Mail	Tel: 061 225120 Fax: — Cell phone: 081 124 6646
2.4 Postal Address Residential/Registered Address	PO Box 23532 WHK 81 Mandela Ave WHK
2.5 Reference Number	NEPL No: 2458 Expiry: 28 Jan 2023
2.6 Registered Number(s)	68279
2.7 Location (Farm, District, Region) of mining claim(s)	State land (Tumib). Karibib Erongo
2.8 Group(s) of Mineral(s) to be mined	Semi-precious stone.

Number of people	Where will they live?
2	Green Dragon Mine ± 900m to east

3. Environmental commitments

3.1 Pollution and Waste

- 3.1.1 What will you do with **normal litter** (e.g. Kitchen spoils, cans, bottles, paper, etc.)?
Take it to Green Dragon Mine
- 3.1.2 What **industrial waste** will be generated and what will you do with it (e.g. old machinery, vehicles, building rubble, batteries, paint, thinners, vehicle oil, etc.)? none anticipated
- 3.1.3 Describe what type of **toilet facilities** will be provided.
Toilet door

3.2 Vehicle, earthmoving equipment, drilling and blasting

- 3.2.1 List the type and quantity of vehicles, earthmoving equipment, drilling equipment, and other machinery likely to be used on your mining claim (e.g. 2 x bakkies; 1 x bulldozer, etc.)

Vehicles: 1 x 4 x 4 pickup

Earthmoving equipment: -

Drilling equipment: compressor + jack hammers

- 3.2.2 Describe the environmental damage that is likely to result from the use of vehicles and machinery within the mining claim area (e.g. on the landscape in general, soil, vegetation, noise, dust, etc.).
- 3.2.3 How will you control the movement of **vehicles and machinery** in order to minimise environmental damage?
Use existing tracks to minor prospecting pits
- 3.2.4 Which routes will be used by vehicles to get to your mining claim and state whether you intend making new roads or tracks (both to your mining claim and within your mining claim)?
as above, No new tracks will be required
- 3.2.5 Will you do any blasting on your mining claim?
Yes: _____ No: _____ Unsure:

2

3.2.6 If "yes" above, explain how you intend minimising environmental impacts, including the safety of humans, livestock and wildlife?

3.3 Water

3.3.1 How much water do you intend using for various activities (e.g. human use, washing of equipment, washing sand/stones, dust control, gardens, etc.) and state how you intend saving water within each category of use.

Activity or category of use	Quantity of water needed per month (litres)	Water saving methods
Human use.	2000L	cost of transport

3.3.2 Where will you get your water (e.g. river, own borehole, Water Affairs connection, etc.)?

Water Affairs connection in Tubosis

3.3.3 Explain how you will minimise or completely avoid polluting any water source, including underground water.

no chemicals are used

3.4 Relations with neighbouring communities and/or the general public

3.4.1 Are there any people living in or near your mining claim?

Yes: _____ No: _____ Unsure: _____

3.4.2 If "yes", explain where these people live and describe their economic activities.

NA

3.4.3 If "yes" in 3.4.1, explain what you will do to maintain a good relationship with such people.

3.4.4 Will the activities on your mining claim restrict the movement of other people in the area (e.g. the general public, tourists, farmers, local people, etc.)?

Yes: _____ No: _____

AB

3.4.5 If "yes" for 3.4.4, please explain why their movements or access will be restricted.

3.5 Protection of plants and wildlife

3.5.1 How will you ensure that your activities will not cause unnecessary damage to **plants and wildlife** in or near your mining claim) e.g. hunting, plant collecting, fishing, etc.)?

supervision, no game in the area & firewood purchased in Karibib, Usakos

3.6 Historical, archaeological and cultural heritage (e.g. rock art, graves, monuments, fossils, sacred sites, historical buildings, etc.)

3.6.1 Are there any historical, archaeological or culturally important sites within your mining claim area?

Yes: _____ No: Unsure: _____

3.6.2 If "yes", please describe briefly. *NA*

3.6.3 If such sites are known, how will you avoid damaging them?

3.6.4 If such sites are discovered after you have started working your mining claim, would you accept new conditions to this contract so that they can be properly protected?

Yes: No: _____ Unsure: _____

3.7 Rehabilitation

3.7.1 When will you rehabilitate the environmental damage done during prospecting? (Tick the appropriate box)

I have no intention of rehabilitating any damage

On a continuous basis (i.e. simultaneous with prospecting)

Only after all prospecting has finally been completed

I don't know _____

3.7.2 Describe the programme of mining from the start and the methods to rehabilitate damage.

excavation of trenches, collect semi-precious stones → refill

4. Existing Damage

Describe what environmental damage exists in your mining claim area now, in other words, damage caused by someone else before you began working on the mining claim. Where possible, provide evidence such as photos, statements, etc. *mining pits & trenches.*

I hereby declare that the information provided in this questionnaire, is to the best of my knowledge, accurate and correct, and that I'm prepared to keep to the commitments stated therein.



Mining Claim Holder

Windhoek

Place

12 April 2022

Date



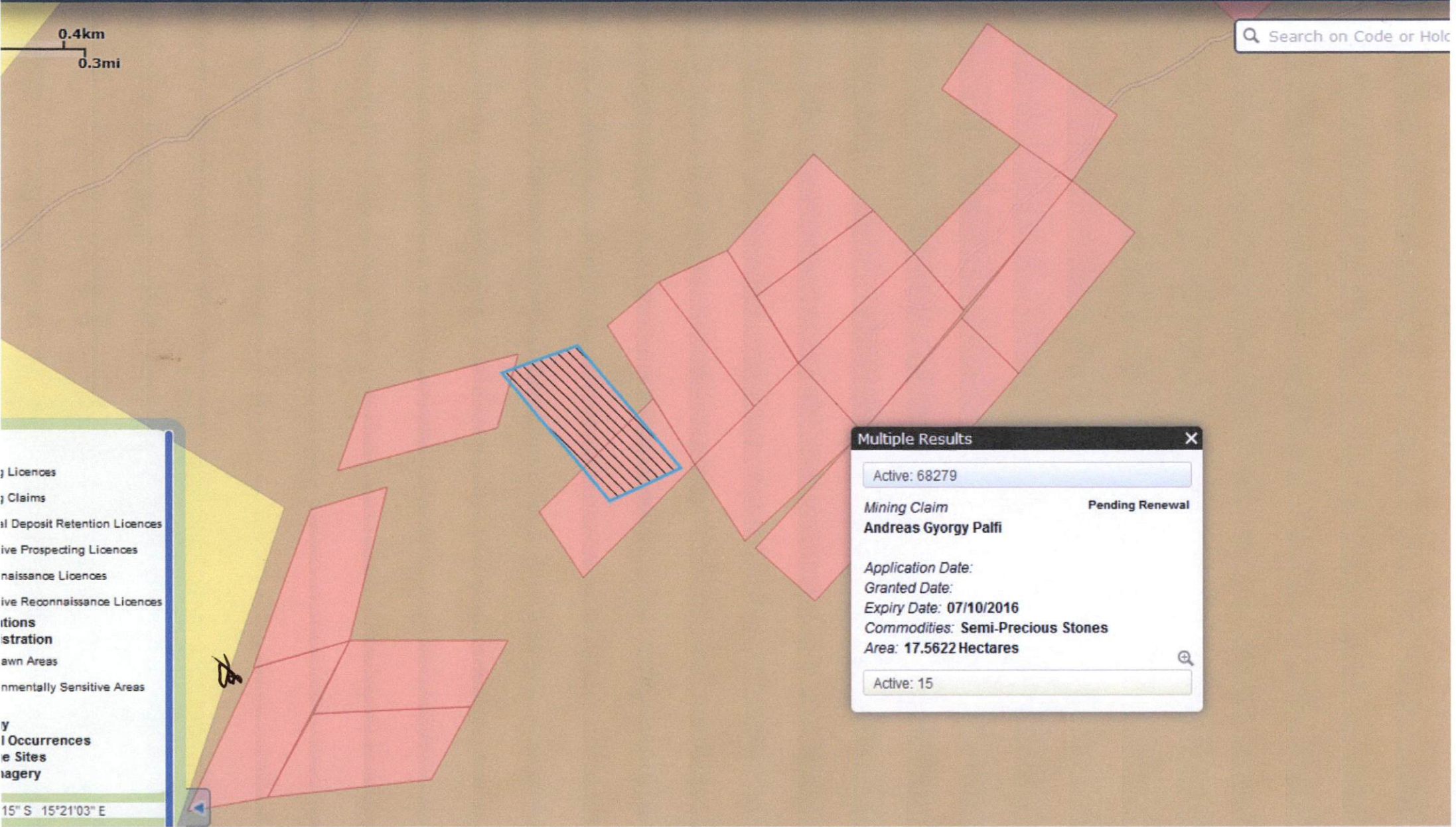
Mining Cadastre Map Portal

Search on Code or Hold

0.4km
0.3mi

- Liencoes
- Claims
- Deposit Retention Liencoes
- Prospecting Liencoes
- Reconnaissance Liencoes
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Multiple Results [Close]

Active: 68279

Mining Claim Pending Renewal

Andreas Gyorgy Palfi

Application Date:

Granted Date:

Expiry Date: **07/10/2016**

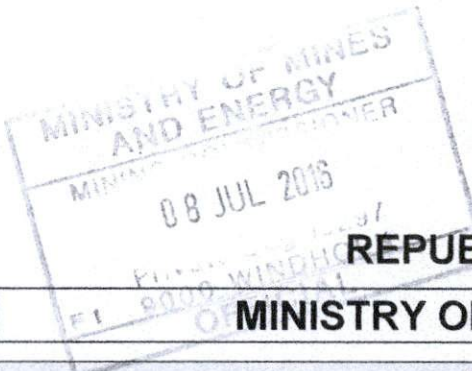
Commodities: **Semi-Precious Stones**

Area: **17.5622 Hectares** [Magnify]

Active: 15

Palfi

NOTED
G. B. Bours
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68278-9



REPUBLIC OF NAMIBIA

MINISTRY OF MINES AND ENERGY

APPLICATION FOR THE RENEWAL OF THE REGISTRATION OF MINING CLAIMS (Required in terms of Section 38 of Act 33 of 1992)

Receipt No: 1789250 Date entered in TAM:

Reference: 14/2/2/1/2/ : 2458
Full name of applicant: Mr. Andreas G. Palfi
Postal Address: PO Box 23532, Windhoek
Residential/Registered Address: 81 Mandela Avenue, Windhoek
Contact Details: Telephone Home: 061 22 5120 Telephone Work:
Fax: Cell phone: 081 124 6646 Email: pha@mweb.com.na

Are mining operations ongoing as per section 31(1)(a) of the Act?
Are all monthly reports submitted as per section 45(1) of the Act?

YES	NO
Yes	
Yes. with	65200/1

Method of Payment

- Cash
- Postal Orders, etc.
- Cheques

Bank Code [] [] [] [] [] [] [] [] [] []
Cheque No. []
Account No. []

REPUBLIC OF NAMIBIA
MINISTRY OF FINANCE

159999

Receipt Q 1789250

Collection for Ministry of Mines & Energy

Received the amount of 150 Hundred & Fifty Dollars Only! Dollar NS 250.00

In respect of the following liability Renewal fee for Mining Claims 68 68262, 68263, 68264, 68278 & 68279

Allocation 91-1591-583

To Andreas G. Palfi
P.O. Box 23532
Windhoek
Namibia

