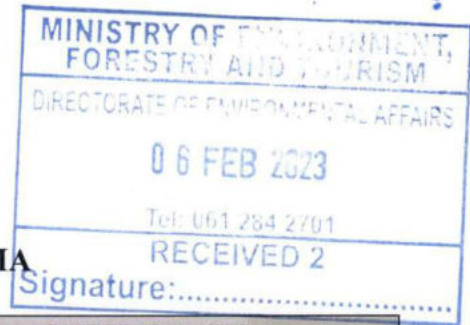


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REPUBLIC OF NAMIBIA



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, 33 of 1992 (hereinafter "the Act"), that the Minister of Mines and Energy is prepared to grant the applicant a **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 **Nikanor Shoti Mwifi** (hereinafter referred to as "the Holder") being the holder of Non-Exclusive Prospecting Licence **9354** Mining Claims registration no **73872 & 73873**

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.

2.4 Should the Holder not carry out its environmental obligations it shall be liable for the environmental damage which 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 measure 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, January 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 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 MME and/or 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 ...7... DAY OF Dec 2022

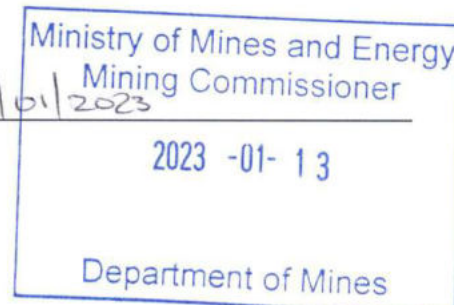
For the Holder: Nikanor Mwifi 
(duly authorised thereto)

For the Government:

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

And

Shivolo 13/01/2023
Mr EI Shivolo
Mining Commissioner
Ministry of Mines and Energy





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	Nikanor Shoti Mwifi
2.2 Name of Mining Claim Holder (if different from 2.1)	
2.3 Telephone, Fax, Cell Phone and/or E-Mail	Tel: Fax: Cell phone: + 264 817515300
2.4 Postal Address	P. O Box 55074, Rocky Crest, Windhoek
Residential/Registered Address	Grand Canaria Road, Rocky Crest, Windhoek
2.5 Reference Number	NEPL No: 9354 Expiry: 28 October 2022
2.6 Registered Number(s)	73872 & 73873
2.7 Location (Farm, District, Region) of mining claim(s)	Opuwo/Kunene Region
2.8 Group(s) of Mineral(s) to be mined	Semi-Precious Stones

Number of people	Where will they live?
5	On the claim area.

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.)?
It will be stored onsite in suitable containers, plastic bags and dispose off only on an approved waste disposal site.

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.)?
All industrial waste such as used oil will be returned to the supplier in accordance with the provisions of the Petroleum Act.

3.1.3 Describe what type of **toilet facilities** will be provided.
Temporal chemical toilet will be used daily on the mining site.

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:

1X 4x4 vehicles

Earthmoving equipment:

If it is possible

Drilling equipment:

NO

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)

Rehabilitation of the actual site associated infrastructure and access routes, etc. would however reverse this impact somewhat. Areas not directly affected by the mining although within the immediate area would be affected minimally. This would include dust, noise and other disturbances in the area.

3.2.3 How will you control the movement of **vehicles and machinery** in order to minimise environmental damage?

Avoiding random driving through the areas but rather stick to permanently placed roads tracks. This would minimize the affection localized potentially sensitive habitats in the area.

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)?

The mining team intends to only use the existing trucks connecting to the site.

3.2.5 Will you do any blasting on your mining claim?

Yes: _____ No: **NO** Unsure: _____

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

N/A

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
Only for human consumption	25 litres per day	Water will be reuse

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

borehole

- 3.3.3 Explain how you will minimise or completely avoid polluting any water source, including underground water.
French drains and latrines to built at more than 100m away from the water sources or pans to avoid pollution of primary and secondary aquifers.

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: X Unsure: _____

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

N/A

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

N/A

- 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: X

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.)

Provide screening areas in order to reduce the visual impacts of the mining activities. Avoid placing new access routes (roads and tracks) through sensitive areas. Remove unique flora species and any other local features deemed sensitive and relocated to a less sensitive site.

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.
N/A

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

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.

Only open cast mining on the area applied for will take place. New methods of mining will be used.

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.

No existing damage on the mining claim area. Middle ridge between the tracks will be rehabilitated by smoothing it.

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.

Nikanor Mwifi

Mining Claim Holder

Windhoek

Place

7/12/2022

Date