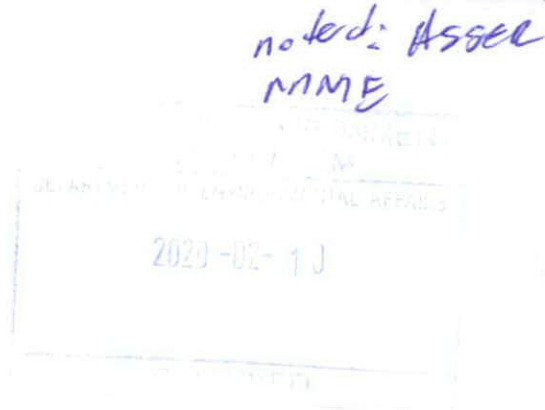




REPUBLIC OF NAMIBIA



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 **Alexander Roy Raaths** (hereinafter referred to as "the Holder") being the holder of Non-Exclusive Prospecting Licence **6789**, Mining Claims registration no **71064-71069**

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

duly represented by: THE MINISTRY OF ENVIRONMENT & TOURISM (MET), 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 MET 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.