

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 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: Mr Reginald Certacius Sawab

(hereinafter referred to as the "Holder") being the holder of Non-Exclusive Prospecting

Licence/ Mining Claim(s) no: 74100 & 74101

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 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 30th day of January 2023

For the Holder: ...

(Duly authorised thereto)

For the Government of Namibia:

Mr. Timoteus Mufeti

ENVIRONMENTAL COMMISSIONER

Ministry of Environment, Forestry and Tourism

And

Schrur 04/06/2023 Ms. Isabella Chirchir

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, Forestry and Tourism (MEFT) and the Ministry of Mines and Energy (MME).
- 1.3 Once the Holder has completed this questionnaire MEFT 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	Reginald Certacius Sawab	
2.2 Name of Mining Claim Holder (if different from 2.1)	N/A	
2.3 Telephone, Fax, Cell Phone and/or E-Mail	Tel: Fax: Cell phone: +264 81 3949726	
2.4 Postal Address	P O. Box 86, Usakos, Namibia	
Residential/Registered Address	Plot 86, Usakos, Namibia	
2.5 Reference Number	NEPL No: 7196 Expiry: 27 June 2023	
2.6 Registered Number(s)	74100 & 74101	
2.7 Location (Farm, District, Region) of mining claim(s)	Farm Davib OST 61, Usakos, Karibib District, Erongo Region	
2.8 Group(s) of Mineral(s) to be mined	Semi-Precious Stones	

Number of people	Where will they live?	
6	Usakos	

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.)?
 Wheelie bins will be made available at the site and it will be emptied on weekly basis a

Wheelie bins will be made available at the site and it will be emptied on weekly basis at Usakos landfill.

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.)?

No industrial waste will be generated from the envisaged project.

3.1.3 Describe what type of toilet facilities will be provided.

Portable toilets will be erected in the vicinity of the basecamp and it will be emptied at Usakos sewerage pond on weekly basis.

- 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:

A Nissan, Hardbody 4X4 pick-up bakkies will be used during the operation of the project.

Earthmoving equipment:

N/A

Drilling equipment:

A jackhammer equipped with a compressor will be used for drilling purposes.

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.).

The existing track will be used to access the site by vehicles and machinery. Only plant species occurring within the targeted area will be cleared. The clearing of vegetation will only take place if such plant species cannot be avoided. A thorough vegetation management plan will be formulated and all the protected and high valued plant species in the area will be avoided. The vehicles and mining equipment will be serviced on regular basis to ensure that there is no soil contamination and if any oil leakage have been detected a drip tray will be used. All employees will be provided with the correct Personal Protect Equipment (PPE). The operation hours will be restricted to 8h00 a.m. until 17H00 p.m., from Monday to Friday, no work will be allowed during the night.

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

Movement will be restricted to existing tracks during the operation of the project and no new road or track will be established. No off-road driving will be permitted on-site and an assistant environmental officer will be appointed to ensure compliance.

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 existing gravel road D1935 which stretches from Usakos to Okombahe will be used.

3.2.5	Will you do any blasting on y	our mining claim?	
Yes:		No: NO	Unsure

3.2.6	If "yes" above, explain how you intend minimizing environn	nental impacts, including the
safety c	of humans, livestock and wildlife?	

N/A

	2	***	
14	.3	Water	
ω		wate	

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.

Quantity of water needed per month (liters)	Water saving methods
100 liters per/day	Water will be used sparingly
60 liters per/day	Water will be reused to clean tools and equipment
	needed per month (liters) 100 liters per/day

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

Water will be collected from Usakos using a 500 liters water tanker trailer.

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

Vehicle and equipment will be serviced frequently to avoid any oil or fuel leakage. Any oil or fuel spillage perceived will be attended to as soon as possible by a professional company. No operation will be permitted to take place near a water source.

3.4	Relations with neighboring communities and/or the ger	neral public	
3.4.1	Are there any people living in or near your mining clai	m?	
Yes:	X No:	Unsure:	
3.4.2	If "yes", explain where these people live and describe th There are people residing on the farm and they resident		
3.4.3	If "yes" in 3.4.1, explain what you will do to maintain a good relationship with such people.		
	All communication will be channeled through the ov	vner of the farm unit	
3.4.4	Will the activities on your mining claim restrict the mother general public, tourists, farmers, local people, etc.)		
Yes:	No: <u>X</u>		

- 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.)?

An induction course on flora and fauna conservation will be given to all employees to sensitize them on the value of plants and wild animals. A vegetation management plan will be formulated and areas with endemic species will be avoided and no illegal harvesting or hunting will be permitted.

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: <u>X</u> 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: X No:Unsure:
3.7	Rehabilitation
3.7.1	When will you rehabilitate the environmental damage done during prospecting? (Tick the appropriate box)
	e no intention of rehabilitating any damage continuous basis (i.e. simultaneous with mining)
	after all prospecting has finally been completed t know
3.7.2	Describe the programme of mining from the start and the methods to rehabilitate damage.
Γhe ex	cavated areas will be backfilled on continuous basis.

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.

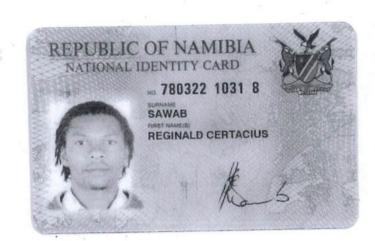
At the moment, there are old trenches and pits, however most of the area is not damage.

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

Place Place

13-62-2023 Date



NAMIBIAN POLICE FORCE USAKOS

2023 -02- 1 3

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I certify that this document is a true reproduction/
cepy of the original which was examined by me and
that, from my observations, the original has not
been altered in any manner.

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