

APP-001729



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 **BORIS MICHA SCHMIDBAUER** (hereinafter referred to as "the Holder") being the holder of Non-Exclusive Prospecting Licence **10161** Mining Claims registration no **74743-74744**

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 22 DAY OF June 2023

For the Holder:
(duly authorised thereto)

Bill Bauer

For the Government:

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

And

PP H. Chirchir

Mrs 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 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	BORIS MICHA SCHMIDBAUER
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 81 369 4655
2.4 Postal Address Residential/Registered Address	POBox 60425, KATUTURA, Namibia ERF 15 B, LILICRON STREET, EROS WINDHOEK
2.5 Reference Number	NEPL No: 10161 Expiry: 07 June 2024
2.6 Registered Number(s)	74743-74744
2.7 Location (Farm, District, Region) of mining claim(s)	KHORIXAS, KUNENE
2.8 Group(s) of Mineral(s) to be mined	Semi- Precious stones

Number of people	Where will they live?
5	On the mining site

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.)?
 Combustibles will be burnt in safe controlled designated area
 No combustibles dumped in designated pit, and covered with waste, or place in refuse bags to be disposed of unregular basis to recognized designated refuse area.
- 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
- 3.1.3 Describe what type of **toilet facilities** will be provided.
 Pit toilets dose with non-pathogenic bacteria.

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 bakkie

Earthmoving equipment:

1x fell on ad hoc basis possible for 1 week 3 times/year

Drilling equipment:

Hand drilling if possible

Other equipment and /or machinery:

Picks, shovels, gwala, wheelbarrow, TLB, etc.

- 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.).
 Minor aesthetic changes only
- 3.2.3 How will you control the movement of **vehicles and machinery** in order to minimise environmental damage?
 Minimize movement to work area only, no large vehicles etc. used
- 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)?
 Other routes within claim area kept to minimum
- 3.2.5 Will you do any blasting on your mining claim?
 Yes: _____ No: **X** 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
Human consumption only	500 liter per day	Rat ironing as there is no local source

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

Borehole, Rainwater catchment method in used.

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

No water source in area – stone desert. No dangerous compounds in use on claim area

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.

N/A

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.)?

The area is hostile rock desert, very dry, sparse to no fauna and flora. Environment will not be damaged to any noticeable extent as workings very small.

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: X Unsure: _____

3.6.2 If "yes", please describe briefly.
Obey by the rules and regulations by the authorities

3.6.3 If such sites are known, how will you avoid damaging them?
Distancing from the area to create some sort of protecting as well as obtaining guidance from correct GRN or academic instance.

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)

I have no intention of rehabilitating any damage

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

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.

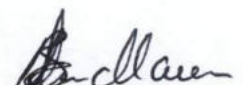
Open cast artesian mining to shallow dept (+-3m) with safe grade side -walls waste to back lashed into trench as it advances.

4. Existing Damage

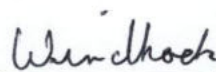
Describe what environmental damage exists in your mining claim area now, in other words, damage caused by someone else before you began working on the mining claim. Where possible, provide evidence such as photos, statements, etc.

Tailings from previous workings, minimal environmental 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



Date