

2020 -05- 15

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 **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 MINISTRY OF ENVIRONMENT & TOURISM (MET) and THE MINISTRY OF MINES & ENERGY (MME)

on the other.

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 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 muutatis 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 MET 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 renegotiate 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 MET 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 Wincheek on this | s 12 day of May |
|--------------------------------|-------------------------------------|
| For the Holder: | |
| For the Government of Namibia: | Ministry of Environment and Tourism |

and

Mr. E. Shivolo Mining Commissioner

Ministry of Mines and Energy



REPUBLIC OF NAMIBIA

MINISTRY OF ENVIRONMENT AND TOURISM

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

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

11 June 2020

Alfeus Alupe P.O. Box 167 Uis Namibia

ENVIRONMENTAL CONTRACT FOR MINING CLAIM 71426

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 | |
| ENVIDONMENTA | I COMMISSIONET |

ENVIRONMENTAL CONDITIONS FOR MINING CLAIM 71426

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 and Tourism according to the prescribed format.
- 7.2 Staff from the Ministry of Environment 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) | |
| Alfeus Alupe | 14.09.2020 Date |
| Timoteus Mufeti | Date |
| ENVIRONMENTAL COMMISSIONE | R |

Ministry of Environment and Tourism



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 | Alupe Alfens |
|--|---------------------------------------|
| 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: 08/32366 384266 |
| 2.4 Postal Address | 167. Uis |
| Residential/Registered Address | uis |
| 2.5 Reference Number | NEPL No: 76 70 Expiry: 18 March 2026 |
| 2.6 Registered Number(s) | 71426 |
| 2.7 Location (Farm, District, Region) of mining claim(s) | Wis Clongo |
| 2.8 Group(s) of Mineral(s) to be mined | semi Precius stones |

| Numbe | of people Where will they li | ive? | | | |
|---------|--|---|--|----------------------|--|
| 5 | campi | ng on Th | e craim | | |
| 3. | Environmental commitme | nts | | | |
| 3.1 | Pollution and Waste | | | | |
| 3.1.1 | What will you do with normal lit | ter (e.g. Kitchen spoil | s, cans, bottles, paper, etc.)? The nea | rest Rubbish Dump | |
| 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 waste and the site will oldor always crean | | | | |
| 3.1.3 | Describe what type of toilet facili | ties will be provided. | | | |
| | Freid Toilets | | | | |
| | | | | | |
| 3.2 | Vehicle, earthmoving equipo 2x Bakkies , IX Cic | | blasting | | |
| 3.2.1 | List the type and quantity of veh | icles, earthmoving eq | uipment, drilling equipment, and other | | |
| | machinery likely to be used on yo | ur mining ciami (e.g. | 2 X Darkies, 1 x bundozer, etc., | | |
| Vehic | <u>s:</u> | | | | |
| Earthr | oving equipment: | | | | |
| | | | | | |
| Drillir | g equipment: | | | | |
| Dimin | <u>equipment</u> . | | | | |
| 3.2.2 | machinery within the mining cla noise, dust, etc.). Possible of Of Vetation that m | aim area (e.g. on the destruction be encoun | landscape in general, soil, vegetation of found habitats at | spots on then | |
| 3.2.3 | How will you control the move environmental damage? Vehicle driveng off-rood | ment of vehicles ar | ad machinery in order to minimise a codher to the road sarcty the will be created in | vues and along | |
| 3.2.4 | Willen routes will be used by re | omeres to get to jour | mining claim and state whether you claim and within your mining claim)? We a of this No New Fraction to exist | | |
| 3.2.5 | Will you do any blasting on your | mining claim? | | i ones, | |
| Yes: | | No: X | Unsure: | | |

. .

| 3.2.6 | If "yes" above, explain he safety of humans, lives | | |
|--|--|---|---|
| 3.3 | Water | | |
| 3.3.1 | | l/stones, dust control, g | us activities (e.g. human use, wash gardens, etc.) and state how you |
| Act | ivity or category of use | Quantity of water needed per month (litres) | Water saving methods |
| Au; | mans use | 5004 | use carreful |
| Ina | lustrial use | 500 62 | |
| _ | | | |
| | | | |
| 3.3.2 | I will get 1 | nater from | ehole, Water Affairs connection, etc |
| 3.3.3 | Explain how you will mincluding underground wa | inimise or completely a uter. NO May | void polluting any water source, |
| | Explain how you will mincluding underground wa | inimise or completely a uter. NO May | void polluting any water source, |
| 3.3.3 | Explain how you will mincluding underground wa | inimise or completely a ater. NO Max | void polluting any water source, 10 ads and/or the general public |
| 3.3.3 3.4 3.4.1 | Explain how you will mincluding underground was Relations with neighborhood are there any people living | inimise or completely a ater. NO was | void polluting any water source, 10 ads and/or the general public |
| 3.3.3 3.4 3.4.1 Yes: | Explain how you will mincluding underground was relations with neighbor Are there any people living If "yes", explain where the | inimise or completely a ster. No way ouring communities a in or near your mining on the see people live and described. A/A | void polluting any water source, I O ads and/or the general public claim? Unsure: |
| 3.3.3 3.4 3.4.1 Yes: 3.4.2 | Explain how you will mincluding underground was relations with neighbor Are there any people living If "yes", explain where the | inimise or completely a ster. No way ouring communities a in or near your mining on the see people live and described. A/A | void polluting any water source, I O and S and/or the general public claim? Unsure: be their economic activities. |
| 3.3.3 3.4 3.4.1 Yes: 3.4.2 | Explain how you will mincluding underground was relations with neighbor Are there any people living If "yes", explain where the If "yes" in 3.4.1, explain w | inimise or completely a ster. No way ouring communities a no near your mining communities are people live and described hat you will do to maintan the mining claim restrict the | void polluting any water source, I O and S and/or the general public claim? Unsure: be their economic activities. una good relationship with such peo |

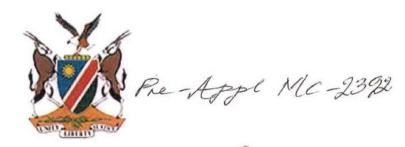
| 3.5 | Protection of plants and wildlife |
|--------------------------|--|
| 3.5.1 | How will you ensure that your activities will not cause unnecessary damage to plants and wildlife in or near your mining claim) e.g. hunting, plant collecting, fishing, etc.)? WILL COOK CANTING The Plants and Word Munting |
| 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: |
| | WI / A |
| 3.6.2 | If "yes", please describe briefly. W/A If such sites are known, how will you avoid damaging them? Report them to ministry |
| 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) |
| On a coprospering Only a | no intention of rehabilitating any damage ontinuous basis (i.e. simultaneous with ecting) fter all prospecting has finally been completed know |
| 3.7.2 | Describe the programme of mining from the start and the methods to rehabilitate damage. |
| | |
| 4. | Existing Damage |
| caused | be what environmental damage exists in your mining claim area now, in other words, damage by someone else before you began working on the mining claim. Where possible, provide ce such as photos, statements, etc. No demage |
| | by declare that the information provided in this questionnaire, is to the best of my knowledge, the and correct, and that I'm prepared to keep to the commitments stated therein. |
| | Pe Alfeus Windhoek 12 May ning Claim Holder Place Date |

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

3.4.5

Hb 15.08.2019





REPUBLIC OF NAMIBIA

MINISTRY OF MINES AND ENERGY

| IVIINISTRY OF IVIII | 1ES AND ENERGY |
|--|--|
| (NATURAL Required in terms of section 33 of the Min (Act 33 of 1992, he PLEASE NOTE THAT SECTION 25 OF THE ACT P | STRATION OF MINING CLAIM/S L PERSON) nerals (Prospecting and Mining) Act, 1992 ereinafter "the Act") PROVIDES THAT ONLY NATURAL PERSONS WHO MAY PEG MINING CLAIMS |
| Receipt No.: | Registered No(s): |
| 5090154 | 71426 |
| Date entered in LANDFOLIO and by whom: | Comments by Drawing Office: |
| 15.08.19 | |
| Full Names: Alfeus Alupe | |
| Nationality: Namibian | Date of Birth: 02 Oct 1987 |
| Passport Number: | I.D. Number: 871002 0041 5 |
| Postal Address: POBox 167, Uis | |
| Residential Address: Uis | |
| Tel No (h): | Tel No (w): |
| Fax No: | Cell phone: 081 384 2866 |
| approved accredited agent (in terms of section 121(" must be given on the prescribed form. In the case of a person who has been convicted of | in Namibia and who is required to be represented by an (1) of the Act), details of the approved accredited agent of an offence by a court of law in respect of which the spended or not, without the option of a fine, please give |
| Current Non-Exclusive Prospecting Licence No: 7670 | Valid until: 18 March 2020 |

Page 1 of 6

Application for the registration of mining claims (Natural Person)

MC-71426 (71426)

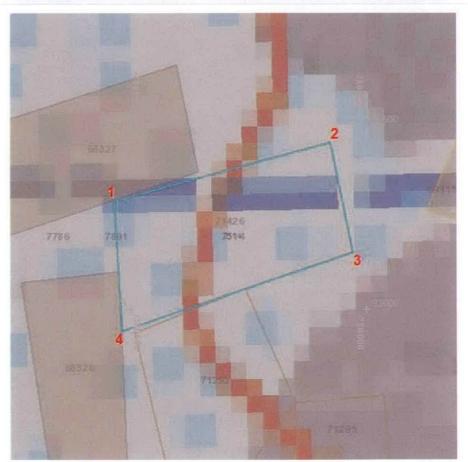
Mining Claim (Claims)

Coordinates And Shape

Coordinates

| Off | icial Area: | | 17.9599 H | 3 |
|-----|------------------|------------------|-----------|-------------------|
| Cod | ordinate system: | GCS Bessel 1841 | | |
| | | Latitude | | Longitude |
| Par | t 1 | | | |
| | 1 | 21º 08' 09.47" S | | 014º 17' 34.07" E |
| | 2 | 21° 08' 04.98" S | | 014° 17' 53.29" E |
| | 3 | 21° 08′ 14.07″ S | | 014° 17' 55.05" E |
| | 4 | 21º 08' 20.19" S | | 014º 17' 34.61" E |
| | | | | |

License Shape



MC-71426 (71426) **Application** Mining Claim (Claims) General Jurisdiction: Namibia Mines MIN 15 August 2019 Application Date: Region: Closure Date: Official Area: 17.9599 Ha Expiry Date: Pre-Application_MC_2392 Grant Date: Application Number: Last Renewal Date: Old License Code: 12 August 2019 Peg Date: Accounting Code: Renewal Application Date: Renewal Period: Commodities: SPS Comment:

 Parties

 Party Name
 Party Type
 Interest

 Alfeus Alupe
 Registered Owner