



# ENVIRONMENTAL SCOPING REPORT PLUS IMPACT ASSESSMENT

EXPLORATION ACTIVITIES ON EPL 7974 FOR BASE AND RARE METALS, INDUSTRIAL MINERALS, PRECIOUS METALS AND SEMI-PRECIOUS STONES IN THE KUNENE REGION

PREPARED FOR VOTORANTIM METALS (PTY) LTD



JUNE 2021



# TITLE AND APPROVAL PAGE

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# **EXECUTIVE SUMMARY**

Votorantim Metals Namibia (Pty) Ltd (herein referred to as Votorantim or the proponent), intends to undertake exploration activities on Exclusive Prospecting Licence (EPL) 7974 for base and rare metals, industrial minerals, precious metals and semi-precious in the Kunene region.

The proposed project triggers listed activities in terms of the Environmental Management Act, No. 7 of 2007 and its Environmental Impact Assessment Regulations, No. 30 of 2012, therefore an environmental clearance certificate is required. As part of the environmental clearance certificate application, an Environmental Impact Assessment (EIA) has been undertaken to satisfy the requirements of the Environmental Management Act, No. 7 of 2007. This environmental scoping report and Environmental Management Plan (EMP) shall be submitted to the competent authority as part of the application for the environmental clearance certificate.

The proposed exploration activities on EPL 7974 include soil sampling, ground geophysical surveys (audio-magneto telluric, induced polarization and magnetic ground surveys), geological mapping, and exploration drilling. Some limited bush-clearing in bush encroached areas will be carried out, for the creation of working areas and access tracks where necessary. All sites of activity will be managed according to stringent environmental requirements that Votorantim upholds in its exploration projects. Access agreements will be entered into with all farmers / holders of private ground which may be accessed.

The exploration activities will commence as soon as an environmental clearance certificate has been granted by the Environmental Commissioner and activities are expected to be conducted over a 3-year period, which is the duration of the exploration licence. However, the period of each phase of the exploration programme may vary and will be refined as geological information becomes available.

EPL 7974 comprises a western highlands vegetation type of the Tree-and-Shrub Savanna Biome (Mendelsohn *et al.*, 2002). The vegetation structure in the proposed area can be broadly classified as grasslands with scattered trees. The area supports a medium terrestrial diversity of animal and plant life, with the plant diversity in the area supporting between 150-299 species.

The impacts of exploration activities with respect to airborne dust are expected to be limited to vehicular traffic. There will be some release of exhaust fumes from machinery that will impact the immediate vicinity but will be of short duration. Additionally, there will be associated drilling and machinery noise, which could be a disturbance to immediate neighbours, but this will be of short duration.

Through further investigation, it was determined that the effects from noise are considered to be of minor significance, however with additional mitigation, the significance is reduced to low. The additional mitigation measures include:



- Residents shall be provided at least two weeks' notice of drilling operations within 1km of their property;
- Activities will be minimized to allocated daylight working hours;
- Continual engagement with residents shall be undertaken by the proponent to identify any concerns or issues, and appropriate mitigation and management measures shall be further agreed; and
- Noise suppression measures shall be applied if drilling occurs in locations that may affect residents.

EPL 7974 is located on the Kunene North basin (Figure 10). The area is underlain by an aquifer of little to no groundwater with a possible increased potential where fractures and faults occur on a local scale. The potential for contamination from the proposed activities is regarded as minimal. Protection of water quality is addressed in the EMP.

This study concluded that a potential environmental risk, which may require further investigation, is related to the cumulative impacts as a result of visual disturbance, nuisance of noise and the loss of sense of place. Receptors are local communal farmers, tourists and visitors. The visual disturbance and loss of the sense of place is considered to be of moderate significance, however with additional mitigation, the significance can be reduced to minor. These additional mitigation measures include:

- Positioning of drill equipment in such a way that it is out of sight from human receptors;
- Barriers or fences shall be used if drilling occurs in locations that may affect residents or livestock;
- Residents need to be informed at least two weeks in advance that drilling operations are within 1km of their property; and
- Continuous engagement with residents to identify any concerns or issues, and appropriate mitigation and management measures agreed upon.

The overall potential impact of this proposed project is not considered significant as it does not widely exceed recognised levels of acceptable change, does not threaten the integrity of the receptors, and it is not material to the decision-making process. The assessment is considered to be comprehensive and sufficient to identify impacts, and it is concluded that no further assessment is required.



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# **DEFINITIONS AND ABBREVIATIONS**

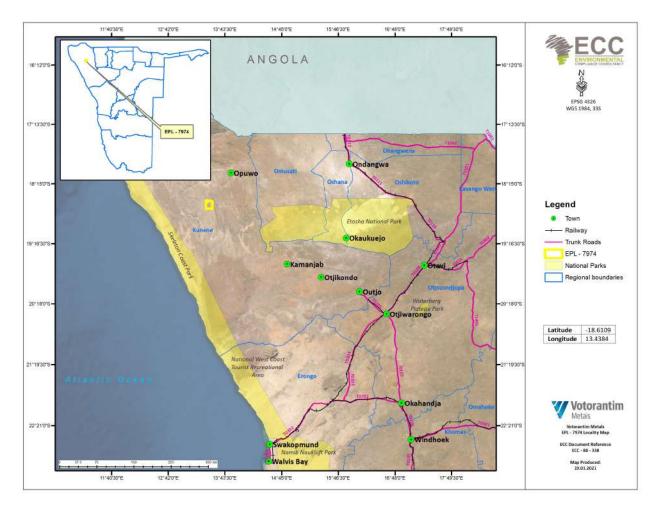
AMT	Audio-Magneto telluric	
DEA	Directorate of Environmental Affairs	
ECC	Environmental Compliance Consultancy	
EIA	Environmental Impact Assessment	
EMP	Environmental Management Plan	
EPL	Exclusive Prospecting Licence	
NDP5	Fifth National Development Plan	
GDP	Gross Domestic Product	
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immunodeficiency Syndrome	
IP	Induced Polarization	
I&AP	Interested and affected parties	
IFC	International Finance Cooperation	
MAWLR	Ministry of Agriculture, Water and Land Reform	
MET	Ministry of Environment and Tourism	
MEFT	Ministry of Environment, Forestry and Tourism	
MHSS	Ministry of Health and Social Services	
MME	Ministry of Mines and Energy	
NSA	Namibian Statistics Agency	
NTS	Non-Technical Summary	
RAB	Rotary Air Blast (drilling)	
RC	Reverse Circulation (drilling)	
ТВ	Tuberculosis	
WHO	World Health Organization	



# **1** INTRODUCTION

# 1.1 PROJECT OVERVIEW

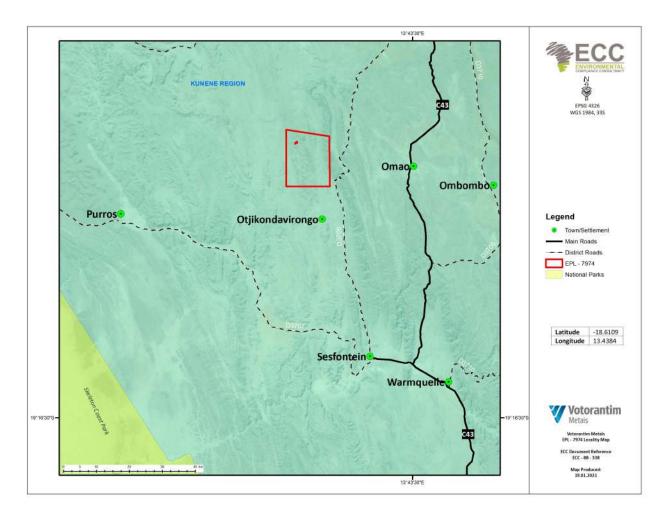
Votorantim Metals Namibia (Pty) Ltd propose to undertake mineral exploration activities on EPL 7974 for base and rare metals, industrial minerals and precious metals in Kunene Region (refer to Figure 1).



#### FIGURE 1 - LOCATION OF EPL 7974

Figure 2 provides more detail about the location of EPL 7974 in relation to access routes. The proposed project area lies mainly near the D3705 road, which passes east of the EPL. EPL 7974 is located approximately 45 km north of the Sesfontein village.

The D3705 road can be used to access the site (Figure 2). The Etosha National Park is located more than 100 km's east of the EPL.



# FIGURE 2 - LOCATION OF EPL 7974 IN RELATION TO ACCESS ROUTES

# 1.2 Scope of Work

Environmental Compliance Consultancy (ECC) has been engaged by the proponent, to undertake the ESIA and develop an Environmental Management Plan (EMP) in terms of the Environmental Management Act, 2007 and its regulations as part of the Environmental Clearance Certificate process.

The purpose of this report is to present the findings of the scoping study for the proposed project. This scoping report has been outlined in terms of the requirements of the Environmental Management Act, No. 7 of 2007 and its regulations, promulgated in 2012 (referred to herein as the EIA Regulations).

An environmental clearance application will be submitted to the relevant competent authorities; the Ministry of Mines and Energy (MME) and Ministry of Environment, Forestry and Tourism (MEFT).

ECC has prepared this report. ECC's terms of reference for the assessment is strictly to address potential effects, whether positive or negative and their relative significance, explore alternatives for technical recommendations and identify appropriate mitigation measures.



This report provides information to the public and stakeholders to aid in the decision-making process for the proposed project. The objectives are to:

- Provide a description of the proposed activity and the site on which the activity is to be undertaken, and the location of the activity on the site;
- Provide a description of the environment that may be affected by the activity;
- Identify the laws and guidelines that have been considered in the assessment and preparation of this report;
- Provide details of the public consultation process;
- Describe the need and desirability of the activity;
- Provide a high level of environmental and social impact assessment on feasible alternatives that were considered; and
- Report the assessment findings, identifying the significance of effects, including cumulative effects.

In addition to the environmental assessment, an EMP (Appendix A) is also required in terms of the Environmental Management Act, No. 7 of 2007. An EMP has been developed to provide a management framework for the planning and implementation of exploration activities. The EMP provides exploration standards and arrangements to ensure that the potential environmental and social impacts are mitigated, prevented and/or minimised as far as reasonably practicable, and that statutory requirements and other legal obligations are fulfilled.



# **1.3** The Proponent of the Proposed Project

The details of the proponent are set out in table 1.

#### TABLE 1 - PROPONENTS DETAILS

CONTACT	POSTAL ADDRESS	EMAIL ADDRESS	TELEPHONE
VOTORANTIM METALS NAMIBIA (PTY) LTD Mr Eckhart Freyer   Yvonne Hass	P O Box 97597, Windhoek, Namibia	efreyer@iway.na	+264 81 124 7342

# 1.4 ENVIRONMENTAL CONSULTANCY

ECC, a Namibian consultancy (registration number Close Corporation 2013/11401), has prepared this scoping report and impact assessment on behalf of the proponent. ECC operates exclusively in the environmental, social, health and safety fields for clients across southern Africa, in both the public and private sectors. ECC is independent of the proponent and has no vested or financial interest in the proposed project, except for fair remuneration for professional services rendered.

All compliance and regulatory requirements regarding this EIA report should be forwarded by email or posted to the following address:

# **Environmental Compliance Consultancy**

PO BOX 91193 Klein Windhoek, Namibia Tel: +264 81 669 7608 Email: info@eccenvironmental.com

# 1.5 ENVIRONMENTAL LEGAL REQUIREMENTS

The Environmental Management Act, No. 7 of 2007 stipulates that an environmental clearance certificate is required to undertake listed activities in terms of the Act and its regulations. Listed activities triggered by the proposed project in terms of the Environmental Management Act, No. 7 of 2007 and its regulations are as follows:

#### TABLE 2 - LISTED ACTIVITY RELEVANT TO THE ESIA

LISTED ACTIVITY	SCREENING DETAILS RELEVANT TO THE PPOJECT	
MINING AND QUARRYING ACTIVITIES (with	- The construction of facilities for any process or activities	
relevance here only to exploration activities)	which requires a licence, right or other forms of	
	authorisation, and the renewal of a licence, right or	
	other forms of authorisation, in terms of the Minerals	
	(Prospecting and Mining) Act, No. 33 of 1992.	
	• The proposed project operates under a licence that	
	permits for the construction of temporal	



LISTED ACTIVITY	SCREENING DETAILS RELEVANT TO THE PPOJECT
	<ul> <li>exploration campsites, drill sites and access roads.</li> <li>Furthermore, this listed activity infers the provisions of the Act under a different licence category as a basis upon which certain activities</li> </ul>
	qualify for an EIA. The Act defines prospecting and exploration activities under the lawful ownership of an EPL. An EPL excludes any mining activities, but includes activities strictly relating to exploration work. Hence the current project strictly focuses on exploration and not mining.
	<ul> <li>Other forms of mining or extraction of any natural resources whether regulated by law or not.</li> </ul>
	<ul> <li>Ground exploration activities may include soil and stream sediment geochemical sampling, geophysical surveys, geological mapping and drilling within EPL 7974.</li> </ul>
	<ul> <li>Resource extraction, manipulation, conservation, and related activities.</li> </ul>
	<ul> <li>The proposed project will explore for base and rare metals, and precious metals.</li> </ul>
WATER RESOURCE DEVELOPMENT	<ul> <li>The abstraction of ground or surface water for industrial or commercial purposes.</li> </ul>
	<ul> <li>Due to the exploration activities, groundwater will need to be abstracted, or sourced, particularly for the drilling phase. It is intended that water will be obtained from existing boreholes in the proposed project area, in liaison with landowners. Any additional borehole drilled for the intention of abstracting water for use on site should be permitted by the authorities in the form of an abstraction permit.</li> </ul>
FOREST ACTIVITIES	<ul> <li>The clearance of forest areas, deforestation, timber harvesting or any other related activity that required authorisation in terms of the Forest Act, 2001 (Act No. 12 of 2001) or any other law.</li> </ul>
	<ul> <li>The proposed project may require limited vegetation clearing in bush encroached areas for access tracks and site camps. Specially protected plant species will not be cleared without approval</li> </ul>



LISTED ACTIVITY	SCREENING DETAILS RELEVANT TO THE PPOJECT
	from the competent authority
HAZARDOUS SUBSTANCE TREATMENT, HANDLING AND STORAGE	<ul> <li>The manufacturing, storage, handling or processing of a hazardous substance defined in the Hazardous Substance Ordinance, 1974.</li> </ul>
	<ul> <li>The storage and handling of hydrocarbons (diesel fuel) on site may trigger pollution events if done incorrectly.</li> </ul>
	<ul> <li>Any process or activity which requires a permit, licence or other form of authorisation, or the modification of or changes to existing facilities for any process or activity which requires an amendment of an existing permit, licence or authorisation or which requires a new permit, licence or authorisation in terms of a law governing the generation or release of emissions, pollution, effluent or waste.</li> <li>O Drilling activities will emit dust into the</li> </ul>
	o Drilling activities will emit dust into the atmosphere.

# 1.6 TERMINOLOGIES APPLIED IN THIS REPORT

This section provides definitions of key terms to enable the reader to form a technical understanding of the type of work associated with exploration programmes.

- REMOTE SENSING techniques in mineral exploration enable explorers to evaluate large areas of the earth remotely without having to undertake ground-based exploration operations. Remote sensing may be used to map the geology and structure that potentially localise the ore deposits, or may be used to identify rocks, which have been hydrothermally altered. Remote sensing involves the use of aircraft and satellite-based equipment to obtain the data to record spectral data from the surface of the earth. Remote sensing includes a number of tools and techniques including geographical information systems, radar and sonar. Typically, satellites or a high-flying aircraft are used in the data collection process. It is a useful tool when searching for minerals and can give an indication of where deposits could be located. Remote sensing aids in narrowing down the field survey area and help to identify target areas that may be considered for mapping.
- GEOLOGICAL MAPPING of outcrops is used to describe the primary lithology and morphology of rock bodies as well as age relationships between rock units. Mapping is a crucial part of refining subsurface targets, as it provides structural information and can be used to predict the subsurface geology. This will be conducted concurrently with the geochemical sampling.



- GEOCHEMICAL SAMPLING (soil and rock sampling) is a non-invasive technique to determine the existence and extent of mineralization and a potential resource. Geochemical data are used to focus on areas of higher mineral potential as the project advances and help to define drill targets. They assist the company to drill more selectively and thereby increase the chances of intersecting mineralised zones during exploration and reduce the overall footprint of exploration and environmental impact in the area. Geochemical surveys will be the first ground exploration method to be undertaken by the proponent in the licence area.
- SAMPLING Selecting a fractional but representative part of the soil or rock for analysis.
- GROUND GEOPHYSICAL SURVEYS, including magnetic and Induced Polarization (IP) techniques, will be undertaken, as appropriate, to collect data that give an indication of essential rock properties, particularly at depth. They are also used to map the geological structures. IP surveys involve sending electrical currents into the ground, measured via electrodes along linear cutlines up to 3 km long to provide access to electrical cables. Small holes in the ground (0.2m x 0.2m x 0.3m) will be required for IP electrodes every 25 or 50m along a survey line. Copper sulphate solution will be used to improve the conduction of electrodes during the IP survey. The majority of EM techniques are completely non-invasive and operate by sending electromagnetically induced currents into the ground. EM surveys are conducted along the same linear traverse lines. A variation is the Audio-Magneto Telluric (AMT) technique, in which surveys utilize the same lines and small holes in the ground, but without the application of high voltage electrical currents.
- RAB DRILLING (Rotary Air Blast drilling) is an open-hole technique that injects compressed air down the drill pipe and recovers the drill-chip fragments, on the outside of the drill stem.
- DIAMOND DRILLING entails the use of a diamond-studded drill in order to obtain core samples of two cm or more in diameter. Bio-degradable drill additives will be used during diamond core drilling. Soil, rock and drill core samples will be temporarily stored at the site office. Exploration activities are usually undertaken in phases, with periods of no field activity between them, whilst awaiting analytical results, and the integration and interpretation of data to decide on the next phase of exploration.



# 2 APPROACH TO THE IMPACT ASSESSMENT

#### 2.1 PURPOSE AND SCOPE OF THE ASSESSMENT

The aim of this assessment is to determine which impacts are likely to be significant (the main focus of the assessment); scope the available data and any gaps which need to be filled; determine the spatial and temporal scope; and identify the assessment methodology.

Scoping of the ESIA was undertaken by the ESIA team. The scope of the assessment was determined through undertaking a preliminary assessment of the proposed project against the receiving environment obtained through a desk-top review, available site-specific literature, monitoring data and site reports.

ECC's terms of reference for the assessment is strictly to address potential effects, whether positive or negative and their relative significance, explore alternatives for technical recommendations and identify appropriate mitigation measures.

#### 2.2 THE ASSESSMENT PROCESS AND METHODOLOGY

The ESIA methodology applied here has been developed using the IFC standards and models (IFC, 2012; 2017), in particular Performance Standard 1: 'Assessment and management of environmental and social risks and impacts' which establishes the importance of:

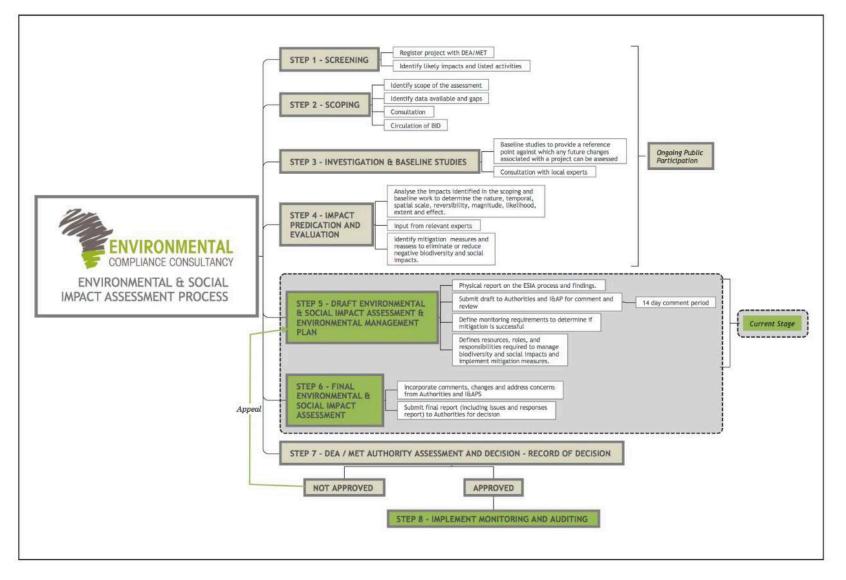
- Integrated assessment to identify the environmental and social impacts, risks, and opportunities of projects;
- Effective community engagement through disclosure of project-related information and consultation with local communities on matters that directly affect them; and
- The client's management of environmental and social performance throughout the life of the project.

Furthermore, the Namibian Draft Procedures and Guidance for ESIA and EMP (GRN, 2008) as well as the international and national best practice documents to our disposal and over 25 years of combined EIA experience, were also drawn upon in the assessment process.

This impact assessment is a formal process in which the potential effects of the project on the biophysical, social and economic environments are identified, assessed and reported, so that the significance of potential impacts can be taken into account when considering whether to grant approval, consent or support for the proposed project.

The process followed through the basic assessment is illustrated in Figure 3 and detailed further in the following sections.





**FIGURE 3 - ECC SCOPING PROCESS** 



# 2.3 SCREENING OF THE PROPOSED PROJECT

The first stages in the ESIA process are to register the project with the DEA / MEFT (completed) and undertake a screening exercise to determine whether it is considered as a listed activity under the Environmental Management Act, No. 7 of 2007 and associated regulations and if significant impacts may arise from the project. The location, scale and duration of project activities will be considered against the receiving environment.

It was concluded that an ESIA (e.g., scoping report and EMP) is required, as the proposed project is considered as a listed activity and there may be potential for significant impacts to occur.

# 2.4 SCOPING OF THE ENVIRONMENTAL ASSESSMENT

Where an ESIA is required, the second stage is to scope the assessment. The main aims of this stage are to determine which impacts are likely to be significant (the main focus of the assessment); scope the available data and any gaps which need to be filled; determine the spatial and temporal scope; and identify the assessment methodology.

The screening phase of the project is a preliminary analysis to determine ways in which the project may interact with the biophysical, social and economic environment. Impacts that are identified as potentially significant during the screening and scoping phases are taken forward for further assessment in the ESIA process. The details and outcome of the screening process are discussed further in sections 6 and 7.

Subsequently, scoping of the ESIA was undertaken by the ESIA team. The scope of the assessment was determined through undertaking a preliminary assessment of the proposed project against the receiving environment obtained through a high-level desktop review. Feedback from consultation with the client and stakeholders also informed this process.

The following environmental and social topics and subtopics were scoped into the assessment:

#### SOCIO-ECONOMIC ENVIRONMENT

- Limited goods and services procurement within the local economy.
- Limited employment opportunities for the local communities.

#### **BIOPHYSICAL ENVIRONMENT**

- Dust emissions.
- Soil and geology.
- Terrestrial ecology.
- Terrestrial biodiversity (including fauna and flora).



- Groundwater (potential cumulative impact). Water management suggestions are contained in the EMP.
- Cultural heritage.

# 2.5 BASELINE STUDIES

Baseline studies are undertaken as part of the scoping stage, which involves collecting all pertinent information from the current status of the receiving environment. This provides a baseline against which changes that occur as a result of the proposed project can be measured.

For the proposed project, baseline information was obtained through a desktop study, focussing on environmental receptors that could be affected by the proposed project, verified through site-specific information. The baseline information is covered in Section 5.

A robust baseline is required in order to provide a reference point against which any future changes associated with a project can be assessed, and it allows for suitable mitigation and monitoring actions to be identified.

The existing environment and social baseline for the proposed project were collected through various methods:

- Desk-top studies
- Consultation with stakeholders, and
- Engagement with Interested and Affected Parties (I&APs). See Appendix C.

# 2.6 IMPACT IDENTIFICIATION AND EVALUATION

Impact identification and evaluation involves predicting the possible changes to the environment as a result of the development/project. The ECC methodology was applied to determine the magnitude of an impact and whether or not the impact was considered significant and thus warrant further investigation. The impact prediction and evaluation methodology used is presented in Section 6 of this report. The findings of the assessment are presented in Section 7.

# 2.7 ESIA CONSULTATION

Public participation and consultation are a requirement in terms of Section 21 of the Environmental Management Act, No. 7 of 2007 and its regulations for a project that requires an environmental clearance certificate. Consultation is a compulsory and critical component in the ESIA process, aimed at achieving transparent decision-making, and can provide many benefits.

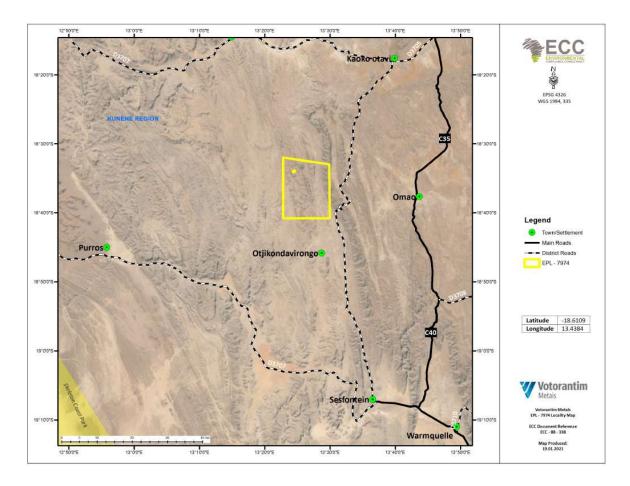
The objectives of the stakeholder engagement process are to:



- Provide information on the project to I&APs: introduce the overall concept and plan;
- Clarify responsibility and regulating authorities;
- Listen to and understand community issues, concerns and questions;
- Explain the process of the ESIA and timeframes involved; and
- Establish a platform for ongoing consultation.

#### 2.7.1 INTERESTED AND AFFECTED PARTIES

EPL 7974 is entirely located on communal land, within the Opuwo Rural Constituency (Figure 4). The D3705 run parallel to the EPL on the east side of it in a north to south direction and links to the C35 further north on-route to Opuwo. The Opuwo Rural Constituency and traditional authority (#Aodaman) areas that overlap EPL 7974 were identified as I&APs, as well as the relevant authoritative bodies. Other I&APs were identified through invitations such as the newspaper advertisements and site notices.



#### FIGURE 4 - LOCATION OF EPL 7974 WITHIN THE OPUWO RURAL CONSTITUENCY



#### 2.7.2 NON-TECHNICAL SUMMARY

The Non-Technical Summary (NTS) presents a high-level description of the proposed project; sets out the EIA process and when and how consultation is undertaken; and provides contact details for further project-specific inquiries to all registered I&APs. The NTS was distributed to registered I&APs and the NTS can be found in Appendix B.

#### 2.7.3 NEWSPAPER ADVERTISEMENTS

Notices regarding the proposed project and associated activities were circulated in three newspapers namely the 'Republikein, Sun, and Allgemeine Zeitung' on the 16<sup>th</sup> and 23<sup>th</sup> February 2021 (see Appendix C). The purpose of this was to commence the consultation process by informing the public about the project and enabling I&APs to register any comments and interest raised for the project.

#### 2.7.4 SITE NOTICES

A site notice ensures neighbouring properties and stakeholders are made aware of the proposed project. The notice was set up at the boundary of the EPL as illustrated in Appendix C.

#### 2.7.5 PUBLIC MEETING

In terms of Section 22 of the Environmental Management Act, No. 7 of 2007's regulations, for the purpose of registering I&APs, no public meeting was held during the public consultation period, as it was not deemed necessary for this project. Moreover, the public has not raised any interests or requests for a meeting to be held.

#### 2.7.6 CONSULTATION FEEDBACK

The I&APs were encouraged to provide constructive input during the consultation periods. Matters of concern raised during the initial round of consultation are presented in Appendix C. However, no issues or concerns were raised by the I&APs during the initial consultation period.

The public review period of the scoping report and the EMP will be set between the 30<sup>th</sup> of April to the 11<sup>th</sup> of May 2021 for a period of seven days, providing the public an opportunity to send any comments on the draft reports to be included and addressed, where applicable, in the final documentation.

# 2.8 DRAFT ESIA AND EMP

This report and EMP for the project's environmental clearance includes an assessment of the biophysical and social environment, which satisfies the requirements of Step 5 (Figure 3).



The ESIA report documents the findings of the assessment process, provides stakeholders with the opportunity to comment and continue consultation and forms part of the environmental clearance application. The EMP provides measures to manage the environmental and social impacts of the proposed project and outlines specific roles and responsibilities to fulfil the plan.

This ESIA report focuses on the significant impacts that may arise from the proposed project as described in Step 4 (Figure 3). These impacts are discussed in Chapter 6.

The aim of this stage was to ensure all stakeholders and I&APs have the opportunity to provide final comments on the assessment process and findings and register their concerns. No concerns were registered.

# 2.9 FINAL ESIA AND EMP

The final ESIA report and associated appendices will be available to all stakeholders on the ECC website www.eccenvironmental.com. All I&APs are informed via email. The ESIA report and appendices was formally submitted to the Office of the Environmental Commissioner, DEAF as part of the application for an environmental clearance certificate.

# 2.10 AUTHORITY ASSESSMENT AND DECISION MAKING

The Environmental Commissioner in consultation with other relevant authorities will assess if the findings of the ESIA presented in the EIA report is acceptable. If deemed acceptable, the Environmental Commissioner will revert to the proponent with a record of decision and any recommendations.

# 2.11 MONITORING AND AUDITING

In addition to the EMP being implemented by the proponent, a monitoring strategy and audit procedure will be determined by the proponent and competent authority. This will ensure key environmental receptors are monitored over time to establish any significant changes from the baseline environmental conditions caused by project activities.



# **3 REGULATORY FRAMEWORK**

This chapter outlines the regulatory framework applicable to the proposed project. Table 3 provides a list of applicable legislation and the relevance to the project. An environmental clearance is required for any activity listed as per Government Notice No 29 of 2012 of the EMA.

# 3.1 NATIONAL LEGISLATION

#### **TABLE 3 - LEGAL COMPLIANCE**

NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
Constitution of the Republic of Namibia of 1990	The Constitution of the Republic of Namibia, 1990 clearly defines the country's position in relation to sustainable development and environmental management. The constitution refers that the state shall actively promote and maintain the welfare of the people by adopting policies aimed at the following: <i>"Maintenance of ecosystems, essential ecological processes and biological diversity of Namibia and utilization of living natural resources on a</i>	The proponent is committed to engage the local community for the proposed project by providing local opportunities, as well as exploring for recourses that could be to the benefit of Namibians.
	sustainable basis for the benefit of all Namibians, both present, and future"	
Minerals (Prospecting and Mining) Act, No. 33 of 1992	Provides for the reconnaissance, prospecting and mining for, disposal of, and the exercise of control over minerals in Namibia. Section 50 (i) requires "an environmental impact assessment indicating the extent of any pollution of the environment before any prospecting operations or mining operations are being carried out and an estimate of any pollution, if any, likely to be caused by such prospecting operations or mining operations" Section 50 sets out that in addition to any term and condition contained in a mineral agreement and any term and condition contained in any mineral licence, it shall be a term and condition of any mineral licence that the holder of such mineral licence shall: – Exercise any right granted to him or her in	The proposed activity is prospecting for minerals; hence it requires an EIA to be carried out as it triggers listed activities in the Environmental Management Act and its regulations. This report presents the findings of the EIA. Work shall not commence until all conditions in the Act are met, which includes an agreement with the landowners and conditions of compensation have been agreed. The project shall be compliant with Section 76. With regards to records, maps, plans and financial statements, information, reports, and returns submitted.



NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
	terms of the provisions of this Act reasonably and in such manner that the rights and interests of the owner of any land to which such licence relates are not adversely affected, except to the extent to which such owner is compensated.	As the proponent will need to access privately owned land the proponent will ensure Sections 50 and 52 are complied with.
	Section 52 sets out that the holder of a mineral licence shall not exercise any rights conferred upon such holder by this Act or under any terms and conditions of such mineral licence	
	(a) In, on or under any private land until such time as such holder.	
	(i) Has entered into an agreement in writing with the owner of such land containing terms and conditions relating to the payment of compensation, or the owner of such land has in writing waived any right to such compensation and has submitted a copy of such agreement or waiver to the Commissioner.	
Environmental Management Act, (No. 7 of 2007) and its regulations, including the Environmental Impact Assessment Regulation, 2007 (No. 30 of 2012)	The Act aims to promote sustainable management of the environment and the use of natural resources by establishing principles for decision-making on matters affecting the environment. It sets the principles of environmental management as well as the functions and powers of the minister. The Act requires certain activities to obtain an environmental clearance certificate prior to project development. The Act states an EIA may be undertaken and submitted as part of the environmental clearance certificate application. The MEFT is responsible for the protection and	This environmental scoping report (and EMP) documents the findings of the environmental assessment undertaken for the proposed project, which will form part of the environmental clearance application. The assessment and report have been undertaken in line with the requirements under the Act and associated regulations.
	management of Namibia's natural environment. The Department of Environmental Affairs under the MEFT is responsible for the administration of the EIA process.	



NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
Water Act, No. 54 of 1956	Although the Water Resources Management Act, No 11 of 2013 has been billed, but not promulgated, it cannot be enacted as the regulations have not been passed – so the Water Act 54 of 1956 is still in effect. This act provides for "the control, conservation and use of water for domestic, agricultural, urban and industrial purposes; to make provision for the control, in certain respect and for the control of certain activities on or in water in certain areas". The Department of Water Affairs within the Ministry of Agriculture Water and Land Reform (MAWLR) is responsible for the administration of the Act. The Minister may issue a permit in terms of the regulations 5 and 9 of the government notice R1278 of 23 July 1971 as promulgated under section 30 (2) of the Water Act no. 54 of 1956, as amended.	The Act stipulates obligations to prevent pollution of water. Should wastewater be discharged, a permit is required. The EMP sets out measures to avoid polluting the water environment. Measures to minimise potential groundwater and surface water pollution are contained in the EMP. Abstraction of water from boreholes requires an abstraction permit. Abstraction rates need to be measured and reported to the authorities in accordance with the requirements of this legislation. In addition, annual reporting on the environmental impacts of water abstraction is recommendable. Should the project require drilling and abstraction of water from underground sources, an application should be submitted to the authorities.
Soil Conservation Act, No. 76 of 1969) and the Soil Conservation Amendment Act, No. 38 of 1971)	Makes provision for the prevention and control of soil erosion and the protection, improvement and the conservation, improvement and manner of use of the soil and vegetation.	This will be taken into consideration during the intention of the works to be undertaken within EPL 7974 site. Measures in the EMP set out methods to avoid soil erosion.
The Forestry Act, No. 12 of 2001 as amended by the Forest Amendment Act, No. 13 of 2005	Section 22 requires a permit for the cutting, destruction or removal of vegetation that are classified under rare and or protected species; clearing the vegetation on more than 15 hectares on any piece of land or several pieces of land situated in the same locality which has predominantly woody vegetation; or cut or	The planned project activities will include minimal vegetation clearing to support exploration activities. The necessary permit should be obtained from the MEFT, where the application should satisfy that the cutting and



NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
	remove more than 500 cubic metres of forest produce from any piece of land in a period of one year.	removal of vegetation will not interfere with the conservation of soil, water or forest resources.
National Heritage Act, No. 27 of 2004.	The Act provides provision of the protection and conservation of places and objects with heritage significance. Section 55 stipulates that exploration companies must report any archaeological findings to the National Heritage Council after which a heritage permit needs to be issued	There might be potential for heritage objects to be found on site, therefore the stipulations in the Act have been taken into consideration and are incorporated into the EMP. Section 55 compels exploration companies to report any archaeological findings to the National Heritage Council after which a permit needs to be issued before the find can be disturbed. In cases where heritage sites are discovered the 'chance find procedure' will be used
The Traditional Authorities Act 25 of 2000 and its Regulations of 2001	The Act makes provision for the establishment of traditional authorities (TA) over communal land in Namibia. The Act also sets out the structure of the TA with different levels of authority and the appointment of office bearers to the various positions. The Ministry of Regional & Local Government & Housing (MRLGH) pays allowances for the chief, 12 councillors and the secretary, and also provides funds for stationery and communications.	EPL 7974 falls within communal land administered by a traditional authority. All communication of environmental matters and beyond should be directed to the relevant traditional authority who administers the land. All communication with the Board of Trustees of the traditional authority should be directed via the secretary of the Board. The consultant has communicated with the Chief of the traditional authority.



# 3.2 NATIONAL REGULATORY REGIME

#### TABLE 4 - NATIONAL POLICIES

NATIONAL	SUMMARY	APPLICABILITY TO THE PROJECT
REGULATORY		
REGIME		
Vision 2030	Vision 2030 sets out the nation's development programmes and strategies to achieve its national objectives. It sets out eight themes to realise the country's long-term vision. Vision 2030 states that the overall goal is to improve the quality of life of the Namibian people to a level in line with the developed world.	The planned project shall meet the objectives of Vision 2030 and shall contribute to the overall development of the country through continued employment opportunities.
The Fifth	NDP5 is the fifth in the series of seven five-year	The planned project supports
National	national development plans that outline the	meeting the objectives of NDP5
Development Plan (NDP5)	objectives and aspiration of Namibia's long- term vision as expressed in Vision 2030. NDP5 is	by creating specialised or skilled opportunities for employment to
	structured on the pillars of economic	the nearby community and the
	progression, social transformation,	Namibian nation.
	environmental sustainability and good	
	governance. Under the social transformation	
Minerals	pillar is the goal of improved education.	The objectives of the Minerals
Policy	The Minerals Policy was adopted in 2002 and sets guiding principles and direction for the development of the Namibian mining sector	The objectives of the Minerals Policy are in line with the objectives of the NDP5, e.g.,
	while communicating the values of the	reduction of poverty,
	Namibian people. It sets out to achieve several	employment creation, and
	objectives in line with the sustainable	economic empowerment in
	development of Namibia's natural resources.	Namibia. The proposed project
	The policy strives to create an enabling environment for local and foreign investments	conforms to the policy, which has
	in the mining sector and seeks to maximise the	process and the production of
	benefits for the Namibian people from the	this report.
	mining sector while encouraging local	
	participation, amongst others.	
	The objectives of the Minerals Policy are in line	
	with the objectives of the Fifth National Development Plan that include reduction of	
	poverty, employment creation and economic	
	empowerment in Namibia.	
Labour Act,	The Labour Act, No. 11 of 2007 (Regulations	The proposed project will comply



NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
No. 11 of	relating to the Occupational Health & Safety	with stringent health and safety
2007	provisions of Employees at Work promulgated in terms of Section 101 of the Labour Act, No. 6 of 1992 - GN156, GG 1617 of 1 August 1997)	policies, including the compulsory use of specific PPE in designated areas to ensure adequate protection against health and safety risks. Proper storage and labelling of hazardous substances are required. The project will ensure employees in charge of and working with hazardous substances needs to be aware of the specific hazardous substances in order not to compromise

# **3.3** PERMITS AND LICENCES

#### 3.3.1 Exclusive Prospecting Licence

The EPL 7974 was granted on the 14<sup>th</sup> of September 2020 and expires on the 13<sup>th</sup> of September 2023. In terms of the Minerals (Prospecting and Mining) Act, No. 33 of 1992, an EPL may be renewed; however, it may only be extended twice for two-year periods if demonstrable progress is shown. Renewals beyond seven years require special approvals from the Minister MME, 2018.

Such renewals are subject to a reduction in the size of the EPL. When a company applies for renewal of an EPL, the application must be lodged 90 days prior to the expiry date of the EPL or, with good reason, no later than the expiry date (MET & MME, 2018).

If renewal is applied for, the MME must review the renewal application and make any comments and/or recommendations for consideration by the Minerals (Prospecting and Mining Rights) Committee (MPMRC). Amendments and revisions may be required for the EIA and EMP. Due consideration must be given when renewing the licence to ascertain whether there is justification to renew the licence. Once an EPL expires and a new EPL is issued, even if it is to the previous holder, the full screening process must be followed with a full EIA process, before operations may commence (MET & MME, 2018).

The permits and license that may be relevant to the proposed projects are outlined in Table 5.



#### **TABLE 5 - PERMITS AND LICENCES REQUIREMENTS**

PERMIT AND LICENCES	RELEVANT AUTHORITY	VALIDITY/DURATION
WATER ABSTRACTION PERMITS	Ministry of Agriculture, Water and Land Reform	Permit dependent
EXCLUSIVE PROSPECTING LICENCE	Ministry of Mines and Energy - Windhoek	3 years
NOTICE OF INTENTION TO DRILL	Ministry of Mines and Energy - Windhoek	To be submitted prior to drilling
CONSUMER INSTALLATION PERMIT	Ministry of Mines and Energy	Should be obtained in the event of storing 200 litres or more of fuel on site.

#### 3.4 WORLD BANK STANDARDS

The IFC is a member of the World Bank Group and is the largest global development institution focusing on the private sector in developing countries. Its standards have become a global benchmark for environmental and social performance. They form the basis for the Equator Principles (IFC, 2013), a voluntary environmental and social risk-management framework used by 77 financial institutions worldwide. The Equator Principles are a framework and set of guidelines for evaluating social and environmental risks in project finance activities and apply to all new projects with a total capital cost of US\$10 million or more, no matter what industry sectors, without geographic requirement. The Equator Principles are not applicable to this specific project.



# 4 **PROJECT DESCRIPTION**

# 4.1 NEED FOR THE PROPOSED PROJECT

Namibia is relatively rich in a variety of minerals, and mining has always been a critical sector of the Namibian economy. The sector contributes significantly to the country's Gross Domestic Product (GDP), through taxation, royalties, fees and equities as well as export revenues. For this reason, exploration activities are encouraged in Namibia and the vision of the Minerals Policy being to "further attract investment and enable the private sector to take the lead in exploration, mining, mineral beneficiation and marketing" supports the development.

The proposed project is in line with this vision and has the potential to create short term and limited employment and to contribute to the national income. In the event that exploration activities are successful, and a resource with commercially viable mineral concentrations can be defined, the exploration operations can potentially transcend into mining operations which can result in multiple socio-economic benefits to the region and the country at large.

#### 4.2 EXPLORATION

It is the process of sampling / collecting fragments of the earth's layers for testing of each sample's mineral composition, grade, and spatial dispersion to acquire an informed perspective of the target area's ore potential. Deep probing is achieved through ground geophysical surveys and drilling.

# 4.3 EXPLORATION METHODOLOGY

Exploration work will be entirely conducted by dedicated professional geological, geophysical consultants as well as drilling consultants and companies.

The exploration activities are executed and managed from the Votorantim Exploration Office in Otavi. A temporary field office may be established in Sesfontein for the duration of exploration on EPL 7974 due to its close proximity. Field exploration activities, using techniques as discussed below, are anticipated to be carried out over the licence validity period.

Existing tracks shall be used as far as reasonably practical. In the event that new tracks are required they will be developed by hand or by use of a bulldozer, terrain dependent. Vegetation clearing will be limited to clearing for access tracks, if necessary and site camps, should additional areas be cleared for exploration activities the Forest Act, No. 12 of 2001 and its regulations will be complied with (the relevant forestry permits will be applied for if required). Any established or large trees or specially protected plant species shall not be removed, and access tracks will be routed to avoid these wherever possible and permits will



be obtained as necessary. Impacts and effects of the geochemical surveys and drilling programmes are likely to be low.

#### 4.3.1 EXPLORATION SCHEDULE

The schedule of activities that may be undertaken for the project is presented in Table 6.

PHASE	DATE	ACTIVITY DESCRIPTION
Phase 1	Exact	Planning – Remote sensing studies and planning phases for the
	commencement date unknown	prospecting programme will require two-six months.
Phase 2	Exact	Geochemical sampling will be undertaken concurrently with
	commencement	geological mapping for approximately two-six months.
	date unknown	
Phase 3:	Exact	Geophysical surveys will then be carried out over a period of about
	commencement	two (2) months after which the project will advance to reverse
	date unknown	circulation or core drilling.
		Diamond drilling and possible Rotary Air Blast (RAB) drilling may occur, and the number of holes and aerial extent will be determined by the geochemical and geophysical anomalies obtained. AMT, IP and magnetic ground surveys shall be undertaken to measure chargeability, conductivity and magnetic susceptibility of the rocks.
		The duration of drilling programs is variable, and usually depends on the information that is gained from drilling. Applications for the environmental clearance certificate, along with all required permits will be submitted during this period should a renewal of the EPL be required.

**TABLE 6 - SCHEDULE OF ACTIVITIES THAT MAY BE UNDERTAKEN** 

#### 4.3.2 EQUIPMENT AND MATERIALS

During the exploration phase double and single cab vehicles will be used to transport workers to, from and around the site. Field activities will be organized from the exploration office in Otavi. Contractor's camp infrastructure may include tents and chemical toilets, to be temporarily set up on the site. A drill rig (track-mounted) will be brought to site for core drilling, along with a water truck and supporting equipment (rods truck, water and fuel bowsers, and RC compressor) for use during drilling. Drilling equipment, diesel fuel and consumables shall be brought to the exploration site to support exploration activities as and when needed.



#### 4.3.3 WORKERS AND ACCOMMODATION

Four to eight possible job opportunities are foreseen during the exploration phase and workers will be sourced from the nearest town, Opuwo or potentially from the village of Sesfontein in the surrounding area. The workers will be deployed at various stages of exploration including soil sampling, geological mapping, geophysical surveys and drilling operations. The proponent will provide transport. However, during the latter part of the prospecting (drilling) workers may be required to stay at the exploration site in campsites or in existing housing rented from the property owner. The proponent shall provide suitable living facilities during this period.

#### 4.3.4 WATER DEMAND

Water will be required for various uses including human consumption during the planned exploration activities and to support any of the exploration activities such as diamond drilling. The water will most likely be sourced from an existing water source on site, after permission has been obtained from the custodian of the land (Kunene Regional Council through the relevant traditional authority), of which they will be compensated for water usage. Limited water will be needed for the first stage of exploration (e.g., soil sampling),  $1m^3per$  day water will be required for geophysical surveys in the second stage of exploration and approximately a volume of  $30m^3$  per day of water may be required for diamond drilling in the third stage of exploration.

#### 4.3.5 WASTE MANAGEMENT

Waste produced on site will include sewerage and solid waste such as packaging material. Wastewater (e.g., water with drill additives) used during drilling is recycled, contained in a lined sump and allowed to evaporate after use. The drill-sludge will be disposed of at the Opuwo municipal waste disposal site. In case of the provision of mobile toilets to be used on site, sewerage generated shall be managed by the toilet contractor. Wastewater that is discharged into the environment must comply with wastewater discharge specifications.

#### 4.3.6 SITE REHABILITATION

Once exploration activities are completed the areas shall be rehabilitated to a condition as close to the original state of the site as far as possible. Rehabilitation shall be determined during the exploration programme and shall be agreed with the traditional authorities as implied by legislation (discussed in Section 3). Before and after photographs will be used to monitor rehabilitation success.

#### 4.4 ALTERNATIVES CONSIDERED

The proposed project has been subject to a process of design evolution, informed by both consultation and an iterative environmental assessment. In terms of the Environmental



Management Act, No. 7 of 2007 and its regulations, alternatives considered should be analysed and presented in the scoping assessment and ESIA report. This requirement ensures that during the design evolution and decision-making process, potential environmental impacts, costs, and technical feasibility have been considered, which leads to the best option(s) being identified.

Exploration activities range from extremely low impact exploration such as remote sensing from satellites to more invasive methods such as extensive close-spaced drilling. The methods used shall be determined, based on the exploration programme, which is further designed once more information and data is obtained. At this stage of the project, the exploration activities are yet to be finalised and therefore a range of options remain.

Once the exploration programme is further defined the following more invasive technique is envisaged at strategic locations as informed by new data:

- Diamond core drilling.

The most suitable options and methods shall be identified to ensure the impacts on the environment and society from these activities are minimised.

#### 4.4.1 NO-GO ALTERNATIVE

Should exploration activities within EPL 7974 not take place, the anticipated environmental impacts from exploration activities would not occur, however, the social and economic benefits associated with the project for the Kunene Region would also not be materialized.

There would not be an opportunity to define resources within the project area, this would be a missed opportunity for geological mapping and data collection that would add to regional knowledge of Namibia's mineral wealth and, if found to be viable for mining, could benefit the Namibian economy.



# 5 ENVIRONMENTAL AND SOCIAL BASELINE

### 5.1 INTRODUCTION

This section provides an overview of the existing biophysical environment through the analysis of the baseline data regarding the existing natural and socio-economic environment. Desktop studies on the national database are undertaken as part of the scoping stage to get information of the current status of the receiving environment. This provides a baseline where changes that occur as a result of the proposed project can be measured.

#### 5.2 SITE AND SURROUNDING ENVIRONMENT

The unproclaimed settlements of Otjikondavirongo and Kaoko-Otavi are situated approximately 20km south of the project area and +/- 50 km north of the project area respectively and can be accessed from the D3705 district road (Figure 5). The C40 further east of the EPL connects to the settlement of Omao. A number of district roads crisscross the Kunene Region, while a network of tracks provide access to the EPL from the D3705 (Figure 5).

The only proclaimed village in the Kunene Region, Sesfontein (60km south of EPL 7974), is a small village in the Kunene Region, northern Namibia, and the closest proclaimed village with basic amenities to the EPL. Sesfontein is governed by the Kunene Regional Council with an administrative center situated in Otuani. Its economy relies mostly on tourism and farming based businesses. Surrounding the Sesfontein settlement there are more than 30 game/cattle farms operating as both commercial and subsistence farming operations. The Sesfontein area is known for its springs, hence the name given to the settlement.

EPL 7974 overlaps with no commercial farms (Figure 5) as it is entirely located on communal land. The tracks within the general area can be used for access and movements during the course of exploration activities. The EPL lies in a region that receives between 100-150ml annual rainfall, which allows for mainly subsistence livestock and to a lesser extent, crop production in the area.

Pro-active communication between the proponent, the Kunene Regional Council and the #Aodaman traditional authority, need to be maintained when planning to access the EPL and to keep them updated on exploration activities.



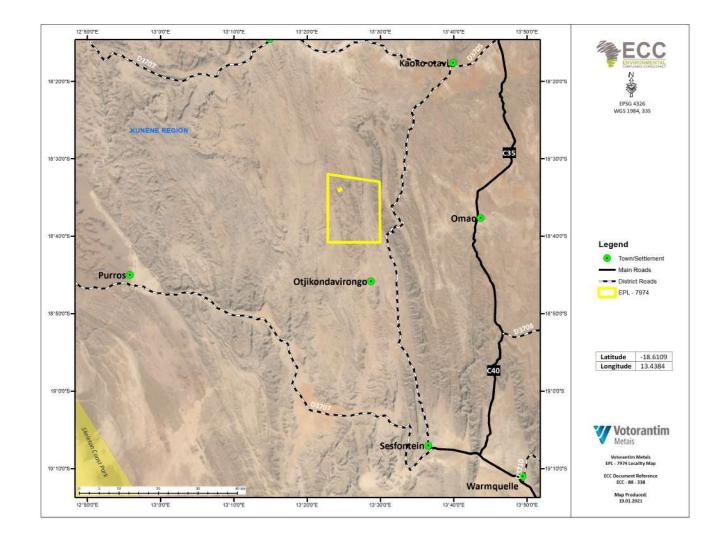


FIGURE 5 - ACCESSIBILITY MAP OF EPL 7974



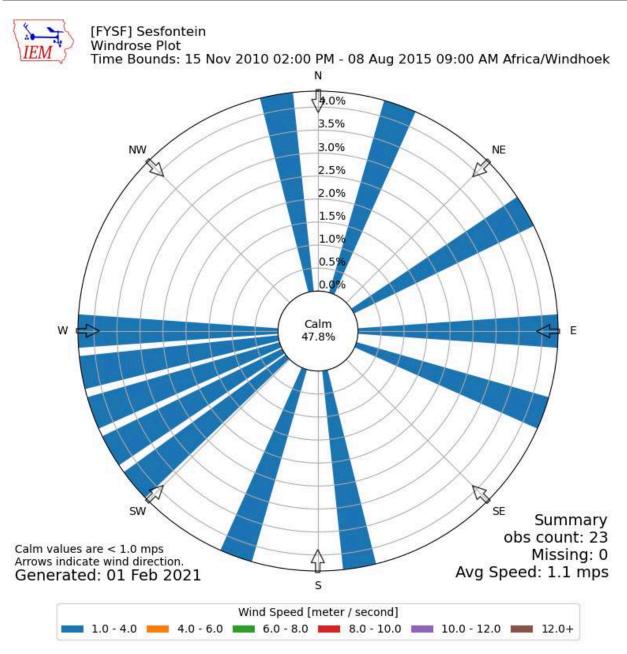
# 5.3 CLIMATE

EPL 7974 receives between 100-150mm of rainfall per year, with a high variation coefficient of 70-80%. Rainfall events are limited to the summer months, mainly between January and March, in the form of thunderstorms often associated with heavy downpours. Potential evaporation is between 2,100 and 2,240 mm per year, meaning an average water deficit of between 2,240 and 2,380 mm per year may occur. Relative humidity is low, rarely more than 20% in winter but may reach 85% in summer before or after thunderstorm build-up. Maximum temperatures average around 30-32°C, while minimum temperatures are around 8-10°C during summer months. During winter months temperatures can range between 5-26°C. Deviations from these averages are common. Occasional frost can occur (Mendelsohn et al., 2002).

Due to the rhythm of the pressure systems, the wind patterns over the interior remain fairly predictable. Prevailing wind over EPL 7974 is expected to be from the west to southwest, with occasional airflow from north, northeast and south. Wind speed is expected to be low with more than two-thirds of the time lower than 4 m/s. The stronger air movements during the afternoons and evenings are the result of the ground being heated more in some places than others, in combination with the orographic effect of the mountains. During the winter months wind speed is slightly higher (Mendelsohn, et al., 2002).

Predominant wind direction is from the south west, with an average wind speed of 2.5 mps (meters per second), and a calm of 48% (Figure 6) (Iowa State University, 2021).





# FIGURE 6 - PREVAILING WIND DIRECTION AND WIND SPEED IN THE GENERAL AREA OF THE PROPOSED PROJECT (SOURCE: IOWA STATE UNIVERSITY, 2020).

#### 5.4 GEOLOGY AND GEOMORPHOLOGY

The local geology of EPL 7974 comprises a combination of gneiss outcrops of the Swakop group which forms part of the Damara Supergroup and the Epupa, Huab and Abbabis Metamorphic Complexes (Cx), which is the oldest lithological unit in Namibia (2 600-1 650 Ma) (Figure 7) remanded to a small section in the south of the EPL. The Damara Supergroup (850-600 Ma) covers the largest part of the northwest quarter of Namibia and is oriented in a predominantly SW-NE direction with an extension into what is known as the Otavi Mountains (Mendelsohn et



al, 2002). Undulating rocky outcrops can be observed throughout the EPL. It is within these older lithological units that base and rare metal deposits may be found.

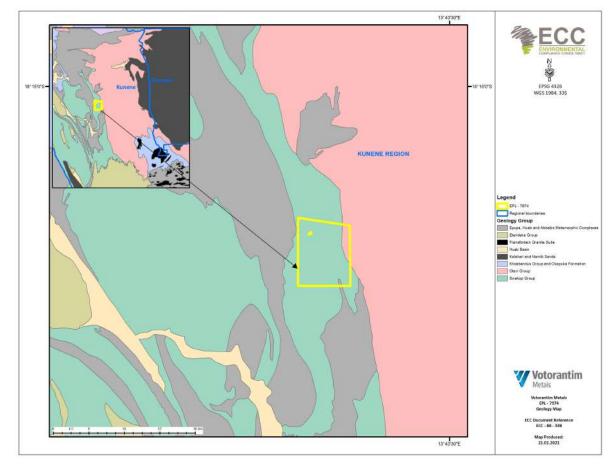
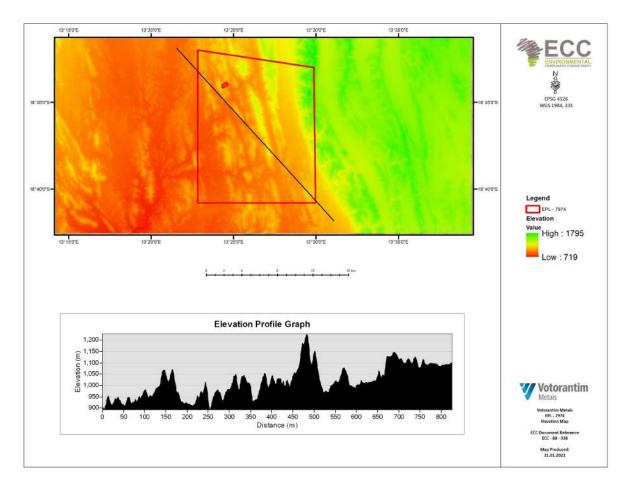


FIGURE 7 - EPL 7974 REGIONAL AND LOCAL GEOLOGY

5.5 TOPOGRAPHY AND SOIL

EPL 7974 is located on an elevation varying between 719m and 1,795m above mean sea level (Figure 8). The landscape is rugged with some sharp topographical contrasts with incised streams. Generally, there is a fall in elevation from east to west, with the highest readings to the east of the EPL.



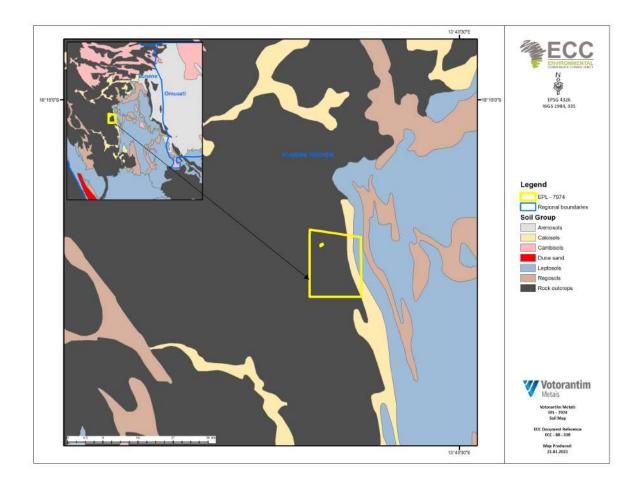


#### FIGURE 8 - ELEVATION PROFILE ALONG EPL 7974

Topsoil is largely absent where the surface is covered with rocky outcrops within most of the surface area of the EPL, with petric calcisols interjected on a small scale within the eastern section of the EPL (Figure 8). Petric calcisols is a combination of petrified soil which contains accumulations of calcium carbonate, often in a cemented form called calcrete (Mendelsohn et al., 2002). Although calcisols are potentially fertile, the soil within the EPL comprise a solid layer at a shallow depth that remains hard, even at depth (Mendelsohn et al., 2002).

The sources of dust associated with the proposed exploration activities are land clearing and the creation of access roads if necessary. These activities may have a minor impact on the neighboring farming community.





#### FIGURE 9 - EPL 7974 REGIONAL AND LOCAL SOIL MAP

#### 5.6 Hydrology

The surface hydrology through EPL 7974 follows a relatively dendritic pattern which develops on relatively uniform surface materials and branches off from the main Hoanib ephemeral river, which means that well-defined surface drainage systems are absent, or follow only short distances before surface water penetrates the surface. Although a drainage pattern can be identified, the flow of surface water is more defined by topographical valleys than the presence of streambeds. In addition, there are no known natural spring formations on the EPL although six springs are found within the Sesfontein settlement area further south.

#### 5.6.1 GROUNDWATER

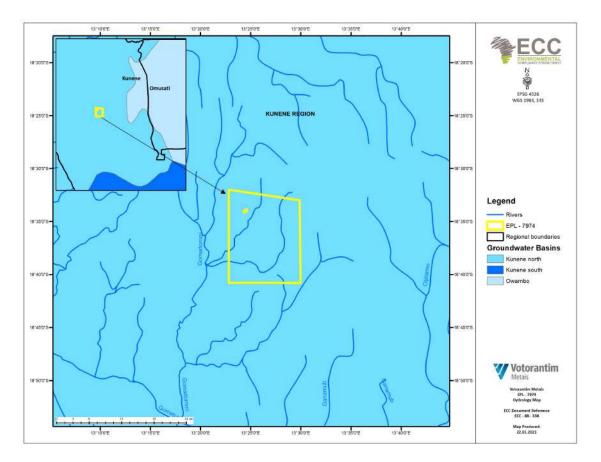
No borehole data exists for the area overlapping the EPL. It is assumed that water will be obtained from a groundwater source (i.e., a communal waterpoint) during the exploration activities. Considering the nature and scale of the proposed exploration, drilling is unlikely to impact groundwater. Should the project require the drilling and abstraction of water from a borehole, an application must be submitted to the MAWLR.



#### 5.6.2 GROUNDWATER FLOW

Groundwater flow in the area takes place mainly along fractures and contact zones within hard rock formations. Groundwater in the area flows in a northeasterly direction as inferred from historical groundwater data.

EPL 7974 is located on the Kunene north basin (Figure 10). The area is underlain by an aquifer of little to no groundwater with a possible increased potential where fractures and faults occur on a local scale. (Mendelsohn et al., 2002).



#### FIGURE 10 - HYDROLOGY MAP OF THE EPL 7974

#### 5.7 **BIODIVERSITY**

#### 5.7.1 VEGETATION

EPL 7974 falls within the Acacia tree-and-shrub Savanna Biome (Figure 11). It is broadly classified as having a western highlands vegetation type characterised by grasslands and scattered trees. The majority of the EPL plant growth become progressively shrubby, especially where the soils are shallower, slopes are steeper and where it is hillier and rockier (Mendelsohn et al, 2002). Thorny Acacia species dominate but a number of species are closely associated with the higher elevations only. Thornbush thickets dominate on the sandy parts



and calcrete-rocky parts. The Mopane grows scrubbier and to a moderate height in this part of the country (Mendelsohn et al., 2002)

The most important environmental variable affecting the vegetation is rain, but micro-habitat conditions and rangeland management practices determine bush density and grass composition. Grazing resources are made up of a wide variety of grass species, which vary widely in palatability and in their abundance in the project area.

Plant diversity is estimated to be between 150-299 species (Mendelsohn et al, 2002), although local differentiation because of topography and the availability of water is possible. This is an average occurrence of plant diversity in Namibia, and some endemics, near-endemics and protected species may occur. Biophysical baseline information does not accentuate the uniqueness of mountain vegetation and the diversity of plants species may converge on relatively small areas in which there are several habitats and niches offered by micro-climate, elevation, and sheltered spaces.

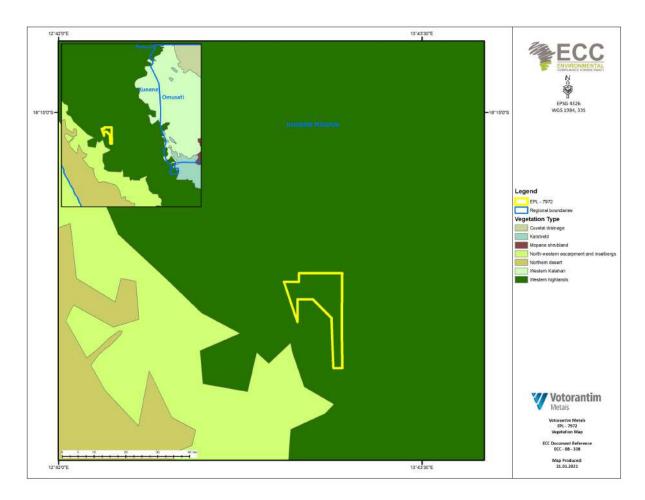


FIGURE 11 - EPL 7974 REGIONAL AND LOCAL VEGETATION MAP



#### 5.7.2 FAUNA SPECIES

Overall terrestrial biodiversity of the EPL area falls within the medium range. The number of mammal species ranges between 76 and 90, the number of bird species is between 111 and 140 with 61 - 70 reptile species, 4 - 7 frog species and 12 - 13 scorpion species that could be expected (Mendelsohn et al, 2002). On a local scale it is expected that diversity increases with the increase in habitats, which is closely coupled to shelter, food and water availability and migration routes. The micro-climate associated with an increase in elevation plays a prominent role in this regard and is directly related to the increase in terrestrial diversity.

The dominant land use within and on the surroundings of the EPL is subsistence livestock farming, in particular large livestock farming and to a lesser degree crop production and tourism.

#### 5.8 SOCIO-ECONOMIC BASELINE

The entire EPL is located within the Kunene Region in the north-western half of the country, bordering the Omusati - northeast, Oshana - northeast, Oshikoto - northeast, Otjozondjupa - east and the Erongo region - south. In the west the region stretches along the Atlantic Ocean coastline.

#### 5.8.1 DEMOGRAPHIC PROFILE

Namibia is one of the least densely populated countries in the world (2.8 people per km<sup>2</sup>). Vast areas of Namibia are without people, in contrast to some fairly dense concentrations, such as the central-north and along the Kavango River. The Kunene region has the least amount of people per square kilometre and home to the Himba ethnic group.

National population growth rate is estimated at less than 2%, lower than most African countries. Namibia's population is young - although 57% falls in the age group 15 – 59, 37% of the total population is younger than 15 (NSA, 2017). Since 2005 there has been a steady improvement in life expectancy, currently estimated at 65 years. In 2018 it was estimated that 50% of all Namibians are urbanized, in other words living in an urban settlement (retrieved from <u>www.worldpopulationreview.com</u>). The last national census was conducted in 2011 and counted 2.1 million Namibians. An inter-censal demographic survey was conducted in 2016 and estimated the total population at 2.3 million (NSA, 2017).

The population density of the Kunene Region, where the project is located, is low (0.8 persons per km<sup>2</sup>) when compared to the national average and the current total population of the region was estimated at 97 865 in 2016 (NSA, 2017). Opuwo is the biggest town in the region, recording 27 272 residents in 2011 growing at an average of 2.7 % per annum. In 2011 the population within the Sesfontein conservancy was counted at 2500 persons.



#### 5.8.2 GOVERNANCE

Namibia is divided in 14 regions, subdivided by 121 constituencies. The Kunene Region is divided into six constituencies. Each region has a regional council, elected during regional elections per constituency. Towns and villages are governed through local authorities, in the form of town or village councils respectively.

Opuwo is the capital and also the largest town of the Kunene Region. Many of the region's head offices are located in the town. Other towns of the region are Outjo, Fransfontein, Khorixas, Sesfontein, and Okanguati. The Sesfontein settlement is governed by the Kunene Regional Council through an administrative center in Otuani. Custodianship over the communal land in which the EPL is located rests with the Kunene Regional Council through the traditional authority structure present.

#### 5.8.3 HEALTH

Since independence in 1990, the health status of Namibia has increased steadily with a remarkable improvement in access to primary health facilities and medical infrastructure. Despite the progress, the World Health Organization (WHO) in 2015 recommended strategic priorities for the health system in Namibia which include improved governance, an improved health information system, emergency preparedness, risk reduction and response, preventative health care and the combating of HIV/AIDS and TB (WHO, 2016).

HIV/AIDS remains a major reason for low life expectancy and is one of the leading causes of death in Namibia. There is a high HIV prevalence among the whole population, but since the peak in 2002 (15,000 new cases of HIV per year, and 10,000 yearly deaths due to AIDS) the epidemic started to stabilise (UNICEF, 2011). Although new infections as well as fatalities halved during the next decade, life expectancy for females returned to pre-independence levels but for males it did not reach pre-independence levels yet. HIV/AIDS remains the leading cause of death and premature mortality for all ages, killing up to half of all males and females aged 40 - 44 years in 2013 (IHME, 2016).

Tuberculosis (TB) is a leading killer of people infected by HIV/AIDS, and Namibia has a high burden – in 2018, 35% of people notified with TB were infected with HIV. The country is included among the top 30 high-burden TB countries in the world, with an estimated incidence rate of 423 per 100,000 people and 60 fatalities per 100,000 people in 2018 (retrieved from www.mhss.gov.na).

There are 28 recorded health facilities in the Kunene Region that provide basic health services at a minimum frequency and facility based 24-hour delivery services, with qualified staff. The basic services include outpatient curative care services for sick children and for adult STIs, temporary methods of family planning, antenatal care, child immunisation, and growth monitoring (HFC, 2009).



As of the beginning of 2020 the coronavirus disease (COVID-19), a communicable respiratory disease, has caused illness in humans at a pandemic scale and has resulted in an increasing number of deaths worldwide. The viral outbreak is adversely affecting various socio-economic activities globally, and with reports of the increasing number of people testing positive, it is anticipated that this may have significant impacts on the operations of various economic sectors in Namibia too. The disease caused many countries to enter a state of emergency and lockdown mode, with dire economic consequences.

#### 5.8.4 Employment

Kunene's labour force participation rate was 67.1%, compared to the average of 71.2% for Namibia. At a constituency level, the labour force participation rate was highest in Kamanjab (77.6%) and lowest in Epupa (60.6%). Skilled agriculture/fishery is the economic sector with the most employees – about 46.5%, while 12% of those employed fell in the service workers occupational group. Wages and salaries represented the income source of 41.0% of households (NSA, 2018). As a whole the region was marked by low education levels, which affected employability and prevented many households to earn a decent income. More than 60% of the population is over 15 years of age and about one-third of the total population can be regarded as part of the labour force.

The unemployment rates in Namibia, particularly among the youth are high. According to the Namibia Labour Survey (2018), the unemployment rate of the Kunene region was 41.6%, while the unemployment rate for people between 15 and 34 years of age was 53% in 2018, slightly higher than the national average of 46.1% (Namibian Statistics Agency, 2018).

In 2018, 53.4% of all working Namibians were employed in the private sector and 21.5% by the state. State-owned enterprises employ 7.6% Namibians and private individuals 16.6%. Wages and salaries represented the main income source of 47.4% of households in Namibia. Agriculture (combined with forestry and fishing) is the economic sector with the most employees – 23% of all employed persons in Namibia work in this sector. Agriculture is also the sector that employs the most informal workers in Namibia, calculated at 87.6%. Wages of employees in the agriculture sector are lower than all other sectors except for workers in accommodation and food services and domestic work in private households (NSA, 2019).

Low education levels affect employability and prevents many households to earn a decent income. Of all people employed in Namibia, 63.5% are not higher qualified than junior secondary level (Grade 10 and lower). In total 11.8% of all people employed had no formal education. In total 29.1% of all people employed fall in the category "elementary occupation" and 15.2% in the category "skilled agriculture" (NSA, 2019).

Overall, the rate of unemployment is estimated at 33.4% for Namibia, using the broad definition of unemployment. More than 60% of the population is over 15 years of age and about one-third of the total population can be regarded as part of the labour force. The



unemployment rate in rural and urban areas is almost the same – 33.4% in urban areas and 33.5% in rural areas. The highest unemployment rates are found amongst persons with education levels lower that junior secondary. The unemployment rate of persons with no formal education is 28.6%, with primary education 34.6% and with junior secondary education 32.7% (NSA, 2019).

#### 5.8.5 ECONOMIC ACTIVITIES

The Kunene Region is divided into conservancies and operates under the CBNRM (Community Based Natural Resource Management) program in Namibia in partnership with the Ministry of Environment, Tourism and Forestry, NGOs' and Traditional Authorities. The conservancies allow communities to benefit from natural resources in their areas. The Sesfontein conservancy, which was registered in 2003 overlaps EPL 7974, therefore tourism activities may occur within or surrounding the EPL. The main source of income for this conservancy is through joint-venture tourism accounting for 43% of all income generating activities, with trophy hunting in second place at 31% (Bollig, M. (2016). On both commercial and communal land, bush encroachment decreased the carrying capacity of the farms markedly over the last four decades. The invader bush is managed in several ways, one of which is the production of charcoal for export. In 2009, the

Mining plays a pivotal role in the economy of Namibia. Since independence, it has consistently been the biggest contributor to Namibia's economy in terms of revenue and accounts for 25% of the country's income. Mining is one of the main contributors to GDP, and one of the largest economic sectors of Namibia. The main commodities are uranium, gold, diamonds, copper, zinc, lead, salt and dimension stone. Also, a major employer, about 1.7% of the formal labour force of Namibia is directly employed by the mining sector.

Employees in mining receive the highest wages by industry (NSA, 2019). The multiplying effect of income from employment in the mining sector is also significant – not only is it estimated that each employed person provides for four other persons, but the mining industry contributes in various ways to the national economy by means of taxes and royalties, a strong service-support base and specialized contractors. Although the region is rich in mineralised rock formations, no tangible large scale extractive operations are present in the region. Small scale extraction, value addition and marketing of crystal rocks for the local tourism market takes place.

Since 2016, Namibia recorded slow economic growth, registering an estimated growth of only 1.1% in 2016. The primary and secondary industries contracted by 2.0 and 7.8% respectively. During 2017 the economy contracted by 1.7, 0.7 and 1.9% in the first, second and third quarters respectively (NSA, 2019). Despite the more positive expectations, the economy retracted to an average growth of not more than 1% annually since 2017.

#### 5.8.6 CULTURAL HERITAGE

In Namibia several mountainous landscapes are closely coupled to heritage values. The Peet Alberts Rock engravings located southwest of the EPL is evidence of early habitation in this area and is registered as a national monument.

A review of the National Heritage Council database was conducted, and within EPL 7974 there are no known heritage sites. In cases where heritage sites are discovered the chance find procedure will be used.

If any historical or heritage sites(s) of importance on or around the project area are encountered during exploration activities these will be reported to the Monument's Council in Windhoek, and the site will be left untouched.

#### 5.8.7 NOISE AND SENSE OF PLACE

EPL 7974 is located where the predominant land use is extensive subsistence farming and tourism activities with the only signs of human influence is in the form of agricultural infrastructure, e.g., water installations, fences, tracks, and buildings. Sensitive receptors associated with the EPL area may include farm owners and farm workers, neighbours, visitors, and tourists.

The naturalness of the area can be disrupted by the combined and amplified effects of exploration activities – in the form of noise, dust, movements of heavy machinery, landscape scars and visual obtrusions. This may alter and affect the lifestyle of receptors, although the exploration activities are short-term and reversible.

EPL 7974 lies in communal land, and it is likely that noise will become a nuisance to communal residents of the area. The proponent will continue to communicate with the farmers, should this be a pertaining issue, and further mitigation measures will be applied.

Additionally, work will be planned in advance and an agreement will be met with the farm owners on the most suitable timing of work and amelioration noise during drilling activities.



### 6 IDENTIFICATION AND EVALUATION OF IMPACTS

#### 6.1 INTRODUCTION

This chapters outlines ECCs method to identify and evaluate impacts arising from the proposed project. The findings of the assessment are presented in Chapter 7.

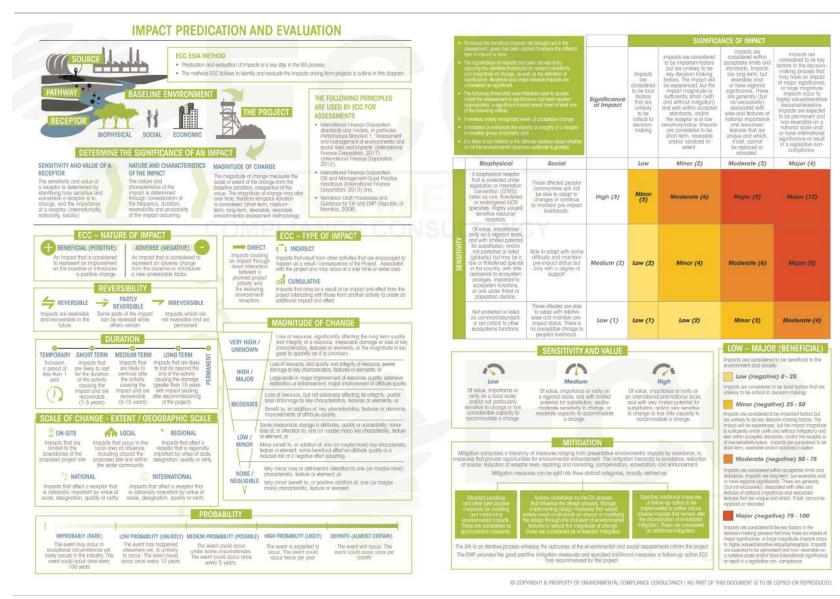
The evaluation and identification of the environmental and social impacts require the assessment of the project characteristics against the baseline characteristics, ensuring all potentially significant impacts are identified and assessed. The significance of an impact is determined by taking into consideration the combination of the sensitivity and importance or value of environmental and social receptors that may be affected by the proposed project, the nature and characteristics of the impact, and the magnitude of potential change. The magnitude of change (the impact) is the identifiable changes to the existing environment which may be negligible, low, minor, moderate, high, or very high; temporary or short term, long-term or permanent; and either beneficial or adverse.

This chapter provides the following:

- Details on the assessment guidance used to assess impacts;
- Lists the limitations, uncertainties and assumptions with regards to the assessment methodology;
- Details how impacts were identified and evaluated, and how the level of significance was derived; and
- Details how mitigation was applied in the assessment and how additional mitigation was identified.



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#### 6.2 ASSESSMENT GUIDANCE

The principal documents used to inform the assessment method are:

- International Finance Corporation standards and models, in particular Performance Standard 1, 'Assessment and management of environmental and social risks and impacts' (International Finance Corporation, 2017) (International Finance Corporation, 2012);
- International Finance Corporation CIA and Management Good Practice Handbook (International Finance Corporation, 2013); and,
- Namibian Draft Procedures and Guidance for EIA and EMP (Republic of Namibia, 2008).

#### 6.3 LIMITATIONS, UNCERTAINTIES AND ASSUMPTIONS

The following limitations and uncertainties associated with the assessment methodology were observed:

- Topic-specific assessment guidance has not been developed in Namibia. A generic assessment methodology was applied to all topics using IFC guidance and professional judgement.

A number of limitations and uncertainties were acknowledged during the ESIA process. In line with ESIA best practice, assumptions have been made based on realistic worst-case scenarios, thereby ensuring that the worst-case potential environmental impacts are identified and assessed. Table 6 contains the assumptions and uncertainties identified during the assessment process.

Where uncertainties exist, a cautious approach has been applied, allowing the worst-case scenario for potential impacts to be identified. Where limitation and uncertainties exist, assumptions have been made and applied during the assessment process. These have been clearly described in the baseline section.

LIMITATION / UNCERTAINTY	ASSUMPTION
Number of access roads and temporary drill campsites	The making of new tracks or access roads will be avoided, and existing tracks and routes will be used as far as possible. While every effort will be made to minimize environmental damage, in some cases it will be necessary to clear some bush to create small roads, which may be required for equipment to reach the site and for temporary campsites. If needed, cut lines have to be created by clearing of vegetation to have access to some parts of the EPL.
The program of exploration works is not confirmed	It is assumed that exploration work shall take a couple of months with two-to-three-week sampling projects at different times on different sites and with follow-up exploration drilling projects

#### TABLE 7 - LIMITATIONS, UNCERTAINTIES AND ASSUMPTIONS



LIMITATION / UNCERTAINTY	ASSUMPTION
	<ul> <li>possible. Activities involve drilling; aerial or remote sensing;</li> <li>geophysical surveys; and mineral sampling. Pitting and trenching are unlikely and generally not favoured.</li> <li>If commercially viable concentrations can be defined by preliminary drilling, a next phase of advanced resource drilling operations is possible.</li> </ul>
Number of workers, area they will come from and accommodation	It is planned that approximately four to eight people will be contracted for the proposed project. Most of the employees will stay in either Sesfontein or Opuwo; contractors may camp on exploration sites / farms, depending on approval from farm owners.
Structures	No permanent infrastructure development will take place in the greenfield phase of operations which will span the 3-year award period. Depending on results, the proponent will set up temporary field camps required to house field staff for the purpose of sample collection, ground surveys and drilling. The camps will be such that their locations can be fully rehabilitated post completion of the field work.



## 7 IMPACT ASSESSMENT FINDINGS AND PROPOSED MITIGATION MEASURES

This chapter presents the findings of the ESIA for the proposed project as per the ESIA process, scope and methodology set out in Chapter 2 and Chapter 6. A range of potential impacts have been identified that may arise as a result of the proposed project. The aim of this ESIA report is to focus on the significant impacts that may arise as a result of the proposed project. This chapter therefore only considers the significant impacts and or those that may have specific interest to the community and stakeholders. A summary of impacts that are considered significant is discussed in this section.

When undertaking the assessment exercise, the design of the proposed project and best practice measures were considered to ensure the likely significant effects and any required additional mitigation measures were identified. A summary of the potential impacts and mitigation and or control measures are discussed below.

The following topics were considered during the scoping phase:

- Water (surface and groundwater);
- Soil;
- Landscape (visual impacts, sense of place);
- Socio-economics (employment, demographics, and land-use);
- Noise;
- Ecology (fauna and flora);
- Air quality (emissions, pollutants and dust); and
- Heritage (including culture, history, archaeology and palaeontology).

Table 7 sets out the findings of the scoping assessment phase. Activities that could be the source of an impact have been listed, followed by receptors that could be affected. The pathway between the source and the receptor has been identified where both are present. Where an activity and or receptor has not been identified, an impact is unlikely, thus no further assessment or justification is provided. Where the activity, receptor and pathway have been identified, a justification has been provided documenting if further assessment is required or not required.

Due to the nature and localised scale of the exploration activities, and the environmental context of the EPL, the potential environmental and social effects are limited and unlikely to be significant. Aspects that prompted uncertainty relate to the potential increase in movements and the presence of people, which may cause the introduction of illegal and covert activities such as poaching, stock theft and the collection of organisms. Similarly, the potential of



accidental veld fires may increase. In both cases the terrestrial ecology and biodiversity of Namibia is the receptor, although local landowners and their neighbours may experience these adversities firsthand. The recommended mitigation measures are contained in Table 7.

Cumulative impacts because of physical disturbance, the nuisance of noise and dust and the loss of sense of place may be experienced as well; in this case the receptors are the landowners, neighbours, visitors, and tourists. Noise may influence some organisms as well, though. Mitigation measures are recommended and contained in Table 8.

All precautions must be taken to prevent damage to heritage sites when a site with archaeological remains is discovered because of the exploration activities. The chance find procedure will be implemented in such a case. With the necessary mitigation measures in place (Table 8), the significance of the impact reduces from moderate to minor.



#### TABLE 8- SCOPING ASSESSMENT FINDINGS AND PROPOSED MITIGATION MEASURES

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
Site operations such as maintenance activities, loss of containment, accidental fuel / hydraulic fluid leaks and spills, or similar sources.	Groundwate r quality	Hydrocarbon leaks and spills could enter the aquifer causing contamination.	Adverse Direct Partly Reversible Moderate Short term Regional Possible	Medium	Minor	Minor (4)	<ul> <li>Good housekeeping</li> <li>Training through toolbox talks and induction</li> <li>All stationary vehicles and machinery must have drip trays to collect leakages of lubricants and oil</li> <li>Spill kits and absorption material available during fuel delivery, storage or use</li> <li>Accidental spills and leaks (including absorption material) to be cleaned as soon as possible</li> <li>Major spills to be reported, also to the authorities</li> </ul>	Low (2)



DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							- Maintenance and	
							service schedules on	
							equipment is in	
							place	
							- Store bulk fuel in	
							adequate	
							containment areas	
							(non-porous	
							surface, bunded)	
							- No damaged	
							containers in use	
							- Preventative	
							measures will be in	
							place when service	
							and maintenance	
							activities are done	
							(drip trays, non-	
							porous surfaces,	
							funnels, non-	
							damaged	
							containers)	
							- Refuelling will be	
							done in areas with	
							adequate	
							preventative	

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
Potential spillages of drill fluid, lubrication, etc. or drilling that penetrate the	Groundwate r quality	Hydrocarbon leaks and spills could enter the aquifer causing contamination.	Adverse Indirect Partly Reversible Minor Short term	Low	Minor	Low (2)	<ul> <li>measures in place</li> <li>Ensure spill kits and preventative measures (e.g., drill pads) are in place at exploration sites</li> <li>Consider alternative sites when water table is too high</li> <li>Drill system should be dug to direct any accidental spills into sumps</li> </ul>	Low (1)
table.		Wastewater can	Local Possible Adverse				<ul> <li>Extraction volumes         <ul> <li>f water shall be</li> <li>minimal during</li> <li>exploration and</li> <li>where possible,</li> <li>water from existing</li> <li>water sources shall</li> <li>be used</li> </ul> </li> <li>Wastewater</li> </ul>	
infiltration of non-	Water	contaminate surface and	Direct Partly	Low	Minor	Low (2)	discharges will be contained	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
contained wastewater		groundwater	Reversible Minor Short term Regional Unlikely				<ul> <li>Workers will be made aware about the importance of wastewater management</li> <li>Good housekeeping</li> <li>Ensure prompt clean-up of spills</li> </ul>	
Inadequate management of solid waste	Water	Waste items and litter can pollute drainage channels	Adverse Cumulative Reversible Minor Temporary On-site Unlikely	Low	Low	Low (1)	<ul> <li>Good housekeeping</li> <li>Training and awareness through toolbox-talks and induction</li> <li>Implement a Standard Operational Procedure (SOP) on</li> </ul>	Low (1)
Inadequate management of hazardous and hydrocarbon waste	Soil	Pollution of soil	Adverse Direct Reversible Minor Short term	Low	Minor	Low (2)	waste management, for all kinds of waste possible on- site (e.g., domestic, mineral, hydrocarbons, hazardous)	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
			On-site Possible				<ul> <li>Avoid hazardous waste on site</li> <li>Implement a culture of correct waste collection, waste segregation and waste disposal</li> </ul>	
Vegetation clearing for access routes, drill pads and temporary contractors camp	Terrestrial ecology and biodiversity	Loss / alteration of terrestrial habitats and loss of species	Adverse Direct Reversible Minor Short term On-site Possible	Low	Minor	Low (2)	<ul> <li>Use existing roads for access to avoid new tracks and cut lines</li> <li>Minimise clearance areas through proper planning of the exploration activities</li> <li>Where necessary, rescue and relocate plants of significance</li> <li>Promote revegetation of cleared areas upon completion of</li> </ul>	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							exploration activities	
Ambient noise as a result of machinery and equipment- use and movement (e.g., drill rigs, generators, vehicles) and movement (also through the use of airborne equipment)	Terrestrial ecology and biodiversity	Residing, slow- moving and nesting organisms can be disturbed	Adverse Direct Reversible Minor Short term On-site Likely	Low	Minor	Low (2)	<ul> <li>Restrict excessive noise to areas of activities only</li> <li>Restrict excessive noise to daytime hours (7 am to 5 pm weekdays and 7 am until 1 pm on Saturday)</li> <li>No activities between dusk and dawn</li> <li>Drill equipment shall be suitably positioned to ensure that noisy equipment is away from receptors</li> <li>All equipment to be shut down or throttled back between periods of</li> </ul>	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							use, - Respect civic aviation regulations about the use of a drone	
Increased movement of vehicles, machinery and equipment	Terrestrial ecology and biodiversity	Residing and nesting organisms such as reptiles can be disturbed, injured or killed	Adverse Direct Partly reversible Moderate Short term On-site Possible	Low	Minor	Low (2)	<ul> <li>Restrict movements to areas of activities only</li> <li>Use existing tracks and routes only</li> <li>Identify rare, endangered, threatened and protected species in advance</li> <li>Route new tracks around protected species and sensitive areas</li> <li>Restrict movements to daytime hours</li> <li>Make workers aware and notify them on avoiding</li> </ul>	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>some areas</li> <li>No driving off designated access routes (into the bush) / off-road driving</li> <li>No animals or birds may be collected, caught, consumed or removed from site</li> </ul>	
Increased disturbance of areas with natural vegetation	Terrestrial ecology and biodiversity	Alien species and weeds can be introduced to the area	Adverse Direct Reversible Minor Short term On-site Possible	Low	Minor	Low (2)	<ul> <li>All project equipment arriving on site from an area outside of the project or coming from an area of known weed infestations (not present on the project site) should have an internal weed and seed inspection</li> </ul>	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>completed prior to equipment being used</li> <li>Monitor areas of activity for weed and alien species</li> <li>Eradicate weeds and alien species as soon as they appear</li> <li>Make workers aware about alien species and weeds</li> </ul>	
Vegetation clearing	Soil	Increased exposure due to possible vegetation clearance can cause soil erosion	Adverse Direct Reversible Moderate Short term On-site Possible	Low	Minor	Low (2)	<ul> <li>Ensure erosion control and prevention measures are in place when vegetation clearance is required</li> <li>Where necessary, plan access routes, drill pads and camps outside of existing</li> </ul>	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>drainage lines</li> <li>Where necessary, install diversions to curb possible erosion</li> <li>Restore drainage lines when disturbed</li> </ul>	
Drilling and the use of drilling equipment	Soil	Loss of soil quality due to mixing of earth matter, trampling and compaction	Adverse Direct Reversible Moderate Short term On-site Possible	Low	Minor	Low (2)	<ul> <li>Limit the possibility of compaction and creating of a hard subsurface</li> <li>Limit the possibility of trampling</li> <li>Topsoil should be stockpiled separately, and re- spread during rehabilitation</li> <li>During drilling oil absorbent matting should be placed under and around the rig</li> </ul>	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>Equipment must be in a good condition to ensure that accidental oil spills do not occur and contaminate soil</li> <li>In the event of spills and leaks, polluted soils must be collected and disposed of at an approved site</li> <li>Limit the possibility to mix mineral waste with topsoil</li> </ul>	
Terrestrial ecology and biodiversity	Accidental and uncontrolled fire	Destroys grazing and kill living organisms	Adverse Direct Reversible Moderate Temporary Local Possible	High	Minor	Moderate (6)	<ul> <li>Restrict movements of people to areas of activities only</li> <li>Train people and raise awareness about veld fires and firefighting</li> <li>No open fire outside designated areas</li> </ul>	Minor (3)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>Ensure proper cooking facilities at fly camps</li> <li>No cigarette buds are discarded but contained and disposed of at an appropriate facility</li> <li>Proper fire hazard identification signage to be placed in areas that store flammable material (e.g., hydrocarbons and gas bottles)</li> <li>Control and reduce the potential risk of fire by segregating and safe storage of materials</li> <li>Avoid potential sources of ignition by prohibiting smoking in and around facilities</li> </ul>	

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>Firefighting equipment and fire breaks should always be at designated areas and should be maintained regularly</li> </ul>	
Community and livestock	Airborne surveying over the EPL, possible low flying	Perceived impact from surveying activities on livestock and humans	Adverse indirect Reversible Minor Temporary Local Unlikely	Low	Minor	Low (2)	<ul> <li>Prior to conducting aerial surveying, both directly and indirectly affected parties should be informed in writing of exploration activities at least 2 weeks prior to conducting the aerial surveys.</li> <li>The following information is to be included in the written communication sent</li> <li>Company name,</li> </ul>	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>Survey dates, time         <ul> <li>and duration,</li> <li>Purpose of the                 survey,</li> <li>Flight altitude,</li> <li>Survey location,                 Map of survey area                 and flight lines, and                 dight lines, and                 dight lines, and</li> <li>Contact details for                 enquiries.</li> </ul> </li> <li>Compliance with all         applicable laws and         agreements</li> <li>Maintain continuous         engagement with         residents to identify         any concerns or issues,         and appropriate         mitigation and         management         measures agreed upon         Ensure appropriate         supervision of all</li> </ul>	

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>activities</li> <li>Restrict surveying activities to daytime hours (7 am to 5 pm weekdays and 7 am until 1 pm on Saturday)</li> </ul>	
Drilling activities, movement of machinery and vehicles	Heritage	Potential damage to cultural heritage sites	Adverse Direct Partly Reversible High Permanent On-site Possible	High	Minor	Moderate (6)	<ul> <li>Implement a Chance Find Procedure</li> <li>Raise awareness about possible heritage finds</li> <li>Report all finds that could be of heritage importance</li> <li>In case archaeological remains to be uncovered, cease activities and the site manager has to assess and demarcate the area</li> <li>Project manager to visit the site and determine whether work can proceed</li> </ul>	Minor (4)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>without damage to findings, mark</li> <li>exclusions boundary and inform ECC with GPS position</li> <li>If needed, further investigation has to be requested for a professional assessment and the necessary protocols of the Chance Find Procedure have to be followed,</li> <li>Archaeologist will evaluate the significance of the remains and identify appropriate action, (record and remove; relocate or leave premises, depending on the nature and value of the remains),</li> <li>Inform the police if the remains are human,</li> <li>Obtain appropriate</li> </ul>	

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							clearance or approval from the competent authority, if required, and recover and remove the remains to the National Museum or National Forensic Laboratory as directed.	
Drilling activities, resulting into dust emissions 	Community	Visual disturbance and loss of Sense of Place	Adverse Direct Reversible Moderate Temporary Local Likely	High	Minor	Moderate (6)	<ul> <li>Position drill equipment in such a way that it is out of sight from human receptors</li> <li>Apply dust suppression where possible</li> <li>Restrict speed of vehicles (&lt;30km/h)</li> <li>Specific activities that may generate dust and impact on residents shall be avoided during high</li> </ul>	Minor (4)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							wind events	
							<ul> <li>All vehicles and</li> </ul>	
							machinery /	
							equipment to be	
							shut down or	
							throttled back	
							between periods of	
							use	
							<ul> <li>Barriers or fences</li> </ul>	
							shall be used if	
							drilling occurs in	
							locations that may	
							affect residents or	
							livestock	
							- Residents need to	
							be informed at least	
							two weeks in	
							advance that drilling	
							operations are	
							within 1km of their	
							property	
							<ul> <li>Maintain good</li> </ul>	
							housekeeping	
							- Continuous	
							engagement with	

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							residents to identify any concerns or issues, and appropriate mitigation and management measures agreed upon	
Movement of vehicles, exploration activities	Community	Create conflict with farmers about access, leaving gates open, suspicious movements, loss of farming area, etc.	Adverse Indirect Reversible Minor Short term On-site Likely	Low	Minor	Low (2)	<ul> <li>Ensure documented permission to enter the site</li> <li>Farmers should have access to all farm areas at all times</li> <li>Residents shall be provided at least two weeks' notice of drilling operations within 1 km of their property</li> <li>Existing water points and feeding area need to be left</li> </ul>	Low (1)

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul> <li>unaffected</li> <li>Use existing roads for access, avoid new tracks / cut lines,</li> <li>Compliance with all applicable laws and agreements</li> <li>Continuous engagement with residents to identify any concerns or issues, and mitigation and management measures agreed upon</li> </ul>	
Movement of vehicles, exploration activities	Community	Presence of exploration team can be blamed for stock theft and poaching	Adverse Cumulative Reversible Minor Temporary	Low	Low	Low (1)	<ul> <li>Develop and implement an operation manual or procedures to work on communal land and implement monitoring</li> </ul>	Low (1)



DESCRIPTION OF ACTIVITY	ECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
			Local Unlikely				<ul> <li>programmes thereafter</li> <li>Maintain continuous engagement with residents to identify any concerns or issues, and appropriate mitigation and management measures agreed upon</li> <li>Ensure appropriate supervision of all activities</li> <li>Raise awareness and sensitize employees about contentious issues such as stock theft and poaching</li> <li>Accidents and incidents need to be reported to project</li> </ul>	

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DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF IMPACT	DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONT ROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							manager and recorded in incident register	
Exploration activities	Community	Triggers job creation, skills development and opportunities for the local economy	Beneficial Direct Reversible Minor Short term Local Possible	Medium	Low	Low (2)	<ul> <li>Maximize local employment</li> <li>As far as possible promote local procurement</li> <li>Enhance development of local skills where possible</li> </ul>	Low beneficial



#### 7.1.1 FURTHER CONSIDERATION: GROUNDWATER IMPACTS

Generally, exploration activities are not substantial users of water, nevertheless if operations are proposed to take place in areas where the baseline groundwater potential fluctuates between low and no groundwater, as in the current project area, it is vital that accurate estimations of aquifer characteristics be obtained first from pump tests conducted on existing boreholes in an area.

Through the application of the EIA methodology presented in Section 2, the conclusion of the assessment is that without detailed further information on the characteristics of the aquifer, the risk remains high for local groundwater abstraction to take place.

ACTIVITY	RECEPTOR	IMPACT	NATURE OF IMPACT	VALUE & SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT
Abstraction of groundwater for exploration work (i.e., drilling)	Groundwater	Additional abstraction may cause a reduction in groundwate r capacity and yield on an already stressed	Adverse Direct Partly Reversible High/Major Medium term Local Possible	Medium	Moderate	Moderate

#### TABLE 9: SUMMARY OF EFFECTS

#### 7.1.2 FURTHER CONSIDERATION: NOISE AND VISUAL IMPACTS

Exploration and mining activities have the potential to disrupt the sense of place, a collective term to describe the special and uniqueness of an area, mostly through the amplifying effects of noise, dust, machinery movements, and visual intrusion. Collectively, the activities have a negative impact on the naturalness of the landscape with the result to temporarily alter and affect the lifestyles of receptors (locals and tourists). Such disturbances brought about by exploration activities are often-short term and reversible. For the duration of the proposed project, communication with the affected parties and key stakeholders shall be maintained. In the event where the drill site is located in proximity to the receptors, measures will be taken to reduce the visual impacts.

Through the application of the ESIA methodology presented in Section 2 the conclusion of the assessment is that with additional mitigation, the significance of effect is expected to be minor. No additional studies are considered necessary to further assess this impact.

#### TABLE 10 - SUMMARY OF EFFECTS

ACTIVITY RECEP	TOR IMPACT	NATURE OF IMPACT	VALUE & SENSITIVIT Y		SIGNIFICANC E OF IMPACT
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ACTIVITY	RECEPTOR	IMPACT	NATURE OF IMPACT	VALUE & SENSITIVIT Y	MAGNITUDE OF CHANGE	SIGNIFICANC E OF IMPACT
Placement and operations of heavy machinery and drill rigs, equipment and the creation of laydown areas on site	Neighbours / farmers / tourists	Visual impacts (obscure views, create visual contrast, dust, intrusive objects), movement of heavy machinery, nuisance (noise), loss of naturalness	Adverse Direct Reversible Local / on- site Short term Certain	Medium	Minor	Minor Adverse

The following additional mitigation measures have been identified in addition to those presented in the EMP and shall be communicated to the proponent to ensure environmental effects are minimised as reasonably practicable:

- Interested and affected parties will be communicated to prior to the commence of the exploration activities
- Reasonable time frames for duty will be place e.g., no drilling when it is dark
- A site notice of project will be available at the site during the course of the proposed project
- Adequate procedures for drilling activities will be encouraged e.g., no hammering of drill rods with steel hammers
- Drill equipment shall be suitably positioned to ensure that noisy equipment is as far away from human receptors as possible
- Noise suppression measures shall be applied by all drilling staff (e.g., earmuffs are mandatory) and if drilling occurs in locations that may affect residents
- Residents shall be provided at least two weeks' notice of drilling operations within 1km of their property, and
- The proponent shall undertake continual engagement with residents.

The potential impact therefore is not considered significant as it does not widely exceed recognised levels of acceptable change; does not threaten the integrity of the receptors, nor is it material to the decision-making.





## 8 ENVIRONMENTAL MANAGEMENT PLAN

The EMP for the proposed project is presented in Appendix A. It provides management options to ensure the impacts of the proposed project are minimised. An EMP is a tool used to take pro-active action by addressing potential problems before they occur. This should limit the corrective measures needed, although additional mitigation measures might be included if necessary.

The management measures should be adhered to during all stages of the exploration activities. All persons involved and partaking in the proposed activities should be made aware of the measures outlined in the EMP to ensure activities are conducted in an environmentally responsible manner.

The objectives of the EMP are:

- To include all components of the development and operations of the project;
- To prescribe the best practicable control methods to lessen the environmental impacts associated with the project;
- To monitor and audit the performance of operational personnel in applying such controls; and
- To ensure that appropriate environmental training is provided to responsible operational personnel.



# 9 CONCLUSION

ECC's ESIA methodology was used to undertake the environmental assessment for the proposed exploration activities on EPL 7974, to identify if there is potential for significant effects to occur as a result of the proposed project.

Through the scoping process, the only risk to the environment is related to the cumulative impacts as a result of physical disturbance, nuisance of noise and dust and the loss of sense of place, thereby impacting human receptors in the area. Impacts with respect to airborne dust are expected to be limited to vehicular traffic and drilling activities. There will be some release of exhaust fumes from machinery that will impact the immediate vicinity but will be of short duration. Additionally, there will be associated drilling and machinery noise, which could be a disturbance to immediate neighbours, but this will be of short duration as well. Through further analysis and identification of mitigation and management methods, the assessment concludes that the likely significance of effects on humans from the cumulative impacts of physical disturbance, noise, dust and emissions will be a temporary qualitative reduction in the sense of place and expected to be minor. Prior awareness and communication about the project shall be encouraged.

Due to the increased movements and presence of people, there is a potential that illegal and covert activities such as poaching, stock theft and the collection of organisms can be introduced to the area. Similarly, the potential of accidental veld fires may increase. In both cases the terrestrial ecology and biodiversity of Namibia is the receptor, although the locals may experience these adversities firsthand. Through this investigation the significance of both impacts is indicated as moderate. In both cases numerous mitigation measures, with proven national success, exist and were also applied to reduce the significance to minor.

All precautions will be taken to prevent damage to heritage sites, as a result of the exploration activities. The chance find procedure will be implemented in such a case. With the necessary mitigation in place, the significance reduces from moderate to minor.

All other social and environmental receptors were scoped out as significant effects were unlikely and therefore no further assessment was deemed necessary. Various best practice and mitigation measures have been identified to avoid and reduce effects as far as reasonably practical, as well as ensure the environment is protected and unforeseen effect and environmental disturbances are avoided.



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**APPENDIX A- EMP** 



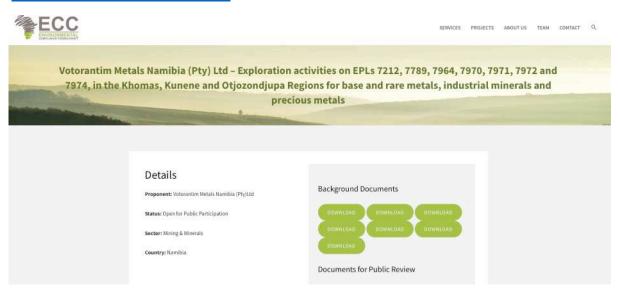


## **APPENDIX B - NON-TECHNICAL SUMMARY**

Please refer to the website below.

#### **Environmental Compliance Consultancy website:**

#### www.eccenvironmental.com





3

Republikein Sun Malgemeine Zeitung

## APPENDIX C- EVIDENCE OF PUBLIC CONSULTATION

The following was advertised in the 'Republikein, Sun, and Allgemeine Zeitung' newspapers on the 16<sup>th</sup> February 2021.

Market Watch

TUESDAY 16 FEBRUARY 2021

## Nigeria creates US\$2.6 bn infrastructure company

Nigerian President Muhammadu Buharis government has approved the creation of a company to fast-track development of critical in-frastructure, with around US\$2.6 billion in initial financing. Africa's most populous country slipped into recession in its third quarter for the second time in four years, hit by the coronavirus pan-demic and a fall in oil prices, and faces a huge infrastructure deficit. 'It is envisaged that, over time, the entity will grow to naira 15 tril-lion (US\$39.3 billion), in assets and capital', a spokesman for Vice and capital," a spokesman for Vice President Yemi Osinbajo said in a statement on Friday



It is envisaged that, over time, the entity will grow to naira 15 trillion (US\$39.3 billion), in assets and capital

#### Spokesman for Vice President Yemi Osinbajo

The company, Infra-Co, will be one of the top infrastructure finance entities in Africa and will be wholly dedicated to Nigeria's infrastruc-ture development, the statement

ture development, the statement said. Infra-Co will operate as a pub-lic-private partnership and will be initially funded by the Central Bank of Nigeria, the Nigerian Sov-ereign Investment Authority and the Africa Finance Carporation. It will focus on developing public assets and reconstruction as well as new roads, rail, power and other key infrastructure sector projects. The IMF expects Nigeria's economy to contract by at least be country infrastructure crisis and worsen an economy already struggling with the impact of the pandemic. Nigeria's senate last year approved

struggling with the impact of the pandemic. Nigeria's senate last year approved nearly USS250 lillion (9.8 billion euros) in forcigal loan requests by Buhari to support a series of large-scale projects, which the govern-ment hopes will revamp the coun-try's crumbling infrastructure. Buhari early this week also launched a USS1.96 billion rail project linking to neighbouring loiger as the country looks to boost is growth. - Nampa/AFP



**APRIL 2021** 



ulture was contributing between 12 to 15 percent of GDP. It is now reduced to less than

The agriculture sector is at the heart of Namibia's development agenda going forward.

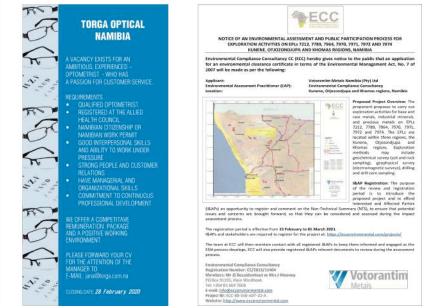
forward. We fit him years to go before grand development plan, Vision 2030, the government is re-vision 2030, the government is re-vision 2030, the government is re-vision 2030, the government is re-placing it with one that speaks to the constraint of the day. This was announced by National Planning Commission (NPC) di-roter, Obeth Kandjoze, at a recent used as onference meant to inform the dato about the government's action about the government's action about the government's straped Air Namibia. At this event, Kandjoze said: "We fustement that will replace Vision 2030, We must review NDP 5 to be abe to fit into the economy post-covid-9." Wision 2030 stipulates that minimustrialised nation, developed pixer, harmony, and political stat

National Planning Commission (NPC) director, Obeth Kandioze, PHOTO NAMPA bility by 2030. "We have assembled bility by 2030. "We have assembled ateam of experts led by the National Planning Commission, assisted by the Ministry of Pinance and Bank of Namibia. We have solicited the efforts and advice of Harvard University Growth Lab experts led by Professor Ricardo Hausmann, a very well renowned

professional in the business of helping countries identify pitfalls in heipingcountries identity pittails in their setups from an economic struc-tural point of view," Kandjozz said. The growth lab works to under-stand the dynamics of growth and to translate those insights into more effective policymaking in develop-ing countries.

Agriculture Kandjoze also said Namibia must position itself strategically to benefit from the African Continental Free Trade Area Agreement (AICPTA). The former mines minister added "We must have a stake in that vision. Going forward the economy is actu-ally put at a display as to "what is ag-riculture achieving?" "Agriculture was contributing between 12 to 15 percent of GDP Today agriculture is reduced to gest than 4 percent. What are the structural policy changes that should come in to begin to help the sector," he questioned? Additional-ly, he said agriculture is at the heart of Namibia's development agenda going forward, Other sectors such iining are also under review. "The idea is to understand where

"The idea is to understand where the impediments are in our conom-ic structural set-ups ow ecando away with those impediments, review the policies, understand the future of the particular sort of market in agricul-ture, mining and so forth so that we can position the economy post-Cov-id-19," he noted.





The following was advertised in the 'Republikein, Sun, and Allgemeine Zeitung' newspapers on the 23<sup>th</sup> February 2021.

2 Republikein Sun Allgemeine Zeitung Market Watch TUESDAY 23 FEBRUARY 2021

# » More tax revenue, minimised social welfare SA's economic rebound to trim budget deficits



There are speculations that the national treasury could raise taxes more aggressive-

ly this year.

ly this year. South Africa's consolidated fiscal deficit is expected to narrow this year because of an eco-nomic rebound, although the long-term trend of higher debt remains unchanged due to Covid-19 and pre-existing spending. a Reuters poll fore-cast on Friday. In a poll taken this week, 2021 economic growth was expected to rebound to 35% after an estimated 7.4% contraction last year, probably bolstering revenue collections and narrowing deficits for the next finan-

cial year to 9.7% of gross domestic product, to 8.5% for 2022/23 and 7.5% in 2023/24. As in other countries, Covid-19 spending doubled the source of the form

As in other countries, Lovic-19 spending doubled the South African budget last year. The 2020/21 deficit was estimated at 13.95% of GDP in the poll with only about six weeks left. In October, the National Treas-ury's consolidated budget estimat-ed a 15.7% deficit of GDP in the year ending March, 10.1% for next year, and 8.6% and 7.3% for the following years respectively. Nedbank economists wrote that the 2020/21 budget was expected to be much better than presented in the medium-term budget statement in October from the National Treasury. "Revenue collections have been

"Revenue collections have been

better than estimated on the back of a stronger-than-expected econom-ic rebound, while expenditure will es lightly lower than estimated, re-yuote Isaac Matshego at Nedbank. "The budget deficit, however, willbe relatively sticky in the medium term sa ectual expenditure cuts are un-likely to be achieved over the period." A similar poul in October suggest-ed South Africa's consolidated fiscal deficit would widen further than projected, three months before in an emergency Covid-19 budget, as a third-quarter rebound would not generate enough tax revenues.

Тах Still, economists have noted specula-

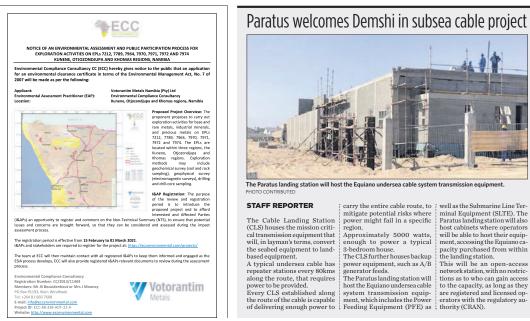
Ramaphosa. tion the national treasury could raise taxes more agressively this year in hings like Covid-19 vaccine procur-ent, alongside the usual nudges to sin and personal taxes. Wowever, the "treasury recognis-es the country's perceived onerous to the country's perceived onerous to company profits that has receipts in recent years," said Jeffrey Schultz at BNP Paribas. Consumer inflation was expected to average 3.9% this year and 4.3% to exercise Bank's 3% to 6% comfort bet. Bank's 3% to 6% comfort level.

"As a result, the main tax measures to 4.75% in 2023.

A/REUTERS

announced will be in the form of the announced will be in the form of the usual above-CPI increases for excise duties and fuel levies, rather than anything that could risk damaging an already fragile and concentrated tax base," Schultz added. Gross national debt was project-ed by the concentrate to table

Gross national debt was project-ed by the government to stabi-lise at 95.3% of GDP by 2025/26, more or less in line with the poll's median which expected it at 92.7% in 2023/24. Growth was expected slow to 2.2% next calendar year and 1.7% the fol-lowing year. Interest rates were expected to remain unchanged at 3.5% this year, but the Reserve Bank was expected to raise them to 4.0% next year and 0.4 75% in 2023.





mitigate potential risks where power might fail in a specific region.

carry the entire cable route, to : well as the Submarine Line Terminal Equipment (SLTE). The Paratus landing station will also host cabinets where operators



## SITE NOTICE

### NOTICE OF AN ENVIRONMENTAL ASSESSMENT AND PUBLIC PARTICIPATION PROCESS FOR **EXPLORATION ACTIVITIES ON EPL 7974** KUNENE REGION, NAMIBIA Environmental Compliance Consultancy cc (ECC) hereby gives notice to the public that an application for an environmental clearance certificate in accordance with the Environmental Management Act, No. 7 of 2007 will be made as per the following: Applicant: Votorantim Metals Namibia (Ptv) Ltd Environmental Assessment Practitioner (EAP): **Environmental Compliance Consultancy** Project ID: ECC-88-338 Project: Exploration activities on EPL 7974 for base and rare metals, industrial minerals, and precious metals in the Kunene Region, Namibia. Proposed activity: The proponent proposes to carry out exploration activities for base and rare metals, industrial minerals, and precious metals on EPL 7974. The EPL lies approximately 50km north of Sesfontein on communal land and can be accessed via the D3705 road. The EPL is located within the Kunene Region. Exploration methods may include geochemical surveys (soil and rock sampling), geophysical surveys (electromagnetic surveys), drilling and drill-core sampling. Location of EPL 7974: CC 19'30 10:40 Purros Otiikondavirongo - -----187.5 Latitude -18.6109 Longitude 13.4384 12 // Votorantim Votorantins Metals CC Document Rolen 5CC - 88 - 338 Map Produced: 11.02.2021

Application for environmental clearance certificate: In terms of the Environmental Management Act No. 7 of 2007, ECC on behalf of the proponent is required to submit an application for environmental clearance to the competent authority and the Ministry of Environment, Forestry and Tourism for the above-mentioned project.

Purpose of the review and registration period: The purpose of the review and registration period is to introduce the proposed project and to afford Interested and Affected Parties (I&APs) an opportunity to register and comment on the Non-Technical Summary (NTS) and to ensure that potential issues and concerns are brought forward, captured and considered further in the assessment process.



Contact: Mr JS Bezuidenhout or Mrs J Mooney Environmental Compliance Consultancy Registration Number CC/2013/11404 PO Box 91193, Klein Windhoek Tel: +264 81 669 7608 E-mail: info@eccenvironmental.com Website: <u>http://www.eccenvironmental.com</u>



#### ENVIRONMENTAL SCOPING REPORT EPL 7974 VOTORANTIM METALS NAMIBIA (PTY) LTD





**APPENDIX D - ECC CVS** 





# **APPENDIX E: HERITAGE ASSESSMENT REPORT**