

Luxury Investments Two Hundred and Sixty Four (PTY) Ltd

EXCLUSIVE PROSPECTING LICENCE - 6710



REPUBLIC OF NAMIBIA
MINISTRY OF MINES AND ENERGY

Exclusive Prospecting Licence
(Issued in terms of Section 70 of the Minerals (Prospecting and Mining) Act, 1992)

Exclusive Prospecting Licence No **6710** Office Reference No **14/2/4/1/6710**

Subject to the provisions of the Minerals (Prospecting and Mining) Act, 1992, this exclusive prospecting licence is hereby issued to

Full Name of Licence Holder **Luxury Investments Two Hundred and Sixty Four (PTY) Ltd**

Identity/Passport or Company Registration No **2014/0794**

Address (natural person) or Registered Address (company) **P. O. Box 2184, Windhoek**

Namibia

Full Name of Accredited Agent (if applicable)
Address of Accredited Agent (if applicable)

for the period of **3 Years** from **13 February 2018** (date of issue) To **12 February 2021** (date of expiry)

unless abandoned or cancelled on any prior date, or extended to such later date as may be endorsed on this licence in the event that this licence is renewed.

This exclusive prospecting licence is issued in respect of

Name of Mineral(s)/Group(s) of Minerals **Base and Rare Metals, Industrial Minerals and Precious Metals**

over a certain portion of land situate in **Karas** Region(s)

Registration Division(s) **N, S** Magisterial District(s) **Bethanie**

as more fully depicted in the attached diagram No **6710** signed by the Commissioner

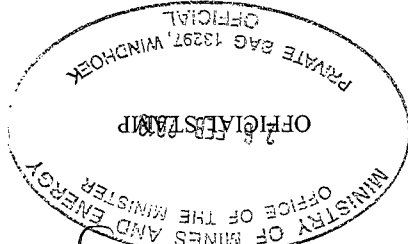
and is further subject to the terms and conditions contained in the notice of the Minister's intention to grant the

licence dated **12 February 2018** and agreed to in writing by the applicant on **13 February 2018**

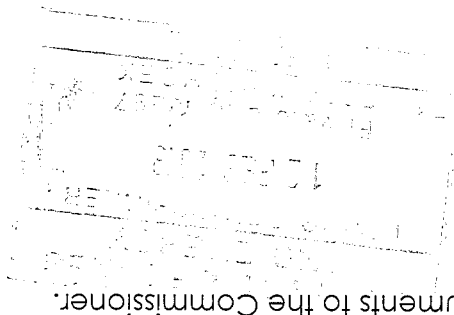
as appended hereto.

Signed at WINDHOEK this

MINISTER



26th day of **February** **2018**



MR. E. I. SHIVOLO
MINING COMMISSIONER

Done 12/02/2018

- (c) returning such signed and initialed documents to the Commissioner.
- (b) initialing each page of the schedule and the diagrams; and
- (a) completing the section at the bottom of this notice;

Kindly acknowledge your acceptance of such terms and conditions by-

Your attention is drawn to the provisions of Section 48(5) of the said Act, which require that within one (1) month from the date of this notice, written acceptance of such terms and conditions must be received by the Commissioner, failing which the application will be deemed to have lapsed.

In terms of Section 48(4) of the Minerals (Prospecting and Mining) Act, No. 33 of 1992, notice is hereby given that the Minister is prepared to grant your new application, lodged on 28 April 2017, for an exclusive prospecting licence in respect of Base and Rare Metals, Industrial Minerals and Precious Metals, Groups of Minerals over an area of land as shown in the attached diagrams, subject to the terms and conditions contained in the attached schedule, which terms and conditions supplement the terms, conditions and provisions of the said Act.

NOTICE TO APPLICANT OF PREPAREDNESS TO GRANT APPLICATION FOR EXCLUSIVE PROSPECTING LICENCE NO. 6710.

The Directors
Luxury Investments Two Hundred and Sixty Four (PTY) Ltd
P. O. Box 2184
Windhoek

Reference No: 14/2/4/1/6710

Enquiries: Mrs. M. F. Flaviano

Tel: +264 61 284-8111
Fax: +264 61 238643 / 220386
E-mail: info@mme.gov.na
Website: www.mme.gov.na

1 Aviation Road
Private Bag 13297
WINDHOEK

MINISTRY OF MINES AND ENERGY

REPUBLIC OF NAMIBIA




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(Applicant/authorized officer of a company/approved accredited agent of a non-resident applicant who is a natural person/authorized officer of such accredited agent).

Capacity.....
Director

Signed

.....


Date

.....
13-02-17

I.....(name of person) in my capacity as applicant/duly authorized officer/approved accredited agent (please delete titles not relevant), hereby accept the supplementary terms and conditions referred to in this notice and contained in the attached schedule which are to be imposed on the grant of the application for exclusive prospecting licence herein referred to.

.....
Director
B. Indongo

TO THE MINING COMMISSIONER
MINISTRY OF MINES AND ENERGY

SCHEDULE OF SUPPLEMENTARY TERMS AND CONDITIONS TO BE IMPOSED ON THE GRANT OF AN EXCLUSIVE PROSPECTING LICENCE NO. 6710 IN FAVOUR OF LUXURY INVESTMENTS TWO HUNDRED AND SIXTY FOUR (PTY) LTD.

PART 1 - GENERAL

1. The exclusive prospecting licence shall endure for a period of three (3) years reckoned from the date of acceptance (hereinafter "the date of issue") of the terms and conditions referred to in this notice unless it is abandoned in terms of Section 54 of the Minerals (Prospecting and Mining) Act, 1992, (hereinafter "the Act") or cancelled in terms of Section 55 of the Act or on application made to the Minister in terms of section 72 of the Act, it is renewed by the Minister for any further period or periods.

2. In consideration of the rights hereby granted, the holder of the exclusive prospecting licence shall pay to the Commissioner for the benefit of the State Revenue Fund, such licence fee as may from time to time be prescribed in terms of Section 123 of the Act, it being recorded that the annual licence fee prescribed in relation to the licence at the time of its issue shall be N\$4000.00 payable annually on or before each anniversary date of the date of issue of the licence.

3. In the event that the prescribed licence fee changes, such change shall become effective on the next anniversary date of the date of issue of the licence subsequent to such change.

4. The rights under the exclusive prospecting licence shall be limited in extent as stipulated in terms of paragraphs (d) to (g) of Subsection 69(2) of the Act; provided that if during the currency of the exclusive prospecting licence, any claim area or area held under any other mineral licence existing on the date of issue of the exclusive prospecting licence which so limited such rights lapses, whether by abandonment, cancellation or expiry, such rights shall from the date of lapsing extend to such claim or licence area.

5. The Minister may, in the interest of the reasonable development of the prospecting operations, impose from time to time such additional terms and conditions as he may deem fit.

PART 2 - WORK PROGRAMME AND OBLIGATIONS

6. The holder of the exclusive prospecting licence shall-

6.1 commence with, and thereafter continue without undue interruption or delay, prospecting operations immediately in substantial conformity with the proposed work programme, schedule and budget which accompanied the original application for the licence and which served as motivation of the granting thereof;

6.2 where any material deviation of such work programme, schedule and budget is in the opinion of the holder of the licence, necessitated by the nature of the results of prospecting operations (but specifically excluding any circumstances of Vis Major provided for in terms of Section 56 of the Act), apply in writing to the Minister for approval of the revision of such work programme, schedule and budget in terms of Section 75 of the Act; and

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Handwritten initials/signature

11. The proposal should address the Government's objectives of poverty eradication by (i) providing an opportunity for Namibian participation, as well as (ii) setting out a strategy to benefit the Namibian youth and women particularly from the disadvantaged groups and the poorest of the poor.

(i) at least 5% of the company shall be owned by Namibian persons or by a company wholly owned by Namibians.

(ii) a management structure which shall consist of a minimum 20% representation of historically disadvantaged Namibians; and

10. Within sixty [60] days of the applicant's acceptance of the Notice of preparedness to grant, the applicant shall submit to the Minister a detailed description and proposal on the structure and composition for the company which has lodged the application. The structure and composition of the company shall consist of the following:

After the Minister issued an Exclusive Prospecting Licence, the applicant shall meet the following conditions:

PART 4 – ADDITIONAL CONDITIONS (EPLs)

9 The holder of the exclusive prospecting licence shall undertake an Environmental Impact Assessment scoping study over the area covered by the exclusive prospecting licence, formulate and forward to the Ministry of Environment and Tourism for approval an Environmental Management Plan Report (EMPR) within six (6) months from the date of issue of the licence.

8 The holder of the exclusive prospecting licence shall enter into an Environmental Contract with the Ministry of Environment and Tourism and that of Mines and Energy.

7 The holder of the exclusive prospecting licence shall observe any requirements, limitations or prohibitions on his or her prospecting operations as may in the interest of the environmental protection, be imposed by the Minister.

PART 3 – ENVIRONMENT

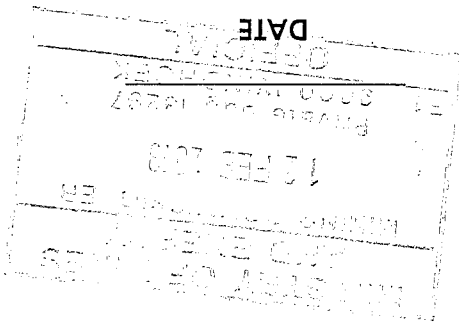
6.5 make oral presentation to the Ministry of Mines and Energy after the first year of the licence tenure.

6.4 ensure that, all funds raised anywhere and exclusively in respect of this licence shall be expended on the licence and all/any activities relating thereto and, to the extent such funds are to be expended directly in Namibia, the Licence Holder shall ensure such funds are remitted to a reputable financial institution in Namibia.

6.3 execute such additional work programme and expend such additional expenditure within a specified period of time as may be imposed by the Minister from time to time.

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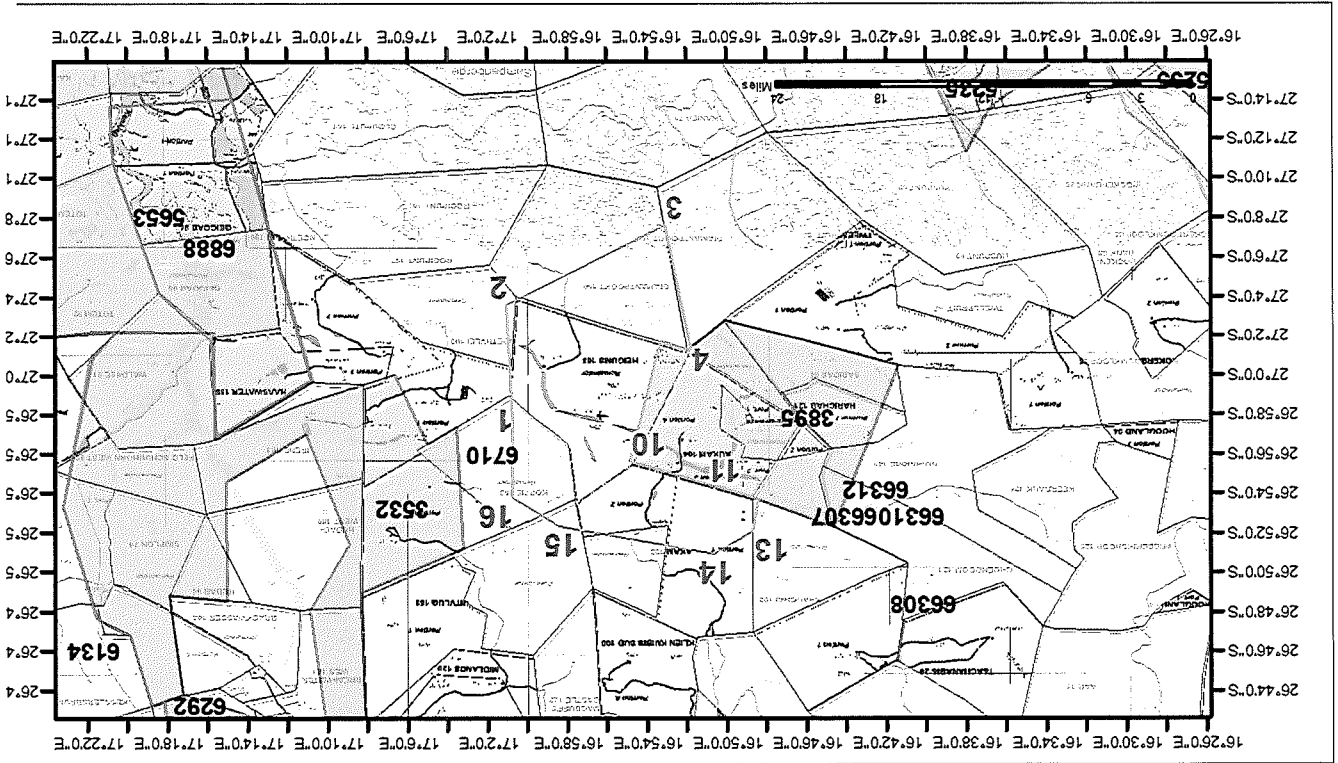
MR. E. I. SHIVOLO
MINING COMMISSIONER



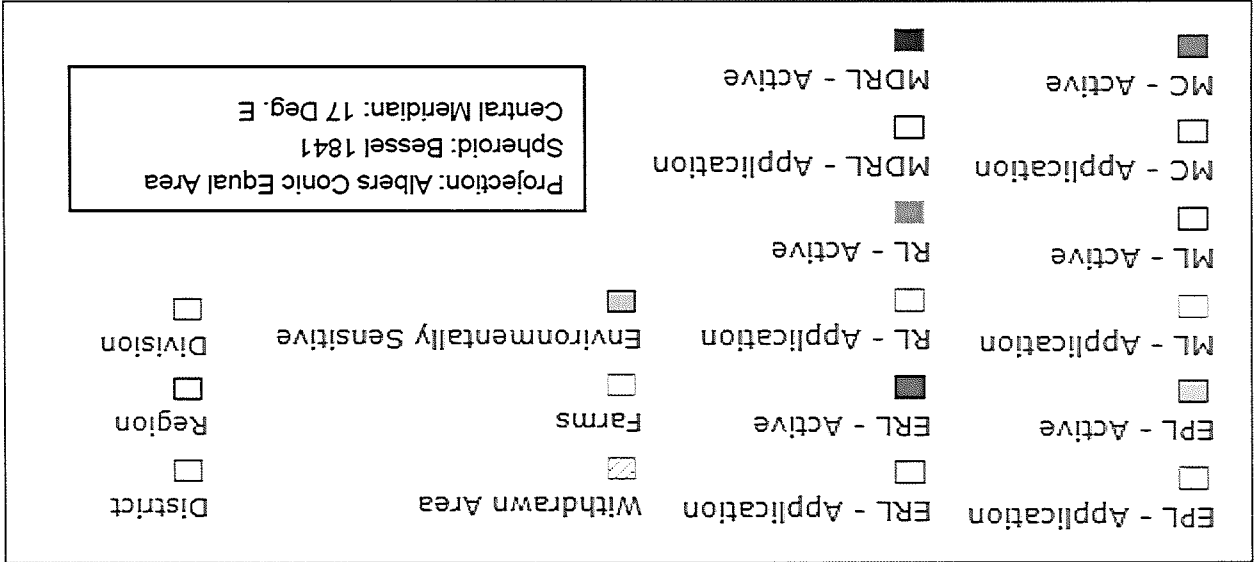
- 12. Within thirty [30] days of receipt of the proposal, the Minister shall have the right to propose amendments which he/she believes would enable the applicant to support the Government's objectives for broad based empowerment and poverty eradication.
- 13. If the Minister believes that the project being applied for and its associated project is economically significant for Namibia, and that the proposed structure of the applicant does not meet the Government's objectives for broad based empowerment, the Minister shall have the right to in writing propose amendments to the applicant for the purposes of meeting the Government's empowerment and poverty eradication objectives.
- 14. If the applicant is dissatisfied with the Minister's counter-proposal, the applicant shall have thirty (30) days from the Minister's counter-proposal to make representations in writing to the Minister, upon consideration of which the Minister shall in writing notify the applicant of the final terms and conditions on which the Minister is prepared to grant the Exclusive Prospecting Licence to the applicant.
- 15. If the applicant fails to comply with the above-mentioned conditions within the stipulated timeframe, he/she risks cancellation of the Exclusive Prospecting Licence by the Minister.

DIAGRAM - EXCLUSIVE PROSPECTING LICENCE - 6710

Issued in favour of: **Luxury Investments Two Hundred and Sixty Four (PTY) Ltd**



Latitude and Longitude lines refer to the Bessel 1841 Spheroid



AREA: 35201.1195 Hectares

MAP(S): 2616/2716

LOCALITY:

*Regions(s): Karas

*Magisterial District(s): Bethanie

*Registration Division(s): N, S

Handwritten initials: B/CF

MF

Order	Lat Deg	Lat Min	Lat Sec	Long Deg	Long Min	Long Sec
1	-26	57	41.18	S	17	00
2	-27	03	35.31	S	17	01
3	-27	07	36.58	S	16	53
4	-27	01	22.74	S	16	51
5	-27	01	17.46	S	16	51
6	-27	01	39.74	S	16	53
7	-27	01	40.59	S	16	53
8	-27	01	40.50	S	16	53
9	-27	01	44.32	S	16	53
10	-26	55	36.02	S	16	54
11	-26	54	14.54	S	16	50
12	-26	53	41.14	S	16	48
13	-26	52	5.62	S	16	48
14	-26	50	55.87	S	16	50
15	-26	52	20.67	S	16	58
16	-26	53	45.26	S	17	00

Certified by: *[Signature]* Mining Commissioner
 Official Stamp Date: