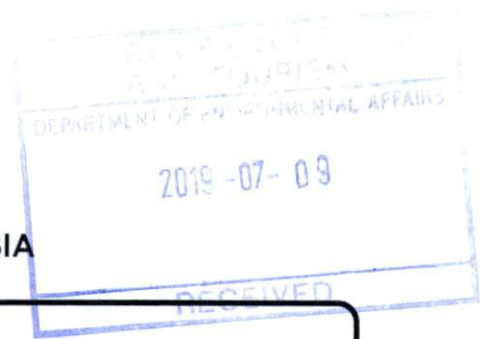


REPUBLIC OF NAMIBIA



PRO-FORMA ENVIRONMENTAL CONTRACT

WHEREAS the Applicant/ Company referred to below, has been notified under section 48(4) of the Minerals (prospecting and Mining) Act, 1992 that the Minister of Mines and Energy is prepared to grant the applicant a **mining claim** subject to certain terms and conditions and;

WHEREAS such terms and conditions include the condition precedent that the applicant enters into an Environmental Contract with the Government of Namibia;

IT is hereby agreed as follows:

1. PARTIES.

The parties to this contract are: **Small Miners of Uis (SMU)** (hereinafter referred to as the "Holder") being the holder of Non Exclusive Prospecting Licence **No.4228/** Mining Claim(s) No's. **68889 to 68891**

on the one hand, and THE GOVERNMENT OF NAMIBIA
(Hereinafter referred to as "the Government")

duly represented by:

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

on the other.

2. GENERAL OBLIGATIONS.

2.1 The provisions contained in this contract are in addition to and do not detract from any obligations which the Holder may have under the Minerals (Prospecting and Mining) Act, 1992 (the Act).

2.2 The Holder recognises that its prospecting / mining operations may have significant impacts on the environment. Accordingly the Holder undertakes that during the course of its operations it will take every practicable step necessary to ensure the mitigation of such impacts.

In doing so it will liaise with the MET and MME as provided for in 3.3 and 4 below.

B

- 2.3 In particular the Holder will undertake necessary and adequate steps to ensure that environmental damage is reduced to a minimum and prevented insofar, as is practicable.
- 2.4 Should the Holder not carry out its environmental obligations it shall be liable for the environmental damage that may result. In this regard the Government reserves the right to:
- 2.4.1 demand at any time financial or other guarantees to restore the environment or mitigate environmental damage which has, or which may occur, as a result of the Holder's activities;
 - 2.4.2 itself undertake such mitigatory or restorative measures and to recover the costs thereof from the Holder;
 - 2.4.3 claim compensation for environmental damage, which may have been brought about by the Holder's activities.
- 2.5 The Holder shall on completion or suspension of its operations, ensure that the impact on the environment is minimised and that every reasonable and practicable step is undertaken to ensure that the environment is left in a reasonable state. The provisions of clause 2.4 apply mutatis mutandis to environmental damage evident after prospecting; mining or other operations have been suspended or completed.
- 2.6 The Holder acknowledges that should it apply for a mining licence in consequence of its prospecting or other operations, it will have to comply with Namibia's National Environmental Assessment Policy (Directorate of Environmental Affairs, Jan, 1995) and that this will entail the carrying out of an Environmental Assessment (EA).

3. THE ENVIRONMENTAL CONDITIONS

- 3.1 In accordance with section 68(f) of the Act, which provides that an application for a licence shall contain particulars of the existing condition of the environment, an estimate of the effect which the proposed operations may have, and the proposed steps to be taken to prevent or minimise such effect, the Holder has attached Environmental Conditions marked Appendix A.
- 3.2 The Holder acknowledges that once the MET and MME has determined that the information furnished in Appendix A is satisfactory, it will form part of this contract.
- 3.3 The Holder warrants that the information contained in Appendix A is to the best of its knowledge and belief true and correct and that it will

notify the Government of any material changes therein. Should there be such material changes, the Government reserves the right to re-negotiate the terms and conditions of this agreement.

4. COMPLIANCE AND NOTIFICATION

- 4.1 The Holder acknowledges that the reports, which it is obliged to furnish to the MME (which is provided for in the notice from the office of the Mining Commissioner under section 48(4) of the Act) will include an Environmental Report.
- 4.2 The Holder acknowledges that officials from the MME and/or the MET may at any time conduct a compliance and/or performance inspection of its operations.
- 4.3 The Holder will keep records of its environmental performance and make these available to the officials referred to in 4.2.

SIGNED AT WINDHOEK on this 16 day of OCTOBER 2019

For the Holder:
(duly authorised thereto)

Aune Andreas Ruedel

For the Government of Namibia:

Dr. Fredrick Mupoti Sikabongo
Deputy Environmental Commissioner
Ministry of Environment and Tourism

and

Shivolo 16.10.2019

.....
Mr. E. Shivolo
Mining Commissioner
Ministry of Mines and Energy

ENVIRONMENTAL CONDITIONS FOR MINING CLAIM 68889-68891

1. Pollution and waste

1.1 No toxic or hazardous chemicals may be brought into the prospecting area or deposited thereon (this excludes the use of petrol & diesel as fuel).

1.2 All domestic refuse and industrial waste will be deposited in a designated municipal refuse dump at regular intervals, but at least once every three months. No refuse may be dumped or buried within the prospecting or surrounding area, except if the landowner has an own specific designated refuse site for this purpose. Dumping of refuse on this site shall be negotiated with the landowner. It is permissible to store refuse temporarily in containers until such time as they are ready for removal. During such temporary storage, all paper and plastic refuse should be incinerated to avoid wind-blown litter. All attempts should be made to keep the area clean.

1.3 Pit latrines (toilets) will be provided for, and used by, all staff. Non-specific shallow pits may be used for toilets where small groups of people (< five) are staying in an area for less than one week with approval of the landowner.

2. Vehicles and Earthmoving equipment

2.1 Vehicular movement shall be restricted to existing fence-lines, roads and tracks wherever possible. Where it is unavoidable that vehicles and machinery need to create new roads or tracks, these new access routes shall be carefully planned so as not to cause unnecessary environmental damage. In any event, no new road may be established without the prior approval of the landowner.

2.2 Any trenches where prospecting or mining has been completed, shall be systematically backfilled with overburden and topsoil, and the area rehabilitated to as near as possible a natural state.

2.3 Notwithstanding clause 2.1, during the reconnaissance and planning phase of exploration, off-road vehicle access is permitted to areas where tracks are sparse. Specifically this access is to define places to which tracks may at a later stage be constructed. Such access is subject to prior approval by the landowner.

3. Water

3.1 Water shall be used sparingly and all reasonable attempts will be made to avoid water wastage.

3.2 Water shall be used only for human consumption, washing and essential prospecting-related activities.

4. Protection of Fauna and Flora

4.1 No hunting wood or plant collecting shall be allowed within the prospecting or surrounding area. The collecting of dead wood for domestic use may only take place with the concurrence of the landowner.

4.2 Every effort shall be made avoid starting veld fires. Should a fire occur as a direct or indirect result of the companies' activities, the company/ claim holder shall make every reasonable effort to extinguish such fire.

4.3 The company/ claim holder shall provide written instructions to its entire staff and sub-contractors to this effect.

5. Interaction with neighbouring communities and / or tourists

5.1 The company/ claim holder shall maintain good relations with any surrounding communities, and shall not deny any person transit rights through the prospecting area. This condition is mainly relevant for prospecting activities on state lands.

6. Rehabilitation

6.1 The company/ claim holder shall ensure that sufficient funds are available to affect appropriate rehabilitation of environmental damage.

6.2 The company/ claim holder shall ensure that rehabilitation of exploration trenches / holes / pits will take place within 8 weeks of the completion of exploration at any site.

6.3 Under no circumstances, shall trenches / holes / pits be left in a state where their existence endangers human or animal life.

7. Monitoring and reporting

7.1 The company/ claim holder shall submit every six months an Environmental Report to the Ministry of Environment and Tourism according to the prescribed format.

7.2 Staff from the Ministry of Environment and Tourism and / or the Ministry of Mines and Energy may at any time inspect prospecting areas.

8. General

The conditions stated in this notification are in addition to and do not detract from any obligations which the prospecting company may have under the Minerals (Prospecting and Mining) Act, 1992 The Nature Conservation Ordinance (Ordinance 4 of 1975), or the attached Pro-Forma Environmental Contract including the Environmental Questionnaire for Prospecting in Namibia, being Appendix A.

We agree to abide by the Pro-Forma Environmental Contract and the Environmental Conditions.

For the Holder:
(Duly authorised thereto)

Reverend
Small Miners of Uis (SMU)

16 October 2019

Date

.....
Fredrick Mupoti Sikabongo
DEPUTY ENVIRONMENTAL COMMISSIONER
Ministry of Environment and Tourism

.....
Date



ENVIRONMENTAL QUESTIONNAIRE FOR MINING CLAIMS IN NAMIBIA

BEING APPENDIX A TO THE ENVIRONMENTAL CONTRACT

1. Background information

- 1.1 Companies (or individuals) applying for **MINING CLAIMS** must complete this questionnaire.
(Please fill in ALL questions).
- 1.2 The answers provided in this questionnaire shall be regarded as commitments, which will become part of the **Environmental Contract** between the Holder and the Government of the Republic of Namibia, duly represented by the Ministry of Environment and Tourism (MET) and the Ministry of Mines and Energy (MME).
- 1.3 Once the Holder has completed this questionnaire the MET and MME will either accept / reject / request further information regarding the environmental commitments made therein. The MET and MME reserve the right to add further conditions.
- 1.4 Once agreed to by all parties concerned, the completed questionnaire shall form part of the **Environmental Contract**.
- 1.5 **Please attach a map of the claim area and a copy of application to register claims.**

2. Holder details

2.1 Name of Holder	Small Miners of Uis (SMU)
2.2 Name of Claim Holder (if different from 2.1)	
2.3 Telephone, Fax , Cell phone and/ or E-mail	Tel: 061-2848111 , Fax: 064-238643 E-mail: aune.andreas@mme.gov.na Cell phone: 0812846011

3.1.2 What industrial waste will be generated and what will you do with it (e.g.

2.4 Postal Address Residential/ Registered Address	PO Box 6991, Ausspanplatz, Windhoek, Namibia c/o Ministry of Mines and Energy, 1 Aviation Road. P/Bag 13297, Windhoek, Namibia
2.5 Reference Number	NEPL no: 4228 Expiry: 17/11/2012
2.6 Registered No.(s)	21/98/565
2.7 Location, district and Region of claim	IOMA /Zambezi Region
2.8 Minerals to be mined	Industrial – Clay

2.8 How many people will work on your claim, and where will they live?

Number of people	Where will the people live
+/- 20	Surrounding villages

3. Environmental commitments

3.1 Pollution and Waste

3.1.1 What will you do with **normal litter** (e.g. Kitchen spoils, cans, bottles, paper, etc?)

Drums and dust bins will be provided. Holes will be dug to burn some of the litter, for example cans bottles and papers.

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

Possibilities of own borehole and water affair connection.

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

A plastic sheet shall be put in a "water dam" to avoid contaminating the ground water.

3.4 Relations with neighbouring communities and/or the general public

3.4.1 Are there any people living in or near your claim? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure <input type="checkbox"/>
--

3.4.2 If "yes", explain where these people live and describe their economic activities.

They live in their local traditional houses and are mainly communal farmers.

3.4.3 If "yes" in (3.4. 1) explain what you will do to maintain a good relationship with such people.

If and when the project commences, the person who will be in charge will be encouraged to consider the locals first for any job opportunities.

3.4.4 Will the activities on your claim restrict the movement of other people in the area? (E.g. the general public, tourists, farmers, local people, etc.) Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unsure <input type="checkbox"/>
--



3.4.5 If "yes" for 3.4.4. Please explain why their movements or access will be restricted

N/A

3.5 Protection of plants and wildlife

3.5.1 How will you ensure that your activities will not cause unnecessary damage to **plants and wildlife** in or near your claim (e.g. hunting, plant collecting, fishing, etc.)?

There are no plants or wildlife in the claim area. Claims are located in the pans /oshana areas.

3.6 Historical, archaeological and cultural heritage

(E.g. Rock art, graves, monuments, fossils, sacred sites, historical buildings, etc.)

3.6.1 Are there any historical, archaeological or culturally important sites within your claim area (tick one box)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unsure <input type="checkbox"/>
--

3.6.2 If "yes" above, please describe these briefly

N/A

3.6.3 If such sites are known, how will you avoid damaging them?

Yes

3.6.4 If such sites are discovered after you have started working your claim, would you accept new conditions to this contract so that they can be properly protected?

Yes No Unsure

3.7 Rehabilitation

3.7.1 When will you rehabilitate the environmental damage done during prospecting?
(tick appropriate box)

I have no intention of rehabilitating any damage
On a continuous basis (i.e. simultaneous with prospecting)
Only after all prospecting has finally been completed **x**
Don't know

3.7.2 Describe the programme of mining from start and the methods to rehabilitate damage:

1. Clay shall be collected by using tools like spades, hoes, axes and wheelbarrows.
2. Clay shall be mixed with sand for moulding
3. Hollow clay blocks shall be used for the manufacturing of bricks.
4. After burning the bricks using traditional methods, than they are ready to be used.
NOTE: Since the only way clay can be removed from the soil is by digging, it is difficult if not impossible to rehabilitate the area to its original stage. Hence the only way is to fence off the area or alternatively refill the pit with sand.

4. Existing Damage

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

N/A

I hereby declare that the information provided in this questionnaire is, to the best of my knowledge, accurate and correct, and that I'm prepared to keep to the commitments stated therein.

AUNE Andreas.....
Auneit.....

Claim Holder or Authorized
Representative

WINDHOEK.....

Place

04 June 2019

Date



Handwritten signature and date: 04.06.2019

REPUBLIC OF NAMIBIA

MINISTRY OF MINES AND ENERGY

APPLICATION FOR THE RENEWAL OF THE REGISTRATION OF MINING CLAIMS (Required in terms of Section 38 of Act 33 of 1992)

Receipt No: EFT	Date entered in FLEXI:
------------------------	---------------------------

Reference: 14/2/2/1/2/: **4228**

Full name of applicant: **Small Miners of Uis**

Postal Address: **P O Box 6961, Ausspannplatz, WINDHOEK**

Residential/Registered Address: **C/O Ministry of Mines and Energy, 1 Aviation Road, P/Bag 13297, WINDHOEK**

Contact Details: Telephone Home: **064 504001**. Telephone Work: **061 2848111**.

Fax: **061 238643/064 504001**. Cell phone: Email:

	YES	NO
Are mining operations ongoing as per section 31(1) (a) of the Act?		No
Are all monthly reports submitted as per section 45(1) of the Act?		No
Are all claim fees paid up as per section 123(1) (b) of the Act?	Yes	

If the answer is "**NO**" to any of the questions, please submit an explanation for the failure to comply with the requirements of the mentioned sections of the Act: **The three mining claims with registration numbers 68889 to 68891 were registered on 14 September 2012. The Ministry of Mines and Energy is in a process of setting up a small scale mining Clay Processing Facility for bricks, ceramic and pottery production at Ioma in Zambezi region. It is only after this facility has been completed that mining activities shall commence.**

Handwritten signature

68889 (68889)

Active (Pending Renewal)

Mining Claim (Claims)

General

Jurisdiction: Namibia Mines MIN
Region:
Official Area:
Application Number:
Old License Code: 68889
Accounting Code:
Renewal Period: 0
Commodities: IM
Comment:

Application Date:
Closure Date:
Expiry Date: 13 September 2019
Grant Date: 14 September 2012
Last Renewal Date: 09 October 2017
Peg Date: 19 July 2012
Renewal Application Date: 09 October 2017

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68890 (68890)

Active (Pending Renewal)

Mining Claim (Claims)

Coordinates And Shape

Coordinates

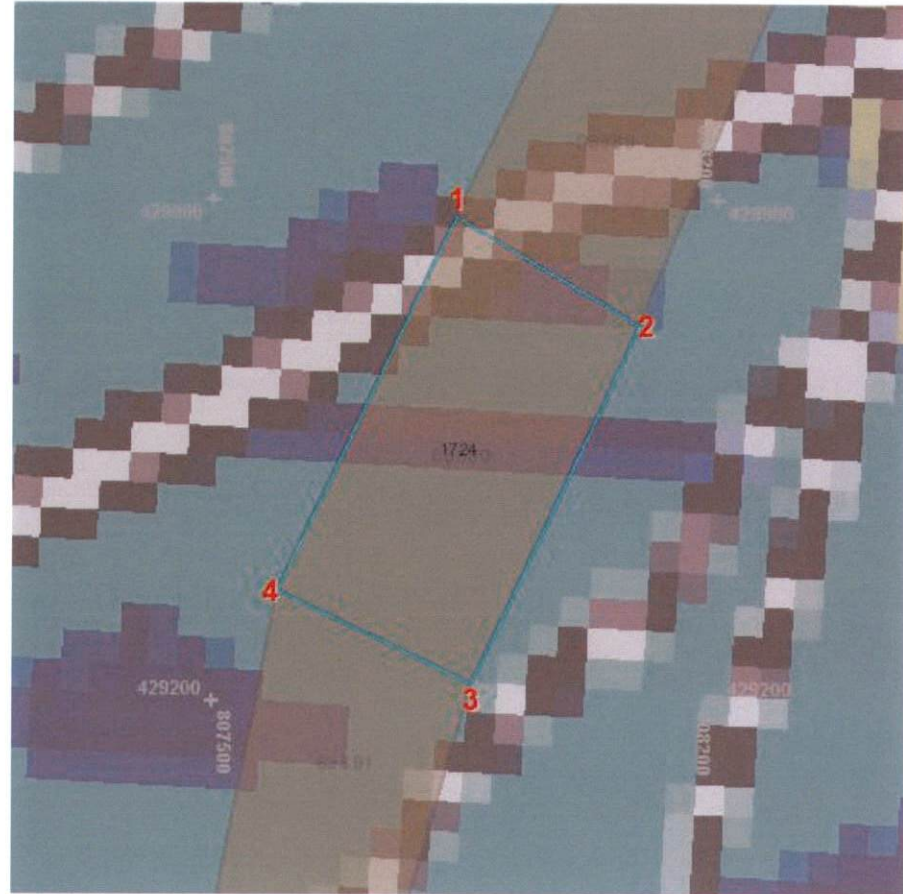
Official Area:

Coordinate system:

GCS Bessel 1841

	Latitude	Longitude
Part 1		
1	17° 55' 50.53" S	024° 37' 06.04" E
2	17° 55' 55.03" S	024° 37' 14.98" E
3	17° 56' 11.69" S	024° 37' 08.02" E
4	17° 56' 07.94" S	024° 36' 58.65" E

License Shape



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68890 (68890)

Active (Pending Renewal)

Mining Claim (Claims)

General

Jurisdiction: Namibia Mines MIN
Region:
Official Area:
Application Number:
Old License Code: 68890
Accounting Code:
Renewal Period: 0
Commodities: IM
Comment:

Application Date:
Closure Date:
Expiry Date: 13 September 2019
Grant Date: 14 September 2012
Last Renewal Date: 09 October 2017
Peg Date: 19 July 2012
Renewal Application Date: 09 October 2017

8

68891 (68891)

Active (Pending Renewal)

Mining Claim (Claims)

Coordinates And Shape

Coordinates

Official Area:

Coordinate system:

GCS Bessel 1841

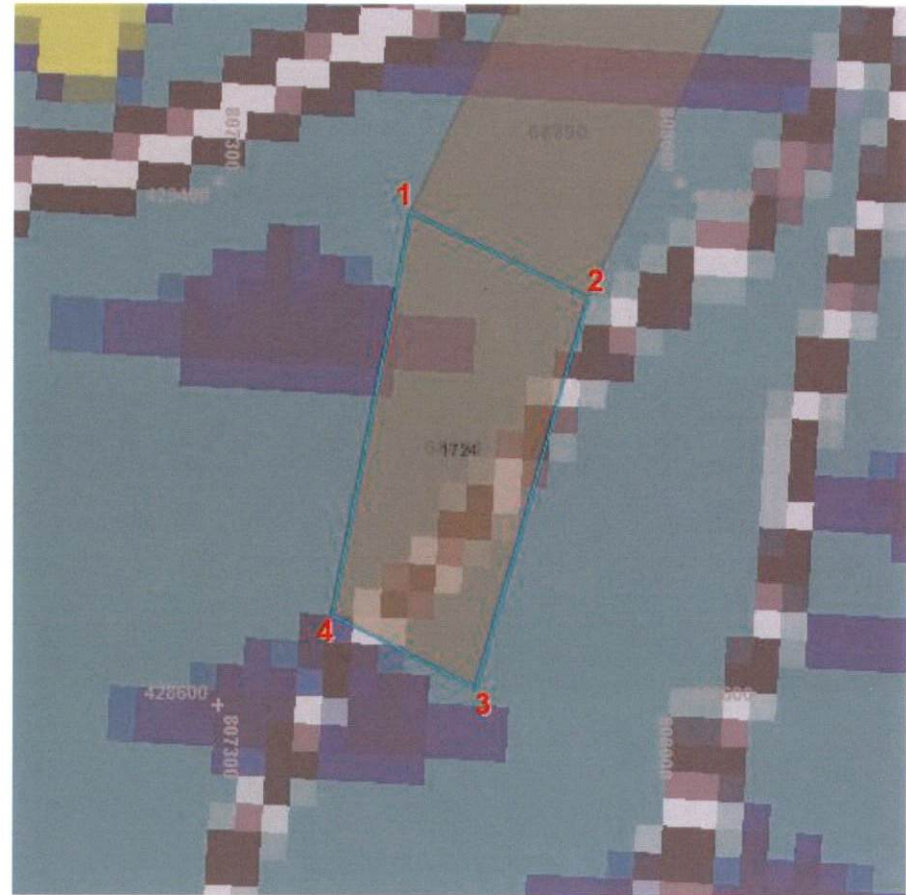
Latitude

Longitude

Part 1

1	17° 56' 07.94" S	024° 36' 58.65" E
2	17° 56' 11.69" S	024° 37' 08.02" E
3	17° 56' 31.37" S	024° 37' 03.33" E
4	17° 56' 28.17" S	024° 36' 55.71" E

License Shape



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68891 (68891)

Active (Pending Renewal)

Mining Claim (Claims)

General

Jurisdiction: Namibia Mines MIN
Region:
Official Area:
Application Number:
Old License Code: 68891
Accounting Code:
Renewal Period: 0
Commodities: IM
Comment:

Application Date:
Closure Date:
Expiry Date: 13 September 2019
Grant Date: 14 September 2012
Last Renewal Date: 09 October 2017
Peg Date: 19 July 2012
Renewal Application Date: 09 October 2017

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