ENVIRONMENTAL SCOPING REPORT

UPDATE FOR THE EXPLORATION IN THE KARINGARAB AREA IN ML43 AND EPL 3749 FOR NAMDEB FOR THE PURPOSES OF AN ECC RENEWAL

Period:2026-2028

NAMDEB
ON DIAMONDS WE BUILD

ENVIRO DYNAMICS
Environmental Management Consultants

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List of Abbreviations

DD: Diamond Drilling
ECC: Environmental Clearance Certificate
EMP: Environmental Management Plan
EPL: Exclusive Prospecting License
ML: Mining License
MEFT: Ministry of Mining, Forestry and Tourism
NHC: National Heritage Council
RC: Reverse Circulation
REE: Rare Earth Elements

1 Chapter 1: Background

1.1 Aims of the Annex to the scoping report

Namdeb currently possess an Environmental Clearance Certificate for exploration in the Karingarab area in ML43 and EPL 3749, which is valid until 22 January 2026 (copy in Appendix A).

A scoping document was done in line with the Regulations of the Environmental Management Act, 2007d (Act 7 of 2007). This report is an update of the 2021 scoping report, in order to present the proposed drilling activities for the period 2026-2028, for the application of the ECC renewal. The EMP has also been updated, and is attached in Appendix B.

The original scoping report was compiled by Namdeb, and this annex review was compiled by Stephanie van Zyl, Enviro Dynamics.

1.2 Purpose of the exploration at Karingarab

Namdeb is mining diamonds in the southwestern corner of Namibia. Namdeb currently holds four diamond mining licences (as well one exclusive prospecting licence (EPL) covering both land and sea areas (Figure 1). In addition to the mineral rights to mine diamonds, Namdeb investigates through prospecting and exploration, a carbonatite in the Karingarab area in ML43 and EPL 3749 for the presence of rare earth elements (REE) (Figure 2 and Figure 3). Work done by Ambase on EPL3749 identified significant concentrations of REE from surface samples, and with REE being essential components of most new and 'green' technologies, this is expected to be a worthwhile commodity for Namdeb to invest in. Mapping, geophysical information and the systematic examination of the deposit through drilling during the exploration phase, will indicate whether there is a chance to transform the mineral occurrence into a mineral resource. In doing so, Namdeb will ensure that it is sustainable for years to come and will continue to support the national economy through profits.

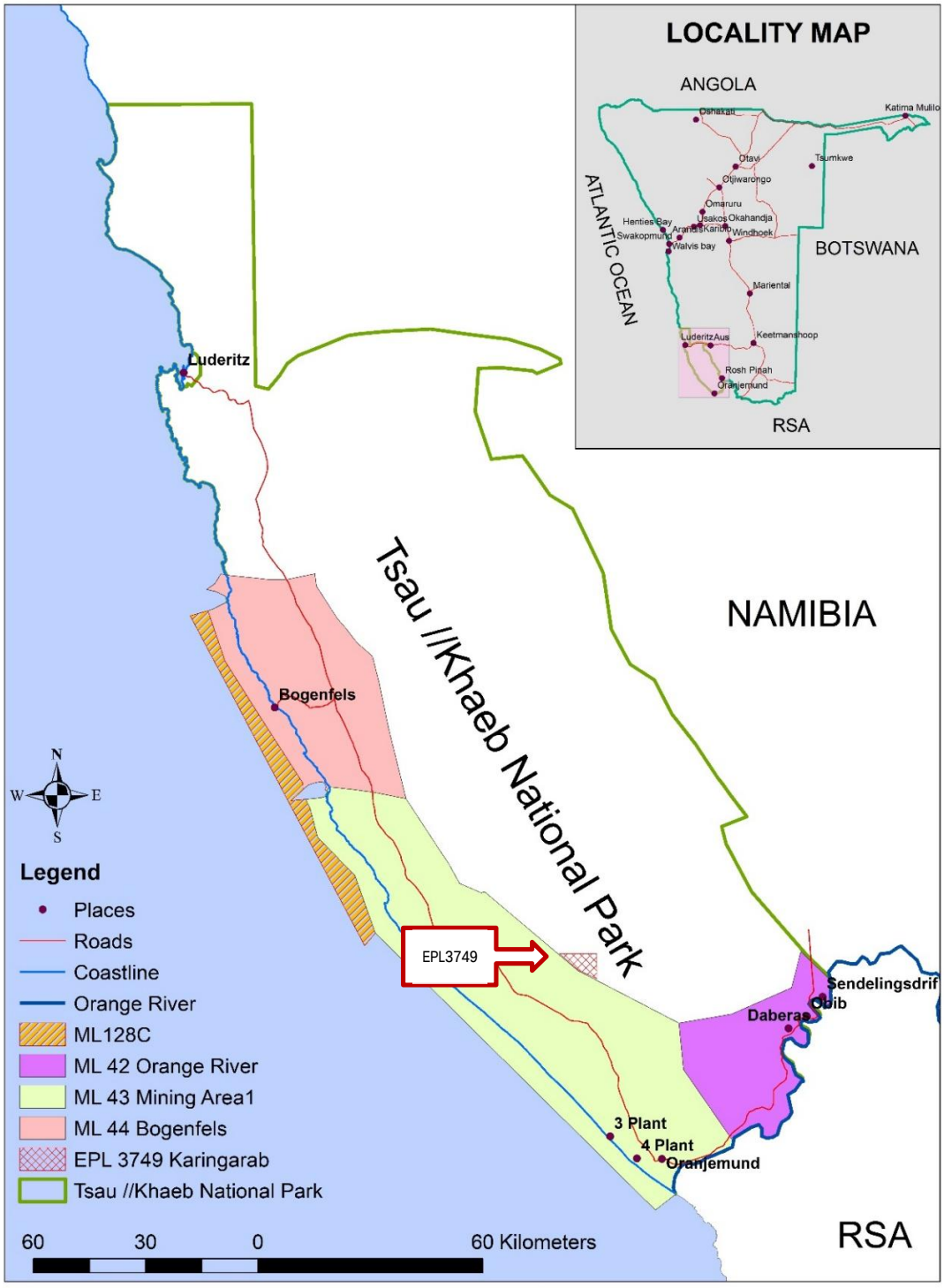
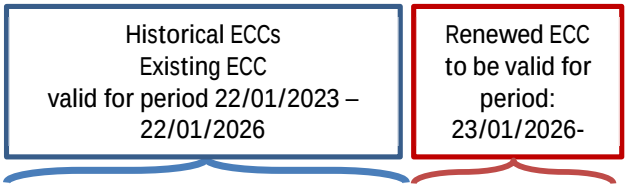


Figure 1: Namdeb's mining licenses

1.3 Schedule

Table 1 below indicates Namdeb's work schedule for drilling, geological mapping and geophysical surveys for the past ECC validity period and for the one being applied for through this report. Whereas there was drilling activity during 2021-2022, the previous ECC covered a period during which there was no drilling activity, although rehabilitation has been successfully completed and photographic monitoring continues according to the Biodiversity Management Plan and the EMP. The red blocks are indicative of the activity expected for the ensuing period. More information on these activities is provided in Chapter 11. The RC and DD drilling will be spaced out over the period, with supporting phases of geophysical survey and field mapping included.

Table 1: Namdeb's work schedule for the past ECC period (2023-2026) and indicative work schedule for the ensuing period (01/2026-01/2029).



	2020-2022 ECC				2023-2025ECC				2026-2029			
Ground geophysical survey and field mapping												
RC Drilling (Reverse circulation drilling)												
DD Drilling (Diamond core drilling)												
Rehabitilation												
Vegetation monitoring												

2 Chapter 2: Legal Framework

The original scoping report contains a legal register with an extensive explanation of the environmental legal instruments that apply to the project. Below (Table 2) follows a list of the permits that apply to the Karingarab area, together with the status of each.

Table 2: Description of the legal environment concerning the proposed exploration activities in the project area

Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
Environmental Clearance Certificate	Comply with legislative requirements for the exploration activities (Environmental Management Act, 2004 and Regulations, 20012)	Renew and amend the Environmental Clearance Certificate issued by the Ministry of Environment and Tourism for the planned exploration and potential mining in the Karingarab area in ML43 and EPL 3749. Currently valid 2022-01-23 until 2026-01-23.	Environmental Section	High	Correspondence and all communications enacted.
Park Entrance authorization	Comply with Section 18 (1)a of the Nature Conservation Ordinance of 1975	Obtain authorization to enter the Karingarab areas which is within the Tsau //Khaeb National Park from the Parks Executive Committee-Ministry of Environment, Forestry and Tourism-Department of Parks and Wildlife, prior to drilling activities.	Environmental Section	High	Ongoing Correspondence enacted.
Export permit	Compliance with Section 55 of the Diamond Act No. 13 of 1999	Obtain the export permits from both the Mining and Diamond Commissioner from the Ministry of Mines and Energy for the export of the core material out of the Karingarab areas.	Exploration Section	Medium	Correspondence and all communications enacted

Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
Security plans	Compliance with Section 55 of the Diamond Act No. 13 of 1999	Amend the current security plan to include the extended exploration and potential mining of REE in the Karingarab area in ML43 and EPL 3749 and submit to the Ministry of Mines and Energy	Exploration Section	Medium	Correspondence and all communications enacted
Heritage Conservation	Compliance with the National Heritage Act (27 of 2004)	Demarcate and protect the old tracks on the site Chance find procedure	Environmental Section / Exploration Manager	Medium	Chance Find request was submitted, upon which the National Heritage Council (NHC) responded that the finds are insignificant and that activities may proceed without removal.
Stakeholder consultation	Maintain a good stakeholder relationship by keeping them informed (Environmental Management Act, 2004 and Regulations, 2012)	Communicate the Environmental Clearance Certificate and the time frame of the planned Drilling Programme to the relevant stakeholders. Invite inspections as necessary.	Environmental Section	Medium	Correspondence of this document to stakeholders.

3 Chapter 3: Project Description

3.1 Location

The area of interest is located in ML43 and EPL 3749 (see Figure 1). It comprises an area of approximately 10 124 ha. EPL 3749 covers an area of 3 854 ha and the area of interest situated within ML 43 covers an area of approximately 6 270 ha. The target area includes one main intrusion and four satellite intrusions (Figure 2). It is situated approximately 50 km from Oranjemund and is accessible *via* the Chameis road. The prospect is located approximately 13 km to the east of the Chamais road. Access to the area is *via* a two-spoor track and a 4x4 is necessary to get to the site.

The coordinate reference is: 28 deg 05'51.0''S and 16 deg 11'44.1''E

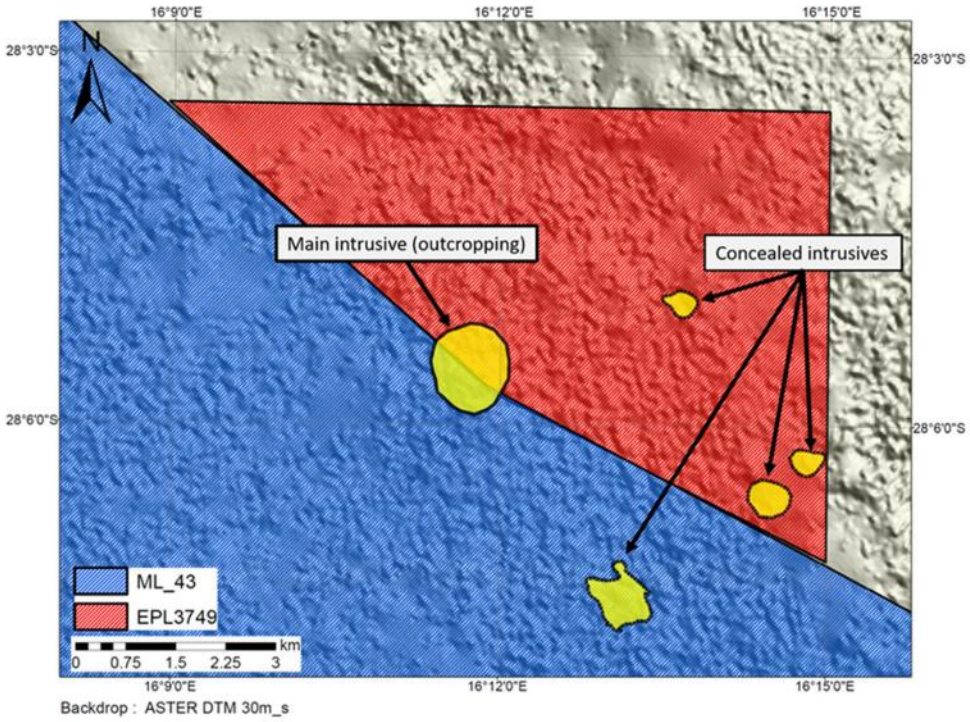


Figure 2: One main and four concealed intrusives comprise the Karingarab Deposit

3.2 Environmental sensitivity and change

The condition of the environment when exploration commenced by Namdeb in the Karingarab area was near-pristine – only a few signs of human activity in the form of tracks and a small mound of building material left behind had been found. Subsequent drilling conducted by Namdeb was successfully rehabilitated. The only prominent features in the area are various foothills; and a large gravel plain. The rest is all made up of various undulating and largely identical sandy terrain covered in dune hummocks. Current activities and rehabilitation occur concurrently on site (see Error! Reference source not found.).

The ecological sensitivities were identified and described in the 2021 Scoping Report, all based on extensive field work (Archaeology - Noli, 2013; Invertebrates- Irish, 2014; Vegetation-Kolberg, 2014, Vertebrates – Cunningham, 2013). Below follows a summary of the habitats of the area, as described in the 2021 Scoping Report.

3.2.1 Gravel Plains

These plains are covered in either light or dark coloured gravel, are relatively flat with a slight descending slope southwards and a few small depressions. The surface layers are protected by gravel, pebbles and small to large stones from wind erosion.

The function of this habitat is to receive and infiltrate rainwater from the higher lying areas and during good rainfall, produce ephemeral plant species that serve as fodder for wildlife. It serves an important role as seed bank for these annual species. Physical features that could provide niches for life forms are not very diverse. Restoration of this habitat is partly possible, but will be difficult and occur only over an extended period. The top soil layer and the covering gravel cannot be re-created and will have to develop over time. Reseeding or planting of dominant perennial species are recommended approaches.

3.2.2 Hills

The hill slopes are relatively short, gentle to moderate and often covered with wind-blown sand. The summits usually show some low rocky outcrops.

This habitat sustains a large diversity of perennial plant species mainly due to the structure of the substrate that provides many different micro-habitats. The physical features are diverse and this vegetation type provides niches for many forms of wildlife. This habitat is also home to a variety of fauna, and a brown hyena denning site (being monitored for activity) is located in it. It has some rock outcrops which are considered sensitive from a conservation aspect, but these are not affected by exploration activities.

Restoration of this habitat will be difficult because the structure cannot be recreated and because of the great diversity of perennial, long-lived species present. Reseeding or planting together with recolonization from surrounding areas will be options.

3.2.3 Hummock Plains

The landscape is mostly gently undulating with some flat parts and a few higher dunes. The surface layers consist mostly of unstable, wind-blown sand and a few areas where the harder lower layers, which have some gravel and stones, are exposed.

This habitat is formed through the erosion and deposition of sand by wind. The perennial plants have an important role in stabilizing the sand through hummock formation. Species diversity is not very high but as discussed before, annual species and geophytes are not included in this assumption. Restoration of this habitat will be partly possible but hummock formation needs to be encouraged through re-introduction of perennial plants. Re-seeding and planting of perennial species together with providing shelter for young plants, is the recommended approach.

From a vertebrate perspective, the rocky ridges in the hills and the gravel plains were identified as priority as far as biodiversity is concerned. The habitats, however, are all represented elsewhere. Since some of the terrain cannot be avoided during drilling, rehabilitation is the only option. The archaeological study found the none of the sites identified were representative enough for preservation and the recommendation made was to preserve the overall integrity of the habitats, which will also benefit archaeology overall. The coordinates and sensitivities identified during the original field surveys were incorporated into Namdeb's EMS and database.

3.3 Exploration activities description

3.3.1 Activities conducted for the period 2022-2025

Exploration Drilling for the Karingarab REE Target uses both Reverse Circulation (RC) and Diamond Drilling (DD). Some DD holes require pre-collars which can include larger diameter DD drilling or RC drilling due to sandy and calcareous material and possible conglomerate overlying the targeted intrusions. Casing may be inserted at the top of RC drill holes.

Exploration was conducted for the opportunity phase at Karingarab between 2021-2022. Geological mapping, drilling and geophysical surveys were conducted using various geophysical techniques that include downhole surveys. All samples, including historical drillhole samples were sent for geochemical analysis and selected samples for metallurgical analysis. A total of 10 783.27m diamond core drilling (DD) and 456m reverse circulation (RC) drilling was conducted during 2021 – 2022. RC drilling was suspended in Q2 of 2021 and the focus was shifted to obtain additional diamond drillholes. The project utilized 3 diamond drill rigs with an on-site crew of 20 people for this drilling programme.

Additional exploration conducted during this period included downhole geophysical probing of all drilled boreholes (11 785m), a multi-geophysical surface survey, geological and geotechnical logging of produced core, and multiple chemical analysis techniques (petrographic, metallurgic, geochemical, hyperspectral and mineral assemblage).

A small field camp was erected for the geophysical surveys which was rehabilitated after the work was completed (on-site staff limit did not exceed 14 people on average). All exploration work was completed by Q3 of 2022. All activities were governed by strict waste management and track discipline controls.

3.3.2 Activities envisaged over the next three years (2026-2028):

- ~12 000m (130 drill holes) at an average depth of 90m per drillhole – combination of RC and DD
- Close spaced drilling of 50mx40m which may be decreased to 30mx40m.

The amount of drilling may be increased pending the results obtained from the abovementioned drilling. The number of additional meters cannot be quantified at this stage.

The drilling programme is planned to be conducted using 3 DD rigs and 3 RC rigs with a total crew not expected to exceed 90 staff on-site, consisting of the following:

- Drilling crew of 35 staff.
- Geological services to support the drilling, not to exceed 35 staff at any given time.
- Downhole surveying services with an expected staff complement not exceeding 5 people.
- Possible additional ground geophysics with an additional 15 staff members.

It is planned to erect a field camp to house company and contractor staff during the planned work programmes. The camp will consist of prefabricated accommodation, ablution, kitchen and canteen facilities. The field camp will be designed to accommodate a maximum of 80 people at any given time. It is envisaged to make use of solar power for the camp. The camp will be completely 'mobile', and all structures will be removed during rehabilitation. Strict waste management protocols will apply and in accordance with Namdeb's Policies and Procedures.

For the project in total, the following assumptions are made:

Table 3: Assumptions for the next three-year period

Number of drill holes	130
Maximum number of people on site at any point in time	90
Maximum number of people accommodated in camp	80
Drills rigs	3 RC rigs, 3 DD rigs
Support trucks	3 RCC, 3 DD
Light duty vehicles (incl. ad hoc management visits)	20

Drill rigs mobilise from Oranjemund to site via the existing road and track to Karingarab. Only this access is being used. The drill holes are irregularly spaced with some sites on the existing track. Access to all sites is done in a systematic manner as approved by the project geologist and project environmentalist. Withdrawal from the site will make use of the access routes created. The number of tracks is being kept to the bare minimum. Each drill site may consist of the following depending on the methodology; a drill rig, compressor, support truck, two to three 4x4 vehicles for transport, the core recovery racks, core trays and sampling systems (splitters) with associated bags. The crew commutes daily between Oranjemund and Karingarab. Water and biodegradable, environmentally friendly drilling fluids will be used during the drilling process. Core recovered is not processed on site but will be transported to Oranjemund for logging, sampling and storage. All drill sites will be rehabilitated but the tracks will remain for follow-up work to be conducted on the boreholes, i.e., geophysical logging, monitoring etc. Tracks will be rehabilitated should it be found that the project is not viable to pursue any further.

4 Chapter 4: Environmental Performance

The original Environmental Management Plan was integrated into the Namdeb Environmental Management System and is being implemented. Below are the salient aspects of performance on the EMP management actions for the period: 2022 until current.

4.1 2022

The final drilling campaign was completed in 2022 where a total of 32 holes were drilled. The holes were a total of 6 291m with a maximum depth of 290.74 m. The team on site were 57 individuals. The field camp erected to house the teams on site was removed during March 2022. The last drill rig was demobilized from site July 2022. General waste, portable toilets, and a JoJo tank was removed, with only the site office, beacon points, wind sleeve, and weather station remaining. The team analysing the core, was demobilized September 2022. Pegs were set up following the 2021 and 2022 drill plan and baseline images were captured prior to drilling. The first set of rehabilitation images were captured after drilling ceased at each drill hole.

Figure 1. Site office remaining at Karingarab.

Figure 2. Weather station, wind sleeve and survey beacon on site.

In 2022, an archaeological chance find was discovered on the satellite body. The area was demarcated and the find was reported to the National Heritage Council (NHC) (Figure5). The NHC communicated to Namdeb that the chance find is insignificant, and does not need to be removed or protected.

Figure 3 Karingarab archaeological find.

4.2 2023

Rehabilitation images were captured in January and October 2023. It is evident that restoration actions are successful as there are limited signs of tracks.

Figure 4 Photo monitoring at Karingarab.

4.3 2024

Figure 5: Rehabilitation images taken in 2024 at one of the drill holes. Left = pre-drilling. Right -= post-drilling.

Rehabilitation images were captured April and July 2024 year to date. The image shows the care with which the drilling and the rehabilitation was done with little to no signs of activity remaining.

No other activities have taken place at Karingarab since the demobilisation of the drilling campaign. Only activity on site is the rehabilitation photo monitoring, weather station data collection and site office integrity inspections. Caution is applied and only existing roads are used when completing the tasks. Where roads have naturally rehabilitated, the team walks to the photo points to capture the images.

All rehabilitation since the demobilisation of the drilling campaign is only nature based with no active restoration executed.

4.4 Rehabilitation and biodiversity plans

Namdeb in consultation with stakeholders, developed a detailed Rehabilitation Plan, which identified the end-land uses of the operations and the plan received governmental approval in 2008. Rehabilitation is being integrated with the mine plan to ensure that the area does not compromise any future mining-based tourism. In 2021, Namdeb developed a Waste Management Strategy, Integrated Water Management Strategy, Cultural Heritage Management Plan and a Demolition and Landscaping report and Integrated Closure Plan (ICP). During 2023-2024, Namdeb continued discussions with relevant stakeholders to determine the suitable end land use for Namdeb's Mining Licences. These discussions are currently ongoing.

The Tsau //Khaeb National Park Management Plan (2020) of the MEFT, stipulates that the area in question zoned "Minimal Disturbance", which has the following management guidelines:

- New roads should be constructed in this area
- Only guided tourism
- No harvesting
- No permanent structures to be developed (except possible rest / picnic points, which must be developed in a way that blend into the environment)
- No off-road driving
- No mining or prospecting is allowed according to the policy in protected areas

The applicable exclusive prospecting license is a relatively small triangle of land in this zone, and it is assumed that the zone is generally applicable to the surrounding land, which is currently pristine. However, given the sensitivity of the surrounding area, Namdeb has cleared up all previous signs of activity, so that the area can for all practical purposes be classified as pristine, or in line with the zone "minimal disturbance".

Namdeb should ensure that all future exploration activities in the area heed to the management guidelines of this zone, and that rehabilitation aims at restoring the area to its natural state as far as practically possible.

Since mining operations are in a globally recognized biodiversity hotspot and in a National Park, Namdeb prepared a Biodiversity Strategy and Action Plan in October 2008, which has been updated in 2021. Its purpose is to:

- Identify information gaps and opportunities to improve biodiversity management;
- Provide an umbrella for biodiversity-related environmental management;
- Achieve a management objective for improving Namdeb's knowledge on restoration of vulnerable habitats, ecosystems and species.

The Biodiversity Action Plan is currently being converted to a Biodiversity Management Plan, according to Anglo American standards, and is scheduled for completion in 2025.

Environmental Management, conservation and restoration at Karingarab is being and will finally be carried out according to the principles contained in these plans.

5 Chapter 5: Stakeholder Consultation

The public has been invited through the local press to participate in the update of Namdeb's Mining Licence ECC renewals. Namdeb also has a stakeholder database who interact according to their interest or area of authority. This document has been circulated these stakeholders for comment.

This draft document is being circulated to stakeholders and all comments will be incorporated into the document as appropriate.

6 Chapter 6: Identification and assessment of Potential Environmental Impacts

The purpose of this section is to assess and identify the most pertinent environmental impacts and provides mitigation measures that are expected from the exploration team in the Karingarab area in ML43 and EPL 3749. The following are key impacts identified:

- Ecological impacts
- Archaeological and historical impacts
- Health & Safety impacts
- Waste Production

These impacts are summarised here, with the understanding of the new assumptions set for the project, as listed in Table 3. This impact assessment only covers the exploration phase. Should mining be contemplated a submission will be made for an amendment of the ECC.

Table 4: Ecological (Fauna and Flora Biodiversity) and Archaeological & historical Impact

Risk Event	Creation of access road to Karingarab, creation of internal roads to each drill site, creation of camp on site, and general movement in between the camp and the drill sites.
Nature of Impact	The effect of drilling activities on the ecosystem structure and function, biodiversity, archaeological and historical resources
Status (+ or -)	Negative
Extent	Site specific
Duration	Medium
Intensity	Moderate effects
Probability	Definite
Prevention	To prevent any impact on the biodiversity of the flora and fauna can only be attained through the no-go option, i.e., drilling of Rare Earth Elements does not continue. However, with Namdeb's intention to diversify its mining efforts in the future, diversification opportunity might be lost. During planning phase, generate environmental sensitivity maps overlaid with proposed drilling and infrastructure layout. The environmental and exploration teams should work together with this map to consider preventing and limiting potential footprint impact by considering *inter alia:* 1) potential to re-use existing boreholes, 2) placement of boreholes

	to prevent sensitive areas e.g. Vegetation hotspots and outcrops, 3) placement of road network, camp and laydown areas to prevent sensitive areas and restrict movement e.g.: • Treat all habitats as sensitive and prevent any unnecessary movement or new areas opened up as far as possible. • New roads should only be made to new drill sites. Otherwise, existing tracks should be used. • Making new roads over hard or gravelly areas should be avoided or kept to a minimum and wherever possible, alternative routes over sandy areas (Hummock Plains habitat) should be chosen A dedicated site environmental officer should visit the site to confirm all sensitive areas have been avoided as far as possible and to identify areas where plant rescues may be necessary. During operation, the environmental sensitivity maps should be shared with contractors and employees as part of induction prior to accessing the site. Once the drilling programme has been concluded, the Namdeb standard rehabilitation procedures should be implemented, according to the approved rehabilitation standards at the time. The Namdeb standard heritage chance -find procedure should be implemented during the drilling operations.
Limiting impact	• Due care should be taken that the jeep track is not followed by idle drivers intending to find out "where it goes". When they lose the track –they will create numerous other ones trying to find it, thereby obliterating the original one. • Ensure strict control over the creation of new tracks and removal of archaeological and historical finds, any plant material, including firewood, seed and whole plants • Personnel (Namdeb and contractors) at the site must be constantly re-informed/reminded of the environmental sensitivity of the areas prior to drilling activities (e.g. through monthly meetings) • Construction personnel should be issued with park entry permits and made aware of the rules and regulations when entering the site.
Significance	Moderate prior to mitigation, low with mitigation
Confidence Level	High

Table 5: Health and Safety impacts

Risk Event	Safety and health incidents
Nature of Impact	Drilling activities come with inherent risks to workers. Some possible risks during drilling process include: - • Product contact with eyes and skin • Working at heights • Muscular injury from incorrect lifting techniques • Falling objects • Tripping • Operating potentially dangerous equipment
Status (+ or -)	Negative
Extent	Site Specific
Duration	Medium
Intensity	No Lasting Effect for minor impacts to Serious Effects for major impacts
Probability	Highly probable
Prevention	To prevent health and safety risks the following should be implemented/available: • Operational and procedural manuals • Daily completion of SLAM: See, Look, Assess and Manage tool. • Health and Safety training • Housekeeping rules • Safe work procedures and permits to work • Emergency response plans • Material Safety Data Sheets (MSDS) freely available • Protective equipment • Regulations for handling fuel and chemicals • Proper supervision • Qualified personnel for specialist jobs
Limiting impacts	Safety and health risk impacts can be mitigated by: • Wearing of Personal Protective Equipment (e.g., protective clothing like safety boots and hard hats) • First aid training and available treatment • Medical procedures and emergency services • Daily safety moments (toolbox talks) and/or drills

Significance	Medium to high (without mitigation), Low (with prevention and mitigation)
Confidence Level	High

Table 6: Waste Management

Risk Event	Waste Production
Nature of Impact	Products that act as waste must be cleaned up and disposed of in an appropriate manner. Waste associated with the drilling process include left over drilling fluid and casing materials, domestic waste, and soils that become contaminated with fuels or other hazardous chemicals.
Status (+ or -)	Negative
Extent	Site Specific
Duration	Medium
Intensity	Minor Effects but may be Moderate Effects where hazardous waste enters the environment, waste generated are for a significant size of operation which caters for 90 people on site at any given time.
Probability	Definite
Prevention	Implement standard Namdeb procedures to reuse, reduce and recycle waste.
Mitigation	Mitigation measures include: • Leftover drilling fluid and casing material or domestic waste volumes must be reduced by re-using or recycling where possible. Waste that cannot be recycled must be disposed of at appropriate waste disposal sites. • Waste should be disposed of regularly. • Hazardous waste must be disposed of according to MSDS specifications and at suitable hazardous waste disposal sites. • Contaminated soils (e.g., by hydrocarbons) can be remediated in accordance with accepted procedures at a site dedicated for this purpose.
Significance	Without mitigation: Medium With mitigation: Low
Confidence Level	High

7 Chapter 7: Environmental Plan

The Environmental Management Plan (EMP) was compiled with the original ECC application and has been incorporated into the Namdeb's ISO 14001 Environmental Management System database, thus ensuring that the project does not deviate from the environmental profile. Environmental performance monitoring is being carried out on site and corrections made as necessary.

The EMP has been updated and the revised version is attached.

8 Chapter 8: Conclusion

REE is an essential component of most new and 'green' technologies; this is expected to be a worthwhile commodity for Namdeb to invest in. The exploration of REE will assist Namdeb to diversify and continue to contribute to the Namibian economy. Namdeb's continuation to contribute to the Namibian economy will ensure jobs and provide opportunities for continued diversification of regional and national economic activity.

The updated Environmental Management Plan should be used by the exploration team during their planning to ensure impacts are avoided and as an on-site reference document for the exploration activities at the Karingarab area in ML43 and EPL 3749. Parties responsible for transgression of the EMP should be held responsible for any rehabilitation that may need to be undertaken. Namdeb's Health, Safety, Security and Environment Management System should be used in conjunction with the Environmental Management Plan. All employees responsible for the drilling activities should be informed of the contents of this document.

10 References

Cunningham, P, L. 2013. Baseline Study: Vertebrate Fauna Associated with the Karingarab Area. Prepared for Namdeb Diamond Corporation.

Irish, J and Greyling, T. 2014. Invertebrate baseline study for the Karingarab area in ML 43 and EPL 3749. Prepared for Namdeb Diamond Corporation.

Kolberg, H. 2014. Karingarab Vegetation Baseline Study. Unpublished Report. Prepared for Namdeb Diamond Corporation.

MEFT, 2020. Tsau //Khaeb National Park Management Plan. MEFT. Namibia.

Namdeb. Environmental Performance Reports 2022-2024. Internal Reports submitted to MEFT.

Noli, D. 2013. A historic and archaeological baseline study of the Karingarab area. Prepared for Namdeb Diamond Corporation.

11 Appendixes

A. EPL 3749- Karingarab and ECC for the period 2022- 2025

B. Environmental Management Plan for 2025-2028

EXCLUSIVE PROSPECTING LICENCE – 3749

AMBASE PROSPECTING (NAMIBIA) (PTY) LTD

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: 3749 Office Reference No: 14/2/1/4/2/3749

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: AMBASE PROSPECTING (NAMIBIA) (PTY) LTD

Identity or Passport No (natural person): N/A
Company Registration No (company): 2006/362
Address (natural person) or Registered Address (company):
P. O. Box 40669
WINDHOEK

Full Name of Accredited Agent (if applicable): N/A
Address of Accredited Agent (if applicable):

for the period of 3 years from (date of issue) 29 Jul 2008 to (date of expiry) 28 Jul 2011

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 & Rare Metals and Precious Metals

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

Registration Division(s): N Magisterial District(s): Luderitz

as more fully depicted in the attached diagram No EPL 3749 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 16 Jun 2008 and agreed to in writing by the applicant on 29 Jul 2008

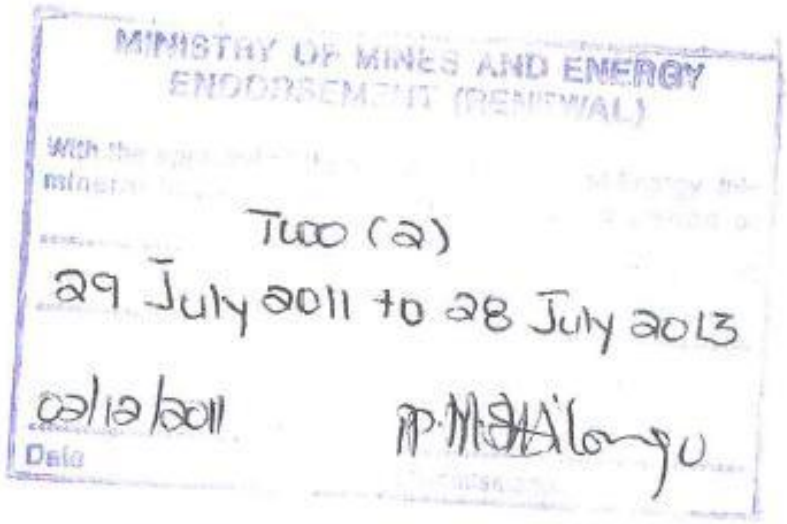
as appended hereto.

Signed at WINDHOEK this 27th day of January 2009

MINISTRY OF MINES AND ENERGY
OFFICE OF THE MINISTER
2009 -01- 27

MINISTER OF MINES AND ENERGY

OFFICIAL STAMP


MINISTRY OF MINES AND ENERGY
ENDORSEMENT (RENEWAL)

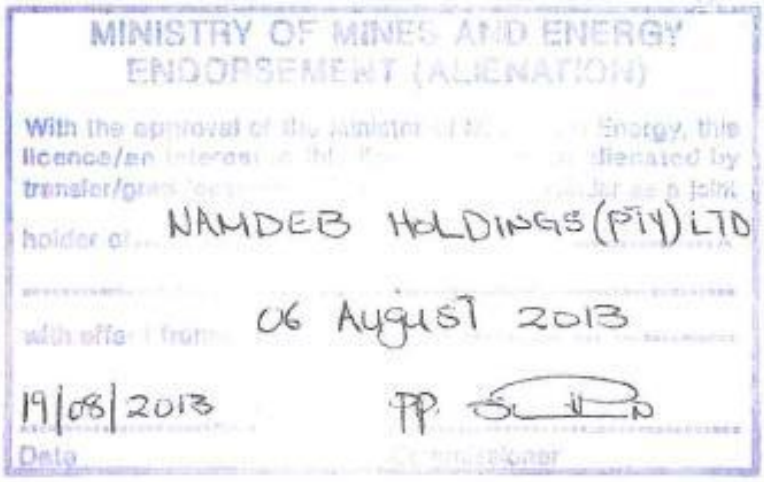
With the approval of the Minister of Mines and Energy, this mineral licence has been renewed for a period of

Two (2) years from

29 July 2011 to 28 July 2013

02/12/2011
Date

PP Commissioner


MINISTRY OF MINES AND ENERGY
ENDORSEMENT (ALIENATION)

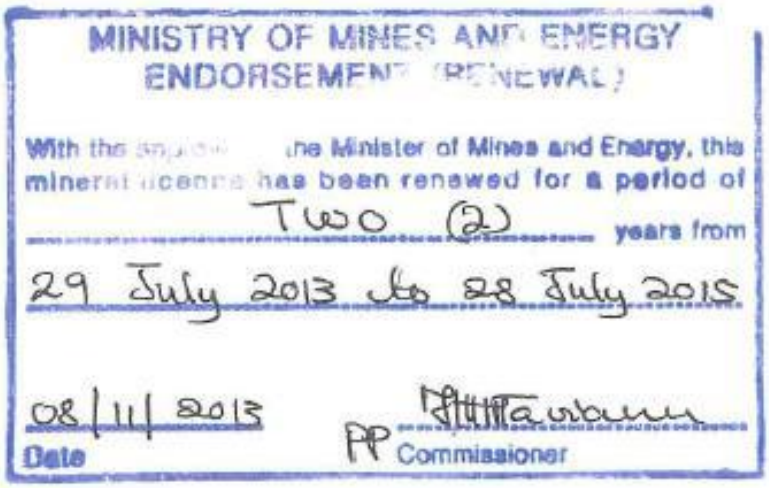
With the approval of the Minister of Mines and Energy, this licence/an interest in this licence is hereby transfer/granted to

holder of NAMDEB HOLDINGS (PTY) LTD

with effect from 06 August 2013

19/08/2013
Date

PP Commissioner


MINISTRY OF MINES AND ENERGY
ENDORSEMENT (RENEWAL)

With the approval of the Minister of Mines and Energy, this mineral licence has been renewed for a period of

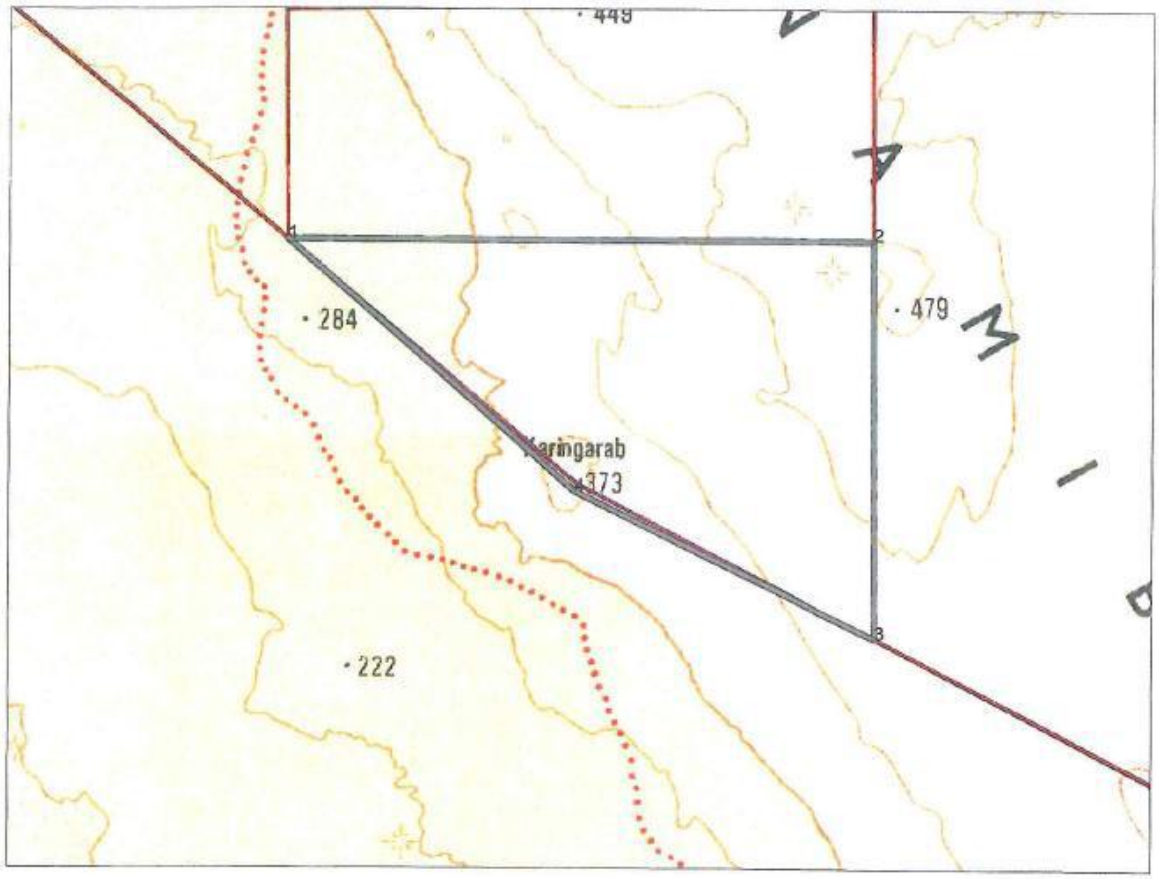
Two (2) years from

29 July 2013 to 28 July 2015

08/11/2013
Date

PP Commissioner

DIAGRAM - EPL-3749
Issued in favour of: **Namdeb Holding (Pty) Ltd**



Latitude and Longitude lines refer to the Bessel 1841 Spheroid

SCALE:	**1 : 100,000**
AREA:	**3,853.80 ha**
MAP(S):	**2816**
LOCALITY:	
* Region(s):	**Karas**
* Magisterial District(s):	**Luderitz**
* Registration Division(s):	**N**

Certified by: .....
Mining Commissioner

COMMISSIONER
2013 -10- 16
Official Stamp

B. Environmental Management Plan

THE ENVIRONMENTAL SCOPING REPORT FOR EXPLORATION IN THE AREA IN ML43 AND EPL 3749 – FOR NAMDEB

ENVIRONMENTAL MANAGEMENT PLAN UPDATE FOR PERIOD 2026-2028

NAMDEB
ON DIAMONDS WE BUILD

ENVIRO DYNAMICS
Environmental Management Consultants

Contents

1. Introduction

1.1 Justification for the project

The Karingarab carbonatite intrusion is known to contain anomalous rare earth element (REE) concentrations. REEs are all metals used in various every day devices and appliances such as computer memory, DVDs, cell phones, "green" technologies etc. The first phases of exploration (mapping, geophysics and both diamond (DD) and reverse circulation (RC) drilling have shown the Karingarab deposit to be of sufficient volume to possibly host an economic deposit for REEs. In addition, there are several satellite intrusions identified by mapping and geophysics. Assay results from the drilling returned very encouraging results and further exploration drilling and geophysical campaign is planned for the period 2026-2028. The planned extended exploration is needed to define the lateral extent of the intrusion as well as the continuity of the anomalous REE concentrations laterally and at depth and therefore the need for follow up drilling programmes and geophysical campaigns. If the project is proven to be economically viable, it will be both economically and socially beneficial to the region as well as contribute to the economy of Namibia. The current Environmental Clearance Certificate is valid until 22-02-2026 . This document is an update of the EMP for the period 2022-2025 to serve as application for the renewal of the ECC for the period: 2026-2028.

1.2 Purpose of the EMP

The Environmental Management Plan (EMP) provides management options to ensure that the impacts from the exploration and potential mining in the Karingarab area in ML43 and EPL 3749 are minimised. An EMP is a tool used to take pro-active action by addressing potential problems before they occur.

The EMP on its own can be used to assist with the mitigation of the environmental impacts during the the exploration activities in the Karingarab area in ML43 and EPL 3749. All contractors and sub-contractors taking part in the exploration programme should be made aware of the contents of the EMP, so as to plan the relevant activities accordingly in an environmentally sound manner.

The objectives of the EMP are:

- to include all components 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 the exploration personnel in applying such controls; and
- to ensure that appropriate environmental training is provided to responsible exploration personnel.

The EMP, in short, provides consistency in environmental management, identifies project specific environmental risks, their associated management measures, and procedures for compliance with environmental legislation and contract requirements. It shall be submitted to the Ministry of Environment, Forestry and Tourism (MEFT) as part of the application to amend the Environmental Clearance certificate for EPL 3749.

1.3 The EMP and Namdeb's ISO 14001 System

Namdeb's commitments to responsible and sound environmental management of its activities are reflected in its Environmental Policy. Namdeb follows the ISO14001 Environmental Management System (EMS) for its operations. An EMS is an internationally recognized and certified management system that ensure ongoing incorporation of environmental constraints. At the heart of an EMS is the concept of continual improvement of environmental performance with resulting increases in operational efficiency, financial savings and reduction in environmental, health and safety risks.

The EMP will be incorporated into the greater EMS for the Mineral Resources Department - Exploration.

2. Objectives for Namdeb's EMS

ISO 14001 requires that Company environmental objectives are set on an annual basis, and progress towards achieving them is reviewed continually on a consistent basis. These objectives are linked to the strategic objectives of Namdeb's environmental policy, and they broadly describe the levels of environmental quality to be maintained throughout the life cycle of all projects.

The 2025 Environmental Objectives and Key Performance Indicators are :

- All legal permitting should be in place with 100% compliance to permit conditions
- To have ≤1 reprotable environmental incident and zero overdue investigation actions
- To have waste segregation according to Namdeb procedure PR-WM-01
- To maintain ISO 14001:2015 Certification, with zero overdue audit findings, zero overdue environmental actions on Isometrix, and 80% of Supvervisors/Foremen and non previously trained employees in priority areas
- Support Biodiversity Stewarship
- Assist natural revegetation of 2 ha

3. Environmental Considerations

The environmental objectives for this EMP fall within the objectives of the EMS outlined above, and will focus on the following.

Exploration process -

- The environment is ecologically sensitive and exploration activities should be restricted to the smallest area possible.
- By far the greatest concern for the natural environment is the destruction of vegetation during the creation of the access roads to the site, geophysical activities and the various drilling positions.
- The construction of a camp calls for the careful execution of best practice principles to avoid additional damage to vegetation and waste.
- Due care should be taken that the jeep track is not followed by idle drivers intending to find out "where it goes". When they lose the track –they will create numerous other ones trying to find it, thereby obliterating the original one.

- During drilling, fire prevention should be adequate, and health and safety regulations should be adhered to in accordance with the regulations pertaining to relevant laws and internationally accepted standards of operation.
- Report all environmental incidents as specified in the environmental incident reporting and response procedure (PR-EV-19) on the intranet.
- The rocky outcrops are likely to be part of the exploration target. Activity at these sensitive features should be limited to the minimum necessary.
- Prevent activity at the brown hyena denning site.

Closure and decommissioning-

- Any waste produced must be removed from site and disposed of in an appropriate way or re-used or recycled where possible.
- Continue with fix photo points to see the before and after impacts of drilling, until there are no significant differences between the before- and after images. This applies to the old sites and the new sites to be drilled in 2025-2028.
- Report all environmental incidents as specified in the environmental incident reporting and response procedure (PR-EV-19) on the intranet.

4. Implementation of EMP

The management of the environmental aspects that may be affected by exploration activities are grouped by responsibility and in order of phase development. These phases are as follows:

- Pre-exploration Planning
- Exploration process
- Closure and decommissioning phase

Table 7: Pre-exploration Planning

Pre-exploration planning					
Management Objectives: • Ensures that operations are conducted in such a manner that it is legally compliant with legal and other requirements, including the Environmental Management Act of 2007, The Minerals (Prospecting and Mining) Act of 1994, Nature Conservation Ordinance of 1975, Diamond Act No. 13 of 1999, etc.					
Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
Environmental Clearance Certificate	Comply with legislative requirements for the exploration activities	Obtain the Environmental Clearance renewal approval by the Ministry of Environment, Forestry and Tourism for the planned exploration and potential mining in the Karingarab area in ML43 and EPL 3749.	Environmental Section	Medium	Correspondence and all communications enacted.
Park Entrance authorization	Comply with Section 18 (1)a of the Nature Conservation Ordinance of 1975	Obtain authorization to enter the Karingarab areas which is within the Tsau //Khaeb National Park from the Parks Executive Committee- Ministry of Environment and Tourism-Department of Parks and Wildlife, prior to drilling activities.	Environmental Section	Medium	Correspondence and all communications enacted.
Export permit	Compliance with Section 55 of the Diamond Act No. 13 of 1999	Obtain the export permits from both the Mining and Diamond Commissioner from the Ministry of Mines and Energy for the export of the core material out of the Karingarab areas.	Environmental Section	Medium	Correspondence and all communications enacted
Security plans	Compliance with Section 55 of the Diamond Act No. 13 of 1999	Amend the current security plan to include the exploration and potential mining of REE in the Karingarab area in ML43 and EPL 3749 and submit to the Ministry of Mines and Energy	Security Department	Medium	Correspondence and all communications enacted
Stakeholder consultation	Maintain a good stakeholder relationship by keeping them informed	Circulate the Karingarab documents for comment and communicate the Environmental Clearance Certificate and the time frame of the exploration programme to the relevant stakeholders. Invite inspections as necessary.	Environmental Section	Low	Correspondence and all communications enacted.
EMS	Continuous improvement	Consider environmental performance during the previous drilling programme. Review past	Environmental Section and	High	To be communicated.

Pre-exploration planning					
Management Objectives: • Ensures that operations are conducted in such a manner that it is legally compliant with legal and other requirements, including the Environmental Management Act of 2007, The Minerals (Prospecting and Mining) Act of 1994, Nature Conservation Ordinance of 1975, Diamond Act No. 13 of 1999, etc.					
Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
		experiences of successes and failures and incorporate any lessons and improved work methods, if any, into the EMS.	Exploration Manager.		
Siting the field camp	Ensure least ecological damage by field camp and associated activities.	Aim to site the temporary field camp in an already disturbed area.	Environmental section and Exploration Section		To be communicated.
Resources for the EMP	Overall compliance	Consider the resources that were employed to ensure EMP compliance for the previous drilling programme , consider any possible changes or additional resources required for the period 2026-2028.	Environmental section and Exploration Section		To be communicated.

Table 8: Exploration Process – Ecological (Fauna and Flora) and Archaeological & Historical Impact

Ecological Impacts					
Management Objectives: • Ensures that operations are conducted in an environmentally responsible manner; • Mitigation and Monitoring of Ecological and Archaeological & Historical Impacts					
Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
Creation of access road to Karingarab	The effect of exploration	To reduce the impact of the access road creation on the biodiversity (fauna and flora),			

Ecological Impacts					
Management Objectives: • Ensures that operations are conducted in an environmentally responsible manner; • Mitigation and Monitoring of Ecological and Archaeological & Historical Impacts					
Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
Access roads to the various drill and exploration sites	activities on the ecosystem structure and function.	and the Archaeological & Historical; the following measures should be considered: • Making new roads over hard or gravelly areas should be avoided or kept to a minimum and wherever possible, alternative routes over sandy areas (Hummock Plains habitat) should be chosen • Due care should be taken that the jeep track is not followed by idle drivers intending to find out "where it goes". When they lose the track –they will create numerous other ones trying to find it, thereby obliterating the original one. • Ensure strict control over the creation of new tracks and removal of archaeological and historical artefacts, any plant material, including firewood, seed and whole plants. One track per site should be delineated at the start of the programme and the environmental officer should constantly ensure that only this road is used. • Personnel (Namdeb and contractors) at the site must be informed about environmental sensitivity of the areas prior to exploration activities.	Exploration Section	Medium	Visual inspections Training records

Ecological Impacts					
Management Objectives: • Ensures that operations are conducted in an environmentally responsible manner; • Mitigation and Monitoring of Ecological and Archaeological & Historical Impacts					
Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
Access control	The effect of exploration activities on the ecosystem structure and function.	The site is in a restricted area as well as in a national park and to control access to the exploration sites and to reduce the impacts the following measures should be considered: All relevant personnel should undergo site specific induction and sign off the attendance register, with refresher courses given quarterly.	Security Department	Low	Restricted Area permit and training and awareness record
Incident reporting	Exploration activities come with inherent risks of incidents happening	Report all environmental incidents as specified in the environmental incident reporting and response procedure (PR-EV-19) on the intranet. Introduce mitigation where appropriate.	All	Low	Incident cards
Environmental sensitive area map	Mitigation Hierarchy	Develop an environmentally sensitive area map of the area to ensure any biodiversity hotspots areas are avoided. (Where rocky outcrops cannot be avoided, exploration activities on them should be agreed on between the Environmental and Exploration Sections and this indicated on the map).	Environmental Section	Medium	Environmental sensitive areas map overlaid with drilling positions and any other relevant exploration sites.

Table 9: Management Plans for the exploration process – Waste Management

Waste Management					
Management objectives: Pollution prevention					
Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significance Ranking	Monitoring
Waste production	Products that act as waste must be cleaned up and disposed of in an appropriate manner.	• Leftover drilling fluid and casing material or domestic waste volumes must be reduced by re-using or recycling where possible. Waste that cannot be recycled must be disposed of at appropriate waste disposal sites. • Waste should be disposed of regularly. • Hazardous wastes must be disposed of according to MSDS specifications and at suitable hazardous waste disposal sites. • Contaminated soils (e.g. by hydrocarbons) can be remediated in accordance with accepted procedures at a site dedicated for this purpose ((PO-EV- 07) available on the intranet). • Drip trays are to be provided for earthmoving vehicles and the oil disposed of in a drum, for disposal at an approved waste disposal site. • LDVs shall be in a sound mechanical condition. Ant LDVs will oil leaks should not be permitted on site.	Exploration Section	Low	Monitoring of waste and any environmentally detrimental activities must be done on a daily basis.
Incident reporting	Exploration activities come with inherent risks of incidents happening	Report all environmental incidents as specified in the environmental incident reporting and response procedure (PR-EV-19) on the intranet.	All	Low	Incident cards

Table 10: Management Plans for exploration process – Health and Safety impacts

Health and Safety Impacts					
Management objectives: • Health and Safety					
Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
Safety and health incidents	Exploration activities come with inherent risks to workers	To prevent health and safety risks the following should be implemented/must be available: • Operational and procedural manuals • Health and Safety training • Housekeeping rules • Safe work procedures and permits to work • Emergency response plans • Material Safety Data Sheets (MSDS) freely available • Protective equipment • Regulations for handling fuel and chemicals • Proper supervision • Qualified personnel for specialist jobs	Exploration Section	Low	Monitoring of waste and any environmentally detrimental activities must be done on a daily basis.
Incident reporting	Exploration activities come with inherent risks to workers	Report all environmental incidents as specified Lost Control Procedure (PR-LC-02) on the intranet.	All	Low	Incident cards

Table 11: Management Plans for the Closure and Decommissioning Phase

Closure and decommissioning phase					
Management objectives: • Ensure that the Karingarab areas are restored to ensure the future land use of the National Park is not compromised. • Pollution prevention					
Aspect	Impact description	Mitigation measures and management actions	Responsibility	Significant Ranking	Monitoring
Restoration of the Karingarab area	Ecological restoration of the areas either after exploration activities or after the potential mining of the REE	Compile a report of post exploration activity of rehabilitation status. Identify areas that will require follow-up and ensure all areas where work is complete are rehabilitated satisfactorily. Allocate resources for implementation of the restoration ecology programme at Karingarab, including: A visit by the dedicated site environmental officer to identify restoration targets and recommend the desired restoration methodology in line with the Biodiversity Action Plan (or Biodiversity Management Plan, whichever is applicable at the time of restoration).	Exploration Section	Low	Restoration Plan developed
Rehabilitation	Rehabilitation	Fix photo points to see the before and after impacts of drilling and later the potential mining impacts	Exploration Section	Medium	Panoramic images
Waste management	Redundant infrastructure will have visual impact in the Tsau //Khaeb (Sperrgebiet) National Park.	Map the survey beacons, drilling collars, and selected RC holes to remain for possible future geophysical probing and water table monitoring. Removal of equipments (solar panels, base transceiver, batteries, etc.) Demolition of all existing structures (mast, plinths, building, etc.,; Removing all wastes.)	Exploration and Environmental Section	Low	Inventory of waste removed and visual inspection

5. Conclusion

The Environmental Management Plan should remain the on-site reference document during the exploration phase and auditing should take place in order to determine compliance with the EMP for the proposed site. Parties responsible for transgression of the EMP should be held responsible for any rehabilitation that may need to be undertaken.

The previous exploration at Karingarab provides an opportunity to reassess the impacts that occur and to re-evaluate the rehabilitation methods used. They can be fine-tuned to accommodate the unique challenges and features of the project and its terrain. It will therefore be the aim to re-evaluate environmental performance and to adapt where necessary for the ensuing period: 2026-2028.

The significance of all the impacts have increased, due to the scale of the exploration programme being ramped up and more people being accommodated on site. The EMP is still relevant for the upcoming period, but its implementation will require resources, especially to satisfy restoration targets, to ensure its measures are complied with. A dedicated site environmental officer from Namdeb staff should be involved to monitor the activities, especially during critical times such as site clearance and rehabilitation efforts.