

Physical Address: 112, Robert Mugabe Avenue, Windhoek Postal Address: PO Box 997154 Maerua Mall, Windhoek

Email: info@edsnamibia.com Web: www.edsnamibia.com

BACKGROUND INFORMATION DOCUMENT (BID)

Environmental Scoping Assessment (ESA) For the Proposed Prospecting and Exploration Activities on Exclusive Prospecting License (EPL) No. 9813 Located South-East of Otavi in the Otjozondjupa Region, Namibia.

Environmental Consultant: Excel Dynamic Solutions (Pty) Ltd

Proponent: Libra Seventy One Investment (Pty) Ltd

1 INTRODUCTION: BACKGROUND

Libra Seventy One Investments (Pty) Ltd (*The Proponent*) has applied to the Ministry of Environment, Tourism and Forestry (MEFT) to be granted an Environmental Clearance Certificate (ECC) for the Application of an Exclusive Prospecting License (EPL) No. 9813. Excel Dynamic Solutions (Pty) Ltd (*The Consultant*) was appointed to act on behalf of the proponent in obtaining the ECC. The EPL covers a total surface area of 19837.2915 hectares (ha), located about 30 km north-east of Kombat in Otjozondjupa region as shown in (Figure 1). The target commodity on the EPL are Base and Rare Metals, Dimension Stone, Industrial Minerals, Nuclear Fuels, and Precious Metal. The EPL covers (overlies) farms such as Esere No.150, Esere No.151, Rotenfels No.145, Odusa No.146 and Breitenbach No.1257 (Figure 2).

Exploration and all mining-related activities are among the listed activities that may not be undertaken without an ECC under the Environmental Management Act (EMA) (2007) and its 2012 Environmental Impact Assessment (EIA) Regulations. The relevant listed activities as per EIA regulations are:

- 3.1 The construction of facilities for any process or activities which requires a license, right of
 other forms of authorization, and the renewal of a license, right or other forms of authorization,
 in terms of the Minerals (Prospecting and Mining Act, 1992).
- 3.2 other forms of mining or extraction of any natural resources whether regulated by law or not.
- 3.3 Resource extraction, manipulation, conservation, and related activities.

Therefore, the Proponent is required to obtain an Environmental Clearance Certificate (ECC) before the commencement of exploration works on the EPL. To fulfill the legal requirements, the Proponent has appointed Excel Dynamic Solutions (Pty) Ltd (Environmental Consultants), to conduct the required Environmental Scoping Assessment (ESA) process and submit the ECC application to the Department of Environmental Affairs and Forestry (DEAF) at the Ministry of Environment, Forestry & Tourism (MEFT).

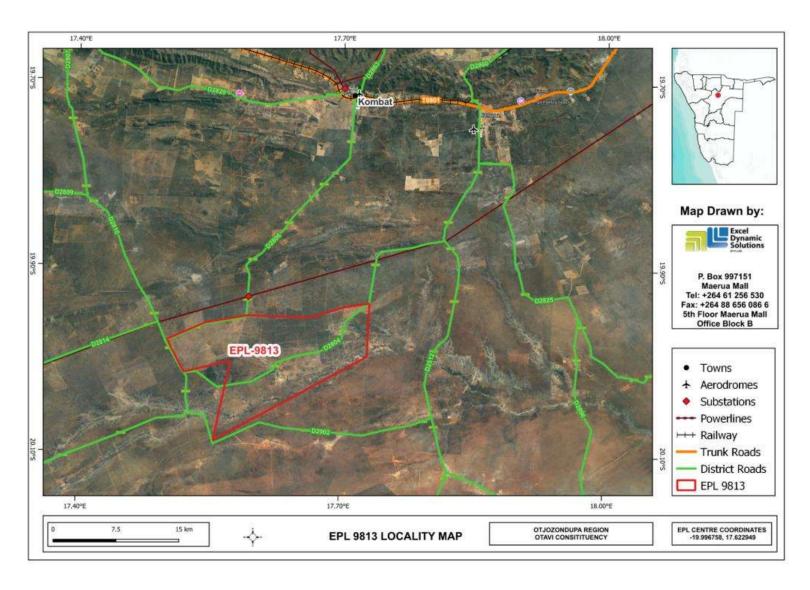


Figure 1: Locality map of EPL 9813

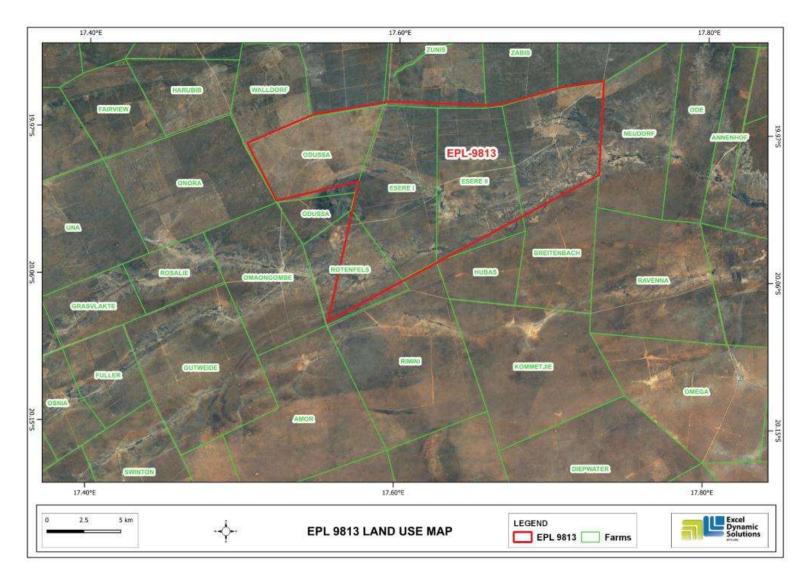


Figure 2: The land use map of EPL 9813

2 PROJECT DESCRIPTION

Once the Proponent has been issued with the ECC and obtained all required permits such as land use consents, where necessary, and is ready to commence the exploration activities, the planned activities will commence.

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The proposed activities entail prospecting and detailed exploration activities to delineate the mineral deposits. This is to determine whether the deposit for the targeted commodities is economically feasible (to advance to the resources development and mining phase).

The prospecting and exploration of minerals are the first components of any potential mining project. This is done to acquire the necessary data required for further decision-making and investment options.

Exploration activities are anticipated to last for about three years or sometimes longer (depending on the various factors such as turnaround time between exploration data analysis and availability of funds between project phases, etc.).

2.1 Project Activities

The proposed prospecting and exploration activities (methods) are divided into the following categories:

- Phase 1: Non-invasive techniques (prospecting) mapping/surveys.
- Phase 2: Invasive techniques (detailed exploration) soil sampling, trenching, and exploration drilling.

Once the target areas have been selected and verified under the prospecting phase, detailed exploration works will follow.

2.2 Human Resources, Services and infrastructure

The following services and infrastructure as provided below will be required for the project activities:

-Human resources and accommodation: Around 5 - 10 people will be employed for the project, and will be accommodated in tented camps upon reaching an agreement and consent is signed between the Proponent and the respective landowners of the farms and farm portion within the EPL, but this will be done upon agreement with the relevant authority.

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-Water supply: About 500 liters of water per day will be used for exploration activities. Water will be required for the project activities such as drilling, equipment cooling, washing, and drinking.

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- -Fuel Supply (machinery and equipment): Diesel will be used for machinery and equipment and fuel generator.
- -Accessibility (roads): The EPL is accessible via D2804 and D2902.

Waste management:

Sewage: Mobile chemical ablution facilities will be provided on-site. The wastewater will be transported offsite for treatment at a facility.

Solid waste: Sufficient waste bins (containers) will be made available at exploration sites and campsites for waste storage and later disposal at the nearest approved waste facility.

Hazardous waste: The waste fuel/oils will be carefully stored in a standardized container for disposal at an approved hazardous waste management facility at the nearest town.

- -Health and Safety: Adequate and appropriate Personal Protective Equipment (PPE) will be provided to project personnel. A minimum of two first aid kits will be readily available onsite.
- -Potential Accidental Fire Outbreaks: Fire extinguishers will be readily available in vehicles, at the sites, and at campsites.
- -Project Equipment, Material, Machinery, and Vehicles: Among others, two or three 4X4 vehicles, drilling supporting truck, excavator / front-end loader, dozer, air compressor, drilling fluids stored in manufacturers approved containers, generator for power supply, etc.

Upon completion of exploration works, the disturbed sites will be rehabilitated as practically possible. This will include backfilling of exploration trenches, and boreholes, levelling of stockpiled topsoil, and cleaning of site areas.

3 ENVIRONMENTAL ASSESSMENT

This ESA process is conducted in accordance with the provisions stated in the EMA No 7 of 2007 and its 2012 EIA Regulations.

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The primary objective of the ESA is to identify potential negative impacts associated with the project and assess them. Practical and effective mitigation measures will be recommended for implementation.

The main objective of this ESA is to:

- Identify potential impacts associated with the proposed activity.
- Inform I&APs and relevant authorities about the project and provide them with an opportunity to participate during the ESA process.
- Assess the significance of issues and concerns raised.
- Compile a report addressing all identified issues and potential impacts.
- Compile a draft Environmental Management Plan (EMP) which includes impacts management and mitigation measures.

3.1 Potential Impacts

The following potential impacts have been identified:

3.1.1 Positive:

- Socio-economic development: employment creation and skills transfer.
- Investment opportunities or infrastructure-related development benefits.
- Produce a trained workforce and small businesses in the area.
- Boosting local economic and regional economic development.
- Increased support for local businesses through the procurement of locally available goods and services.

3.1.2 Adverse (Negative) Impacts:

- Disturbance of existing communal grazing areas,
- Physical land/soil disturbance and prone to erosion.
- Impact on fauna and flora (habitat disturbance and poaching).
- Water resources (over-abstraction of water) and soil pollution.
- Air quality issue owing to dust generation

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Occupational and community health and safety risks or hazards.

Vehicular traffic safety and services infrastructure (local roads).

Vibrations and noise associated with drilling activities.

Environmental pollution from poor waste management.

Archaeological or cultural heritage impact.

Potential social nuisance and land use conflicts.

Other potential impacts may be identified as the ESA process progresses. All impacts and public concerns/comments will be incorporated and addressed in the Environmental Report and EMP.

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3.2 Public Consultation Registration

Public consultation is an important part of the EA process. During the consultation process, I&APs are allowed to raise any issues or concerns pertaining to the project activities.

To comment or receive further information on the project, **please register with Excel Dynamic Solutions (Pty) Ltd** (contact details herein) as an Interested and Affected Party (I&AP).

Furthermore, the Consultation Meeting details will be communicated with registered I&APs.

For comments and or further information requests, please contact the EDS Consultant on the details provided below:

Mr Mandume Leonard

Environmental Assessment Practitioner

Tel: +264 (0) 61 259 530

Email: public@edsnamibia.com/mleonard@edsnamibia.com

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