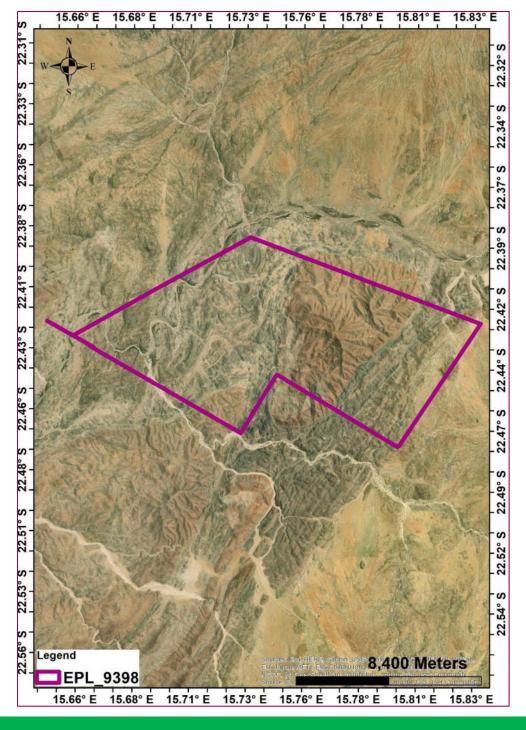


1. Introduction

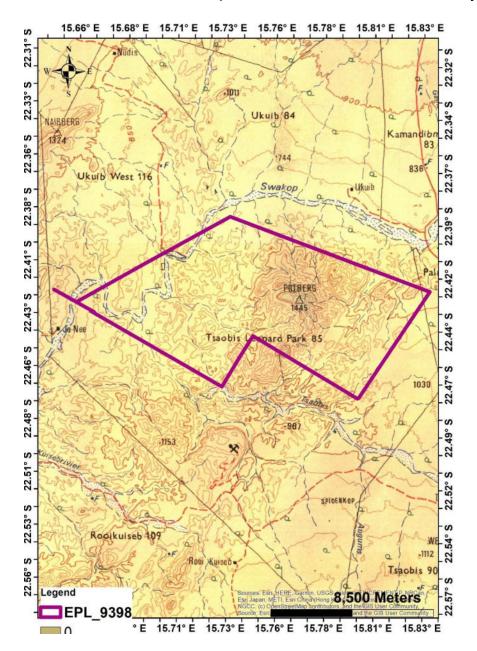
1.1 Purpose of this document

The purpose of this Background Information Document (BID) is to provide Interested and Affected Parties (IAPs) with background information about the proposed project and introduce the Environmental Impact Assessment (EIA) process to be followed. It also aims to inform IAPs on how to fully participate in the EIA and encourages response to documents distributed for review and active attendance at meetings.



1.2 Overview

The proponent, Fishlab Investments CC, was provisionally granted an exclusive prospecting licence (EPL) by the Ministry of Mines and Energy. The licence holder intends to explore for Lithium within the rock units that are found within the vicinity of the area. Impala Environmental Consulting cc was appointed by the proponent to undertake the application process for the environmental clearance certificate. The map above shows the licence boundary.



1.3 Location

The mineral license is located about 51 km south of Karibib. The coordinates for the centre of the license are 15.744610 and -22.423119.

1.4 Need for the Project

Prospecting and exploration involves searching the district for mineral deposits and determining whether it is viable to enter into the mining phase.

1.5 Nature of the Development

1.5.1 Non-invasive Exploration

Before exploration companies start their field campaigns, they conduct desktop work to help focus their attention on specific areas of interest. This is done by various methods:

- 1) Historic geological data compilation
- 2) Geochemical Sampling
- 3) Mapping

The processes above can be used to select smaller target areas to focus further activities on. These may include ground geophysics and further, more detailed, mapping.

1.5.2 Invasive Exploration

Once a target area has been identified, more invasive activities will be conducted to investigate the potential of the area. These include soil and stream sediment sampling, trenching, and drilling.

1.5.2.1 Soil and Stream Sediment Sampling

This process involves taking small amount of material for the beds of streams, or from with the soil profile, and sending these samples off to laboratories for analysis.

1.5.2.2 Trenching

Trenching involves digging a trench through the soil profile to the underlying rock beneath. Samples of this rock are usually taken and sent off for analysis.

1.5.2.3 Drilling

Further investigation at greater depths is conducted using drilling. There are several drilling types of drilling which can be used including drilling using high air pressure (RAB and RC drilling), or drilling using high rotation speeds (DD drilling). The type of drilling depends upon several factors including the geological information required, cost, environment, access and fuel and water supply.

1.5.3 Exploration Camp

Exploration staff will be accommodated in Karibib and the surrounding villages. Exploration activities will take place during daytime and the exploration team will be commuting to the work site. If a suitable exploration target is successfully delineated and drilling commences, a temporary camp will be setup at suitable locations in consultation with the traditional authority.

1.6 Potential Impacts

- Impacts on Socio-Economic
- Visual Impacts
- Impacts on Flora and Fauna
- Use of Natural Resources
- Generation of Solid Waste
- Noise
- Dust Generation

1.7 Environmental Assessment Requirements

The Environmental Regulations procedure (GN 30 of 2012) stipulates that no mineral exploration activities may be undertaken without an environmental clearance certificate. As such, an environmental clearance certificate must be applied for in accordance with regulation 6 of the 2012 environmental regulations. It is imperative that the environmental proponent must conduct a public consultation process in accordance with regulation 21 of the 2012

environmental procedure, produce an environmental scoping report and submit an Environmental Management Plan for the proposed mineral exploration activities.

1.8 Public Participation Process

The PPP aims to inform a wide range of IAPs about the proposed development and the environmental process to be followed.

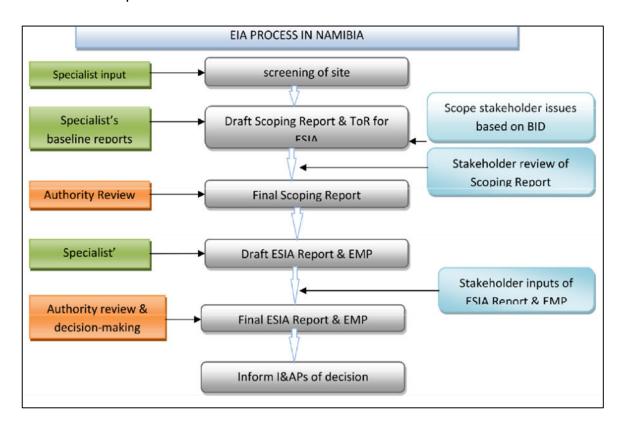


Figure 1 EIA process flow diagram

It is a tool to allow the public to exchange Information and to express their views and concerns on the proposed development for which the EIA is being conducted. The PPP assists in identifying potential issues and concerns that need to be addressed in the impact assessment by highlighting relevant information to be included in the assessment. PPP enables more accurate and descriptive analysis and helps to focus and enhance decision-making. The EIA will be open and transparent to the public through this process with all registered IAPs continuously updated on events throughout the process. All contributions from IAPs must be fully documented, evaluated and responded to in the EIA.

1.9 How to get involved as an Interested and Affected Party

The public is invited to register as an IAP and take part in the PPP through:

7

Media Notices placed in newspapers

Distribution of the BID Site notice boards at the Regional Council Office.

Public meeting, if necessary

Submission of comments on the media notices, BID and Draft Scoping and Impact

Assessment Reports.

IAPs may forward their written comments along with their name, contact details and an indication of any direct business, financial, personal or other interest which they have in the

application by post or email to:

Mr Severinus Andjamba

Impala Environmental Consulting cc

Email: public@impalac.com

Address: Unit 89 Auas Hill, Auas blick

Postal Address: P.O Box 29532, Windhoek

Tel: 061258910 / 0856630598

Website: www.impalac.com