

BACKGROUND INFORMATION DOCUMENT (BID)

**ENVIRONMENTAL SCOPING ASSESSMENT (ESA) FOR THE
PROSPECTING AND EXPLORATION ACTIVITIES ON EXCLUSIVE
PROSPECTING LICENSE (EPL) No. 10697 LOCATED SOUTHWEST OF
OKANGWATI, IN KUNENE REGION, NAMIBIA.**

Environmental Consultant: Excel Dynamic Solutions (Pty) Ltd

Proponent: Yongsheng Lithium Industry (Pty) Ltd

INTRODUCTION

Yongsheng Lithium Industry (Pty) Ltd (*The Proponent*) has applied to the Ministry of Industries, Mines and Energy (MIME), to be granted the Exclusive Prospecting License (EPL) No. 10697 on 01 April 2025. Excel Dynamic Solutions (Pty) Ltd (“the Consultant”) was appointed to conduct an Environmental Scoping Assessment and submit the application to the Ministry of Environment, Forestry and Tourism (MEFT) for consideration and the potential issuance of an Environmental Clearance Certificate (ECC). The EPL covers a total surface area of 40,260.363 hectares (ha), located about 40 km southwest of Okangwati, in Kunene region as shown in **(Figure 1)**. The EPL covers settlements: Ombitisaori, Oruyambo, Ozonduombe, Otjite, Omunguidi Ua Keku, Omirora, Okatjimbombo, Oromukandi, Okomukandi and Owakapaue in Kunene region. The EPL further overlies the Etanga conservancy and a small portion of the Otjitanda conservancy as shown in **(Figure 2)**. The target commodities for the prospecting and exploration activities are **Base & Rare Metals, Dimension stone, Industrial Minerals, Nuclear Fuel Minerals, Precious Metals and Semi-Precious stone.**

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.*

The Proponent is, therefore, 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).

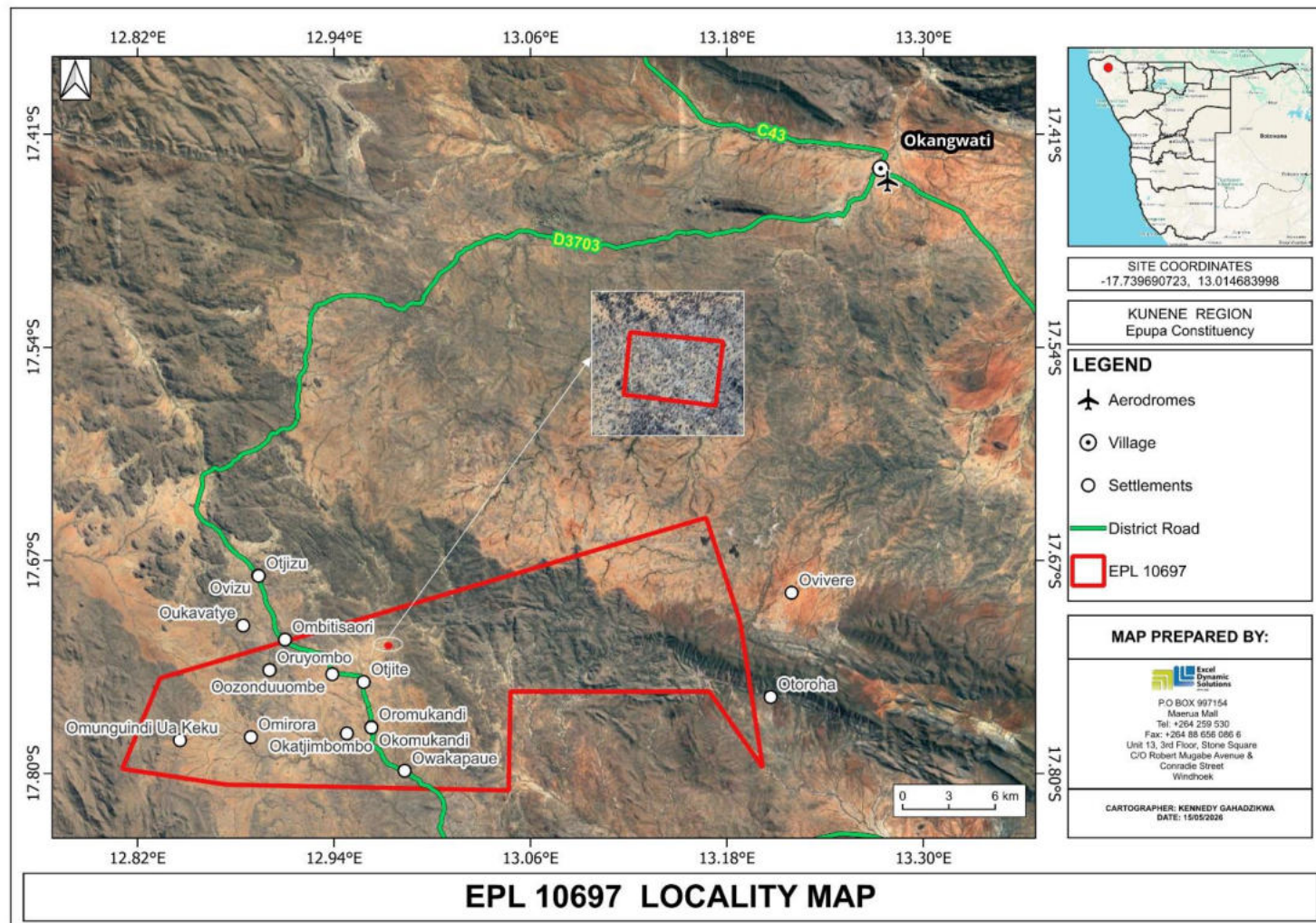


Figure 1: Locality map of EPL 10697 southwest of Okangwati.

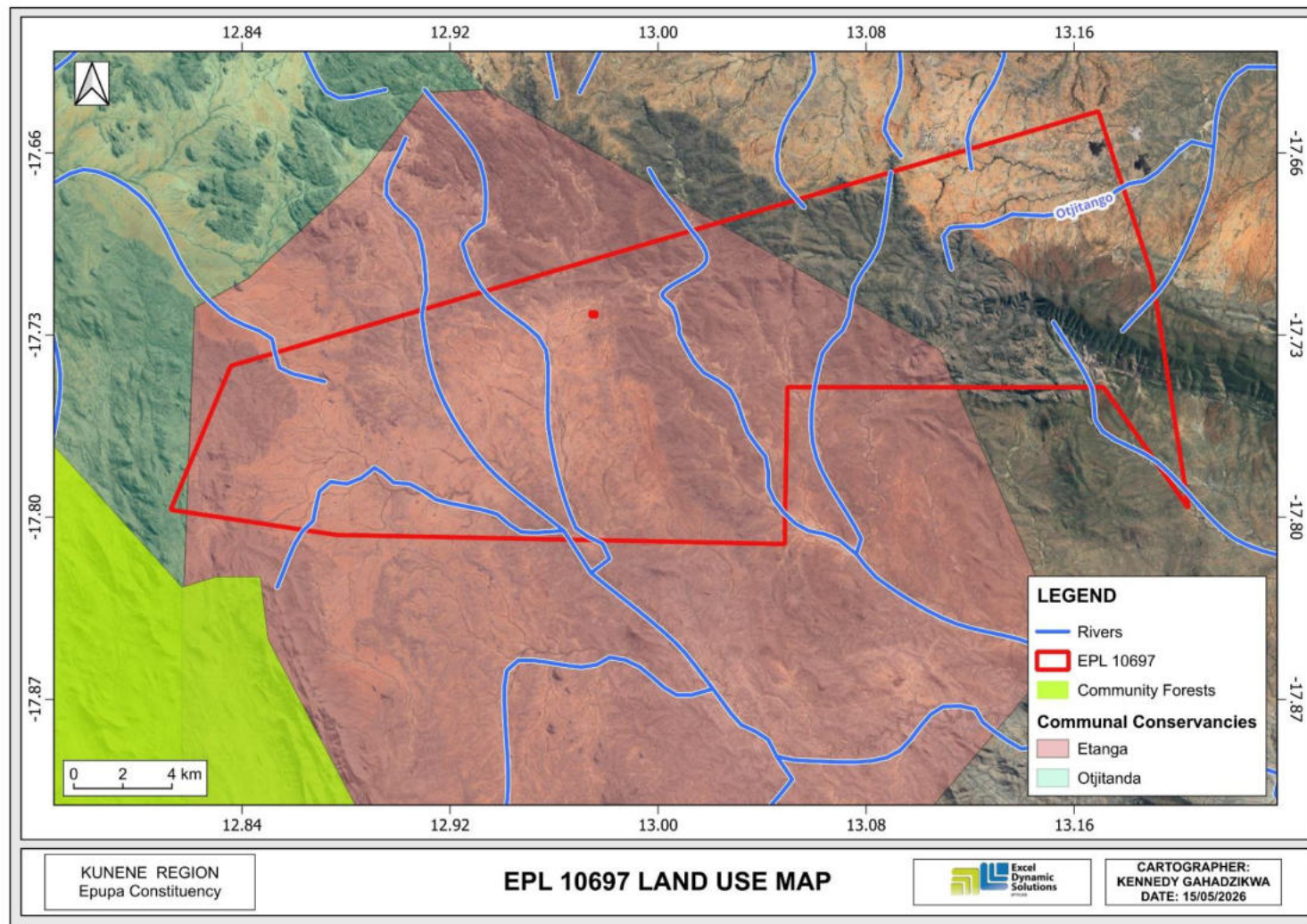


Figure 2: Land use map for EPL 10697.

2. PURPOSE OF THIS DOCUMENT

It should be noted that the Background Information Document (BID) is a non-technical document of the ESA (not an ESA Report). The BID aims to briefly introduce the proposed project and related activities to interested and affected parties (I&APs) / stakeholders, and provide them with an opportunity to raise issues, and concerns / submit comments about the proposed project.

The planned exploration activities will only commence once the Proponent has been issued with an ECC and obtained all required permits,

3. PROJECT DESCRIPTION

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

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 between exploration data analysis and availability of funds between project phases, etc.).

3.1 Project Activities

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

Phase 1: Non-invasive techniques (prospecting) – Geological mapping, Geochemical, Geophysical and Radiometric mapping surveys.

Phase 2: Invasive techniques (detailed exploration) – Soil sampling, Trenching, and Drilling.

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

3.2 Human Resources, Services, and Infrastructure

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

Human Resources: Around 5-10 people will be employed for the project, and will be accommodated in the nearest town or tented camps if necessary.

Water Supply: Approximately 5000 liters of water per month will be required for the activities.

Fuel Supply: (machinery and equipment): Diesel will be used for machinery and equipment, and power generator.

Accessibility: The EPL is accessible via informal tracks from D3703 from Okangwati, Kunene Region.

3.3 Waste Management

Sewage: Mobile chemical ablution facilities will be provided on-site. Sewage waste will be disposed of appropriately as per instructions of the facility manufacturer.

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 in 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: 4X4 vehicles, a drilling supporting truck, an excavator/front-end loader, a dozer, an air compressor, drilling fluids stored in manufacturers approved containers, and a generator for power supply will be required for the proposed project.

Upon completion of exploration works, the disturbed sites will be rehabilitated to their pre-exploration phase as far as practically possible. This will include backfilling of exploration trenches, and boreholes, leveling of stockpiled topsoil, and cleaning of site areas.

4. ENVIRONMENTAL ASSESSMENT

This ESA process is conducted in accordance with the provisions of the EMA (Act No 7 of 2007) and its 2012 EIA Regulations. 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 objectives of this ESA are 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.

5. PRE-IDENTIFIED POTENTIAL IMPACTS

The following potential impacts have been identified:

5.1 Positive:

- **Socio-economic development:** Creation primarily temporary, employment opportunities and trained local workforce
- **Investment and infrastructure benefits:** Potential investment opportunities and infrastructure-related development associated with exploration activities.
- **Local and regional economic growth:** Contribution to both local, broader regional economic development.
- **Land use and rental payments:** Payment of land use fees and, where applicable, rental fees for the establishment of structures such as campsites.
- **Water resource benefits:** Where feasible, exploration boreholes with viable water strikes may be handed over to the community upon completion of exploration activities.

5.2 Negative Impacts:

- **Land and soil disturbance:** Physical disturbance from exploration activities and access road development, with increased prone to erosion.

- **Biodiversity impacts:** Habitat disturbance, vegetation clearance within area of interest, and potential loss of microhabitats for small fauna; risk of poaching.
- **Stakeholder conflicts:** Potential disputes with small-scale miners operating within or adjacent to the EPL if issues are not proactively managed.
- **Water and soil contamination:** Risk of pollution affecting water resources and soil quality.
- **Air quality impacts:** Dust generation from exploration activities and vehicle movements.
- **Occupational health and safety impacts:** Potential hazards to workers and contractors.
- **Traffic and road safety:** Increased pressure on local roads and associated safety risks.
- **Noise and vibration:** Disturbance from drilling, machinery, and vehicle operations, potentially affecting nearby communities.
- **Waste management:** Environmental impacts arising from inadequate waste management practices.
- **Cultural and heritage impact:** Potential impacts on archaeological and cultural heritage resources.
- **Social and land-use conflicts:** Impact of community disturbance and competing land-use pressures.

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.

6. 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.

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