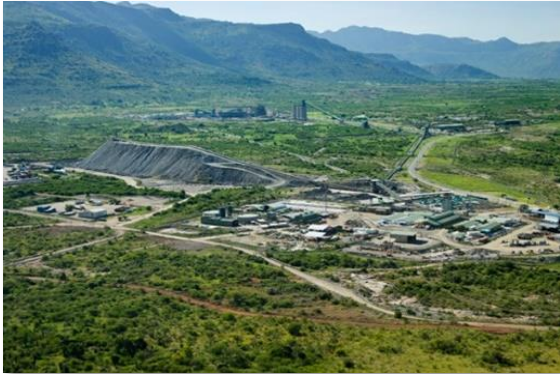


Environmental authorisation process for the Amendment of Modikwa Platinum Mine’s (MPM) Environmental Management Programme (EMPr) to include the Doornbosch Mining Right and to consolidate the MPM EMPr amendments, Limpopo Province



Purpose of this Background Information Document is to inform interested and affected parties about:

- The amendment of the Modikwa Platinum Mine (MPM) Environmental Management Programme (EMPr) and environmental authorisation process;
- The opportunity to comment on the project and process;
- The opportunity to register as an Interested and Affected Party; and
- The next steps in the environmental authorisation process.

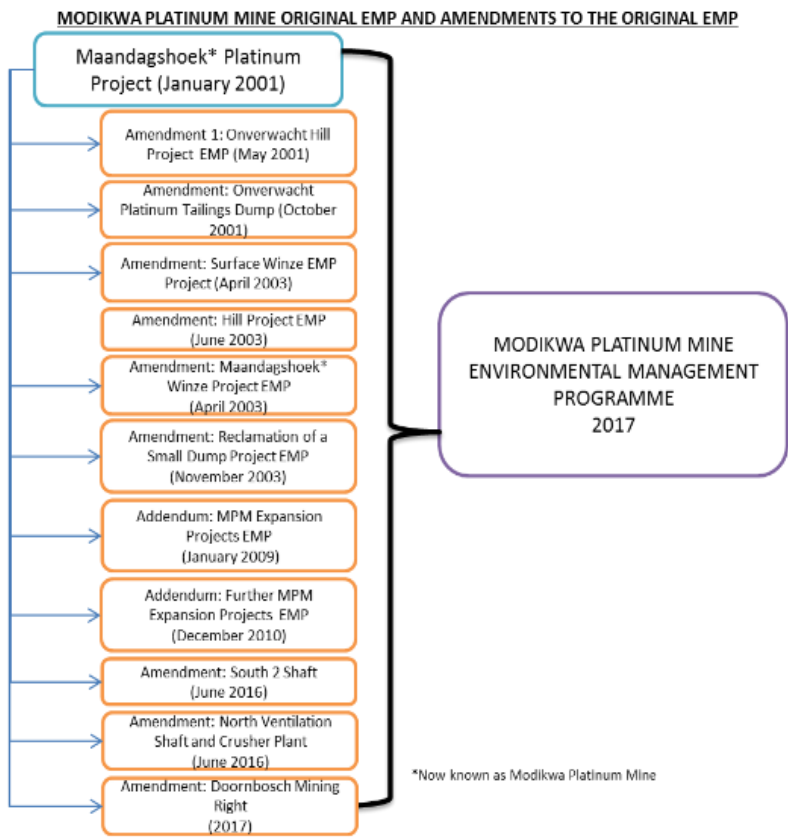
BACKGROUND AND INFORMATION

Modikwa Platinum Mine (MPM) is an operational mine situated approximately 20 km west of Burgersfort and 18 km north of Steelpoort within the Sekhukhune District Municipality in the Limpopo Province. MPM proposes to amend and consolidate their Environmental Management Programme (EMPr), which was approved in 2001, to include the activities associated with the Doornbosch Mining Right, granted in terms of Section 102 of the Minerals and Petroleum Resources Development Act 28 of 2002.

The inclusion of the Doornbosch Mining Right will be undertaken through the amendment of the MPM EMPr.

During the amendment of the MPM EMPr to include the activities associated with the mining of the Doornbosch reserve, the original EMPr and the amendments to the EMPr, as shown in the adjacent diagram, will be consolidated into a single document. The consolidated EMPr will provide MPM with a more effective environmental management tool for their current operation as it will:

- Bring the authorised activities in line with what is happening on the ground; and
- Allow for a greater level of alignment between the different EMPr’s in terms of management measures and monitoring reporting requirements.



PROJECT DESCRIPTION

The Doornbosch Mining Right associated with portion 2 of the farm Doornbosch 294 KT as shown in Figure 1, will be mined as an extension of the existing MPM South 2 Shaft operations through the existing South 2 Shaft infrastructure. No additional surface infrastructure will be required as a result of the mining of the reserve associated with the Doornbosch Mining Right as the existing South 2 Shaft infrastructure will be used.

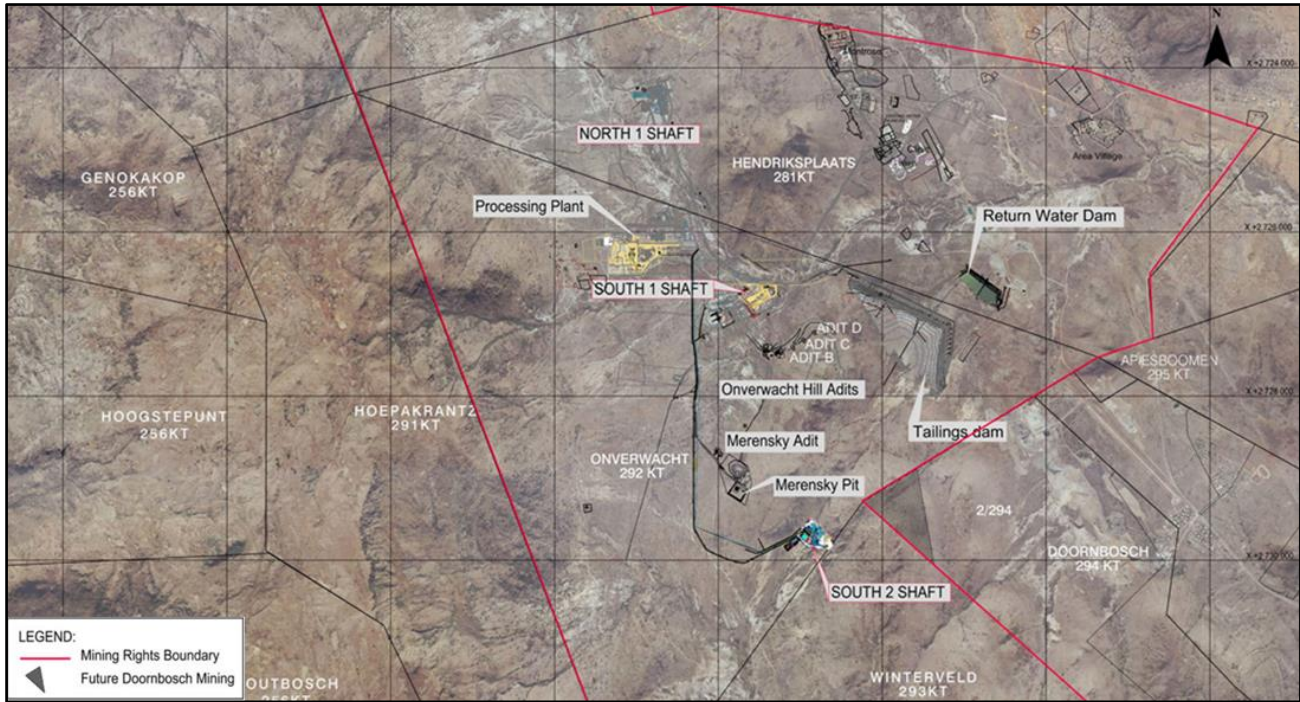


Figure 1: Modikwa Platinum Mine – Doornbosch Mining Right

The consolidation process will involve the collation of the original EMPr approved in 2001, and a number of EMPr amendments which were developed and approved for additional activities not included in the original EMPr.

The consolidated EMPr will ultimately provide an overview of activities and infrastructure included in each of the approved EMPrs, summary of the specialist recommendations, and the consolidated mitigation measures to assist with the implementation and monitoring of the management measures.

AUTHORISATION REQUIREMENTS

In order to commence with the activities associated with the mining of the Doornbosch Mining Right reserve, Environmental Authorisation will need to be obtained from the Limpopo Department of Mineral Resources. MPM will apply for environmental authorisation by undertaking the EMPr amendment process for the inclusion of the Doornbosch Mining Right and the consolidation of the EMPr amendments in terms of the National Environmental Management Act (NEMA) (Act 107 of 1998) Environmental Impact Assessment (EIA) Regulations 2014, as amended.

The proposed inclusion of the Doornbosch Mining Right into the MPM EMPr will trigger Activity 17 under Listing Notice 2 of the NEMA EIA Regulation 2014, GNR 982, as amended in April 2017.

Listing Notice 2 GNR 984 - Activity 17 states that:

Any activity including the operation of that activity which requires a mining right as contemplated in section 22 of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002), including—

- (a) associated infrastructure, structures and earthworks, directly related to the extraction of a mineral resource; or*
- (b) the primary processing of a mineral resource including winning, extraction, classifying, concentrating, crushing, screening or washing; but excluding the secondary processing of a mineral resource, including the smelting, beneficiation, reduction, refining, calcining or gasification of the mineral resource in which case activity 6 in this Notice applies.*

Activities listed in Listing Notice 2, require a Scoping and Environmental Impact Assessment Process to be undertaken as part of the application for environmental authorisation in respect of such activity to commence.

SRK Consulting (SRK) has been appointed by MPM as the independent Environmental Assessment Practitioner (EAP) to undertake the necessary environmental authorisation process and associated stakeholder engagement process to meet the requirements of NEMA.

PUBLIC PARTICIPATION

As an integral part of the environmental authorisation process, SRK will undertake a public participation process to engage Interested and Affected Parties (I&APs) and obtain their comments and concerns regarding the proposed project.

This background information document provides I&APs with an initial opportunity to comment on the proposed project and to register as an I&AP, so as to be kept informed of the project and the associated environmental authorisation process. More documents will become available during further phases of the environmental authorisation process. Your comments and suggestions on any aspect of the authorisation process will ultimately assist the authorities to make a decision.

To register as an I&AP for this environmental authorisation process, comment or raise any question or issue of concern, please complete the enclosed Registration and Comment Form and return it to the SRK Stakeholder Engagement Office (details below) by 12 September 2017.

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NEXT STEPS IN THE ENVIRONMENTAL AUTHORISATION PROCESS

Following the announcement of the proposed project, a Scoping Report will be made available for public comment during September 2017. Stakeholders will also be provided with an opportunity to comment on the EIA/EMPr Report once finalised during the EIA phase.