

16 July 2024

North West Department of Mineral Resources and Energy (DMRE)
Vaal University of Technology Building
C/O Voortrekker and Margaretha Prinsloo Streets
Klerksdorp
2570

Attention: Desmond Makamu

RE: BASIC ASSESSMENT PROCESS FOR THE SCHAAPKRAAL AND ZWARTKOPPIES PROSPECTING RIGHT INCORPORATION INTO WESTERN PLATINUM LIMITED MINING RIGHT (NW30/5/1/2/2/106 MR)

Motivation for the non-submission of a Financial Provision and Rehabilitation Plan in support of the Environmental Authorisation (Basic Assessment) Process

1. Project Background

Sibanye-Stillwater Marikana Operations is divided into Western Platinum (Pty) Ltd (WPL) and Eastern Platinum Propriety Limited (EPL) sections. The current Marikana Mine Operations stretches over an area of approximately 35km situated immediately north of the N4 National route. The entire mining area is situated between Marikana to the west and stretches approximately 4km past Bapong to the east.

It is the intention of Sibanye Stillwater Western Platinum (Pty) Ltd to incorporate the Schaapkraal and Zwartkoppies Prospecting Right (13438 PR (renewal of 12331 PR) into the Western Platinum Mining Right (NW30/5/1/2/2/106 MR). Kindly refer to **Figure 1**, which shows the WPL Mining Right Area in relation to the Schaapkraal and Zwartkoppies Proposeoecting Rights Area.

WPL submitted a Section 102 Application in terms of the Mineral and Petroleum Resources Development Act (MPRDA) (Act 28 of 2002) for the inclusion of the Schaapkraal and Zwartkoppies Prospecting Right area into the WPL Mining Right. The Section 102 application was acknowledged by the Department of Mineral Resources and Energy (DMRE) on the **26 June 2024**. A timeline is provided in **Table 1**.

“...for the silent ones...”

TABLE 1: AUTHORISATION TIMELINE

Year	Authorisation	Comments
18 December 2018	NW30/5/1/1/2/ 12331PR	Approval for Environmental authorisation was granted under National Environmental Management Act (Act 107 of 1998).
22 August 2019		A new prospecting right was approved by the DMRE on 22 August 2019 for a period of 3 years expiring on 21 August 2022.
01 May 2022	NW30/5/1/1/2/ 13438PR	Application was submitted to the DMRE to renew the prospecting right.
19 October 2023	Section 102 Application	A section 102 application was submitted to the DMRE for the inclusion of the Schaapkraal and Zwartkoppies Prospecting Right into the WPL Mining Right.
26 June 2024	Acknowledgement of the Section 102 Application	The DMRE acknowledged the Section 102 Application for the inclusion of the Schaapkraal and Zwartkoppies Prospecting Right into the WPL Mining Right.

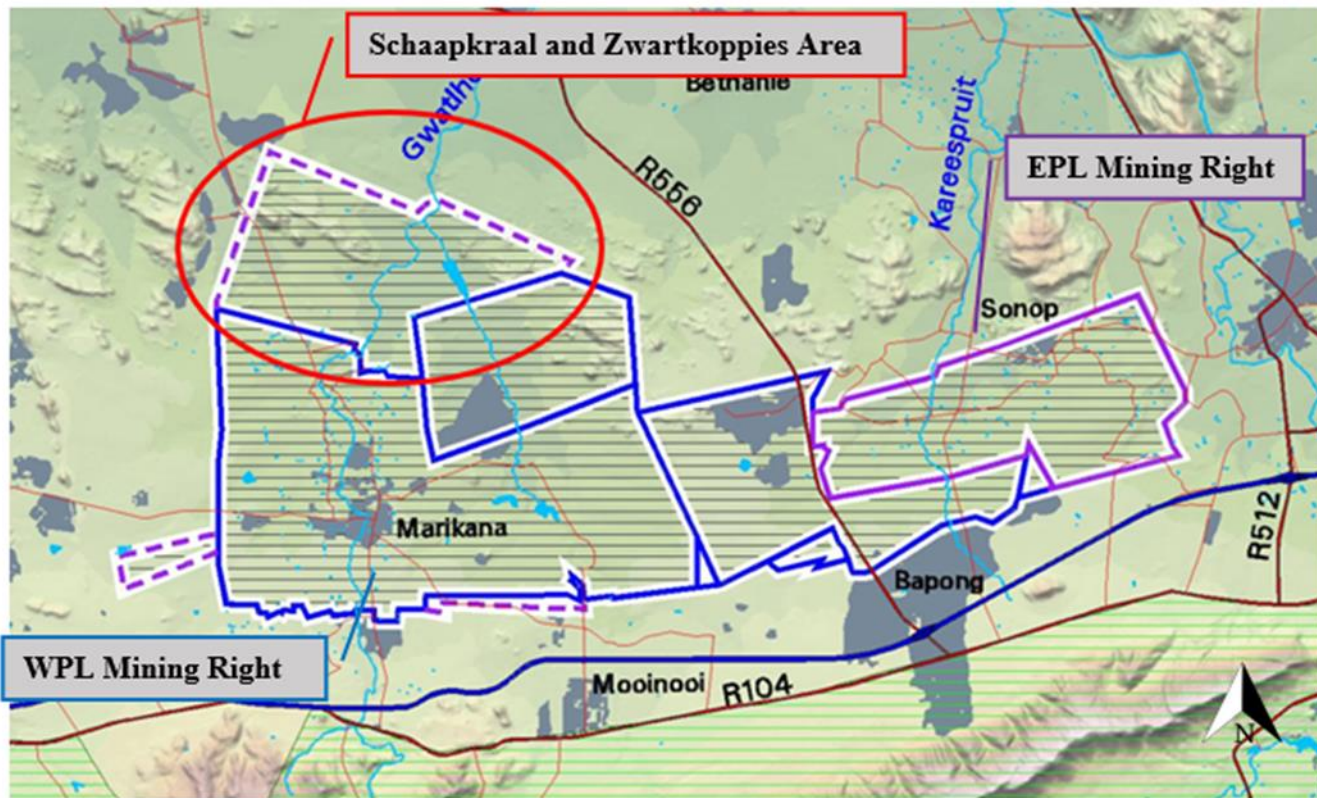


FIGURE 1: IMAGE SHOWING THE WPL MINING RIGHT AREA AND THE SCHAAPKRAAL AND ZWARKOPPIES PROSPECTING RIGHT AREA

2. Environmental Authorisation (Basic Assessment) Process

a. Pre-application Meeting with the DMRE

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Alta van Dyk Environmental Consultants (Pty) Ltd has been appointed as the independent Environmental Assessment Practitioner (EAP) to undertake the Environmental Authorisation Application.

This application includes the following listed activity **only** in terms of the NEMA, Listing Notice (2014) (as amended).

- Listing 1, Activity 21D: *Any activity including the operation of that activity which requires an amendment or variation to a right or permit in terms of section 102 of the Mineral and Petroleum Resources Development Act, as well as any other applicable activity contained in this Listing Notice or in Listing Notice 3 of 2014, required for such amendment.*

A pre-application meeting was held on 31 May 2024 with Mr Desmond Makamu from the DMRE, whereby the project proposal was discussed with the Department, of which the discussions included highlighting the fact that a Financial Provision and Rehabilitation Plan has not been commissioned as part of the application process.

The DMRE advised the submission of the Financial Provision is a requirement in terms Section 24P of the National Environmental Management Act (Act 107 of 1998) (NEMA) and that the non-submission will require a formal motivation from the EAP.

This letter hereby serves as the formal motivation from the EAP for the non-submission of a Financial Provision in support of the Basic Assessment Process (Reference: NW30/5/1/2/2/106 MR for consideration by the Department.

3. Formal Motivation

As indicated above the proposed application is for the incorporation of the approved Prospecting Right Areas into the WPL Mining Right. The requirement for the undertaking of a Financial Provision in support of the application has been negated based on the following:

- This application is for the inclusion of the Schaapkraal and Zwartkoppies Prospecting Right Area into the existing SS WPL Mining Right area only, no infrastructure or associated mining activities are being anticipated at this time or applied for as part of this application and as such additional surface disturbance (at this time) has been deemed insignificant to non-existent.
- The Merensky and UG2 reefs' mineral resources within the Schaapkraal and Zwartkoppies Prospecting Right area are considered an important part of WPL's long-term mining extraction strategy. These mineral resources are contiguous with those established within the K4 Shaft mining block where underground mining infrastructure has been developed. Mining extraction from the K4 Shaft mining block is expected to mature in 2040, and thus access into the Schaapkraal and Zwartkoppies Prospecting Right area is conceptually proposed to start in 2038. Since mining is only proposed in the next 14 years, Sibanye Stillwater has not yet compiled a site layout for surface infrastructure. The intention is to first ensure that the Prospecting Right Area has been included in the Mining Right, prior to the planning of the surface infrastructure.

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- Financial Provision must consider the cost for final rehabilitation, decommissioning and mine closure plan for rehabilitation and impact management for the disturbed areas. At this early stage, a mine plan nor site layout plan (information requirements) is available for utilisation in the update of the Financial Provision. Once a decision has been made by the DMRE for the inclusion of the Prospecting Right Area into the existing SS WPL Mining Right area and if successful, Sibanye Stillwater will proceed with a site layout plan and mine plan for the Schaapkraal and Zwartkoppies areas to guide the update of the Financial Provision requirements. Should Sibanye Stillwater require further approval for any planned infrastructure or associated activities a separate approval process will be required to be undertaken.
- Sibanye Stillwater does submit a Financial Provision for the WPL operations on an annual basis to the DMRE for consideration. This Financial Provision has been deemed sufficient at this time (inclusive of the incorporation of the Prospecting Right Area into the existing SS WPL Mining Right area.)

Please do not hesitate to contact us should you have any queries or wish to discuss any aspect of this proposal.

Yours faithfully,



Kirthi Peramaul

Environmental Assessment Practitioner

Alta van Dyk Environmental Consultants (Pty) Ltd