



ECC
ENVIRONMENTAL
COMPLIANCE CONSULTANCY



ECC-88-286-NTS-5-B

NON-TECHNICAL SUMMARY

EXPLORATION ACTIVITIES ON EPL 7402

FOR BASE AND RARE METALS, INDUSTRIAL MINERALS, PRECIOUS METALS AND SEMI-PRECIOUS
STONES

PREPARED FOR

VOTORANTIM METALS NAMIBIA (PTY) LTD



MAY 2020

NON-TECHNICAL SUMMARY

PROPOSED EXPLORATION ACTIVITIES ON EPL 7402 FOR BASE AND RARE METALS, INDUSTRIAL MINERALS, PRECIOUS METALS AND SEMI-PRECIOUS STONES KUNENE AND OTJOZONDJUPA REGION

1 PURPOSE OF THIS DOCUMENT

The purpose of this Non-Technical Summary (NTS) is to provide Interested and Affected Parties (I&APs) a background to the proposed project and to invite I&APs to register as part of the Environmental Impact Assessment (EIA) process. The proposed project involves exploration activities for base and rare metals, industrial minerals, precious metals and semi-precious stones on Exploration Prospecting License (EPL) 7402. By registering, all I&APs will be kept informed throughout the project. Through the EIA process, a platform for participation will be provided to submit comments / recommendations pertaining to the project.

This NTS includes the following information on:

- The proposed project and location
- The necessity of the project, benefits or adverse impacts anticipated
- The alternatives to the project have been considered and assessed
- How the EIA process works
- The public participation process and how to become involved, and
- Next steps and the way forward.

2 DESCRIPTION OF PROPOSED PROJECT

2.1 BRIEF INTRODUCTION

Environmental Compliance Consultancy (ECC) has been engaged by the proponent (Votorantim Metals Namibia (Pty) Ltd) to undertake an EIA and an Environmental Management Plan (EMP) in terms of the Environmental Management Act,

2007 and its regulations. An environmental clearance application will be submitted to the relevant competent authorities, the Ministry of Mines and Energy (MME) and Ministry of Environment, Forestry and Tourism (MEFT).

2.2 LOCATION

Votorantim Metals proposes to explore in the area near the C39 road, west of Otavi and northeast of the Outjo Towns, which is located in the Kunene and Otjozondjupa Regions. The location is shown in Figure 1.

2.3 WHAT IS PROPOSED

Votorantim Metals provides metal and mineral mining services worldwide, a company such as Nexa Resources is an investor within Votorantim's portfolio. Votorantim Metals undertakes mineral exploration in Namibia and propose to undertake low impact exploration activities on EPL 7402.

2.4 OPERATION PHASE

The proposed exploration activities are low-impact and non-intrusive. The following are envisaged during the proposed project:

- Potential creation of access tracks, where existing tracks cannot be utilised
- Limited vegetation clearing for the creation of tracks
- Drilling of exploration boreholes, and
- Exploration methods may include soil and rock sampling, geological mapping, electromagnetic surveys, drilling and drill-core sampling.

2.5 WHY IS THE PROJECT NEEDED

Votorantim Metals intends to pursue exploration opportunities with the aim of identifying new mining prospects. Namibia is rich with natural resources and the minerals sector is a key contributor to the nations GDP in Namibia. Exploration could lead to mining activities, which would contribute to the national and local economy.

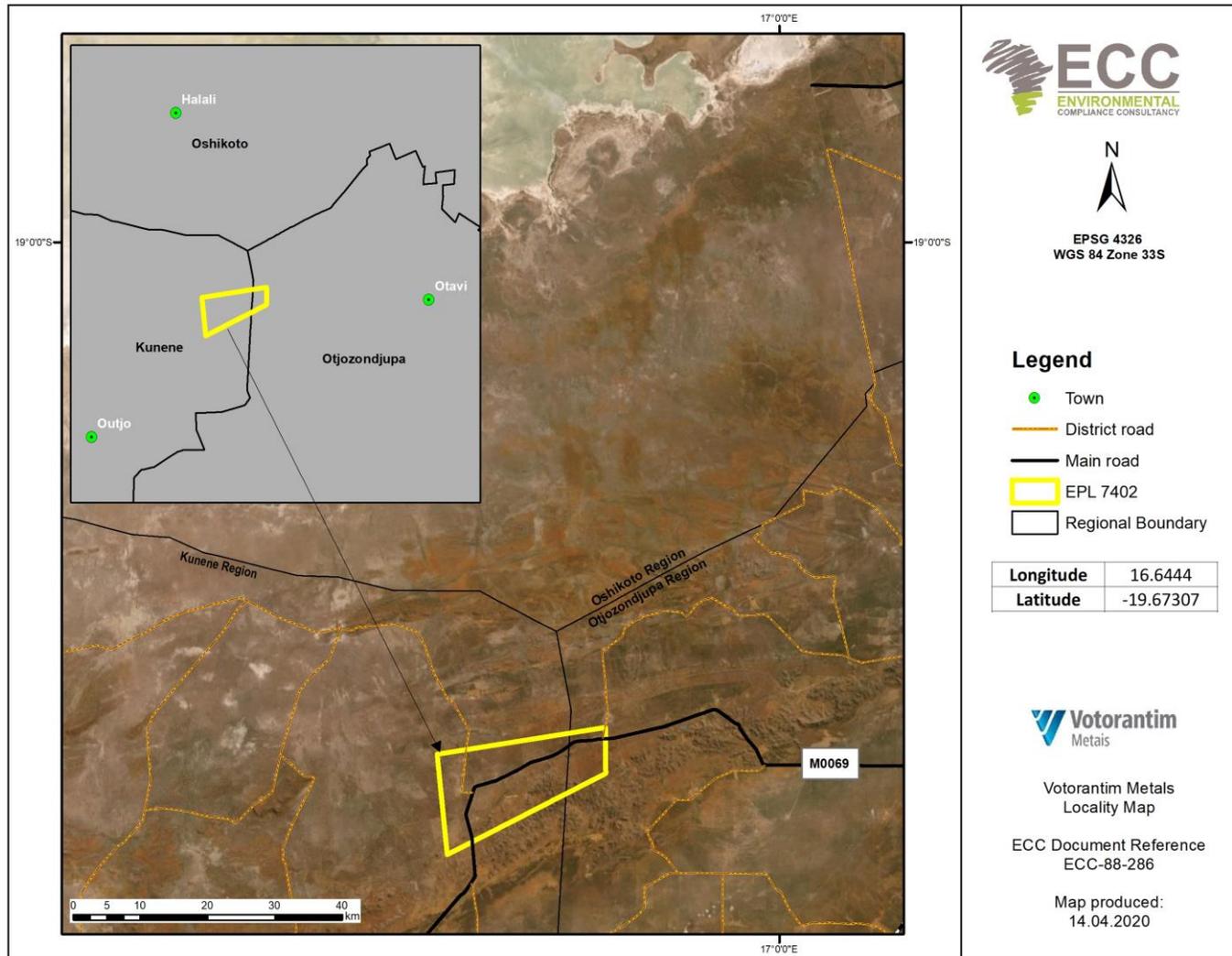


FIGURE 1 – LOCATION MAP OF THE PROPOSED PROJECT

2.6 POTENTIAL IMPACTS OF THE PROJECT

2.6.1 SOCIO-ECONOMIC

The potential social impacts are anticipated to be of low significance, and those that may transpire shall be confined within the EPL site, these potential impacts may include the following:

- Potential to unearth, damage or destroy undiscovered heritage remains
- Minor disruption to the residents of the farms within the EPL, including some increase in noise levels and dust arising from drilling and vehicle use
- Some jobs will be created as a result of the project; and
- There will be economic benefits due to increased investment and investor confidence in the Namibian minerals sector.

2.6.2 ENVIRONMENTAL

The potential environmental impacts are anticipated to be of minor significance, and those that may occur shall be contained within the EPL site, these potential impacts may include the following:

- Some potential vegetation loss due to possible tracks creation;
- Potential use of resources, including surface and groundwater; and
- Minor risk of loss of contaminant of hydrocarbon, chemical or drill fluids from exploration activities potentially leading to localised ground contamination.

3 CONSIDERATION OF ALTERNATIVES

Best practice environmental assessment methodology calls for consideration and assessment of alternatives to a proposed project.

In a project such as this one, it is difficult to identify alternatives to satisfy the need of the proposed project; the activities shall be specific to the EPL 7402, which was granted by the MME on the 20th of February 2020.

During the assessment, alternatives will take the form of a consideration of optimisation and efficiency to reduce potential effects e.g.

different types of technology or operations, route access and exploration methods.

4 THE ENVIRONMENTAL ASSESSMENT PROCESS

This EIA, conducted by ECC, is undertaken in terms of the Environmental Management Act, 2007 and its regulations. The process followed in this EIA is set out in the flowchart in Figure 2.

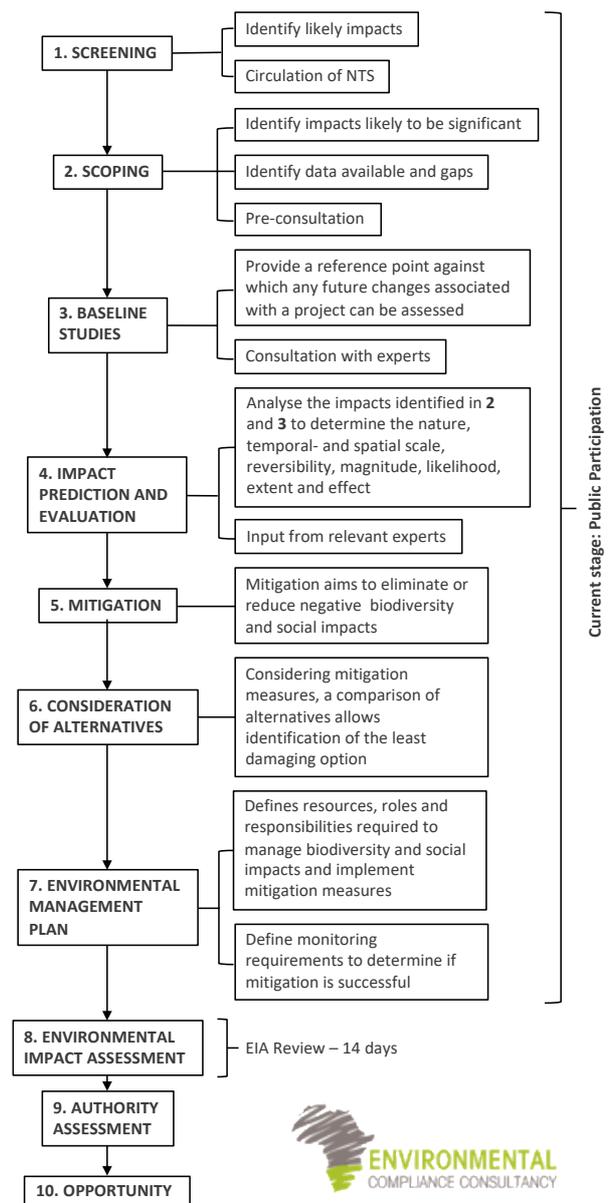


FIGURE 2 - FLOWCHART OF THE ENVIRONMENTAL ASSESSMENT PROCESS

4.1 SCREENING

A review of the proposed project screening findings against the listed activities was conducted; the findings of which are summarised below.

MINING AND QUARRYING ACTIVITIES

(3.1) The construction of facilities for any process or activities which requires a licence, right or other form of authorisation, and the renewal of a licence, right or other form of authorisation, in terms of the Minerals (Prospecting and Mining Act), 1992

- The proposed project requires a licence for extraction of metals and industrial minerals

(3.2) Other forms of mining or extraction of any natural resources whether regulated by law or not

- Minerals (soil and sand), metals will be sourced out within the project's footprint / locally as far as possible

(3.3) Resource extraction, manipulation, conservation and related activities

- The proposed project will extract base and rare metals, industrial minerals, precious metals and semi-precious stones

WATER RESOURCE DEVELOPMENT

(8.1) The abstraction of ground or surface water for industrial or commercial purposes

- Due to the drilling of exploration boreholes, ground and surface water will be abstracted

The potential environmental and social effects are anticipated to be of minor significance, and those that may occur shall be contained on the EPL 7402 site.

4.2 SCOPING

Due to the nature of the proposed project, and the implementation of industry best practice mitigation measures during the mineral exploration phase of the project, the effects on

the environment and society are expected to be minimal and localised.

4.3 BASELINE STUDIES

For the proposed project, baseline information was obtained through a desk-based study and site verification processes through focusing on the environmental receptors that could be affected by the proposed project. ECC will also engage with stakeholders, I&APs and the proponents to seek input into the assessment.

4.4 IMPACT ASSESSMENT

Impacts will be assessed using the ECC EIA methodology. The EIA will be conducted in terms of the Environmental Management Act, No. 7 of 2007 and its regulations. ECC's methodology for impact assessments was developed using IFC standards in particular Performance Standard 1 'Assessment and management of environmental and social risks and impacts' (IFC 2012, 2017) and Namibian Draft Procedures and Guidance for EIA and EMP (GRN, 2008) including international and national best practice with over 25 years of combined EIA experience.

4.5 ENVIRONMENTAL MANAGEMENT PLAN

An EMP shall be developed for the proposed project setting out auditable management actions for Votorantim Metals Namibia (Pty) Ltd to ensure careful and sustainable management measures are implemented for their activities in respect of the surrounding environment and community.

4.6 PUBLIC PARTICIPATION AND ADVERTISING

Public participation is an important part of the EIA process; it allows the public and other stakeholders to raise concerns or provide valuable local environmental knowledge that can benefit the assessment, in addition it can aid the design process. This project is currently at the scoping phase and public participation phase.

At this phase ECC will perform the following:

- Identify key stakeholders, authorities, municipalities, environmental groups and interested or affected members of the public, hereafter referred to as I&APs
- Distribute the NTS for the proposed project (this document)
- Advertise the environmental application in two national newspapers
- Place notices on-site at or near the boundary
- If required host a public meeting to encourage stakeholder participation and engagement, and provide details of issues identified by the environmental practitioner, stakeholders and I&APs
- Record all comments of I&APs and present such comments, as well as responses provided by ECC, in the comments and responses report, which will be included in the scoping report that shall be submitted with the application, and
- Circulate I&AP comments to the project team for consideration of project design.

Comments must be submitted in writing and can be emailed using the details in the contact us section below.

CONTACT US

We welcome any enquiries regarding this document and its content. Please contact:

Environmental Compliance Consultancy (ECC)

info@eccenvironmental.com

Tel: +264 816 697 608

www.eccenvironmental.com

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