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BID:

PROPOSED WIA GOLD MINE PROJECT, ERONGO REGION, NAMIBIA

PROJECT NUMBER: ECC-143-471-BID-02-A

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TABLE OF CONTENTS

1	Background Information Document	5
1.1	Purpose of this document	5
1.2	Description of the proposed project	6
1.3	Project location.....	6
1.4	Need for the project	8
1.5	Construction phase.....	8
1.6	Operational phase	8
1.6.1	Ore and waste rock.....	8
1.6.2	Blasting and drilling	8
1.6.3	Mining equipment.....	8
1.6.4	Waste rock dumps	9
1.6.5	Tailings storage facility	9
1.6.6	Support infrastructure and services.....	9
1.6.7	Waste management.....	9
1.7	Consideration of alternatives	10
2	The Environmental and Social Impact Assessment Process	11
2.1	Screening.....	13
2.2	Scoping	15
2.3	Baseline studies.....	15
2.4	Terms of reference	16
2.5	Stakeholder engagement.....	16
2.6	Scoping report	18
2.7	Environmental and social impact assessment phase.....	18
2.7.1	Potential impacts.....	18
2.7.2	Draft environmental and social management plan	18
3	The Way Forward – Public Participation	19

LIST OF TABLES

Table 1-	Listed activities triggered by the proposed project.....	13
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LIST OF FIGURES

Figure 1 - Relationship between the parent company and its subsidiaries.....5
 Figure 2- Locality of the proposed project.....7
 Figure 3 – Flowchart of the environmental and social assessment process.12
 Figure 4 - EPL 4818 Stakeholder map.....17

ABBREVIATIONS

Abbreviation	Description
BID	Background information document
Damaran Exploration	Damaran Exploration Namibia (Pty) Ltd
DEA	Directorate of Environmental Affairs
EAP	Environmental assessment practitioner
ECC	Environmental Compliance Consultancy
EIA	environmental impact assessment
Epangelo	Epangelo Mining Company (Pty) Ltd
EPL	Exclusive Prospecting Licence
ESMP	environmental and social management plan
ESIA	environmental and social impact assessment
HME	Heavy mobile equipment
I&APs	interested and affected parties
JV	joint venture
Ltd.	Limited
LV	Light vehicle
MEFT	Ministry of Environment, Forestry and Tourism
ML	Mining Licence
MME	Ministry of Mines and Energy
MRE	Mineral resources estimate
Pty	proprietary
ROM	Run of mine
WIA Gold	WIA Gold Limited
WRD	Waste rock dump

1 BACKGROUND INFORMATION DOCUMENT

1.1 PURPOSE OF THIS DOCUMENT

Environmental Compliance Consultancy (ECC) has been contracted by Damaran Exploration (Pty) Ltd to undertake an environmental and social impact assessment (ESIA) in terms of the Environmental Management Act No.7 2007 and its Regulations.

Mandarin Investments (Pty) Ltd (hereafter referred to as “The Proponent”), is a joint venture (JV) between Damaran Exploration Namibia (Pty) Ltd (hereafter referred to as “Damaran exploration”), and Epangelo Mining Company (Pty) Ltd (hereafter referred to as “Epangelo”), and is the holder of licence EPL 4818. WIA Gold Limited (Ltd) (hereafter referred to as “Wia Gold”), is the parent company of Damaran Exploration Namibia (Pty) Ltd. The relationship between the parent company, its subsidiary, and the JV between Damaran Exploration and Epangelo displayed in Figure 1.

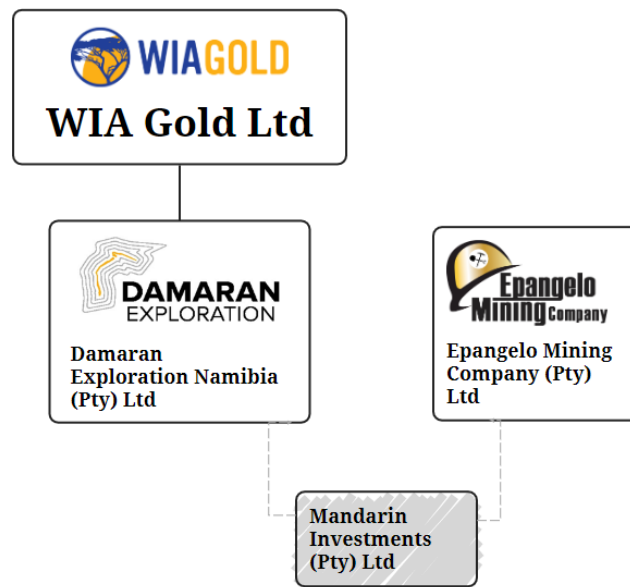


Figure 1 - Relationship between the parent company and its subsidiaries.

WIA Gold Limited is an Australian company with exploration licences in Namibia and Côte d’Ivoire (Ivory Coast). In Namibia, the Kokoseb Gold Project emerged as a significant deposit with the announcement of a maiden inferred mineral resource estimate (Kokoseb MRE) and subsequent exploration results confirming the potential for growth in the Kokoseb MRE. Epangelo is a privately owned mining enterprise that is registered under the Companies Act (Act 61 of 1972) within the Republic of Namibia. The exclusive shareholder of the company is the Government of the Republic of Namibia. In 2013, Epangelo was officially designated as a State-owned Enterprise under the PEGA (Act 2 of 2006).

The purpose of this background information document (BID) 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 ESIA process.

All those who register as an I&AP will be kept informed throughout the ESIA process. Registration provides a platform for participants to submit comments, concerns, or recommendations regarding the proposed project. This BID includes the following information:

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

1.2 DESCRIPTION OF THE PROPOSED PROJECT

The proposed project is for the mining of base and rare metals, and precious metals. As part of the proposed mining project, the following activities are envisaged, which shall be further defined as the mining program is refined:

- Investment in exploring the mineral potential of the Erongo Region; and
- Mining activities

1.3 PROJECT LOCATION

The proposed Project is within Exclusive prospecting licence (EPL 4818), where the resource is expected to be located and where a mining licence (ML) will be applied for once the resource has been defined. EPL 4818 is situated between approximately 35Km ENE of Uis and 25Km NW of Okombahe in the Erongo Region (-21.176832, 15.172355). The EPL is bordered by the C36 main road as shown in Figure 2.

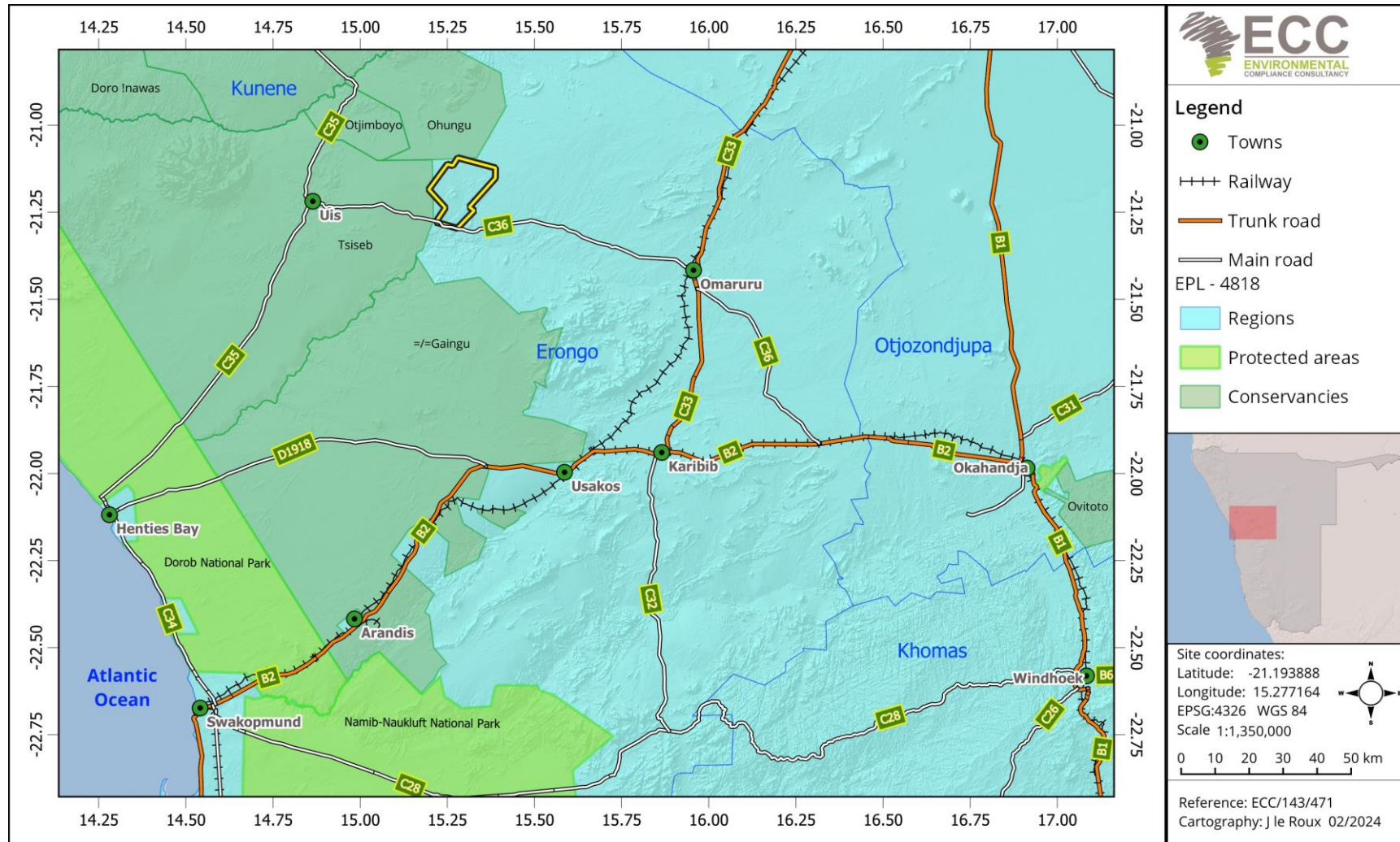


Figure 2- Locality of the proposed project

1.4 NEED FOR THE PROJECT

Namibia is rich in natural resources and the minerals sector is a key contributor to the nation's GDP in Namibia. WIA GOLD intends to pursue mining activities with the aim of retrieving gold out of these new mining prospects. These new mining activities could contribute to the national and local economies. This new mine will have a tremendously positive impact on the country's economy.

1.5 CONSTRUCTION PHASE

During the development of the mine various infrastructure will be constructed:

- Construction of access tracks and roads, where existing tracks cannot be utilised for the fleet of mobile equipment. The roads are essential due to regular vehicular movement.
- Vegetation clearing for the creation of tracks, open pit mine and survey access.
- Ongoing ground exploration activities may include soil sampling, geological mapping, geophysical surveys, drilling and drill-core sampling, and blast of the open-pit mine.
- Construction of the plant infrastructure, as well as the infrastructure for fuel and chemical storage.
- Diversion of the Xamgudomi River and possible other smaller water courses.

1.6 OPERATIONAL PHASE

Mining activities shall take place within the boundaries of EPL 4818, illustrated in Figure 2 (Location of EPL). It is envisaged that the mining operation at Wia Gold Mining Project will be similar to that of B2Gold Otjikoto and QKR Navachab gold mines. The Project will make use of conventional open pit mining methods, with the ore zone and waste zone being drilled and blasted benches, and ore material being loaded selectively.

1.6.1 ORE AND WASTE ROCK

Ore and waste will be loaded with hydraulic excavators and hauled by diesel-powered trucks to the primary crusher, ROM pad stockpile, low-grade stockpile, or waste dump. At this stage it is assumed that the whole mining operation, except for the mine technical services function, will be outsourced to a reputable mining contractor company.

1.6.2 BLASTING AND DRILLING

Blasting will be a core component of the mining operation. Drilling is the first operation performed at most open pit mining operations. Rotary drills are predominantly used, although for smaller holes, the hole hammer drills have often been employed, and would be well suited for smaller surface operations.

1.6.3 MINING EQUIPMENT

The overall scale of mining envisaged for the Project is a medium to large-sized mine. Waste and ore mining operations will utilise medium-sized backhoe excavators combined with a fleet of rigid dump trucks.

Ancillary equipment may be required that falls outside of the primary production equipment scope, the ancillary equipment will assist and support the primary equipment, while ensuring the maintenance and optimization of the primary equipment lifecycle. This ensures that primary equipment work easier and safer. Examples of such equipment are:

- Small trucks used for maintenance activities
- Light delivery vehicles used to transport management, technical services, and maintenance personnel around the mine
- Buses used to transport operators from the change houses to the equipment in the field, and back.
- Lighting plant to increase visibility around the excavators during night-time.
- Pumping equipment for pit dewatering.

1.6.4 WASTE ROCK DUMPS

The waste dump/s will progress by the haul truck tipping on the top elevation of the dump, with the dozer pushing the waste down. These actions will cause the waste dump to progress horizontally over time.

1.6.5 TAILINGS STORAGE FACILITY

The final design of the tailing storage facility will be based on a set of specific and detailed studies associated with international best practices for tailings storage facility design.

1.6.6 SUPPORT INFRASTRUCTURE AND SERVICES

Additional support infrastructure and services will include:

- Mining office block.
- Geological core shed.
- Onsite laboratory.
- Mining change house.
- Warehouse.
- HME workshop.
- LV workshop.
- Fuel facility.
- Explosive magazine and bulk emulsion storage facility.
- Communication facilities (Radio, telephone and internet connections).
- Powerline, substation and/or solar power plant.
- Water pipelines.
- Sewage infrastructure.

1.6.7 WASTE MANAGEMENT

Waste will be separated at source, stored in a manner that there can be no discharge of contamination to the environment, and either recycled or reused where possible. On-site facilities will be provided at a dedicated waste storage facility for sorting and temporary storage prior to removal and disposal to appropriate recycling or disposal facilities off-site. Industrial waste will be

sorted on-site and disposed of at appropriate facilities. Hazardous waste includes, but is not limited to, the following: fuels, chemicals, lubricating oils, hydraulic and brake fluid, paints, solvents, acids, detergents, resins, brine, solids from sewage, and sludge.

1.7 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, it is difficult to identify alternatives to satisfy the need of the proposed project; the activities will be specific to the site.

The primary alternatives to be assessed, in addition to the mining landform positions, will be the proposed diversion of a tributary of the Xamgudomi River and road diversion of the gravel road D3714 which traverse the area where infrastructure may be placed.

Different mine designs, processing plant possibilities, and various tailing disposal methods should undergo careful consideration in the pre-feasibility and feasibility study phases of the project. Factors such as water availability, potential for acid mine drainage, long-term slope stability, safety, and climate change will all be taken into account when evaluating the economic, technical, and environmental viability of the alternatives.

2 THE ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT PROCESS

The ESIA for the proposed project is being conducted by ECC and will be undertaken in terms of the Environmental Management Act, 2007 and its regulations. The process followed for this ESIA is set out in the flowchart in Figure 3.

ECC has been contracted by Mandarin Investments (Pty) Ltd, as the independent environmental assessment practitioner (EAP) to facilitate the ESIA process. Prior to the start of the proposed project, an environmental clearance certificate is required in terms of the Environmental Management Act, 7 of 2007 and the associated EIA Regulations.

A final decision relating to the above-mentioned application will be made by Ministry of Environment, Forestry and Tourism (MEFT): Department of Environmental Affairs (DEA).

The related environmental process will include:

1. Screening phase (completed)
2. Scoping phase which includes baseline studies and the development of the Terms of Reference (ToR) for the (initiated)
3. Assessment Phase which includes impact prediction and evaluation of alternatives, assigning mitigation measures and developing monitoring and conceptual rehabilitation plans. This phase culminates in the drafting of the ESIA report and draft Environmental and Social Management Plan (ESMP) and submission to the appropriate competent authorities.

The main objectives of the are to:

- a) Provide information describing the proposed construction and operation of the WIA Gold Mine.
- b) Provide an independent environmental and social assessment of the activities associated with the proposed project.
- c) Develop management and mitigation measures associated with any identified potential impacts where necessary.

ESIA PROCESS



Figure 3 – Flowchart of the environmental and social assessment process.

2.1 SCREENING

A review of the planned project was undertaken and the screening findings against the listed activities was conducted; the findings of which are summarised in Table 1.

Table 1- Listed activities triggered by the proposed project.

LISTED ACTIVITY	SCREENING FINDING
<p>ENERGY GENERATION, TRANSMISSION AND STORAGE ACTIVITIES</p> <p>(1.a) The construction of facilities for the generation of electricity.</p> <p>(1.b) The construction of facilities for the transmission and supply of electricity.</p>	<ul style="list-style-type: none"> - The mine will connect to the NamPower grid. - There is a possibility that a solar power station will be constructed for the generation of electricity. - The electricity that is generated will be used to supply electricity to the mine and potential surplus redirected into the grid power system
<p>WASTE MANAGEMENT, TREATMENT, HANDLING, AND DISPOSAL ACTIVITIES</p> <p>(2.1) The construction of facilities for waste sites, treatment of waste and disposal of waste.</p> <p>(2.2) Any activity entailing a scheduled process referred to in the Atmospheric Pollution Prevention Ordinance, 1976.</p> <p>(2.3) The import, processing, use and recycling, temporary storage, transit or export of waste.</p>	<ul style="list-style-type: none"> - The Project will require waste sites for the disposal of mineralised and non-mineralised waste. - Hazardous waste may be generated by the operation. - Facilities for the disposal of mine and domestic waste will need to be constructed. - In terms of the Atmospheric Pollution Prevention Ordinance, the bulk storage and handling of mineralised or metallic ore on waste dumps designed to hold 100 000 metric tonnes or more, is defined as a scheduled process
<p>MINING AND QUARRYING ACTIVITIES</p> <p>(3.1) The construction of facilities for any process or activities which requires a license, right or another form of authorization, and the renewal of a license, right or another form of authorization, in terms of the Minerals (Prospecting and Mining Act), 1992.</p> <p>(3.2) Other forms of mining or extraction of any natural resources whether regulated by law or not.</p> <p>(3.3) Resource extraction, manipulation, conservation and related activities</p>	<ul style="list-style-type: none"> - This listed activity infers the provisions of the Minerals (Prospecting and Mining) Act 33 of 1992. The very nature of the Project is mining, which therefore triggers this listed activity.

LISTED ACTIVITY	SCREENING FINDING
<p>FORESTRY ACTIVITIES (4.) The clearance of forest areas, deforestation, aforestation, timber harvesting or any other related activity that requires authorisation in term of the Forest Act, 2001 (Act No. 12 of 2001) or any other law</p>	<ul style="list-style-type: none"> - Vegetation clearing will be required for site construction and infrastructure establishment. - During operations, vegetation clearing will be required as the Project develops. The necessary permits will be acquired as needed.
<p>WATER RESOURCE DEVELOPMENT (8.5) Construction of dams, reservoirs, levees and weirs (8.6) Construction of industrial and domestic wastewater treatment plants and related pipeline systems.</p>	<ul style="list-style-type: none"> - Ground and surface water may be abstracted or sourced for the operation. - Groundwater will be abstracted to support the operational activities through identified abstraction boreholes, with an approved abstraction permit, from the Department of Water Affairs, as required by the Water Act, No. 54 of 1956 and Water Resources Management Act. - Surface water may be abstracted for operational activities. - The mining area is within the Omaruru catchment area, and the Xamgudomi River runs through a section of the planned pit and infrastructure. A diversion is required to divert the ephemeral Xamgudomi tributary with a detailed design for a new channel and the occasional storm water flow. A dam may be constructed. - Process water ponds will be constructed to provide water for the process plant. - A pollution control dam (PCD) will be constructed to catch and contain dirty water on site, this is in the processing plant. - Pipeline systems will be used to transport water or slurry within the site. - A domestic wastewater treatment plant will be constructed for operational purposes. - Septic/conservancy tanks are to be constructed for remote areas (guard houses and airstrip).
<p>HAZARDOUS SUBSTANCE TREATMENT, HANDLING AND STORAGE 9.1) The manufacturing, storage handling, or processing of a hazardous substance</p>	<ul style="list-style-type: none"> - The proposed mining operations and process plant triggers this activity, as both fuel and hazardous substances are

LISTED ACTIVITY	SCREENING FINDING
<p>defined in the Hazardous Substances Ordinance, 1974.</p> <p>(9.2) Any process of activity which requires a permit, licence or other form of authorisation, or the modification of or changes to existing facilities for any process or activity which requires an amendment of an existing permit, licence or authorisation or which requires a new permit, licence or authorisation in terms of a law governing the generation or release of emissions, pollution, effluent or waste.</p> <p>(9.4) The storage and handling of dangerous goods, including petrol, diesel, liquid petroleum gas or paraffin, in containers with a combined capacity of more than 30 cubic meters at any one location.</p>	<p>required for mining and processing activities.</p> <ul style="list-style-type: none"> - Bulk fuel may be required for onsite for refuelling the mining fleet. - Consumer installation certificates are required for bulk fuel storage and dispensing. - Hazardous reagents will be used within the extraction and processing plant. - A lined tailings storage facility will be constructed. - The storage, handling and processing of the hazardous substances including cyanide that will be required in the processing plant. - Licences will be obtained for all hazardous substances that will need to be stored on the site. - Additionally, there will be a laboratory on site that may generate hazardous waste.
<p>INFRASTRUCTURE</p> <p>10.1 The construction of:</p> <p>(j) masts of any material or type, and of any height, including those used for telecommunication broadcasting and radio transmission.</p>	<ul style="list-style-type: none"> - The Proponent may possibly consider developing a telecommunication tower. - Towers for communication will need to be constructed, thus cables and telecommunication lines will be put in place. - Powerlines and telemetry for operational requirements, water and tailings slurry pumping will be required. - Radio and telecommunication towers will be required for the site. - Diversion of gravel road D3714.

2.2 SCOPING

The scoping phase is directed towards defining the range and nature of anticipated potential impacts that may have significance to the biophysical and social environments at the scale of the proposed operations. The appropriate available data and the literature are identified forming the starting point for assessment of the required baseline and specialist studies that may be required for assessment of the project impacts.

2.3 BASELINE STUDIES

For the proposed project, baseline information will be obtained through the specialist studies to be commissioned based on the information gaps assessed during the scoping phase of the assessment.

The ESIA will focus 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. The baseline studies chapter is broken into three sections, the baseline context, environmental (physical and biological), and social (includes economic).

Desktop studies as well as all available field surveys from the project area will be used to help define the baseline. These studies also give a further indication whether there are any local or regional future developments that could impact the project or vice versa.

Lastly the socio-economic section of the baseline studies helps to gain information on the governance, demographic profile, social stratification (employment, education, crime, infectious disease), occupation and livelihood (economic activities, occupations in study area, employment rates).

2.4 TERMS OF REFERENCE

Based on the stakeholder engagement through the defined public consultation process including any written correspondence and the baseline studies, the ToR for the impact assessment will be finalised and confirmed with the Environmental Commissioner.

2.5 STAKEHOLDER ENGAGEMENT

The public and key stakeholders receive invitations to register as I&APs. After the presentation of the proposed project and process through the defined public consultation process, a period of time for input will be granted for the environmental assessment practitioner (EAP) to receive any additional concerns or comments from registered I&AP's. All feedback from the initial public consultation process will be incorporated into the scoping report. The stakeholder map is shown below in Figure 4.

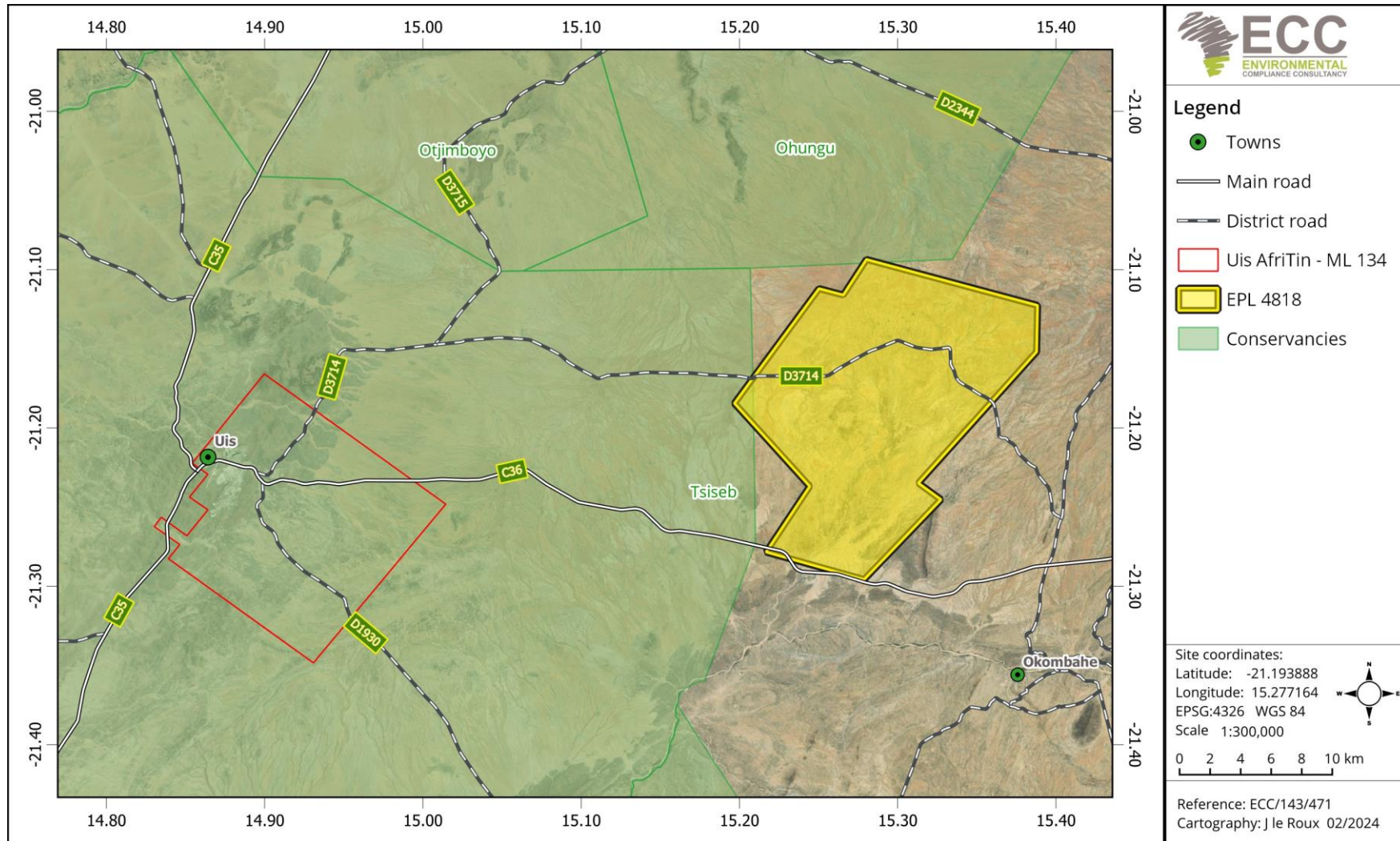


Figure 4 - EPL 4818 Stakeholder map.

2.6 SCOPING REPORT

The scoping report will be drafted and made available to the registered I&APs for comment before being submitted to the competent authority and MEFT. The scoping report will contain a description of the project and the bio physical and socio-economic environments, the specialist baseline studies, stakeholder engagement report and the terms of reference for the .

2.7 ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT PHASE

2.7.1 POTENTIAL IMPACTS

The potential social and economic impacts should be considered with due regard to the nature and scale of the proposed operations its location within the ecological, commercial and social environments. The potential environmental and social impacts from construction and operation of the Project that have been anticipated may include the following:

- Potential effects on heritage artifacts and buildings.
- Potential effects on power and water supply.
- Potential effects on water use and management leading to water contamination.
- Potential effects on waste management leading to pollution.
- Potential effects on the baseline visual environment.
- Potential effects on biodiversity.
- Potential effects on air quality.
- Potential effects on baseline noise levels due to vibration and blasting impacts,
- Potential effects the socioeconomic environment and social impacts, such as job creation and local economic development and upliftment benefits for local and regional communities.
- Potential to increase the traffic on the C36.
- Potential influx of people moving to the Uis and Okombahe areas.
- Potential value for development of an already lucrative gold mining sector industry.
- Potential impacts from rehabilitation.

2.7.2 DRAFT ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

An ESMP shall be developed for the proposed project setting out auditable management actions for the project to ensure careful and sustainable management measures are implemented for their activities in respect of the surrounding environment and community. The ESMP becomes the legally binding commitments upon approval of the ESMP and issuing of the environmental clearance certificate. Environmental clearance certificates are issued for a period of 3 years and renewal is subject to compliance with the provisions and conditions of the environmental clearance certificate.

3 THE WAY FORWARD – PUBLIC PARTICIPATION

Public participation is an important part of the ESIA process. It allows you, the public and stakeholders to raise concerns or provide valuable local environmental knowledge that can benefit the assessment process as well as aid the planning process for the scoping phase of the defined assessment process. At this phase ECC will perform the following:

- Prepare and submit the application for the environmental clearance certificate in the prescribed manner.
- Identify relevant key stakeholders, authorities, municipalities, environmental groups and interested or affected members of the public, hereafter referred to as I&As.
- Carry out a public consultation process in accordance with Regulation 21 of the EMA 2007 including:
 - o Distribute the BID for the proposed construction of the WIA Gold Mine Project (this document).
 - o Advertise the environmental application and call for registration of I&As in two national newspapers.
 - o Open a I&A register and record all comments of I&As 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.
- Prepare a scoping report and provide same to registered I&As for comment.
- Submit the scoping report and the I&A comments to the competent authority and Environmental Commissioner for a record of decision.

Your request for registration as an I&A as well as any comments on the BID or Project must be submitted in writing and can be emailed using the details in the contact us section below. Registration as an I&A for the project can be completed online on ECC's website on the projects page, or by using this link: <https://eccenvironmental.com/download/the-proposed-wia-gold-mine-project-erongo-region-namibia/>

Registration as an I&A should be submitted on or before 28 March 2024.

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

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