

**ENVIRONMENTAL IMPACT ASSESSMENT PROCESS FOR THE
PROPOSED NEW COAL-FIRED POWER STATION IN THE LEPHALALE
AREA, LIMPOPO PROVINCE**

**FOCUS GROUP MEETING
10 MARCH 2006
09:30
KUMBA RESOURCES OFFICES, PRETORIA**

DRAFT MINUTES

1. WELCOME AND INTRODUCTION

Ms. Ashlea Strong of Bohlweki Environmental welcomed the attendants. She stated that the purpose of the meeting was to:

- Provide more information regarding the current status of the proposed project and EIA process;
- Obtain information from Kumba Resources regarding their developments, technical issues and so forth; and
- Note any additional comments and concerns from the representatives of Kumba.

2. BACKGROUND TO THE STATUS OF THE PROJECT

Ms. Ashlea Strong explained that she and Mr. Graham Moon of Bohlweki Environmental now acted as the project managers for the EIA for the proposed project. The public review period as part of the Scoping Phase was during October 2005 and all issues, comments and concerns were included in the final ESS report that was submitted to DEAT at the end of November 2005. A Plan of Study for the EIA was submitted in December 2005. Bohlweki Environmental received the go-ahead from DEAT to continue with the EIA phase of the project. Specialist studies have been undertaken since December 2005 and the EIA Report is due to be made available for public review on 16 March 2006.

Naauwontkomen was nominated as the preferred site for the power station and Eenzaamheid for the ancillary services. These two sites are therefore investigated as part of the detailed EIA phase. Eskom is also investigating the re-alignment of the Steenbokpan Road as the existing road is in the same position as that of the proposed power station and ashing facility. Ms. Ashlea Strong explained the northern and southern alternatives investigated for the road re-alignment, as well as the eastern and western routes investigated for the conveyor belts by means of a map.

She indicated that the detailed specialist studies undertaken as part of the EIA phase of the project suggested the northern road alternative as the preferred option, and the eastern route alternative as the preferred corridor for the conveyor belt.

3. DISCUSSION SESSION

3.1 ISSUES TO BE ADDRESSED DURING EIA AND TIMEFRAME

Ms. Ashlea Strong outlined the various specialist studies that would be undertaken as part of the EIA phase of the project.

3.2 KUMBA'S EIA PROCESS AND TIMEFRAME

Mr. Charl Nolte indicated that Kumba's EIA and specialist studies were underway. A public meeting was held in Lephalale during the first week of March and an authorities meeting took place three weeks prior to this meeting. The public review period is scheduled for May 2006 and the EIA is expected to be completed by June 2006.

It was suggested that Eskom and Kumba should have a meeting to ensure that the consultants from both parties portray the same message to the public.

Ms. Ashlea Strong suggested that a representative from Kumba attend the public meeting for the proposed coal fired power station to be held on 29 March 2006 in Lephalale. Mr Nolte and Mr Oberholzer agreed with this suggestion and stated that they would look into the matter from their side.

3.3 LOCATION OF CONVEYOR BELT

Mr. Charl Nolte said that at this stage the guesthouse located on Grootestryd is already impacted upon by noise from the mining operations and therefore Kumba does not anticipate that the preferred eastern route for the conveyor belt would have significant impacts on the guesthouse.

Mr. Jan Oberholzer indicated that the detailed impact could only be determined once the exact route alignment for the conveyor belt has been finalised. There could be sufficient space next to the guesthouse to place the conveyor belt and no relocation of this facility would then be necessary. One would, however, have to consider the noise impact on this facility, although this was not a high profile guesthouse. If the conveyor belt would cut across the corner of the property of the guesthouse, the house might have to be relocated.

Mr. Charl Nolte added that there are plans to maybe outsource the guesthouse in future. If this is the case, the noise impact could be of more significance, as Kumba and Ferroland do not want value destruction due to a conveyor belt close by.

It was suggested that the exact location of the conveyor belt should be finalised as soon as possible.

3.4 RE-ALIGNMENT OF ROAD

Mr. Jan Oberholzer said the northern road alternative is a source of concern as the fault line for their future mining activities is just above this road alignment. Kumba usually mines 100 to 200 meters past the fault line which would result in mining operations where the road would be situated. He added that the northern alignment could not be built on or near their fault line as a buffer would be needed. The road should be at least 200 m from their fence. Mr. Nolte also indicated that there should be a blasting buffer zone of approximately 500 m (as this was the distance that they worked on at other Kumba mines – he was not sure what the regulations stipulated). This could result in a buffer of approximately 1 km, which moves the northern road alternative to the location of the existing road.

Ms. Ashlea Strong suggested that the actual road alignment should thus be discussed between Eskom and Kumba to include a buffer and to take the future mining plans into account when finalising the road alignment.

Mr. Jan Oberholzer and Mr. Charl Nolte indicated that the southern road alignment would be Kumba's preferred option as this would not impact on their future mining plans. Kumba cannot commit itself to when they would mine in the vicinity of the proposed road, but the chances were that it would be sooner than later due to the sorbent available in the area of Turfvlakte. A southern road alignment would also avoid a situation where a public road is situated between mining and Eskom infrastructure. From a technical point of view the southern option would also be better as one would not want to create a new road corridor, which should be changed at a later stage.

Mr. Jan Oberholzer suggested that the road follows the proposed southern alignment along the railway line and then north past Eenzaamheid to link with the existing road again.

Mr. Charl Nolte asked what the cost difference between the two road options would be. Mr. Roy Bailey indicated that Eskom does not have those figures yet, as it depended on the final alignment.

3.5 KUMBA'S FUTURE MINING PLANS

Mr. Jan Oberholzer said Kumba could not commit itself to final future mining plans, but he said that the plan was to mine up to the fault line.

3.6 TECHNICAL ISSUES

Mr. Jan Oberholzer noted that the railway line would have to be moved if the ash dam would stretch into the farm Kromdraai. The railway line was a lifeline for Kumba. Mr. Roy Bailey indicated that that would only form part of the 50 to 60 year life of the facility. At this stage the railway line would be left as is.

Mr. Charl Nolte asked whether the ashing into the pit was still an option for Eskom. Mr. Ashlea Strong said DEAT requested the EIA to look at that, although there needs to be further detailed discussion between Eskom and Kumba in this regard before one could determine whether this was a viable option or not. The EIA investigated the worst case scenario which was to have an ashing facility.

Mr. Jan Oberholzer said that if ashing into the pit was still a possibility it would lengthen the life of the ash dump and release the need for the movement of the railway line and extension of the ash dam into another property. He added that Eskom and Kumba should enter into detailed discussions regarding this issue.

Mr. Charl Nolte asked what the proposed life of the new power station would be. Ms. Ashlea Strong replied that the map / layout plan detailed Eskom's 50-year plan. There are future plans to build a six unit station, although only three units will be built at first. It is thus anticipated that the proposed ash dump would only be on the farm Eenzaamheid for at least the next 20 years.

Mr. Jan Oberholzer said that the blasting techniques to be used on the farm Turfvlakte should be carefully considered so that the dust would not impact on the station efficiency.

Mr. Roy Bailey asked what quality coal is found on the farm Turfvlakte compared to the rest of the fault line. Mr. Jan Oberholzer said the deposits are higher to the east, but a lot of sorbent (limestone) is found on top in the Turfvlakte area. It is thus not necessarily the type of coal that Eskom would want to use. Detailed research has, however, not been done on that section of the fault line, but it is expected that the Turfvlakte area could be mined in the next 10 to 15 years.

Ms. Ashlea Strong noted that the proposed stockyard's position has moved to the east of the proposed power station so that it would be nearer to the conveyor belt. Mr. Charl Nolte stated that they would like to suggest that the stockpile and

the associated equipment and plant be built on the Northeastern side of the station, as this would allow the sharing of assets and resources.

3.7 POINT OF TRANSFER

The issue with regards to the point of transfer was raised at the previous meeting as critical. It was, however, expected that a similar concept, as with the current Matimba power station, would form the basis of the new point of transfer. Both parties felt that this issue could be resolved in future.

4. GENERAL

Mr. Charl Nolte asked whether the Bohlweki Environmental EIA considered the cumulative impact issues related to e.g. air quality and impact on groundwater with regards to cumulative issues relating to the power station and the mining operation. He said the details of the studies and the message communicated to the public should be resolved so that conflicting statements are not made. Ms. Ashlea Strong said the air quality assessment considered the cumulative impacts related to the proposed and existing power stations. Mr Charl Nolte mentioned that Kumba and Bohlweki Environmental were using the same specialist consultant for the air quality studies.

Issues related to the groundwater impact assessment should be discussed in consultation with the project manager from Eskom, Mr. Nico Gewers.

Ms. Ashlea Strong indicated that the water assessment would focus on the current quality of the ground and surface water, but not on the water balance, although a risk assessment focusing on e.g. the supply and leakage was undertaken. It would not focus on issues such as the raising of the dam wall.

Mr. Charl Nolte wanted to know what Eskom's response to the corrosion issue was, as it was critical to address this issue in terms of the community perceptions. It was indicated that Eskom has not provided a final answer regarding this issue. The air quality impact assessment would comment on that to assist Eskom to formulate a reply.

Ms. Ashlea Strong gave a brief summary of the issues raised during the public participation process. Mr. Nolte indicated that Kumba received similar comments.

5. WAY FORWARD

Ms. Ashlea Strong indicated that the draft EIR would be available from 16 March 2006 and that the Key Stakeholder Workshop is scheduled for 30 March 2006 in

Midrand and the public meeting for 29 March 2006 in Lephalale. Invitations to these would be forwarded to the Kumba representatives.

6. CLOSURE

The minutes of the meeting would be distributed to those that attended the meeting.

The meeting was closed at 10:50.

7. ATTENDANCE REGISTER

NAME	ORGANISATION	TELEPHONE	E-MAIL
Ms. A. Strong	Bohlweki Environmental: EIA Project Manager	011-466 3841	ashleas@bohlweki.co.za
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