

ENVIRONMENTAL REPORT (ER)

(Prospecting Companies)

INSTRUCTIONS:

1. An Environmental Report shall be submitted to the Ministry of Environment and Tourism (MET) by the following dates each year :-

September 2019 - June 2020,

2. This form shall be the minimum reporting format. Prospecting Companies are expected to attach a map of their prospecting area to this report. Prospecting Companies are welcome to attach any other information they like, such as copies of new agreements, letters of explanation, aerial photographs, or anything else of interest.
3. The map shall be used to indicate the following:
 - * areas where prospecting has taken place,
 - * roads or tracks made and/or used,
 - * houses and other infrastructure erected,
 - * excavations or other scars which have been rehabilitated,
 - * conflict areas, etc....
4. It is recommended (but not compulsory) that Prospecting Companies attach photographs to their report which visually illustrate the activities described in their report.
5. Failure to submit an Environmental Report shall constitute a breach of the Environmental Contract, which could result in steps taken against the Prospecting Company.
6. All information contained in the Environmental Report shall be treated as confidential.
7. The Prospecting Company shall ensure that all the information recorded in the Environmental Report is, to their best knowledge, accurate and correct.

Completed Environmental Reports should be sent to:

**The Environmental Commissioner
Ministry of Environment, Forestry and Tourism
Private Bag 13306
Windhoek**

A. COMPANY DETAILS AND REPORTING PERIOD:

Name of Company: LEPIDICO CHEMICALS NAMIBIA (PTY) LTD.

Address of Company: Unit 3, Lazarret House, 13 Julius Nyerere way, Windhoek
P.O Box 90898, Klein Windhoek, Namibia

Telephone: Fax number: E-mail: simon.kahovera@lepidico.com

Name of person compiling report: [Simon Kahovera](#)

Reference number(s) of prospecting area / block / license: [ML 204](#)

Geographical location of area / block / license: [Karibib](#)

This report is for the period of : (tick the relevant box and fill in the year)

[October 2019 - June 2019](#)

Other (please specify)

B. POLLUTION AND WASTE

Has all domestic refuse (e.g. Household waste, bottles, tins, paper, plastic, etc) been removed from the prospecting area ? yes no

If "yes" above, specify the site where such refuse has been deposited : [Refuse , Karibib Town](#)

How often is refuse removed to the site mentioned above ? : every week
every two weeks
every three weeks
once a month
[at irregular intervals](#)

If refuse has not been removed, where has it been dumped ?

As far as litter is concerned, would you describe your prospecting area as : Very clean Reasonably clean Filthy

If your prospecting area is littered with refuse, please indicate how you intend cleaning it up :
[N/A](#)
.....

Are toilets provided for all staff employed by the prospecting company : yes no
If "yes" above, are they : Flush toilets Chemical Toilets Pit Latrines Other

If chemical toilets are used, how are old chemicals disposed of :
Deposited in evaporation ponds Deposited in a municipal refuse dump
Buried on site Other (specify) Portable toilets

C. VEHICLES AND EARTHMOVING EQUIPMENT

Indicate the types and number of vehicles and earthmoving equipment used on site during the reporting period (tick box in front of the category of vehicles used and then fill in the next boxes to indicate numbers)

<input checked="" type="checkbox"/> Pick-up trucks (“bakkies”), either 2x4 or 4x4	How many in use 6 pick-up trucks, 4x4
<input checked="" type="checkbox"/> Lorries / trucks between 5 - 10 ton capacity	How many in use 1 truck
<input checked="" type="checkbox"/> Lorries / trucks larger than 10 ton capacity	How many in use <input type="checkbox"/> 3 water Trucks
<input type="checkbox"/> Bulldozer of any size	How many in use
<input checked="" type="checkbox"/> Road Grader of any size	How many in use <input type="checkbox"/> <input type="checkbox"/> 1 Grader
<input checked="" type="checkbox"/> Front-end loader of any size	How many in use <input type="checkbox"/> <input type="checkbox"/> None
<input checked="" type="checkbox"/> Drilling machine of any type	How many in use 5 Drilling machines
<input checked="" type="checkbox"/> Other (specify)	How many in use <input type="checkbox"/> <input type="checkbox"/> 1 Excavator

D. ROADS AND TRACKS *(In addition to ticking the following boxes, please draw roads/tracks made on an accompanying map in blue ink. Roads which have been rehabilitated (i.e. restored to their natural state) can be scratched out in red pen.*

Have new roads or tracks been made during the reporting period ? yes no

If “yes” above how long are these (in kilometres) ? **N / A**

If “yes” above are these still in use ? yes no

If “no” above have any of these roads or tracks been rehabilitated ? yes no

If “yes” above, how have you done such rehabilitation ? : Ripping Raking sweeping
 Other (specify) ... **Blading**.....

If road / track rehabilitation has taken place, how many kilometres of roads or tracks have been rehabilitated ? **16 kilometres**

E. TRENCHES OR PITS: *If new trenches or pits were made in the site / area during the reporting period, please indicate these by ticking the appropriate boxes AND by means of illustrating them on the same map described above. New pits or trenches made, should be numbered and drawn as a CIRCLE in blue ink, while pits or trenches which were rehabilitated during the reporting period should be scratched out in RED ink.*

Have new trenches or pits been excavated in your area during the reporting period ? yes **Yes**

If “yes” above, what are their approximate sizes or dimensions ? (in metres)

1. Trench / pit No.1 : Size / dimensions : **1** Cubic metres or length x breadth x depth
2. Trench / pit No.2 : Size / dimensions : **1** Cubic metres or length x breadth x depth
3. Trench / pit No.3 : Size / dimensions : **1** Cubic metres or length x breadth x depth
4. Trench / pit No.4 : Size / dimensions : **1** Cubic metres or length x breadth x depth
5. Pit 5.....**1 Cubic meter** ...
6. Pit 6.....**1 Cubic meter**
7. Pit 7.....**1 Cubic meter**
7. Pit 7.....**1 Cubic meter**
8. Pit 8.....**1 Cubic meter**
9. Pit 9.....**1 Cubic meter**
10. Pit 10.....**1 Cubic meter**
11. Pit 11.....**1 Cubic meter**

12. Pit 12.....1 Cubic meter

Were any holes/trenches rehabilitated during this period of reporting ? yes (show on map) no

F. INFRASTRUCTURAL DEVELOPMENT

Infrastructural Developments means any offices, houses, sheds, cement slabs, or other buildings or foundations for buildings. It also includes storage tanks (for water, fuel or other substances), temporary housing such as mobile homes & caravans, prefab units and tented camps. Please report on new construction or additions to buildings you reported on, in your previous Environmental Report.

Was any NEW infrastructure established during this period ? yes No
If "yes" above, is this infrastructure: Permanent Temporary A combination
Describe infrastructure by ticking boxes : Offices Housing Sheds
Prefab structure Garages Storage tanks
Cement slabs Foundations Other
If "other", please specify :

G. BOREHOLES, SAMPLE HOLES OR OTHER DRILLING

This category includes holes drilled for water, for taking mineral or other samples, for setting explosives, for testing mineral quality, or any other purpose.

Were any holes drilled during this period ? yes no
If "yes", for which purpose were they drilled ? Water depth Quantity
depths Quantity Other (specify) ...Mineral Exploration-Infill drilling and
depth 14m to 120 m Quantity 90 boreholes

H. WATER

Your estimated monthly water consumption during this period was : 426.5 cubic metres

Water was obtained from : River Dam Water Affairs Other

Please estimate the percentage of water used for the following activities during this period:
Human consumption 5 %
Toilets 10%
Prospecting activities 70%
Washing vehicles & equipment 1 %
Dust control 0%
Building activities 0%
Gardens 10 %
Recreation 0 %
Other (specify) %
Were there any accidents which caused a loss of water ? yes no
If "yes", please give details

I. PROTECTION OF FAUNA AND FLORA

Please answer the following questions by ticking the appropriate boxes :

Question :	Yes	No	Unsure
Were any mammals, birds, reptiles or fish killed or wounded (purposefully or accidentally) in the prospecting site or area ?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Were any plants (excluding grasses) picked, damaged or removed ?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Was there any wood collecting in the area ?		<input checked="" type="checkbox"/>	<input type="checkbox"/>

J. RELATIONS WITH NEIGHBOURS, OFFICIALS AND/OR THE GENERAL PUBLIC

Were there any conflicts with neighbours, land-owners, Government Officials or the public during this period ? Yes No

If “yes” above, what was the nature of these conflicts? (tick boxes to provide answers)

- People entered the prospecting area without permission or prior arrangement
- Complaints about reduced access to water or other resources
- Complaints about danger posed to livestock or wildlife
- Allegations about stock-theft or poaching
- Complaints about vehicle or equipment movement on access roads / tracks
- Complaints about litter or other types of pollution (e.g. Noise, dust, etc.)
- Complaints about the activities / actions of company staff
- Allegations that the Company was not adhering to contracts / agreements
- Allegations that the Company damaged property or installations
- Allegations that gates were left open or unlocked
- Other (specify).....

If conflicts arose, indicate how these were resolved? (tick boxes)

- Verbal agreement after discussions.....
- Written agreement by special contract.....
- Instructions to company staff to avoid conflicts.....
- Company rectified its mistakes and undertook to avoid future wrong-doing....
- Court action or other third party arbitration.....
- Other (specify)
- The conflicts remain unsolved.....

Any other comments or information :

.....

No mining activities were done during this period, all the reclamation of the historical dumps and subsequent beneficiation stopped end of September 2018.

Exploration for the upgrading of the defined Mineral Resource Estimate continued within the mining licence which was then also overlying the Exploration licence (EPL 5439).

The Exploration activities that took place within the year are (1) MRE infill drilling and (2) Soil sampling.

Soil Sampling

Soil sampling was conducted at specified intervals within selected target areas, all sampling points were rehabilitated to a near natural state by backfilling and sweeping the surface as soon as sampling of that particular site is done, the sampling was conducted systematically according to a laid down procedure , that is summarised by the main actions below

- Identify a spot of about 1m x 1m without shrubs and trees, near to the planned coordinate (+/- 3m)
- Dig a hole of 30x30x30cm
- Take a 2-3 kg sample at the bottom of the hole, sieve onsite and bag the sample.
- Cover the hole and sweep the surface and rehabilitate to near natural state.

Drilling

Drill pad and access tracks were cleared for the drilling, after drilling the tracks were swept where possible and the pads and tracks where are expected to naturally grow back grass and bush overtime, it is estimated that in one year the tracks and pads would have rehabilitated to its natural state

Drill rigs were inspected prior to drilling to check conformance to the Safety Healthy & Environmental policies of DLE. All contractors were instructed to adhere to the SHE policies and maintain best practice standards throughout their operations. An Oil spillage kit and procedures was a compulsory for all drillers, and these were maintained at each drilling station all the time.

I declare that the information provided in this Environmental Report is, to the best of my knowledge, accurate and correct.

LEPIDICO CHEMICALS NAMIBIA (PTY) LTD

22/05/2020

.....
Prospecting Company

.....
Date

APPENDIX A: Additional Information

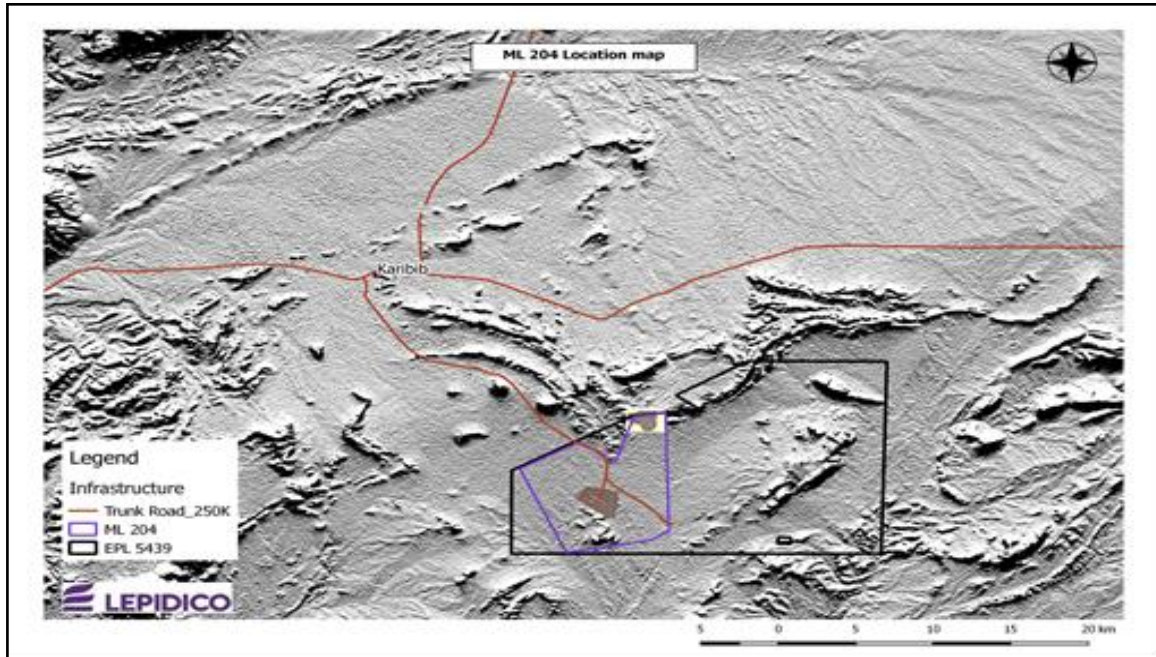


Figure 1: Location of the prospecting area.

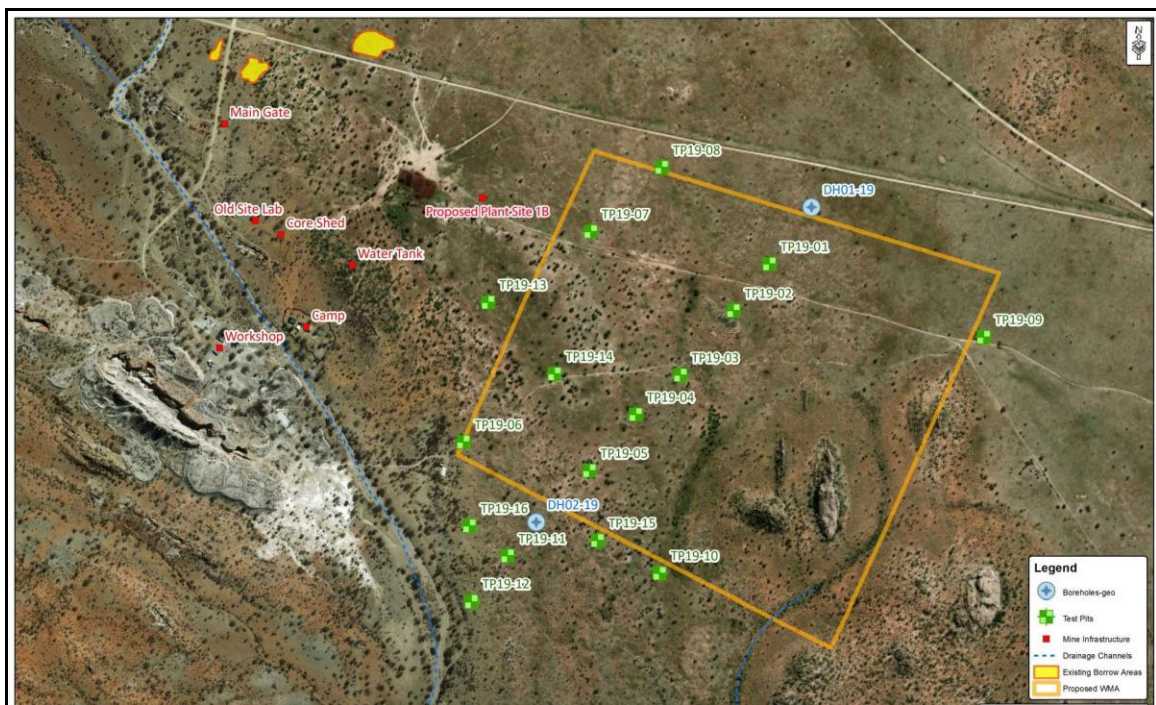


Figure 2 - Map showing the location of the Geotechnical test pits (All were rehabilitated)

Drill sites rehabilitation



Figure 3 - Photo (DLE); prepared site (top), During drilling (middle), Cleaned up site after drilling (bottom)

ENVIRONMENTAL REPORT (ER)

(Prospecting Companies)

INSTRUCTIONS:

1. An Environmental Report shall be submitted to the Ministry of Environment and Tourism (MET) by the following dates each year:-

OCTOBER 2018 – SEPTEMBER 2019,

2. This form shall be the minimum reporting format. Prospecting Companies are expected to attach a map of their prospecting area to this report. Prospecting Companies are welcome to attach any other information they like, such as copies of new agreements, letters of explanation, aerial photographs, or anything else of interest.
3. The map shall be used to indicate the following:
 - * areas where prospecting has taken place,
 - * roads or tracks made and/or used,
 - * houses and other infrastructure erected,
 - * excavations or other scars which have been rehabilitated,
 - * conflict areas, etc....
4. It is recommended (but not compulsory) that Prospecting Companies attach photographs to their report which visually illustrate the activities described in their report.
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7. The Prospecting Company shall ensure that all the information recorded in the Environmental Report is, to their best knowledge, accurate and correct.

Completed Environmental Reports should be sent to:

**Environmental Commissioner
Ministry of Environment, Forestry and Tourism
Private Bag 13306
Windhoek**

A. COMPANY DETAILS AND REPORTING PERIOD :

Name of Company: **DESERT LION ENERGY (PTY) LTD**

Address of Company: **Unit 3, Lazarret House, 13 Julius Nyerere way, Windhoek
P.O Box 90898, Klein Windhoek, Namibia.**

Telephone: Fax number: E-mail: **simon.kahovera@lepidico.com**

Name of person compiling report: **Simon Kahovera**

Reference number(s) of prospecting area / block / license: **ML 204**

Geographical location of area / block / license: **Karibib**

This report is for the period of : (tick the relevant box and fill in the year)

September 2018 – September 2019

Other (please specify)

B. POLLUTION AND WASTE

Has all domestic refuse (e.g. Household waste, bottles, tins, paper, plastic, etc) been removed from the prospecting area ? yes no

If “yes” above, specify the site where such refuse has been deposited : **Refuse , Karibib Town**

How often is refuse removed to the site mentioned above ? : every week
every two weeks
every three weeks
once a month
at irregular intervals

If refuse has not been removed, where has it been dumped ?

As far as litter is concerned, would you describe your prospecting area as : Very clean Reasonably clean Filthy

If your prospecting area is littered with refuse, please indicate how you intend cleaning it up :
.....

Are toilets provided for all staff employed by the prospecting company : yes no

If “yes” above, are they : Flush toilets Chemical Toilets Pit Latrines Other

If chemical toilets are used, how are old chemicals disposed of :
Deposited in evaporation ponds Deposited in a municipal refuse dump
Buried on site Other (specify) Portable toilets

F. INFRASTRUCTURAL DEVELOPMENT

Infrastructural Developments means any offices, houses, sheds, cement slabs, or other buildings or foundations for buildings. It also includes storage tanks (for water, fuel or other substances), temporary housing such as mobile homes & caravans, prefab units and tented camps. Please report on new construction or additions to buildings you reported on, in your previous Environmental Report.

Was any NEW infrastructure established during this period ?	yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
If "yes" above, is this infrastructure:	Permanent <input type="checkbox"/>	Temporary <input checked="" type="checkbox"/>	A combination <input checked="" type="checkbox"/>
Describe infrastructure by ticking boxes :	Offices <input checked="" type="checkbox"/>	Housing <input checked="" type="checkbox"/>	Sheds <input checked="" type="checkbox"/>
	Prefab structure <input checked="" type="checkbox"/>	Garages <input type="checkbox"/>	Storage tanks <input checked="" type="checkbox"/>
	Cement slabs <input type="checkbox"/>	Foundations <input type="checkbox"/>	Other <input type="checkbox"/>
If "other", please specify :			

G. BOREHOLES, SAMPLE HOLES OR OTHER DRILLING

This category includes holes drilled for water, for taking mineral or other samples, for setting explosives, for testing mineral quality, or any other purpose.

Were any holes drilled during this period ?	yes <input checked="" type="checkbox"/>	no <input type="checkbox"/>	
If "yes", for which purpose were they drilled ?	Water <input type="checkbox"/>	depth <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Quantity <input type="checkbox"/> <input type="checkbox"/>
<u>depths</u> <u>Quantity</u> Other <input checked="" type="checkbox"/> (specify) ...	<u>Mineral exploration drilling</u>		
.....	depth <u>14m to 180 m</u>	Quantity <u>83 boreholes</u>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

H. WATER

Your estimated <u>monthly</u> water consumption during this period was :	<u>426.5</u> cubic metres
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Water was obtained from :	River <input type="checkbox"/>	Dam <input type="checkbox"/>	Water Affairs <input type="checkbox"/>	Other <input checked="" type="checkbox"/>
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Please estimate the percentage of water used for the following activities during this period:		
Human consumption	<input type="checkbox"/> <input type="checkbox"/>	<u>5</u> %
Toilets	<input type="checkbox"/> <input type="checkbox"/>	<u>10</u> %
Prospecting activities		<u>70</u> %
Washing vehicles & equipment	<input type="checkbox"/> <input type="checkbox"/>	<u>1</u> %
Dust control	<input type="checkbox"/> <input type="checkbox"/>	<u>0</u> %
Building activities	<input type="checkbox"/> <input type="checkbox"/>	<u>0</u> %
Gardens	<input type="checkbox"/> <input type="checkbox"/>	<u>10</u> %
Recreation	<input type="checkbox"/> <input type="checkbox"/>	<u>0</u> %
Other (specify)	<input type="checkbox"/> <input type="checkbox"/>	%

Were there any accidents which caused a loss of water ? yes no

If "yes", please give details

.....

.....

I. PROTECTION OF FAUNA AND FLORA

Please answer the following questions by ticking the appropriate boxes :

Question :	Yes	No	Unsure
Were any mammals, birds, reptiles or fish killed or wounded (purposefully or accidentally) in the prospecting site or area ?		<input checked="" type="checkbox"/>	
Were any plants (excluding grasses) picked, damaged or removed ?		<input checked="" type="checkbox"/>	
Was there any wood collecting in the area ?		<input checked="" type="checkbox"/>	

J. RELATIONS WITH NEIGHBOURS, OFFICIALS AND/OR THE GENERAL PUBLIC

Were there any conflicts with neighbours, land-owners, Government Officials or the public during this period ? Yes No

If "yes" above, what was the nature of these conflicts? (tick boxes to provide answers)

People entered the prospecting area without permission or prior arrangement	<input type="checkbox"/>
Complaints about reduced access to water or other resources	<input type="checkbox"/>
Complaints about danger posed to livestock or wildlife	<input checked="" type="checkbox"/>
Allegations about stock-theft or poaching	<input type="checkbox"/>
Complaints about vehicle or equipment movement on access roads / tracks	<input type="checkbox"/>
Complaints about litter or other types of pollution (e.g. Noise, dust, etc.)	<input type="checkbox"/>
Complaints about the activities / actions of company staff	<input type="checkbox"/>
Allegations that the Company was not adhering to contracts / agreements	<input type="checkbox"/>
Allegations that the Company damaged property or installations	<input type="checkbox"/>
Allegations that gates were left open or unlocked	<input checked="" type="checkbox"/>
Other (specify).....	<input type="checkbox"/>

If conflicts arose, indicate how these were resolved? (tick boxes)

Verbal agreement after discussions.....	<input checked="" type="checkbox"/>
Written agreement by special contract.....	<input type="checkbox"/>
Instructions to company staff to avoid conflicts.....	<input checked="" type="checkbox"/>
Company rectified its mistakes and undertook to avoid future wrong-doing....	<input type="checkbox"/>
Court action or other third party arbitration.....	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>
The conflicts remain unsolved.....	<input type="checkbox"/>

Any other comments or information :

.....

No mining activities were done during this period, all the reclamation of the historical dumps and subsequent beneficiation stopped end of September. All the contractors demobilised from site with their equipment, temporary offices and accommodation were taken down and removed from site.

Exploration for the upgrading of the defined Mineral Resource Estimate continued within the mining licence which was then also overlying the Exploration licence (EPL 5439)

Main activities that took place in the area are: Soil sampling, Exploration drilling and the ground geological mapping of the targets generated from a geophysics survey that was concluded beginning of 2018.

Isolated complaints from the nearby farmers included gates that were left open and the risky of animals wandering around the roads and near to where there was drilling activities.

The farmers were assisted with repairing the fences of some sections, the company provided locks to some of the gates to keep off unauthorised personnel from the farms. A gate-key access arrangement was made at Ombutjomenge farm and at Farm Okatji to allow DLE access to conduct exploration drilling and soil sampling.

.....

Soil Sampling

Soil sampling was conducted at specified intervals within selected target areas, all sampling points were rehabilitated to a near natural state by backfilling and sweeping the surface as soon as sampling of that particular site is done, the sampling was conducted systematically according to a laid down procedure , that is summarised by the main actions below

- Identify a spot of about 1m x 1m without shrubs and trees, near to the planned coordinate (+/- 3m)
- Dig a hole of 30x30x30cm
- Take a 2-3 kg sample at the bottom of the hole, sieve onsite and bag the sample.
- Cover the hole and sweep the surface and rehabilitate to near natural state.

Drilling

Drill pad and access tracks were cleared for the drilling, after drilling the tracks were swept where possible and the pads and tracks where are expected to naturally grow back grass and bush overtime, it is estimated that in one year the tracks and pads would have rehabilitated to its natural state

Drill rigs were inspected prior to drilling to check conformance to the Safety Healthy & Environmental policies of DLE. All contractors were instructed to adhere to the SHE policies and maintain best practice standards throughout their operations. An Oil spillage kit and procedures was a compulsory for all drillers, and these were maintained at each drilling station all the time.

New Tracks

Several tracks to the drill site were cleared during the year, the drill pad tracks were only used by the vehicles involved with the drilling of that specific hole for an average period of 2 days and thereafter they were not used and could naturally rehabilitate to its natural condition.

See next page for more space for “additional comments”.....

I declare that the information provided in this Environmental Report is, to the best of my knowledge, accurate and correct.

DESERT LION ENERGY (PTY) LTD

22/05/2020

.....
Prospecting Company

.....
Date

Appendix A: Additional Information

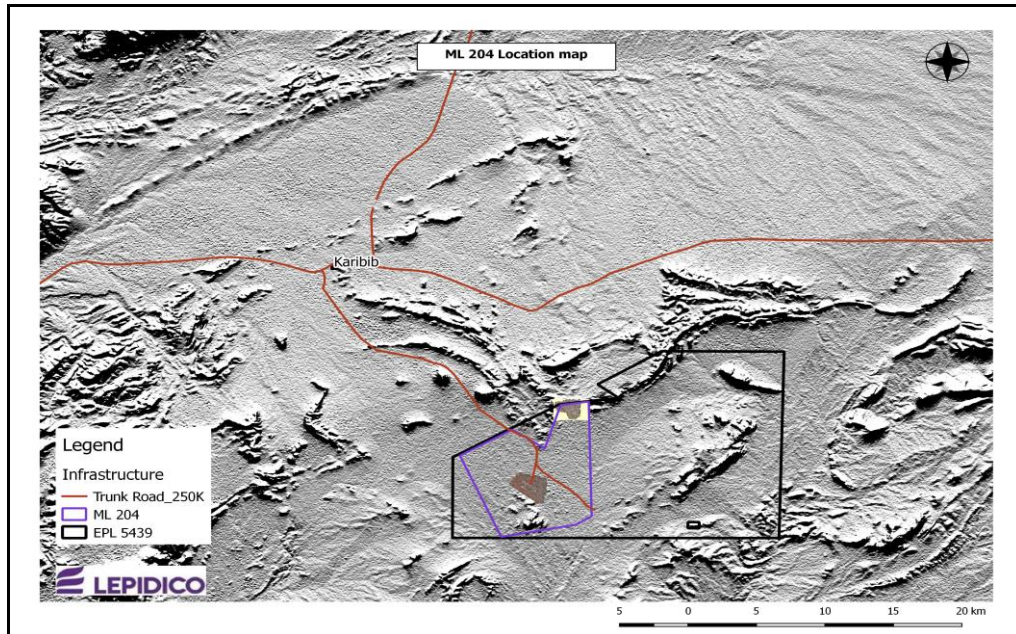


Figure 1 - EPL5439 Location Map



Figure 2 - Photo (DLE) of proposed drill site next to the road, bare of vegetation which is typical of the area in 2018-2019 summer season.



Figure 3 - Photo (DLE) - One diamond Rig & RC rig drilling adjacent to each other at Rubicon



Figure 4 – Photo (DLE)- Oil spillage containment kit at one of the drill sites over a historical coarse mine dump



Figure 5 - Photo (DLE) - Soil sampling in progress at one of the sites

ENVIRONMENTAL REPORT (ER)

(Prospecting Companies)

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September 2017 - September 2018

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Name of Company: **DESERT LION ENERGY (PTY) LTD.**

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P.O Box 90898, Klein Windhoek, Namibia**

Telephone: Fax number: E-mail: **simon.kahovera@lepidico.com**

Name of person compiling report: **Simon Kahovera**

Reference number(s) of prospecting area / block / license: **ML 204**

Geographical location of area / block / license: **Karibib**

This report is for the period of : (tick the relevant box and fill in the year)
 September 2017 – September 2018
Other (please specify)

B. POLLUTION AND WASTE

Has all domestic refuse (e.g. Household waste, bottles, tins, paper, plastic, etc) been removed from the prospecting area ? yes no

If “yes” above, specify the site where such refuse has been deposited : **Refuse , Karibib Town**

How often is refuse removed to the site mentioned above ? : every week
every two weeks
every three weeks
once a month

If refuse has not been removed, where has it been dumped ? **The refuse bags are temporarily stored in a trailer which is used to transport them to the Karibib Dump site every month.**

As far as litter is concerned, would you describe your prospecting area as : Very clean Reasonably clean Filthy

If your prospecting area is littered with refuse, please indicate how you intend cleaning it up :
All the site areas were kept clean within the reporting period.
.....

Are toilets provided for all staff employed by the prospecting company : yes no

If “yes” above, are they : Flush toilets Chemical Toilets Pit Latrines Other

If chemical toilets are used, how are old chemicals disposed of :
Deposited in evaporation ponds Deposited in a municipal refuse dump
Buried on site Other (specify) **Portable Toilets , which are periodically emptied by the service provider.**

.....

Were any holes/trenches rehabilitated during this period of reporting ? yes (show on map) no

F. INFRASTRUCTURAL DEVELOPMENT

Infrastructural Developments means any offices, houses, sheds, cement slabs, or other buildings or foundations for buildings. It also includes storage tanks (for water, fuel or other substances), temporary housing such as mobile homes & caravans, prefab units and tented camps. Please report on new construction or additions to buildings you reported on, in your previous Environmental Report.

Was any NEW infrastructure established during this period ? yes No

If "yes" above, is this infrastructure: Permanent Temporary A combination

Describe infrastructure by ticking boxes : Offices Housing Sheds
Prefab structure Garages Storage tanks
Cement slabs Foundations Other

If "other", please specify : **Pre-existing Mine infrastructure was renovated and converted to Camp accommodation and offices.**

G. BOREHOLES, SAMPLE HOLES OR OTHER DRILLING

This category includes holes drilled for water, for taking mineral or other samples, for setting explosives, for testing mineral quality, or any other purpose.

Were any holes drilled during this period ? yes no

If "yes", for which purpose were they drilled ? Water depth max -200m Quantity 6
Other (specify) ...**Mineral exploration drilling and drilling for Mineral Resource Definition (exploration drilling) depth 14m to 200 m Quantity 135 boreholes**

H. WATER

Your estimated monthly water consumption during this period was : **300** cubic metres

Water was obtained from : River Dam Water Affairs Other

Please estimate the percentage of water used for the following activities during this period:

Human consumption	<input type="checkbox"/> <input type="checkbox"/>	5 %
Toilets	<input type="checkbox"/> <input type="checkbox"/>	10%
Prospecting activities		60%
Washing vehicles & equipment	<input type="checkbox"/> <input type="checkbox"/>	3 %
Dust control	<input type="checkbox"/> <input type="checkbox"/>	10%
Building activities	<input type="checkbox"/> <input type="checkbox"/>	1%
Gardens	<input type="checkbox"/> <input type="checkbox"/>	10 %
Recreation	<input type="checkbox"/> <input type="checkbox"/>	0 %
Other (specify)	<input type="checkbox"/> <input type="checkbox"/>	1 %

Were there any accidents which caused a loss of water ? yes no

If "yes", please give details
.....
.....

I. PROTECTION OF FAUNA AND FLORA

Please answer the following questions by ticking the appropriate boxes:

Question :	Yes	No	Unsure
Were any mammals, birds, reptiles or fish killed or wounded (purposefully or accidentally) in the prospecting site or area?		<input checked="" type="checkbox"/>	
Were any plants (excluding grasses) picked, damaged or removed?		<input checked="" type="checkbox"/>	
Was there any wood collecting in the area?		<input checked="" type="checkbox"/>	

J. RELATIONS WITH NEIGHBOURS, OFFICIALS AND/OR THE GENERAL PUBLIC

Were there any conflicts with neighbours, land-owners, Government Officials or the public during this period ? Yes No

If "yes" above, what was the nature of these conflicts? (tick boxes to provide answers)

People entered the prospecting area without permission or prior arrangement	<input type="checkbox"/>
Complaints about reduced access to water or other resources	<input type="checkbox"/>
Complaints about danger posed to livestock or wildlife	<input checked="" type="checkbox"/>
Allegations about stock-theft or poaching	<input type="checkbox"/>
Complaints about vehicle or equipment movement on access roads / tracks	<input type="checkbox"/>
Complaints about litter or other types of pollution (e.g. Noise, dust, etc.)	<input type="checkbox"/>
Complaints about the activities / actions of company staff	<input type="checkbox"/>
Allegations that the Company was not adhering to contracts / agreements	<input type="checkbox"/>
Allegations that the Company damaged property or installations	<input type="checkbox"/>
Allegations that gates were left open or unlocked	<input type="checkbox"/>
Other (specify).....	<input type="checkbox"/>

If conflicts arose, indicate how these were resolved? (tick boxes)

Verbal agreement after discussions.....	<input type="checkbox"/>
Written agreement by special contract.....	<input type="checkbox"/>
Instructions to company staff to avoid conflicts.....	<input type="checkbox"/>
Company rectified its mistakes and undertook to avoid future wrong-doing....	<input type="checkbox"/>
Court action or other third-party arbitration.....	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>
The conflicts remain unsolved.....	<input type="checkbox"/>

Any other comments or information :

.....

All activities within the Mining Licence were guided by an Environmental Management Plan (EMP) that was developed by Dr Sindila Mwiya of Risk Based Solutions cc following on the Scoping Environment Impact Assessment (EIA) and Environmental Clearance received in 2017.

The Mining operations during the year were only limited to the reclamation mining of the historical Mine dumps that were existing onsite. The historical Mine dumps contained lepidolite rock which was historically considered as mine waste. The lepidolite rock was recovered by Mining of the Dumps, screening and recovery of

lepidolite rock through sorting. The product was then transported by road to Walvis bay for export. The reclamation of the Mine dumps was Phase 1 of the project and does not require Mine development or additional permanent infrastructure and was only ran until from December 2017 until September 2018.

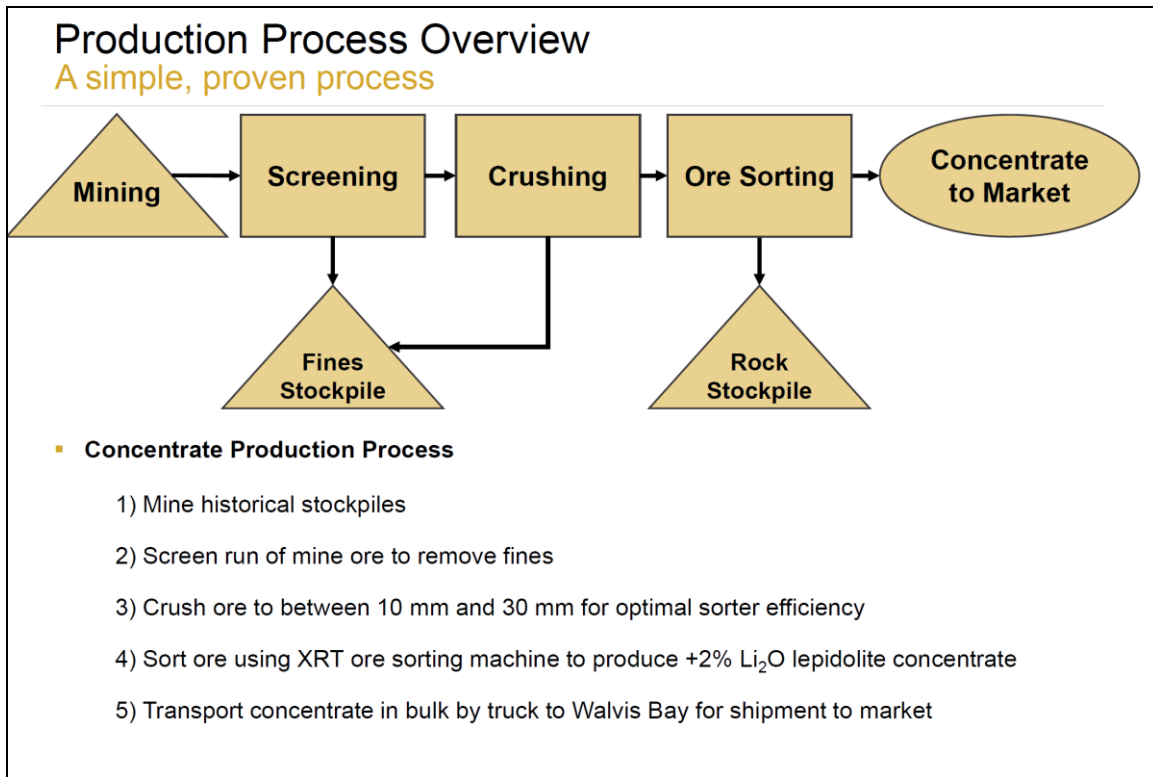


Figure 1 - An overview of the Mining and Beneficiation process for the recovery of lepidolite rock concentrate

The Company formulated a Safety Health and Environmental policy based on the issues that were identified in the risk matrix of the EMP covering the following phases

1. Preconstruction.
2. Construction Phase.
3. Operation Phase.

The following were put in place by the company following on the finding and recommendation in the EMP report

1. Safety, Health and Environmental induction were done for every employee, visitor and contractor onsite
2. All site contractors were appointed as legal person in charge of the teams and responsible for Health , Safety and Environment is their respective areas with periodic monitoring from the Desert Lion Energy (Pty) Ltd, management.

A summary of a few environmental issues that were selected from the tracked and monitored issues is given in the following paragraphs

PRECONSTRUCTION PHASE.

The preconstruction phase was dominated by Mineral exploration work which aimed at defined a Mineral Resource Estimate that eventually justified and proved reasonable prospects for the eventual economic extraction of the mineral resource. The following issues were key

Table 1 - Table of key identified activities

<u>Activity</u>	<u>Remediation</u>
<u>Pitting</u> Several pits were dug for sampling	<u>Pits were covered back after sampling and geological logging.</u>
<u>Drilling</u> drill pad and access tracks were cleared for the drilling	after drilling the tracks were swept were possible. the pads and tracks where are expected to naturally grow back grass and bush overtime, it is estimated that in one year the tracks and pads would have rehabilitated to its natural state.
<u>Environmental Contamination</u> <u>Oil leakages</u> <u>Refuse</u> <u>disused spare parts</u>	All site contractors were appointed as contractors with an obligation for SHEQ under the Mines, Works and Minerals Ordinance 20 of 1968. All contractors were instructed to adhere to the SHE policies and maintain best practice standards throughout their operations An Oil spillage kit and procedures was a compulsory for all drillers, and these were maintained at each drilling station all the time.

CONSTRUCTION PHASE (TEMPORARY PHASE)

The construction phase was only limited to temporary accommodation and site offices that was established to support the Historical Dumps reclamation mining which is Phase 1 stage of the project.

Table 2 - Table of key identified activities

Activity	Remediation
Accommodation <ul style="list-style-type: none">• Pre-existing buildings were rehabilitated and used as accommodation and offices.• Prefab accommodation and offices were erected onsite.• No new Building with foundations was constructed on the site.• Refuse.	<ul style="list-style-type: none">• Portable Prefab accommodation was installed supported by concrete blocks.• 6 Foot containers were used as workshop and geology equipment storage.• Temporal slab structures including Kitchen and core storage area were erected.• The Onsite Laboratory was housed in Containers placed on a concrete slab.
Roads Haulage road Main road rehabilitation	<ul style="list-style-type: none">• Only one new haulage road measuring approximately 4.5 km was constructed onsite, see figure..... below.• Main road was resurfaced with Salt gravels into a salt road for the first 5km's from the mine, this significantly reduced dust emission from the Mine traffic.

OPERATION PHASE (RECLAMATION OF DUMPS ONLY)

The operation phase of the Historical dumps reclamation mining consisted of a simple process of Mining the dumps and screening of the lepidolite rock concentrate from the dump material, the screening was a mechanical processing using XRT (Density) technology. There was no chemical or wet chemical processing that was used in the recovery process.

Table 3 - Table of key identified activities

Activity / Key Area	Remediation
<p>Accommodation</p> <ul style="list-style-type: none"> • Pre-existing buildings were rehabilitated and used as accommodation and offices. • Prefab accommodation and offices were erected onsite. • No new Building with foundations was constructed on the site 	<ul style="list-style-type: none"> • Portable Prefab accommodation was installed supported by concrete blocks. • 6 Foot containers were used as workshop and geology equipment storage. • Temporal slab structures including Kitchen and core storage area were erected. • The Onsite Laboratory was housed in Containers placed on a concrete slab.
<p>Roads</p> <ul style="list-style-type: none"> • Haulage road • Main road rehabilitation • 	<ul style="list-style-type: none"> • Only one new haulage road measuring approximately 4.5 km was constructed onsite, see figure..... below. • Main road was resurfaced with Salt gravels into a salt road for the first 5km's from the mine, this significantly reduced dust emission from the Mine traffic.
<p>Refuse & Ablution facilities.</p> <ul style="list-style-type: none"> • Laboratory waste • Waste generated by employees and operation activities. 	<ul style="list-style-type: none"> • Laboratory toxic waste was removed from site by a contractor who is competent in the handling

<ul style="list-style-type: none"> • Grey water from mine screening. • Ablution water from Toilets, laundry and other uses. • Grey water from dust suppression from screening activities. 	<p>and disposal of such waste.</p> <ul style="list-style-type: none"> • The grey water from screening dust suppression activities was redirected to the old workings for eventual reuse after the fines have settled and separated in an intermediate settling pond. • Two closed system septic tanks were constructed on site to handle sewerage and grey water from the ablution facilities, the septic tanks were drained monthly by a contractor for safe disposal into the Karibib sewerage system.
<p>DUST Suppression</p> <ul style="list-style-type: none"> • Wet Screening • Road Traffic 	<p>Wet screening was introduced in order to suppress dust emission from the crushing and screening processes, dust emission was reduced by more than 80% after the introduction of wet screening.</p> <p>A water bowser truck was dedicated for suppression of dust from mine traffic on the road by regularly wetting of the internal mine roads and exposed surfaces.</p>
<p>Water Abstraction</p> <p>Old working, flooded areas. Boreholes</p>	<p>Water for dust suppression at the screening site was drawn from the flooded old workings.</p> <p>Water for drilling , consumption and other daily use was abstracted from three (3) boreholes within the project.</p> <p>A water abstraction permit for the 3 boreholes was obtained from the Ministry of Water, Agriculture and Forestry</p>

Additional comments continued

Please refer to Appendix A for more information.

I declare that the information provided in this Environmental Report is, to the best of my knowledge, accurate and correct.

Desert Lion Energy (Pty) Ltd

22/05/2020

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Prospecting Company

Date

Appendix A: Additional Information

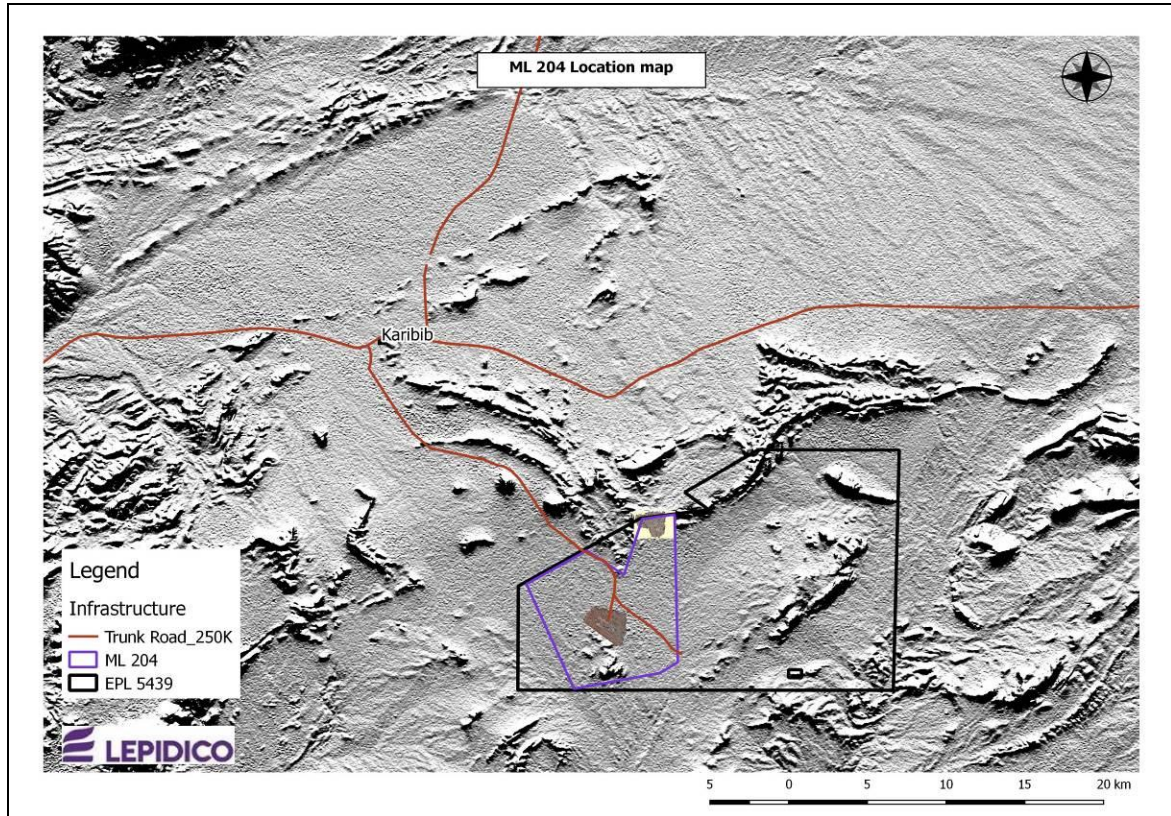


Figure 2 - Project location map

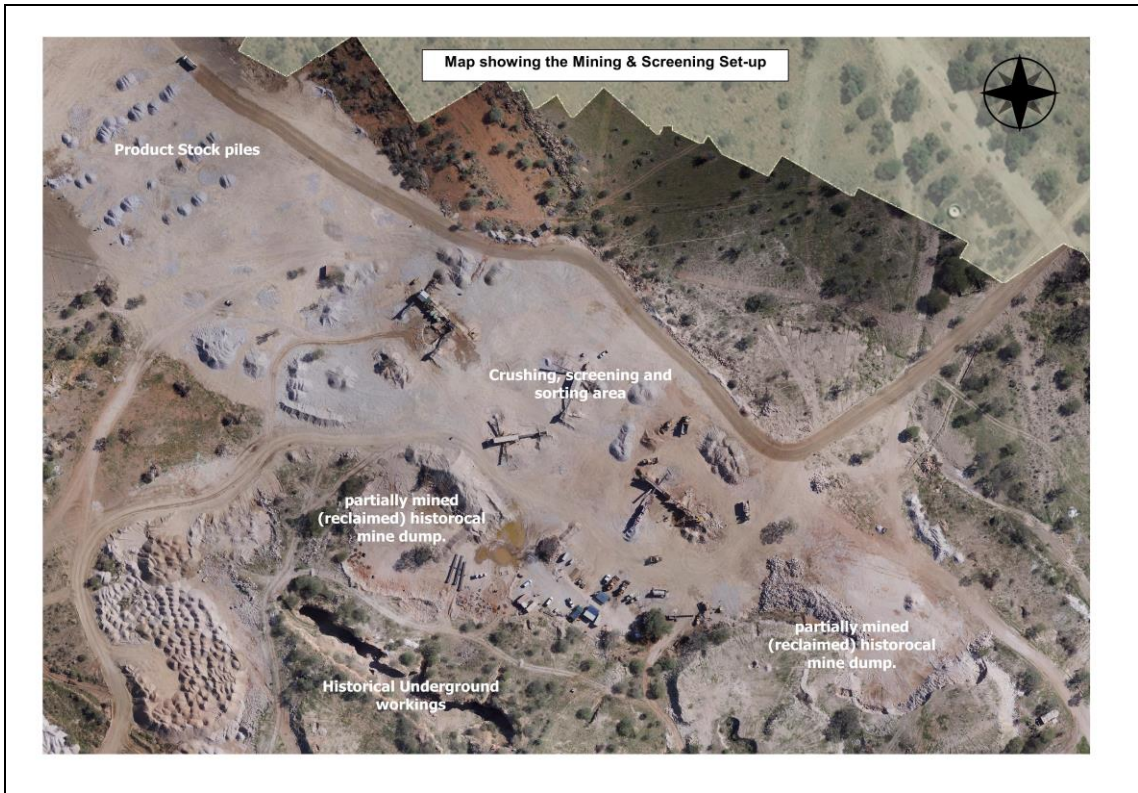


Figure 3 - Drone aerial image of the Mining (Historical Dumps reclamation)

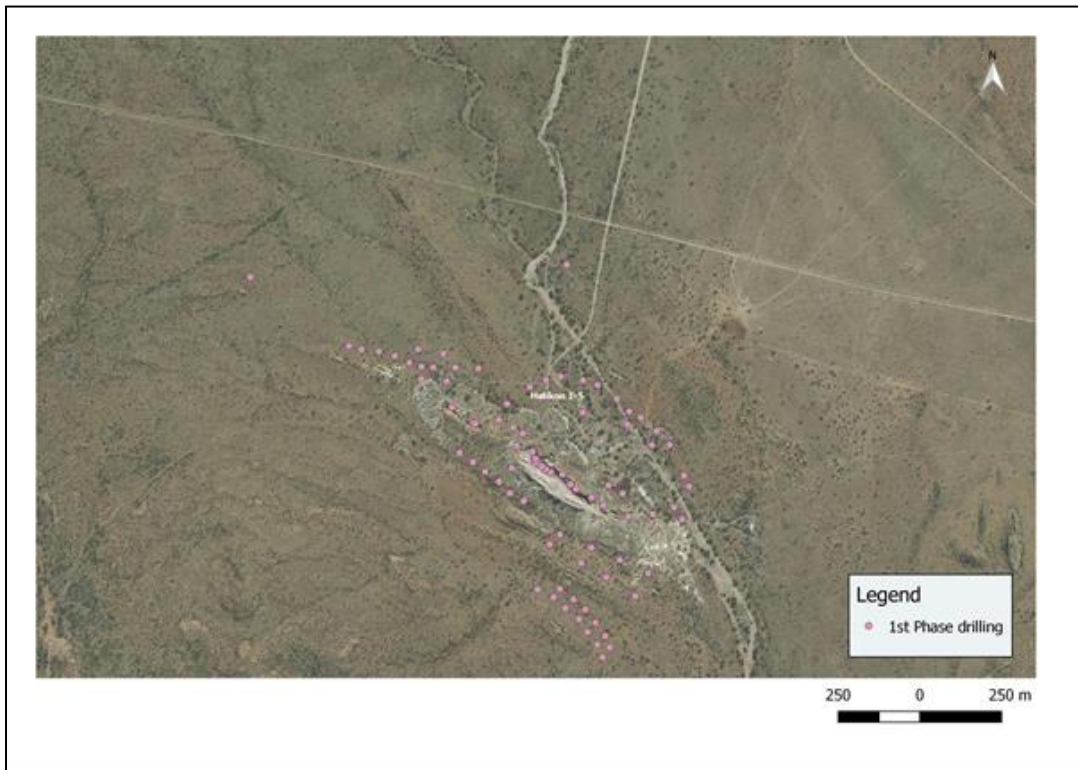


Figure 4 - Map of the drill hole location (Mineral resource estimation, drilling)



Figure 5 - Photo of a drill site, showing minimum disturbance of the environment



Figure 6 - Photo of the Prefab temporary accommodation



Figure 7 - Photo of the Prefab mobile offices erected onsite