

COPY

15 July 2024

Morne du Toit
PO Box 8912
Swakopmund

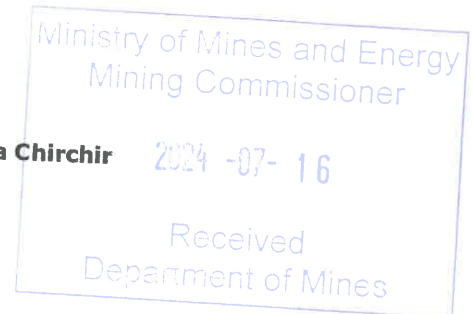
The Executive Director
Ministry of Mines and Energy
1 Aviation Road
Windhoek

For Attention:
By Hand

The Mining Commissioner – Ms Isabella Chirchir

2024 -07- 16

Dear Ms Chirchir

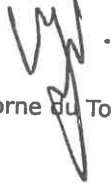


RE: APPLICATION FOR REGISTRATION OF MINING CLAIMS 73580 – 73583

1. I refer to my application for registration of mining claims 73580, 73581, 73582 and 73583 (the "**Mining Claims**") lodged with the Ministry of Mines and Energy on 9 August 2022 and my letter to you dated 17 June 2024, a copy of which is annexed hereto for ease of reference, marked "**A**".
2. On delivery of the aforesaid letter to your office, Ms Juliana Nuulimba informed my representative that:
 - 2.1. the Surface Right Agreement (the "**Agreement**") attached to my letter and concluded between *inter alia* the relevant Chiefs and I on 1 December 2022 in terms of which they consented to the undertaking of exploration, mining and ancillary activities within the boundaries of the Mining Claims does not constitute proper consent by the traditional community of the affected area; and
 - 2.2. I am required to submit a letter of consent from the relevant Traditional Authority bearing its official stamp.
3. I submit that the Agreement constitutes an agreement as contemplated in section 52(1)(a)(i) of the Minerals (Prospecting and Mining) Act, No. 33 of 1992 (the "**Act**") and as such I have duly complied with section 16(2)(a) of the Act.
4. I have however now obtained a letter from the Vita Royal House Traditional Authority, duly signed and stamped, granting consent for the undertaking of exploration, mining and ancillary activities within the Mining Claims. The aforesaid letter is annexed hereto, marked "**B**".

5. I also annex, marked "C" a further copy of the Agreement now bearing the official stamps of the relevant Chiefs.
6. I have further been informed that I am required to submit a valid Environmental Clearance Certificate ("ECC") as part of my application for the registration of the Mining Claims. As indicated in my letter of 17 June 2024, I am in the process of compiling an Environmental Impact Assessment for the Mining Claims. You will appreciate that this is a lengthy process requiring the undertaking of various specialist studies. In the circumstances, I request that my application for registration of the Mining Claims be held in abeyance pending the completion of the Environmental Impact Assessment and finalisation of the application for the ECC.
7. Your favourable consideration of my request for an extension for the submission of the ECC would be greatly appreciated.

Yours faithfully



Morne du Toit

COPY

Morne du Toit
PO Box 8912
Swakopmund

The Executive Director
Ministry of Mines and Energy
1 Aviation Road
Private Bag 13297
Windhoek
Namibia
Att: The Mining Commissioner

17 June 2024

By Hand

Dear Mrs Chirchir,

Re: Letter Notice of Intention to Refuse the Application for Registration of Mining Claims 73581 - 73583

1. Your letter dated 7 May 2024, which I only received on today's date, refers.
2. Attached please find the surface rights agreement for these Mining Claims which was signed at Omuangete on 01/12/2022 with the traditional authorities for this envisaged mine site at Epembe.
3. From the historic exploration data for the deposits covered by these Mining Claims I have advanced a feasibility study on the planned base and rare metal production facility.
4. Please note that I am in a financial position to mine, process and sell the base and rare metals to be found within the Mining Claims area successfully.
5. Furthermore, I am in the process of compiling an Environmental Impact Assessment for the envisaged project development.
6. I wish to assure you of my commitment to the exploration work and development on this project as detailed in the Mining Claim applications.

I trust that the supporting documentation supplied hereto will meet your favorable consideration. Should you have any enquiries relating to the above please do not hesitate to contact me. I would appreciate your decision on these applications at your earliest convenience.

Thank you for your support of my endeavors.

Yours faithfully,


Morne du Toit

Acknowledge receipt:

Ministry of Mines
Name, position: Juliana MRO
Date: 2024-06-17
Received
Ministry of Mines

Attachments:

- Surface Right Agreement with the Epembe Traditional Authority

SURFACE RIGHT AGREEMENT

between

TIMO SMIT

(Namibian identity number 020525 0073 1)

and

NINA SMIT

(Namibian passport P0998638)

and

MORNE DU TOIT

(Namibian identity number 750915 1047 8)

(together the "Claim Holders")

and

PHILCO ONE HUNDRED AND SIXTY FOUR (PTY) LTD
a private company with limited liability duly incorporated in accordance with the
laws of the Republic of Namibia under registration number 2016/1016
("Philco")

and

TJHENU TJAREMA TJIPOSA
(Namibian identity number 44061210057)

and

UASIRIKA TJIPLIKO
(Namibian identity number 47092910021)

and

MAURLI TJIPOSA
(Namibian identity number _____)

(together the "Chiefs" and being the persons who have
been recognised under the Traditional Authorities Act, No 25 of 2000
as the supreme traditional leaders of their traditional community)



1. **CONSENT:**

The Chiefs hereby irrevocably grant consent in favour of the Claim Holders and Philco to –

- 1.1. undertake exploration, mining and ancillary activities and operations as well as construct accessory works within the area subject to Philco's exclusive prospecting licence 9044 ("EPL 9044") and 12 (twelve) mining claims of the Claim Holders, being the area of land outlined in black on the map annexed hereto, marked "A" ("Epembe Area"). The corner co-ordinates of the Epembe Area and EPL 9044 are set out in the schedule annexed hereto, marked "B" as well as the number and area size of the 12 (twelve) mining claims. The location of the Epembe Area to the 2 (two) main secondary roads, depicted in red, is shown on the map annexed hereto, marked "C";
- 1.2. construct access roads and install overhead power lines outside of the Epembe Area; and
- 1.3. make application to the Ministry of Environment, Forestry and Tourism for tree removal permits as and when required, and to remove such trees under such permits.

2. **OBLIGATIONS OF CLAIM HOLDERS AND PHILCO:**

The Claim Holders and Philco will –

- 2.1. at all times in the undertaking of the exploration, mining and ancillary activities referred to in clause 1 above (the "Mining Activities") comply with all environmental, mine, health and safety laws of Namibia;
- 2.2. give preference to the local traditional community when labour is required, if possible;
- 2.3. open a bank account (the "Trust Account") with the Chiefs as the designated signatories, which account will operate as a trust account for the Chiefs to manage for the benefit of their communities.

3. **COMPENSATION:**

The Claim Holders and Philco will pay compensation for the local traditional communities' loss of grazing at a rate of N\$ 4,500.00 (Four Thousand Five Hundred

Namibian Dollars) per hectare occupied through the undertaking of the Mining Activities, it being agreed that:

- 3.1. an amount of N\$ 90,000.00 (Ninety Thousand Namibian Dollars), representing compensation in respect of the loss of 20 (twenty) hectares of grazing, will be paid into the Trust Account prior to the commencement of any Mining Activities; and
- 3.2. thereafter and for the duration of the undertaking of the Mining Activities, as soon as the area occupied by the Mining Activities exceed the 20 (twenty) hectares paid for, a further upfront payment of N\$ 90,000.00 (Ninety Thousand Namibian Dollars) for 20 (twenty) hectares will be made.

4. **DURATION:**

The rights granted to the Claim Holders and Philco in terms of this agreement shall commence on the last date of signature of this agreement and terminate on the termination of all of the Mining Activities within the Epembe Area.

SIGNED at

Windhoek

on 09 December 2022

TIMO SMIT

Signature

NINA SMIT

Signature

MORNE DU TOIT

Signature

For and on behalf of
**PHILCO ONE HUNDRED AND SIXTY
FOUR (PTY) LTD**

Signature

Jacobus Petrus Smit

Name of Signatory

Director

Designation of Signatory

[Handwritten initials and signatures]

SIGNED at OMUANGETE

on 01 DEC

2022



Signature

TJHENI TJAREMA TJIPOSA

Name of Signatory

CHIEF - VITA THOM RH

Designation of Signatory

SIGNED at OMUANGETE

on 01 DEC

2022



Signature

YABIRIKA TJIPUKO

Name of Signatory

CHIEF -

Designation of Signatory

SIGNED at OMUANGETE

on 01 DEC

2022



Signature

MAURU TJIPOSA

Name of Signatory

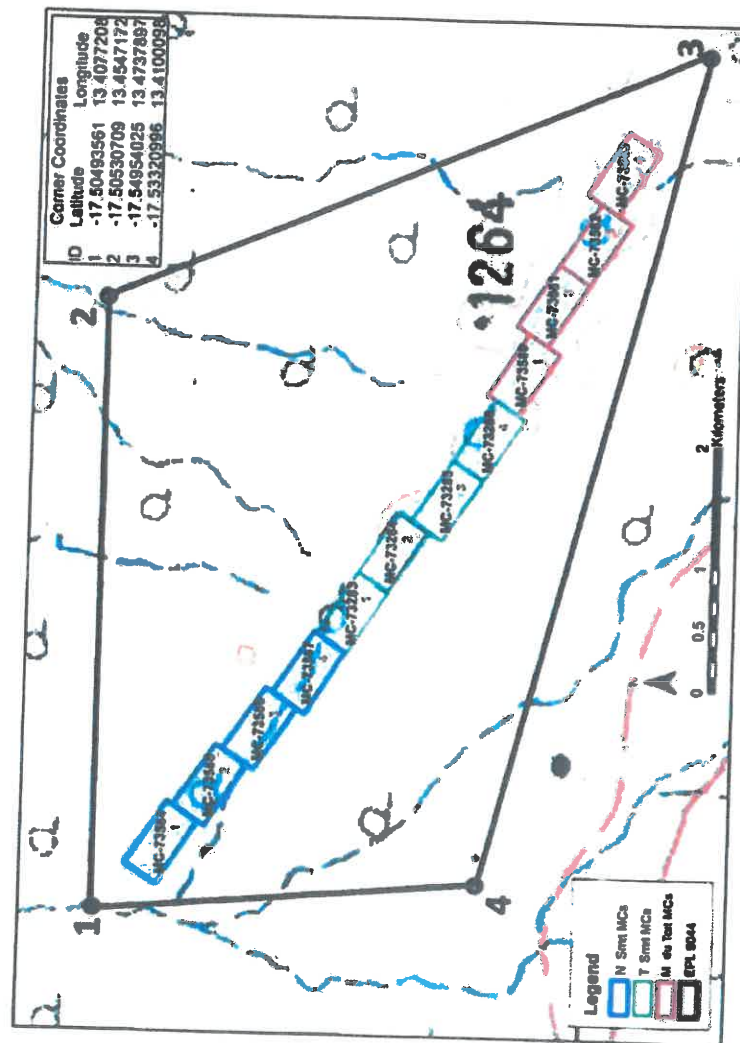
SENIOR TRADITIONAL COUNCILOR

Designation of Signatory

Several handwritten marks are present at the bottom right of the page, including a large circular flourish, a checkmark-like symbol, and several stylized initials or signatures.

ANNEXURE "A"

EPEMBE AREA



[Handwritten signatures and initials]

ANNEXURE "B"**CORNER CO-ORDINATES OF EPL 9044 AND THE EPEMBE AREA**

ID	Latitude	Longitude
1	-17.50493561	13.4077208
2	-17.50530709	13.4547172
3	-17.54954025	13.4737897
4	-17.53320996	13.4100098

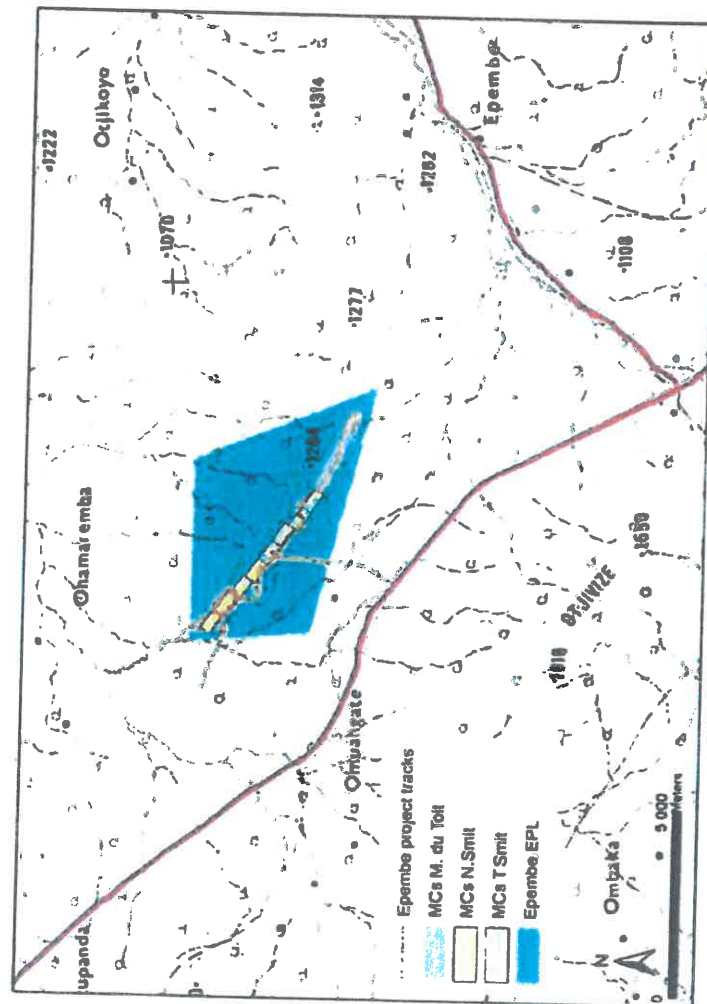
**THE 12 (TWELVE) MINING CLAIMS OF THE CLAIM HOLDERS
WITHIN THE EPEMBE AREA**

MC ID	Applicant	Application Date	Status	Area (Ha)
MC-73283	Timo Smit	2022/05/30	Application	18,0
MC-73284	Timo Smit	2022/05/30	Application	17,7
MC-73285	Timo Smit	2022/05/30	Application	17,9
MC-73286	Timo Smit	2022/05/30	Application	18,0
MC-73580	Morne J. Du Toit	2022/08/09	Application	18,0
MC-73581	Morne J. Du Toit	2022/08/09	Application	18,0
MC-73582	Morne J. Du Toit	2022/08/09	Application	18,0
MC-73583	Morne J. Du Toit	2022/08/09	Application	18,0
MC-73584	Nina Smit	2022/08/09	Application	18,0
MC-73585	Nina Smit	2022/08/09	Application	18,0
MC-73586	Nina Smit	2022/08/09	Application	18,0
MC-73587	Nina Smit	2022/08/09	Application	18,0

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ANNEXURE "C"

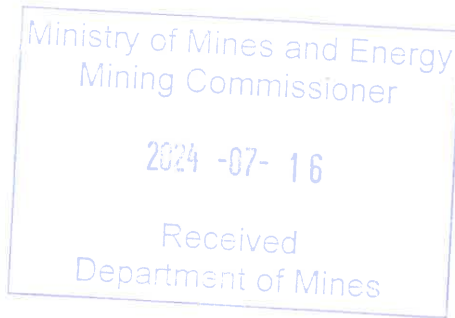
LOCATION OF THE EPEMBA AREA (SHOWN IN GREEN) TO THE TWO MAIN
SECONDARY ROADS (DEPICTED IN RED)



[Handwritten signatures and initials]

COPY

"B"



Vita Royal House Traditional Authority

P. O. Box 261

Opuwo

Kunene region

03 July 2024



I, Chief TJHENU TJAREMA TJIPUSA of ID number 44061210057 of the Vita Royal Traditional Authority hereby confirm that the area within which mining claims 73580, 73581, 73582 and 73583 are located is within my area of authority. I hereby grant consent to Johannes Morne Du Toit of ID number: 75091510478 to undertake exploration, mining and ancillary activities and operations as well as construct accessory works and roads within the 4 (four) mining claims of the the Claim Holder, being the area of land outlined in red with reference numbers MC-73580, MC-73581, MC-73582 and MC-73583 (the "Mining Claims") situated within the Omuangete and Ohamaremba Areas, Kunene Region, which Mining Claims are depicted on the map presented in Annexure A of this document.

An area of land up to 72 hectares will be utilized for the mine development containing access roads and clearing of necessary areas. Different components of accessory works such as processing, product stockpile, storage, bagging, loading facilities, offices, security and workshop areas will be developed in the mining claims area.

This letter of consent is presented to GIDEON KALUMBA ID 8202170840 at this place OMUANGETE on this day 10/07/2024.

Witnesses:

Name: VASIRIKA TJIPUKO Position: CHIEF Signature: _____

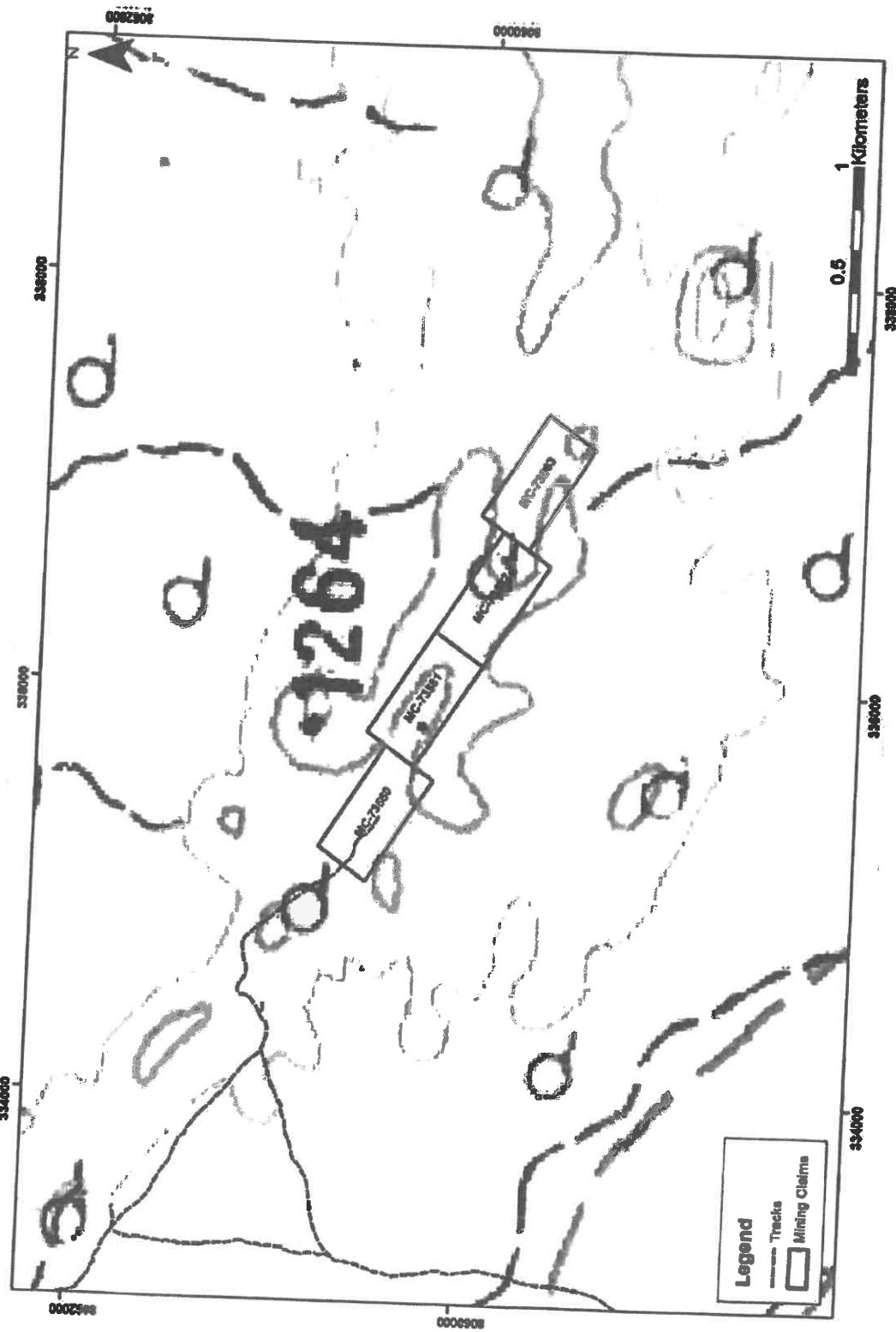
Name: VETJIHATERA KARE MBINGE Position: COUNCILLOR Signature: _____

Name: VENUJERA NGOMBE Position: COUNCILLOR Signature: _____

MINISTRY OF MINES AND ENERGY
RECEIVED
DEPARTMENT OF MINES
2024 07-10

2024 07-10

This map shows the area around station 1264. It includes a legend with two entries: 'Tracks' represented by a dashed line and 'Mining Claims' represented by a rectangle. The map features several rectangular boxes labeled 'MC-7580', 'MC-7581', and 'MC-7582'. A scale bar at the bottom right indicates distances of 0.5 and 1 kilometer. The map is framed by a coordinate grid with labels such as 334000, 338000, and 342000 along the top and bottom edges, and 002000, 006000, and 010000 along the left and right edges. A north arrow is located in the bottom left corner.



COPY

"C"

SURFACE RIGHT AGREEMENT

between

TIMO SMIT

(Namibian identity number 020525 0073 11)

and

NINA SMIT

(Namibian passport P0998638)

and

MORNE DU TOIT

(Namibian identity number 750915 1047 8)

(together the "Claim Holders")

and

PHILCO ONE HUNDRED AND SIXTY FOUR (PTY) LTD

a private company with limited liability duly incorporated in accordance with the laws of the Republic of Namibia under registration number 2016/1016 ("Philco")

and

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(Namibian identity number 440612 10057)

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MAURLI TJIPOSA

(Namibian identity number _____)

(together the "Chiefs" and being the persons who have been recognised under the Traditional Authorities Act, No 25 of 2000 as the supreme traditional leaders of their traditional community)

[Handwritten signatures and initials]

1. **CONSENT:**

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- 1.1. undertake exploration, mining and ancillary activities and operations as well as construct accessory works within the area subject to Philco's exclusive prospecting licence 9044 ("EPL 9044") and 12 (twelve) mining claims of the Claim Holders, being the area of land outlined in black on the map annexed hereto, marked "A" ("Epembe Area"). The corner co-ordinates of the Epembe Area and EPL 9044 are set out in the schedule annexed hereto, marked "B" as well as the number and area size of the 12 (twelve) mining claims. The location of the Epembe Area to the 2 (two) main secondary roads, depicted in red, is shown on the map annexed hereto, marked "C";
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SIGNED at Windhoek on 09 December 2022

TIMO SMIT


Signature

NINA SMIT


Signature

MORNE DU TOIT


Signature

For and on behalf of
**PHILCO ONE HUNDRED AND SIXTY
FOUR (PTY) LTD**


Signature

Jacobus Petrus Smit
Name of Signatory

Director
Designation of Signatory



SIGNED at OMUANGETE

on 01 DEC 2022
R.T.P.

Signature

TJHEWU TJAREMA TIPOSA

Name of Signatory

CHIEF - VITA THOM RH

Designation of Signatory

SIGNED at OMUANGETE

on 01 DEC 2022
R.T.P.

Signature

YASIRIKA TJIPUIKO

Name of Signatory

CHIEF -

Designation of Signatory

SIGNED at OMUANGETE

on 01 DEC 2022
R.T.P.

Signature

MAURE TJIPOSA

Name of Signatory

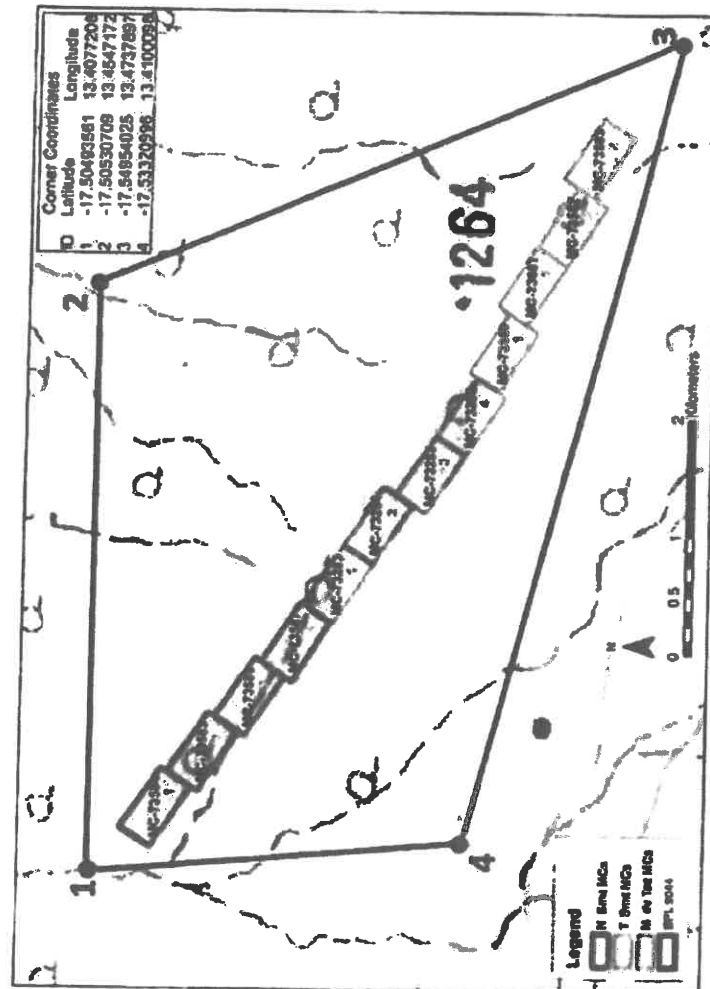
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ANNEXURE "B"

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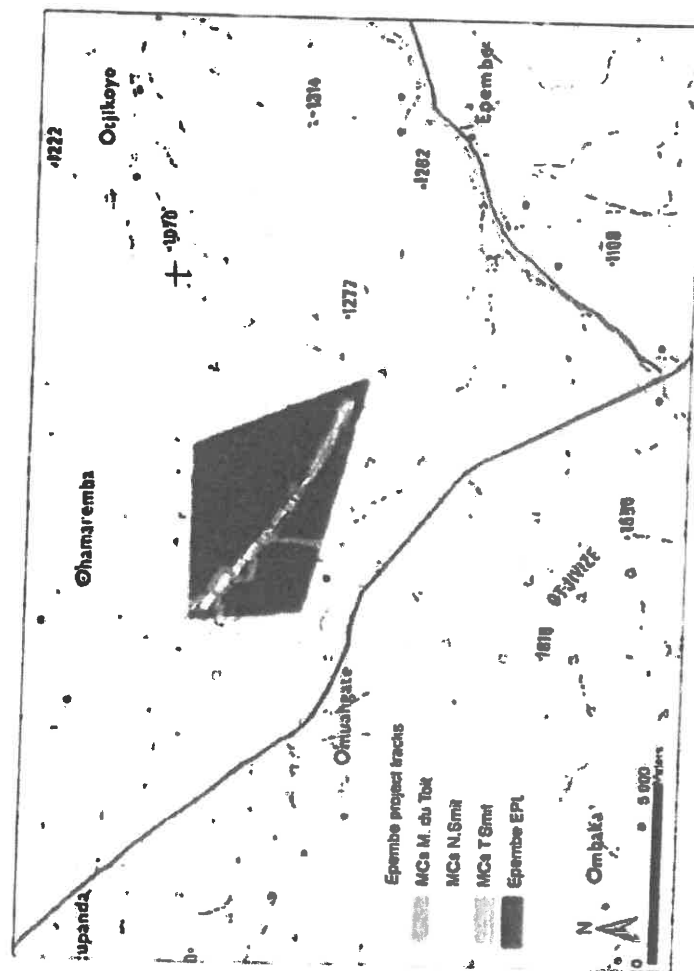
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ANNEXURE "C"

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SECONDARY ROADS (DEPICTED IN RED)



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