

From: James Bruchs
Sent: Sunday, May 1, 2022 1:41 PM
To: Stephen Mogotsi <smogotsi@gov.bw>
Cc: Charles Siwawa <charles@bcm.org.bw>
Subject: RE: reports

Hello Stephen,

I had further conversations with the Company's directors, and it was suggested that the matter be brought to the attention of Frau Mechtild Rössler, M.Rossler@unesco.org, Director of the UNESCO World Heritage Centre in order to get clarification of what was filed with UNESCO by the State Party. Is this something that you would like to do in conjunction with us?

Another alternative which you might consider is to make a *minor buffer zone boundary modification* as was done in the case of the Venetia Mine in South Africa [UNESCO World Heritage Centre - State of Conservation \(SOC 2016\) Mapungubwe Cultural Landscape \(South Africa\)](#) and other projects throughout the world. I have attached an image showing the modification needed as well as the chronology of our license tenure. The encroachment of the buffer zone on our property would only have to be lessened a few hundred meters, a distance to where the airport was extended to in the buffer zone.

We acknowledge the predicament the State Party is in by the inaccuracies contained in the filed reports and there is no reason to expound upon that here, but the State Party must also recognize our legal title and the fact that millions of dollars were spent with the approval of the State to establish a billion-dollar resource. We have been trying to resolve this issue for months and months, but we find it difficult to reach a resolution as it appears that there is a lack of willingness to find a solution besides the illegal taking of our license. **Perhaps you could get authority to engage with us to seek as resolution and I am sure we can reach one in a matter of days.** We are more than reasonable and as the issue really lies in your Ministry, if we could come to an accommodation then others would surely respect it.

Please advise me at your soonest as this matter needs to be resolved without further delay as your recent State Party Report implies that we somehow gave up billions of dollars of our resource and this is not true.

I have cc'd Mr. Charles Siwawa, the Chief Executive Officer of the Botswana Chamber of Mines, who has been assisting us in resolving this matter. Legal title to a company's prospecting and mining licenses are important factors to where a mining company will invest their money and a sua sponte taking of a license away from a company does not sit well to those looking to invest in a country.

Again, I hope that you get the authority to work something out with us as the alternative is not productive and exposes things that do not need to be exposed if it can be avoided.

In good faith, I will wait a reasonable amount of time to hear from you before initiating any action on our own.

Regards,
James

From: James Bruchs
Sent: Friday, April 29, 2022 5:04 PM
To: Stephen Mogotsi <smogotsi@gov.bw>
Subject: RE: reports

Hi Stephen,
Thank you for your reply.

That is a very interesting version of the facts but there are no such documents that you reference that state what you are representing, see further below.

We are a stakeholder and have never been consulted. The buffer zone encroached on our licenses in 2014 as we have had them since 2008. You are basically saying that someone filed a report with UNESCO saying we agreed to give up licenses in the buffer zone which we never did and further this is contrary to what the State Report said last year wherein it was reported that there were no licenses exist in the buffer zone. For someone to say we gave up something which we did not is false and purposely so.

I'm not sure what documents you are reading but the documents filed by the State Party with UNESCO state the following:

Nomination dossier to UNESCO for inscription into the World Heritage List (submission by Republic of Botswana, 2013)
[Page 30]

*"The Ministry of Energy, Mineral and Water Resources has issued several mineral prospecting licenses to exploration companies for concession areas within the buffer zone of the site. No licenses have been issued within the core zones of the property. **Should an application to mine within the buffer zone arise, an Environmental Impact Study (EIA) will be required as part of Botswana's EIA Act, which would address concerns relating to the World Heritage property.** Also, the matter would be referred to the World Heritage Centre (WHC) for their advice." (emphasis added)*

and from the same report,
[Page 405]

*The government of Botswana through the Ministry of Minerals, Energy and Water Resources has taken a position that it will not issue any new mineral concessions within the Core area of the delta. The Ministry will further engage with the holders of the few existing licenses within the Core area of the delta with a view to eventually expunge those portions of the licenses which overlap the core. **Regarding the buffer area, stringent environmental protocols and practices will be adhered to, to protect the integrity of the Delta.** (emphasis added)*

In addition,

WORLD HERITAGE NOMINATION – IUCN TECHNICAL EVALUATION KAVANGO DELTA (BOTSWANA) – ID No. 1432 [April 2014]

(page 12)

*"Mining activities including prospecting will not be permitted within the [core zone] property. **Furthermore, potential impacts from mining including concessions in the buffer zone and outside the buffer zone need to be carefully monitored and managed to avoid direct and indirect impacts to the property, including water pollution.**" (emphasis added)*

It is clear from the State Party's submissions to UNESCO since 2013, **that both mining and prospecting licenses can exist within the buffer zone.** And as whole world is aware, mining has and does take place in buffer zones which are by definition not part of World Heritage Site.

The documents on the UNESCO website further state that that property cannot be taken away from a license holder. I continue to be amazed how the filings with UNESCO by the State Party can be so misconstrued as they are very straightforward with respect to licenses. Right now, I just want to find out who is writing these reports to get them clarified because as I read through them, about the only thing correct in them concerning our licenses is that the name of our subsidiary Gcwihaba is spelled correctly.

Regards,
James

From: Stephen Mogotsi <smogotsi@gov.bw>
Sent: Friday, April 29, 2022 4:13 PM
To: James Bruchs <JBruchs@tsodiloresources.com>
Subject: RE: reports

Dear James,

The State of Conservation Report entailed consultations with key stakeholders in the process. The Government of Botswana as a State Party has made a decision to conform to the requirements of the UNESCO 1972 World Heritage Convention not to allow any exploration nor mining activity within the core and buffer zones of the the two properties. This was also stated in the nomination of the Okavango Delta as a World Heritage Site dossier.

I hope this clarifies the matter and please feel free to engage further if need be.

Regards

Stephen T. Mogotsi

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From: James Bruchs [JBruchs@tsodiloresources.com]
Sent: Wednesday, April 27, 2022 4:23 PM
To: Stephen Mogotsi
Subject: reports

Dear Director Mogotsi,

I was given your details as it was suggested that you might be able to steer me in the right direction. I am trying to determine the author(s) of the attached report as I need to get some clarification from them regarding the comments made about our subsidiary Gwihaba Resources (Ltd) Pty. on page 5 of the report.

If you could direct me to the person or persons I can speak with, that would be most appreciated.

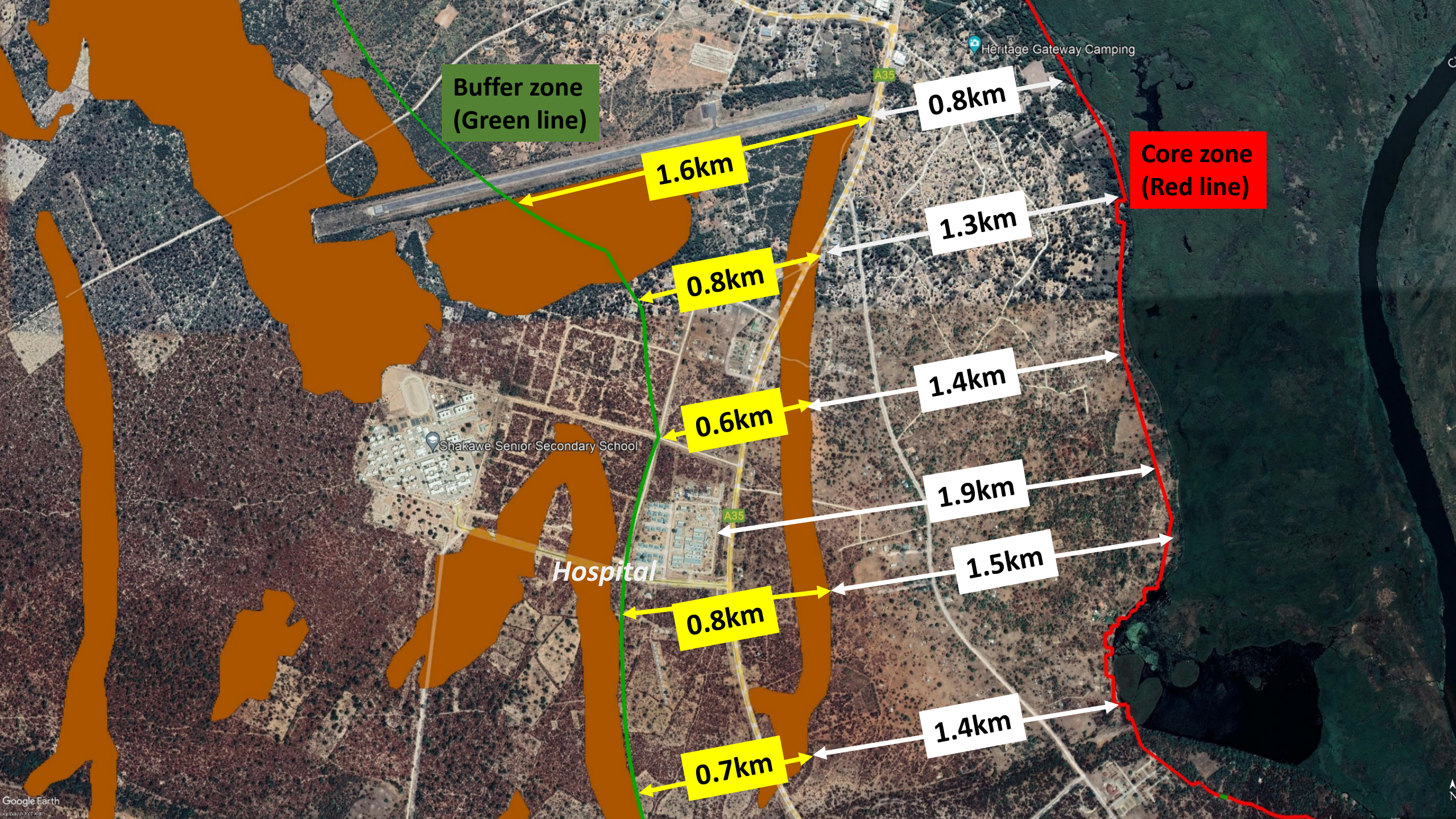
Thank you for your assistance with this matter.

Regards,
James

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Sometimes an image is more powerful than a thousand words

- 1) There is no doubt that Gcwihaba has a legal right to its license PL020/2018 inclusive of the portion in the buffer zone
- 2) The buffer zone encroached upon our license area in 2014 after we established a compliant 43-101 – 441Mt iron resource and spent some \$25M USD to do so (Note: the buffer zone has never been part of the Okavango World Heritage Property – it is an area surrounding the core zone which is the World Heritage Property).
- 3) Before and after 2014, our licenses have been granted and renewed by MMGE
- 4) In 2018, in an arrangement with MMGE by which we gave up very prospective licenses to the east of the panhandle in exchange for the initial grant of 7 (current) licenses to the west of the panhandle inclusive of the area in the buffer zone.
- 5) Since the designation of the Okavango World Heritage property in 2014, the government has allowed:
 - a hospital to be built in the buffer zone in Shakawe
 - an extension of the airport runway in the buffer zone in Shakawe
 - allowed the expansion and rebuilding of a shopping complex in the buffer zone in Shakawe
 - built a bridge in the core zone of the Property
- 6) What is the difference between the above examples and our prospecting license?
 - all except for the shopping center are owned by the government
 - all were constructed and reported with transparency while Gcwihaba licenses and activities were reported to UNESCO intentionally incorrect.
Note: Whether the person doing the actual reporting knew of the misrepresentations is not known
- 7) The buffer zone encroached on our resource from a distance at its greatest of 1.6km which is exactly the same distance that the airport extends into the buffer zone to the shortest distance of 0.6km.
- 8) The buffer zone resource has a current in-situ value of \$6-7B USD.
- 8) Our license and the resource residing in the buffer zone has never been an issue as the State Party (Gov. of Botswana) advised UNESCO in its application that [paraphrase] **“Exploration and mining in the buffer zone is permitted subject to the proper environmental management plan being approved in the case of exploration and an approved Environmental Impact Assessment report in the case of a mining application”**.
- 9) Gcwihaba has always agreed to the above conditions and has stated so repeatedly. The portion in the buffer or a portion of the area in the buffer zone can never be exploited unless and until an Environmental Impact Assessment study is approved by the government as required by the Mines and Minerals Act and no different than any other property in the country.
- 10) Solutions to the issue range from MMGE renewing our license as required by law to the State Party moving their buffer zone to eliminate the issue and possibilities in-between may exist also such as gov. paying us for the value of the resource.



**Buffer zone
(Green line)**

**Core zone
(Red line)**

0.8km

1.6km

1.3km

0.8km

1.4km

0.6km

1.9km

Hospital

1.5km

0.8km

1.4km

0.7km

Heritage Gateway Camping

A35

A35

Shakawe Senior Secondary School



Shopping Mall

2.2km

0.5km

						RE-ISSUANCE - Change in PL #s	
COMPANY	PL NUMBER	Initial Grant	First	Second	Relinquished	Initial Grant	First
		ISSUE	RENEWAL	RENEWAL		ISSUE	RENEWAL
		DATE	DATE	DATE		DATE	DATE
Gcwihaba - metals	PL386/2008	1-Oct-08	01-Jan-12	01-Jul-16	31-Dec-17		
Gcwihaba - metals	PL387/2008	1-Oct-08	01-Jan-12	01-Jul-16	31-Dec-17		
Gcwihaba - metals	PL388/2008	1-Oct-08	01-Jan-12	01-Jul-16	31-Dec-17		
Gcwihaba - metals	PL389/2008	1-Oct-08	01-Jan-12	01-Jul-16	31-Dec-17		
Gcwihaba - metals	PL390/2008	1-Oct-08	01-Jan-12	01-Jul-16	31-Dec-17		
Gcwihaba - metals	PL391/2008	1-Oct-08	01-Jan-12	01-Jul-16	31-Dec-17		
Gcwihaba - metals	PL392/2008	1-Oct-08	01-Jan-12	01-Jul-16	31-Dec-17		
<i>Note: the above licenses became the below licenses as a result of an arrangement with Ministry whereby Gcwihaba gave up valuable licenses west of the panhandle in exchange for the grant of new licenses east of the panhandle inclusive of areas in the buffer zone</i>							
Gcwihaba - metals	PL020/2018					1-Oct-18	Pending
Gcwihaba - metals	PL021/2018					1-Oct-18	1-Jan-22
Gcwihaba - metals	PL022/2018					1-Oct-18	1-Jan-22
Gcwihaba - metals	PL023/2018					1-Oct-18	1-Jan-22
Gcwihaba - metals	PL024/2018					1-Oct-18	1-Jan-22
Gcwihaba - metals	PL025/2018					1-Oct-18	100 % Relinquished
Gcwihaba - metals	PL026/2018					1-Oct-18	100 % Relinquished