

GCWIHABA RESOURCES (PTY) LIMITED

Co 88/384 / VAT No C00452001111

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TEL / FAX (267) 392-7144

August 13, 2018

Director of the Ministry of Mines

Attention: Sellinah A. Mogojwa, Director

Department of Mines (DOM)

The Ministry of Mineral Resources, Green Technology, and Energy Security (MRGE)

RE: Gcwihaba Resources (Pty) Ltd Prospecting Licenses

Dear Madame Director,

Thank you for your correspondence of August 2, 2018. I have read it over several times, shared it with my colleagues and with counsel and from our standpoint it is neither supported by the documented facts or represents an accurate portrayal of the agreement reached with DOM with respect to our prospecting licenses in Ngamiland. Your letter asks us to accept the credulity of a narrative that is neither accurate or factually supported.

I will address the points you set forth individually and incorporate my letters of October 25, 2017, January 24, 2018 and July 12, 2018 and DOM's letters of February 16, 2018 and August 2, 2018. Your statements as they are set forth in your letter are italicized and Gcwihaba Resources (Pty) Limited's (Gcwihaba) response follows each point.

DOM

2. In 2014, the Okavango Delta was declared a World Heritage Site by UNESCO and the Government of Botswana took a deliberate decision to prohibit any prospecting or mining activities within the core and buffer zones of the Delta. At the time Gcwihaba Resources (Pty) Ltd ("Gcwihaba") had a number of prospecting licenses within the buffer zone of the Delta (see Map 1),

Gcwihaba response:

Facts:

- 1) At no time did DOM or MRGE inform Gcwihaba of any such prohibition to prospecting or mining in the areas where we held licenses. If in 2014 a decision to prohibit any prospecting or mining activities was indeed consummated there must be a record of such a public decision and we hereby request a copy of any such

documentation. We would also request any such record evidencing this prohibition being delivered to us.

- 2) As a stakeholder, we were never consulted or advised with respect to the UNESCO process although I have recently been told by our lawyers that there are references in the UNSECO filings by the government of Botswana that all stakeholders were consulted with. This statement by the government is not accurate with respect to Gcwihaba as no such consultations with Gcwihaba were ever held.
- 3) Starting in 2013 and prior to the OKV designation as a World Heritage site, Minister Onkokame Kitso Mokaila and Permanent Secretary Boikobo Paya informed us on numerous occasions in 2013, 2014, 2015 and 2016 that **“the Botswana government would not allow the placement of any arbitrary boundaries against the development of its natural resources for the benefit of its people”**. In fact, Ministry staff several times commented about the problems that would occur if an Orapa was found in the core zone! More to the point, we were informed by Minister Mokaila that he in fact held high level talks at the end of 2015 with his counterpart, Minister TS Khama at the Ministry of Environment, Natural Resources and Conservation and Minister Mokaila stood firm in his resolve that the buffer zone was not off limits to prospecting or development
- 4) The facts set forth in point 3 are further supported by the fact that on July 1, 2016, **two (2) years after the World Heritage designation**, the Minister renewed PLs 386, 387, 388, 390 and 392 all of which had parts of them in the buffer zone and PLs 393, 394 and 395 which were entirely in the buffer zone were also renewed. These licenses were all processed by DOM while you were the Director at DOM.
- 5) In 2014, 2015, 2016, 2017, the DOM issued confirmation letters confirming that the licenses in question were in good order. Nowhere in the confirmation letters are there qualifying remarks that impair the licenses which DOM would have to have been stated if in fact what you say is correct.
- 6) I read your letter as an admission that the Ministry intentionally granted licenses knowing full well that they would never allow resource development in a portion or all the area and yet they did not inform the license holder who was spending money on these projects or offer any reparations for this condemnation or impairment. You are effectively saying that there was a constructive taking of the license without notice or compensation.
- 7) Accordingly, only one of the following can be true:
 - a) there was a ban on PLs being awarded in the buffer zone after 2014 in which case we are owed some +25M USD representing the expenditure on these licenses plus the value of the iron deposit because you contend we should not have been awarded these licenses in the first place; or
 - b) Minister Mokaila and PS Paya were correct in their statements and the renewal licenses in 2016 were indeed correct.
 - c) a & b cannot both be correct.

DOM

3. Gcwihaba agreed in principle to relinquish all of the licenses in the buffer zone and others that were outside the buffer zone. In the spirit of fairness and compromise, Gcwihaba proposed the other prospecting licenses that were located to the south-west of the pan-handle (see Map 2), where there is an auspicious deposit of magnetite, be renewed in their entirety with a new lease of life with effect from 1st January 2018.

Gcwihaba response:

The supposition of your statement is not supported by the facts so it is hard for me to comment on such inaccuracies.

Facts

- 1) After several years of countless meetings with DOM and resulting no actions on several PL's that were languishing in their renewals only to discover that one if not more of these metals licenses were given to a Chinese company, Triprop Holdings, while it was still licensed to Gcwihaba, I then took a conciliatory approach with DOM to get everything resolved as no one including our investors, the public market and ourselves could understand why licenses were not being renewed despite being told repeatedly by DOM over years that "don't worry next week they will be done".
- 2) Gcwihaba proposed a solution and that is set forth in my letter of October 25, 2017 and January 24, 2018. The only difference between the October 2017 discussion letter given to DOM and the January 24, 2018 letter is that we capitulated and gave up our rights to PL's 393, 394 and 395 during discussions with DOM in November and December of 2017. We gave up our rights and claims to 14 licenses in their entirety and kept 7 as they currently were. At no time did we ever say that we would give up any areas in PL's 386 - 392 (7 licenses) nor were we ever asked to as part of our agreement with DOM. My offer was accepted by DOM in early December 2017 and we proceeded to relinquish all licenses effective December 29, 2018 in consideration for PL's 386 - 392 being issued to us with an effective date of January 1, 2018.
- 3) The agreement between Gcwihaba and DOM is set forth in the attached letters and there is no need to repeat what has already been said except to say that Dr de Wit, Milton Keeletsang, Lesego Ungwang (DOM Employee), Mr. Mathule (DOM Employee), and myself will testify under oath to the circumstances and facts surrounding the 21 PL's held by Gcwihaba and the agreement with DOM concerning those licenses and that testimony is not consistent with the facts as you have set forth. As you were not present at the meetings I can only surmise that you have been provided with misinformation as I am confident that the individuals named above and myself will testify truthfully and that testimony is not consistent with what you have set forth.

DOM

4. The licenses were renewed as shown in the table below (see Map 3):
(table and map excluded - JMB)

Gcwihaba response:

Facts

- 1) The licenses were not renewed as agree to by the parties as set forth in my letter of January 24, 2018 and DOM’s reply letter of February 16, 2018. Point 2 of DOM’s February 16, 2018 letter states as follows:
“Please be informed that the Department of Mines is amenable to re-aligning the eastern boundaries of the prospecting licences to coincide with the original eastern boundaries of prospecting licences 386-392/2008.” (emphasis added)
- 2) DOM’s letter of February 16, 2018 is in response to my correspondence of January 24, 2018 in which I asked DOM to align the 7 licenses to our original licenses as per our agreement. DOM’s letter in response apologized for the error and said they would move the 7 licenses to their original co-ordinates. Further to my letter, a meeting was held on February 14, 2018 between Dr Michiel CJ de Wit, Milton Keeletsang and Lesego Ungwang (DOM Employee) and Mr. Mathule (DOM Employee) with respect to the license boundaries.
- 3) To date some 6 months after DOM’s letter of February 16, 2018 the boundaries have not been re-aligned.

DOM

4. The licences were renewed as shown in the table below (see Map 3):

Original PLs		New PLs		Comments
PL Number	Size (km ²)	PL Number	Size (km ²)	
386/2008	570.0	020/2018	458	Cut off from the Buffer Zone
387/2008	964.9	021/2018	925	Cut off from the Buffer Zone
388/2008	317.1	022/2018	152	Cut off from the Buffer Zone
389/2008	978.6	023/2018	978	Unaffected by the Buffer Zone
390/2008	978.6	024/2018	706	Cut off from the Buffer Zone and A35
391/2008	454.5	025/2018	455	Unaffected by the Buffer Zone.
392/2008	828.1	026/2018	732	Cut off from the Buffer Zone and A35
	5091.8		4406	685.8 km ² reduction by DOM (JMB)

5. On the basis of the above, the only prospecting licenses that were to be corrected are 024/2018 and 026/2018 that have been cut off from the Sehitwa – Shakawe road (A35). This correction was to involve moving the eastern boundaries of prospecting license 024/2018 and 026/2018 from A35 road to the edge of the Buffer Zone (see Map 4).

6. Please note that our letter of 16 February 2018 was with regards to the above

mentioned two (2) prospecting licences only. It is obvious from your contention that this was erroneously construed to be in reference to all the prospecting licences.

Gcwihaba response:

With respect to Point 4, 5 & 6, I again have a difficult time to formulate a coherent response because the facts are not correct.

- 1) DOM's letter of February 16, 2017 refers to 7 licenses, PL386-392 and any assertions that it is referring to 2 licenses are ludicrous and not consistent with either the documented facts nor testimony that will be forthcoming from Gcwihaba employees or DOM employees.
- 2) In Point 5 you state that PL24 & 26 (are) being changed to accommodate our auspicious deposit of magnetite and you accommodate this by changing PLs 24 & 26.
- 3) None of this makes any sense because the magnetite iron deposit is located in old PL386 397 or new PL20 & 21. There was never any discussion about magnetite being in PL24 or PL26 as there is only possible cobalt, copper and gold deposits in these licenses.
- 4) Compounding this problem is that nothing in your points 4, 5 or 6 deal with the issue that DOM said it would fix the eastern boundaries as set forth in DOM's letter of February 16, 2018 which states exactly as follows:

2. Please be informed that the Department of Mines is amenable to re-aligning the eastern boundaries of the prospecting licences to coincide with the original eastern boundaries of prospecting licences 386-392/2008.

3. We recognise that the current eastern boundaries have a negative effect on your Fe ore resource and Cu deposits. To that end, the Department will issue amended prospecting licences with re-aligned boundaries.

- 5) Simply put, the facts as you state them have no support, they are just unsupported statements of convenience.
- 6) The *sua sponte* changing of the license area has effectively reduced our license area by 659 square kilometres a material amount.

DOM

7. *We reiterate that the eastern boundaries of prospecting licenses 020-026/2018 cannot be extended into the buffer zone of the Okavango Delta. If Gcwihaba accedes to the correction as alluded to in bullet 5 above, the Department will amend the prospecting licenses 024/2016 and 026/2018 as proposed.*

Gcwihaba response:

Your proposal is not acceptable nor is it consistent with the agreement made with DOM. At the end of the 2017 Financial Year and the First Quarter 2018, I notified the market place, our stakeholders, our shareholders and the regulators that we had after negotiations with DOM relinquished twenty-one license (21) in consideration of our 7 core licenses being renewed in their entirety. This disclosure was with the approval of our auditors Ernst & Young LLP and their approval of the disclosure language was based entirely on DOM's letter of February 16,

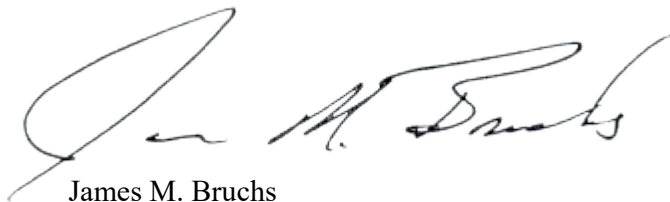
2018 in response to my letter of January 24, 2018, in which DOM confirmed that the licenses would be reconfigured to the correct co-ordinates.

Our Second Quarter Financials are due to be released no later than the 24th of August and we need to have this matter resolved prior to that date as I am required to give the specifics of the dispute with DOM over these licenses if the matter is in fact not resolved as previously disclosed.

If we do not resolve this matter then I suggest that the best way forward is to submit this matter to binding arbitration with respect to the issue of damages as I do not believe there is any question as to the facts surrounding this matter as you on behalf of the Botswana government are confiscating at least part of a resource that has a current in situ value of some \$14 billion USD with respect to the Block 1 resource and \$159 to \$223 billion USD if extrapolated to the entire exploration target. We would be agreeable to submit this matter to the International Chamber of Commerce (ICC) to determine damages as First Quantum Minerals did with the Democratic Republic of Congo (DRC) and others when the DRC impaired / confiscated their licenses. First Quantum Minerals were subsequently awarded \$1.25B USD.

We are not asking for anything more than what was agreed to and that which we already had. DOM's breach of the agreement entered into was not only deceitful to Gcwihaba but the effective confiscation of our licenses is not consistent to representations made to UNESCO and I don't believe UNESCO would have approved the designation when they did if they knew that the representations about consultations with stakeholders were not accurate.

Yours sincerely,



James M. Bruchs
Managing Director

Cc: Permanent Secretary, Cornelius K. Dekop

Mike de Wit / Blackie Marole / Milton Keeletsang

- Attachments: 1) October 25, 2017 letter from James M. Bruchs to Lesego Ungwang
2) January 24, 2018 letter from James M. Bruchs to Lesego Ungwang
3) February 16, 2018 letter from Lesego Ungwang to James M. Bruchs
4) July 12, 2018 letter from James M. Bruchs to Lesego Ungwang
5) August 2, 2018 letters from Director Sellinah A. Mogojwa to James M. Bruchs



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October 25, 2017

Mr. Lesego Ungwang
Acting Assistant Director
Department of Mines
The Ministry of Mineral Resources, Green Technology, and Energy Security

RE: Gcwihaba Resources (Pty) Ltd – Licenses

Dear Sir,

Once again thank you and Mr. Mathule, for taking time to meet with Dr Mike de Wit, Milton Keeletsang and myself on September 20, 2017. We appreciated the opportunity to meet with you and have a frank and open discussion with respect to Gcwihaba's metal licenses in Ngamiland.

Let me say from the onset that we understand the Ministry's and the Department of Mines' efforts in adhering to the spirit of the caveats that the UNESCO designation of the Okavango Delta as a World Heritage site have brought about. As the largest license or land holder in the area, we were never consulted by any party to the accord prior to the delta's designation which we have always thought peculiar but we have nonetheless conducted our activities in all our licenses according to the World Bank's good practice standards at all times with respect to environmental and social matters and will continue to do so.

Our prospecting licenses as they are today are set forth in attachment A & B. No license rests in either in the Ramsar or World Heritage core areas and only those to the east of the panhandle rest in the buffer zones (Attachment C). Some of our licenses in the buffer zone were renewed 2 years after the World Heritage designation while others which may or may not be contiguous to other licenses have not been acted upon in years or in an extreme case were granted to another company while still under license to us. The latter example is clearly an anomaly and not representative but it remains an issue. However, no matter the reason, the delay in renewal has caused actual damages in the exploration program due to the uncertainty caused by the delay. In the past five years, I would estimate that 250M BWP has been spent on the metals licenses and the uncertainties have now resulted in a disjointed exploration program and effort where there should be one cohesive effort and it has also hindered discussions with development partners who question the lack of license renewal.

It should also be pointed out that in previous discussions with the Honourable Mr. Onkokame Kitso Mokaila, Permanent Secretary Paya and others that no impediment to prospecting licenses in the buffer zone existed and that MMEWR and DEA were both so operating.

I have heard reports that our overtures to resolve these issues over the past years have been viewed by the DOM as contentious but let me assure you that this is not the case at all but rather it has been a good faith effort in trying to reach an understanding and a resolution of the matters with DOM.

In the spirit of equity and compromise without relinquishing any of our rights, we would like to propose for discussion purposes the following:

- ◇ We would agree to drop all claims be they actual or in equity to those licenses (11) highlighted in blue on both Attachment A & B effective December 31, 2017;
- ◇ in exchange for an initial grant of those licenses (10) highlighted in yellow in Attachment A & B to be effective January 1, 2018.

Although, we would have to take a large impairment charge on our financials for the relinquishment of the licenses we deem this an acceptable outcome if it allows us to further those licences west of the panhandle without any dark clouds which arise over any license controversy. In the mineral resource and other areas, Botswana works because of the rule of law and the ability of its governmental staff to address issues, it is in this context that we are putting forth this proposal.

Best regards,



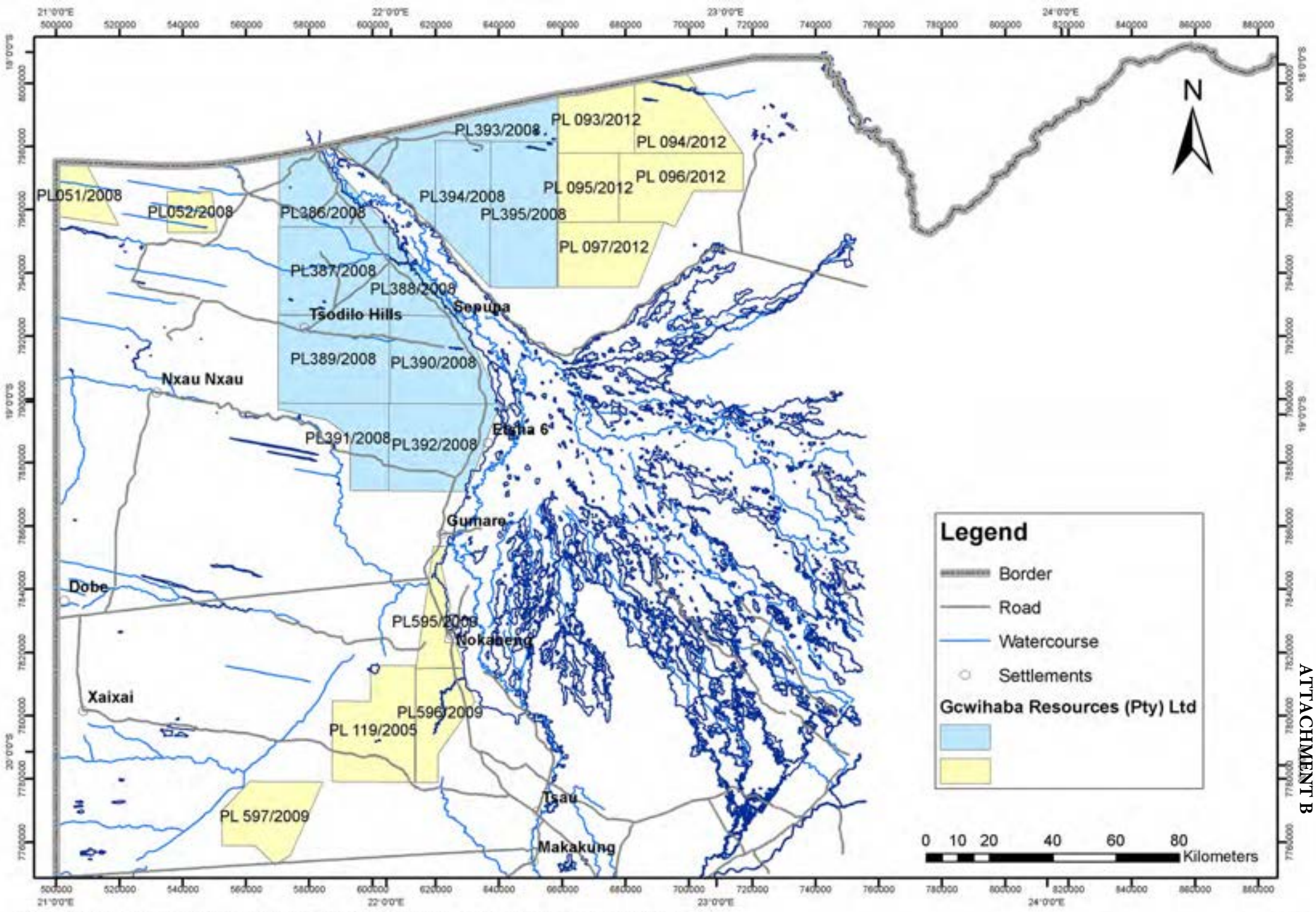
James M. Bruchs
Chairman & CEO
Attachment A, B & C

DESCRIPTION OF PROPERTIES

Gwihaba Resources (Pty) Limited [Botswana]

(Prospecting Licenses - Metals: base, precious, platinum group, and rare earth)

	PL number	PROPOSAL
1	PL 119/2005	RELINQUISH LICENSE AND ALL CLAIMS
2	PL 051/2008	RELINQUISH LICENSE AND ALL CLAIMS
3	PL 052/2008	RELINQUISH LICENSE AND ALL CLAIMS
4	PL 386/2008	RENEW INITIAL TERM AS OF 1/1/2018
5	PL 387/2008	RENEW INITIAL TERM AS OF 1/1/2018
6	PL 388/2008	RENEW INITIAL TERM AS OF 1/1/2018
7	PL 389/2008	RENEW INITIAL TERM AS OF 1/1/2018
8	PL 390/2008	RENEW INITIAL TERM AS OF 1/1/2018
9	PL 391/2008	RENEW INITIAL TERM AS OF 1/1/2018
10	PL 392/2008	RENEW INITIAL TERM AS OF 1/1/2018
11	PL 393/2008	RENEW INITIAL TERM AS OF 1/1/2018
12	PL 394/2008	RENEW INITIAL TERM AS OF 1/1/2018
13	PL 395/2008	RENEW INITIAL TERM AS OF 1/1/2018
14	PL 595/2009	RELINQUISH LICENSE AND ALL CLAIMS
15	PL 596/2009	RELINQUISH LICENSE AND ALL CLAIMS
16	PL 597/2009	RELINQUISH LICENSE AND ALL CLAIMS
17	PL 093/2012	RELINQUISH LICENSE AND ALL CLAIMS
18	PL 094/2012	RELINQUISH LICENSE AND ALL CLAIMS
19	PL 095/2012	RELINQUISH LICENSE AND ALL CLAIMS
20	PL 096/2012	RELINQUISH LICENSE AND ALL CLAIMS
21	PL 097/2012	RELINQUISH LICENSE AND ALL CLAIMS

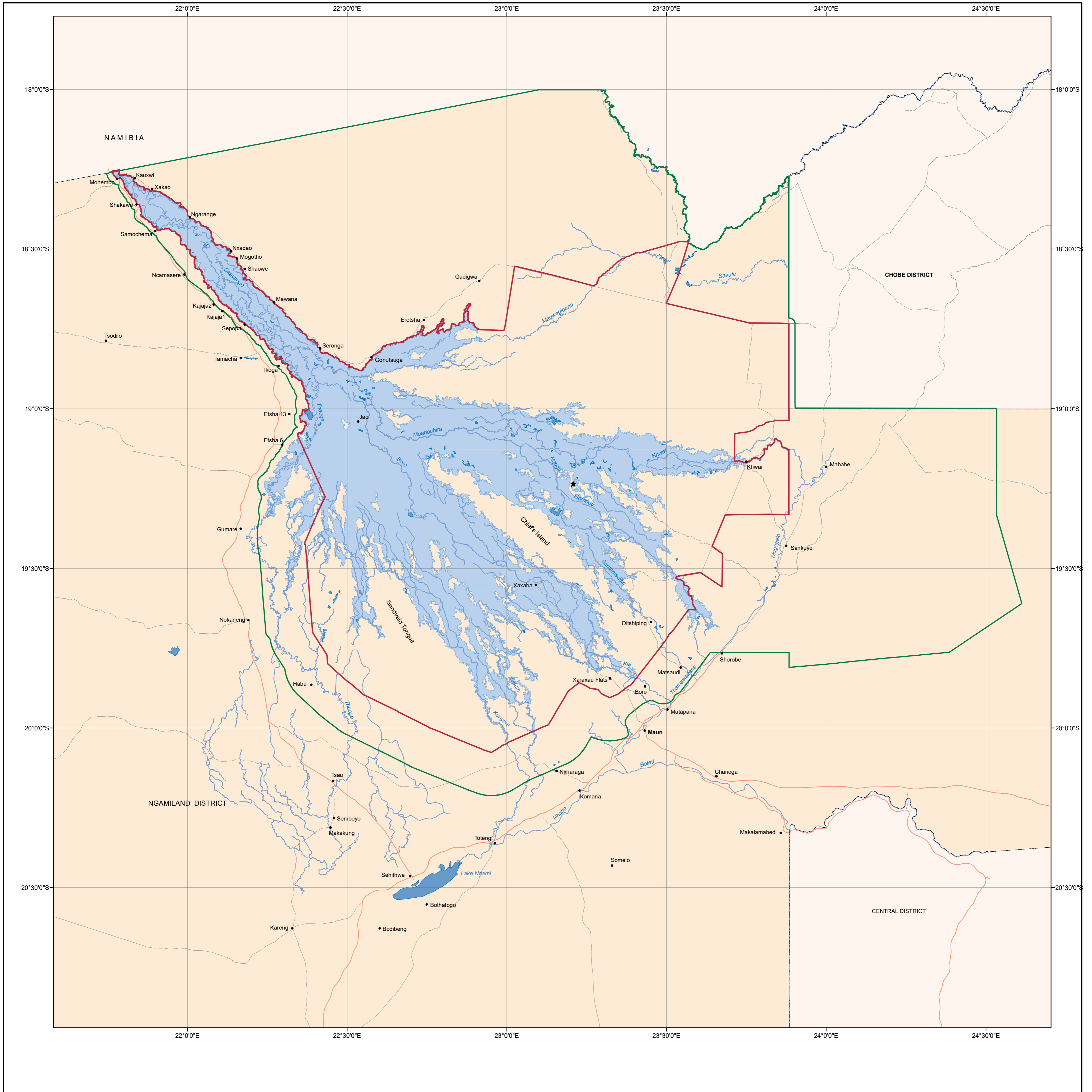
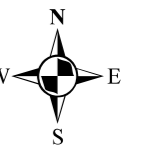


ATTACHMENT B

Gcwihaba Metal (Base & Precious, PGMs and REE) Licenses as of September 26, 2017.

E:\Tsodilo\GIS\2017\156_License_2017_09_18\Gcwihaba Metal (Base & Precious, PGMs and REE) Licenses_26 September 2017_TSD

Okavango Delta: Boundaries



Area of Core Zone: 20 247.9 Sqkm

Area of Buffer Zone: 22 854.3 Sqkm

Coordinates of Center of Property: 23.094
-19.2003

1 : 700 000



Legend

- ★ Center of Property
- Settlements
- Core Zone Boundary
- Buffer Zone
- District Boundary
- Tarred Road
- Gravel/Sandy Road
- Lakes/Lagoons
- OkavangoDelta

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TEL / FAX (267) 392-7144

January 23, 2018

Director of the Ministry of Mines

Attention: Mr. Lesego Ungwang
Acting Assistant Director
Department of Mines
The Ministry of Mineral Resources, Green Technology, and Energy Security

Dear Mr Ungwang,

Our Company received the new licences PL 20 -26/2018 earlier this week. I would however like to point out the following:

1. The agreement with you was that the Company would relinquish all licences east of the Okavango river and north of the Delta (PL 393, 394, 395/2008 and PL 093, 094, 095, 096, 097/2012), on which considerable expenses were incurred by the Company during its exploration program, in exchange for new licences replacing the existing ones on the west of the Okavango River (PL 386, 387, 388, 389, 390, 391 & 392/2008).
2. The Company prepared and submitted the applications for new licences, replacing PL 386 – 392/2008 in its entirety, as agreed.
3. The following new licences were received: PL 20, 21, 22, 23, 24, 25, and 26/2018.
4. However, it is apparent that the eastern boundaries of PL 20, 21, 22, 24 & 26/2018 are not aligned with that of PL 386, 387, 388, 390 & 392 respectively and were modified by your office without notice or consultation.
5. This might be an error on your behalf or done intentionally, but either way the Company requires that this modification of the licenses rectified.
6. If these boundaries were fixed *sua sponte* with purpose not to coincide with the old licences, the Company wish to point out that the Iron Ore resource that the Company has outlined will be deflated in value by a large number risking the fact that Ngamiland might never benefit from this resource.
7. If the Ministry is not prepared to change the boundary to that as was agreed, the Company will withdraw its relinquishment and revert back to the old licences, on both sides of the river for which it still has 2 years left and continue with its drilling program.

Yours sincerely,



James M. Bruchs
Managing Director



Telephone: (267) 365 7000
 Fax No: (267) 395 2141
 Telegraphic Address:
 Mines Gaborone



REPUBLIC OF BOTSWANA

Department of Mines
 Private Bag 0049
 Gaborone
 Botswana

All correspondence to be addressed to the Director

Ref: CP 215 XIII (8)

Date: 16 February 2018

The Managing Director
 Gcwihaba Resources (Pty) Ltd
 PO Box 3726
 Gaborone

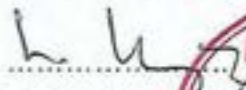
Attention: James M. Bruchs

Dear Sir,

**RE: NEW PROSPECTING LICENCES 020-026/2018 ISSUED TO GCWIHABA
 RESOURCES (PTY) LTD**

1. Your letter dated 23 January 2018 and the meeting of 14 February 2018 with Gcwihaba Resources (Pty) Ltd representatives refer.
2. Please be informed that the Department of Mines is amenable to re-aligning the eastern boundaries of the prospecting licences to coincide with the original eastern boundaries of prospecting licences 386-392/2008.
3. We recognise that the current eastern boundaries have a negative effect on your Fe ore resource and Cu deposits. To that end, the Department will issue amended prospecting licences with re-aligned boundaries.
4. The Department regrets any inconvenience that may have been caused by this oversight. Please do not hesitate to contact our office for any clarifications.

Yours faithfully,


 Lesego Ungwang
 For/Director



GCWIHABA RESOURCES (PTY) LIMITED

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July 12, 2018

Director of the Ministry of Mines

Attention: Mr. Lesego Ungwang
Acting Assistant Director
Department of Mines
The Ministry of Mineral Resources, Green Technology, and Energy Security



Dear Mr Ungwang,

I would like to inquire as to the status of the licenses which I brought to your attention on or about January 23, 2018 (see attachment A) regarding the inaccuracies of the license co-ordinates and our concern that the Department of Mines *sua sponte* decide to breach our agreement concerning these and other licenses. These are the same licenses together with the licenses east of the panhandle that we have been discussing with DOM for close to 3 years and it is not important at this time to reiterate everything as I am sure this matter has just been over-looked.

I acknowledge your response of February 14, 2018 to my letter (see Attachment B) in which you acknowledged the error and assured me that the errors would be corrected.

However, to this date, some 5 months later nothing has happened and we are waiting to commence work on the licenses. The errors can visually be seen on Attachment C. The *sua sponte* action by the DOM and not in conformity with our agreement has not only an impact on our exploration efforts and the resource defined billion USD iron ore project but it has further legal and regulatory implications. I have assured our shareholders; our stakeholders; our lawyers; our regulators; and, our auditors that the long saga of these licenses was over and they accepted your letter as acknowledgement of the same. I'm at a loss as to what to report now as I believe we have all acted in good faith and that there is just some clerical error that needs correcting. We and our joint venture partner have spent 25M USD on the project and the issues surrounding these licenses are something that need to get resolved as we agreed to do as we are not able to capitulate further.

If I may, I would again like to propose a solution that is 100% consistent with the agreement we reached. I have attached the original licenses (Attachment 4) and have the GIS license staff plot them exactly as they are and put an effective date on as July 1, 2018 for an initial term and we can all put this matter behind us.

Yours sincerely,

James M. Bruchs
Managing Director

Cc: Mike de Wit / Blackie Marole / Milton Keeletsang
Attachments: A, B, C & D

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Fax No: (267) 395 2141
Telegraphic Address:
Mines Gaborone



REPUBLIC OF BOTSWANA

Department of Mines
Private Bag 0049
Gaborone
Botswana

All correspondence to be addressed to the Director

Ref: CP 215 XIII (12)

Date: 02 August 2018

The Managing Director
Gcwihaba Resources (Pty) Ltd
PO Box 3726
Gaborone

Attention: James M. Bruchs

Dear Sir,

**RE: NEW PROSPECTING LICENCES 020-026/2018 ISSUED TO GCWIHABA
RESOURCES (PTY) LTD**


1. Your letter dated 12 July 2018 and our letter CP 215 XIII (8) dated 16 February 2018 on the subject matter refer.
2. In 2014, the Okavango Delta was declared a World Heritage Site by UNESCO and the Government of Botswana took a deliberate decision to prohibit any prospecting or mining activities within the core and buffer zones of the Delta. At the time Gcwihaba Resources (Pty) Ltd ("Gcwihaba") had a number of prospecting licences within the buffer zone of the Delta (see Map 1).
3. Gcwihaba agreed in principle to relinquish all the licences in the buffer zone and others that were outside the buffer zone. In the spirit of fairness and compromise, Gcwihaba proposed that the other prospecting licences that were located to the south-west of the pan-handle (see Map 2), where there is an auspicious deposit of magnetite, be renewed in their entirety with a new lease of life with effect from 1st January 2018.

4. The licences were renewed as shown in the table below (see Map 3):

Original PLs		New PLs		Comments
PL Number	Size (km ²)	PL Number	Size (km ²)	
386/2008	570.0	020/2018	458	Cut off from the Buffer Zone
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389/2008	978.6	023/2018	978	Unaffected by the Buffer Zone
390/2008	978.6	024/2018	706	Cut off from the Buffer Zone and A35 road
391/2008	454.5	025/2018	455	Unaffected by the Buffer Zone.
392/2008	828.1	026/2018	732	Cut off from the Buffer Zone and A35 road

5. On the basis of the above, the only prospecting licences that were to be corrected are 024/2018 and 026/2018 that have been cut off from the Sehitwa – Shakawe road (A35). This correction was to involve moving the eastern boundaries of prospecting licences 024/2018 and 026/2018 from A35 road to the edge of the Buffer Zone (see Map 4).
6. Please note that our letter of 16 February 2018 was with regards to the above mentioned two (2) prospecting licences only. It is obvious from your contention that this was erroneously construed to be in reference to all the prospecting licences.
7. We reiterate that the eastern boundaries of prospecting licences 020-026/2018 cannot be extended into the buffer zone of the Okavango Delta. If Gcwihaba accedes to the correction as alluded to in bullet 5 above, the Department will amend prospecting licences 024/2018 and 026/2018 as proposed.
8. Please do not hesitate to contact our office if there is any clarification sought.

Yours faithfully,


Sellinah A. Mogojwa
Director of Mines