

Memo

To: Mr. James Bruchs
From: Dr. Alistair Jeffcoate
Date: 11th January 2022
Re: Meeting with Acting Director of Mine (DOM)

At around 8:45 am, and following on from the meeting with the DPS Dr. Alistair Bryan Jeffcoate and Mr. Milton Keeletsang meet with the acting Director Mr. Charles ## at his office.

The issues with our license PL020/2018 were brought up.

- Mr. Keeletsang said to Mr. Charles that we had just been from the DPS office and had meet with Mr. Johannes Tsimako and that he had suggested we request a meeting with the Director of Mines and other stakeholders so we can negotiate and discuss the issues surrounding PL202/2018.
- Jeffcoate mentioned that if PL020 was issued without the part of our renewal area in the buffer zone then that would be a problem for us. As that would constitute a taking and a major issue that would cause us to act.
- Jeffcoate discussed that it was clear from the documents that this should be a negotiation and not a taking. A taking would be illegal and against the Mines and Mineral Act, and also goes against the words and argument made by the State Party in the documents filed with the World Heritage Committee (WHC), that "It is important to note that there are challenges in this process given that the duration of the prospecting licenses is 7 years and negotiable with the respective companies who may have invested heavily in the process over the years. "It is important to note that there are challenges in this process given that the duration of the prospecting licenses is 7 years and

negotiable with the respective companies who may have invested heavily in the process over the years.” (State of Conservation Report, 2015).

- Jeffcoate went on to mention that the WHC documents categorically showed that the buffer zone is outside the World Heritage property as per the definition in the Operational Guidelines.
- Jeffcoate went on to mention that all documents submitted by the State Party to the WHC state that that prospecting is permitted in the buffer zone and that detailed EIA would be required ahead of mining. This would mean that the DOM and the Ministry would be able to grant the renewal as Gcwihaba submitted in October 2021 with the part in the buffer zone included and it be completely legal and allowed under the understandings of the State Party and the WHC.
- It was mentioned that our shareholders and stakeholders would not accept a taking without something in return.
- It was discussed that we did have a solution and had proffered such in our letters and meeting with the Minister. Where our suggestion that the investment with the MDCB would go ahead and it would be written into the legal documents that once the investment goes ahead the Company would relinquish the ground in the buffer zone. Where it would be a legal requirement that once the MDCB goes ahead the ground would have to be relinquished by our Company as the MDCB investment documents would be legally binding.
- Jeffcoate went on to mention that if a solution could not be found and the DOM and Ministry still insisted that the Company relinquished the ground in the buffer zone then it may be appropriate that compensation be applied for by the Company. If no alternative solution be found as suggested above in relation to the company relinquishing the buffer zone ground on completion of the MDCB investment deal.
- Jeffcoate went on to show an example of such was a mining company (Gabriel Resources) that had defined gold resources/reserves and had been planning on mining these in the area that had subsequently been listed as a UNESCO World Heritage. Where the site was listed as a Heritage Gold mining site. This inscription had managed to halt the plans by Canadian mining company Gabriel Resources to mine gold and silver in the area. The derailment of the plans led Gabriel Resources to sue the Romanian

government for \$5.7 billion at for illegal removal of tenure at the Washington-based International Centre for Settlement of Investment Disputes, ICSID, which is part of the World Bank.

- Jeffcoate reiterated that such a meeting to achieve a resolution to this issue over PL020/2018 needed to be swift as the delays since October 2021 when the license was supposed to be renewed till now had hurt the company immensely and as such an urgent resolution to this was requested.
- Mr. Charles said that he would work to schedule a meeting as soon as he could with all relevant stakeholder so that we could give our side of the argument and work towards a solution.