

GCWIHABA RESOURCES (PTY) LIMITED

Co 2003/292

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March 15, 2022

Mr. Ofentse Ditsele
Director of Department of Mines
Private Bag 0049
Gaborone, Botswana

RE: Gcwihaba Resources (Pty) Ltd. PL020/2018 – License Renewal

Dear Director Ditsele,

It has been 9 months since we filed the renewal application for PL020/2018 and 6 months since the first renewal license as per the license terms should have been granted. We are aware of no reason why the license has not been renewed. We have filed hundreds of pages since September 2021 making clear our legal title to the license and further establishing that there are no impediments or restrictions with respect to the license boundaries itself. See, [Tsodilo Resources Ltd. - MMGE](#)

We, Ministry of Mineral Resources, Green Technology and Energy Security (MMGE) and ourselves, are aware for at least nine years that a portion of PL020/2018 lies within what is known as the buffer zone which is an area that surrounds the Okavango UNESCO World Heritage Property (OWHP). We have established by citing the filings of the State Party (Government of Botswana) that 1) the buffer zone is not part of the OWHP, and 2) that the State Party explicitly states in its filings with UNESCO that “exploration and mining are permitted withing the buffer zone”. See, [Okavango Delta - Documents - UNESCO World Heritage Centre](#). Again, there has never been a legal prohibition to exploration and mining activities in the buffer zone. Further, there is a clear acknowledgement by the State Party that it cannot unilaterally take property from a license holder. This is set forth in the State party’s many submissions to UNESCO.

Further, we have clearly established that we have held the license before and after the establishment of the OWHP and that the license has either been granted or renewed many times since 2014. In fact, the resource report on PL020/2018 occurred prior to the OWHP designation and it was filed with MMGE. Without any consultation with ourselves, OWHP was established in 2014 and the buffer zone designed by the State party encroached on our license property. This act presented no barrier to our activities as it was clearly stated by the State Party to UNESCO in 2013 and 2014 and to us directly by numerous Ministers, Permanent Secretaries and Deputy Permanent Secretaries over the years that our activities were permitted in the buffer zone. The evidentiary record residing at the Ministry and at DOM is clear on these issues. We have also established that over +\$27M USD has been spent on exploration

and evaluation of the resource within the license itself, all done with the knowledge, approval and encouragement of MMGE.

As a result of our exhaustive activities, we have established a 441Mt ton iron mineral resource within PL020/2018 which today has an in-situ value of ~\$27,000,000,000 USD for which we have been preparing a preliminary economic assessment on. We have stopped most activities on PL's 020-024/2018 since these are contiguous licenses and together contain the Xaudum Iron Formation until such time that all licenses are granted and have the same commencement date.

As a public company, we are required to have an annual audit and even though we have filed extensive briefs, sent emails and requested meetings, I do not have any document from DOM explaining why PL020/2018 has not been renewed. This has effectively blocked our work on our \$27B USD resource asset. As it is now beyond any reasonable time frame to issue the license, I need to explain, in a documented fashion, to our auditors, legal counsel, shareholders, stakeholders and the investing public why the license has not been renewed.

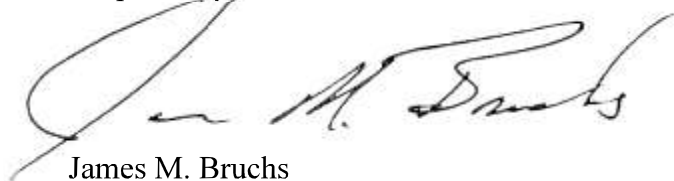
Since the license was not renewed on October 1, 2021, we have lost more than \$30M USD from our market capitalization and not having the license which contains our proven resource is a barrier to capital raising as you can well appreciate. The damages to the company and its investors including the IFC (World Bank), JPMorgan Asset Management, First Quantum, Lucara, Sandstorm Gold and Botswana based TBM and our hundreds of shareholders is real.

Accordingly, I am requesting that you provide me with a written response specifically detailing why PL020/2018, which contains the company's major asset, is not being renewed so we can provide your response to our auditors and legal counsel and all parties of interest so that they can read for themselves the reasons why the biggest potential resource development project in Botswana is stalled.

Alternatively, if you have determined that there is no reason to not issue the license, please issue it effective April 1, 2022 and modify PL021-024 to coincide with the PL020/2018 commencement dates as it is one project and not divisible.

I am available to discuss this matter with you if you so desire at your convenience.

Respectfully submitted,



James M. Bruchs
Managing Director