

08 April 2016

**Anglo American Platinum – Answers to Questions Raised by Centre for Environmental Rights**

- ***Is Amplats committed to ensuring 100% compliance with South Africa’s environmental laws, and what steps is Amplats taking to address the deficit in compliance with its environmental authorisations?***

**Answer:**

Anglo American Platinum is committed to ensure 100% compliance with South African legislation and remains transparent in its reporting to the public. The intent is also to prevent repetitions and to ensure continuous improvement.

It is important to understand that approved environmental authorizations in 2015 contained more than 5,000 legal commitments for the mining and process operations. Although the intent is to comply with all commitments, it does happen that active operations do fall behind on commitments due to different reasons i.e. staggered budgets, change of personnel, new and changed legislation, pending environmental authorizations etc.

To ensure operations retain focus, all commitments are reviewed at least annually through an internal review process. Action plans are put in place for each area where operations have fallen behind on commitments and repeats are highlighted through legal fact sheets in 2015 to each operation for action. These are actively followed up and progress is communicated to senior management.

- ***How many times have Amplats’ facilities been inspected by regulatory authorities for compliance with environmental laws and permits in the past financial year?***

**Answer:**

Total inspections	DMR	DWS	DEA
In 2015			
Mining	0	8	4
Process	0	1	0

Note: DMR = Department of Mineral resources; DWS = Department of Water and Sanitation; DEA = Department of Environmental Affairs

- What were the results of these inspections?

**Answer:**

Results of these inspections in 2015	DMR	DWS	DEA
Mining	No directives	No directives	No directives
Process	No directives	No directives	No directives

#### Notices issued by the Department of Water and Sanitation

**Information provided by the Department of Water and Sanitation (DWS) to the CER pursuant to formal requests for access to information indicates that the Modikwa Platinum mine (a joint Amplats and African Rainbow Minerals operation) and the Bokoni Platinum Mine (an operation in which Amplats has a significant shareholding) were issued with notices in terms of the National Water Act (NWA) in 2014 and 2015 respectively.<sup>[2]</sup> It is not clear from the information provided by the DWS why the notices were issued, but such notices most commonly relate to the contravention of conditions contained in water use licences. It is a criminal offence to fail to comply with any directions given in these notices. Shareholders should accordingly ask:**

- **Why were these notices issued by the DWS?**
- **What action, if any, were these facilities directed to take in these notices?**
- **Have these facilities complied with the directions (if any) given in these notices?**

#### Answer:

##### **Modikwa Platinum Mine:**

##### **What notice was issued to Modikwa and when?**

Modikwa was issued with the Notice of Intention to issue a Directive in terms of Section 53 (1) of the NWA (pre-directive) on 29 January 2014 (dated 23 January 2014).

##### **Why was the notice issued by DWS?**

The pre-directive was issued *inter alia* due to the following:

- The mine was allegedly disposing waste rock on both right and left banks of Moopetsi River which is within the 1:100 floodline.
- There are allegedly eleven river crossings which are not included within the water use license;
- Subsequently, it was alleged that Modikwa Platinum Mine was impeding or diverting the flow of water in a water resource; and
- Altering the bed, banks, course or characteristics of a water course.

##### **What actions did Modikwa take?**

- The mine stopped the activity and removed the waste rock dump which was within the 1:100 floodline.
- A representation letter was sent to DWS on 14 February 2014, which justified why we thought the department should not send us the final directive in light of the proactive actions which were taken (see attached).
- A meeting was held with DWS officials in Nelspruit on 26 February 2014, to personally present the contents of the representation letter.
- A response from DWS was received which requested further information and the compilation of the rehabilitation plan and also disputed certain information from the above meeting (see attached).
- We responded with a letter dated 22 May 2014.
- A rehabilitation plan was drafted and sent to DWS as was agreed during the meeting with DWS.

##### **Final Outcomes:**

- DWS thereafter endorsed the mine's plan on 30 March 2015, which was already implemented at that time.

##### **Bokoni Platinum Mine (BPM):**

##### **What notice was issued to BPM and when?**

Bokoni was issued with the Notice of Intention to issue a Directive in terms of Section 19(3) and 53(1) of the NWA (pre-directive) on 12 May 2015.

### **Why was the notice issued by DWS?**

The pre-directive was issued *inter alia* due to the following:

- The mine is using waste or dirty water for dust suppression, and such requires authorisation in terms of Section 21 (g) water uses of NWA.
- Stockpile Area (Stockpile material lying on bare soil between the vertical shaft and concentrator plant), and such activity requires authorisation in terms of Section 21 (g) water uses of NWA.
- In July 2014 there was an incident of oil spillage from the workshop which landed in an earth dam. The incident was never reported, up to date of the inspection. The mine has still not mitigated the pollution. Disposal of waste in a manner that may detrimentally impact on a water resource requires authorization, section 21(g) of NWA.

### **What actions did BPM take?**

Based on the compliance inspection report, the following actions were completed:

- TSF facility has been fenced.
- Technical consultants have been appointed to assist the mine to complete and update the Water Balance, and advice on water quality issues.
- The control of water in the plant area has been revised, a catchment sump built and water is returned into the service water system. The silted storm water trench has been cleaned out, and containing berm walls installed around the stock pile areas, to contain “possibly contaminated” rain from running into the storm water trench.
- The Brakfontein oil separator was serviced. A 2<sup>nd</sup> oil separator has been installed, in case the original oil separator breaks down. The 2<sup>nd</sup> oil separator has been commissioned. The oil contaminated soil from the RWD was removed to Middelpunt Hill soil rehabilitation site.
- The mines water management plan was submitted to DWS.
- The site findings were addressed in the BPM Response to Intent of Directive letter submitted to DWS, and tabled at a subsequent meeting at DWS in Mbombela.

Final feedback on the way forward is awaited from DWS.

### Community complaints

***As noted in Amplats’ annual reports, and in other publicly available sources of information,<sup>[3]</sup> complaints are frequently made by community members regarding the environmental impacts of Amplats’ operations. Most recently, in Amplats’ 2015 Sustainable Development Report, it is reported that three complaints were received in respect of emission related incidents and one in respect of a dust related incident. Although it is stated that “remedial action was taken where required”, similar complaints have been reported by Amplats almost every year. As these are clearly ongoing problems which the “remedial actions” are failing to address, shareholders should ask the management of Amplats for details of the complaints, details of the remedial action taken, and details about what the company intends to do to resolve such issues.***

### **Answer:**

Three complaints were received in respect of emissions

<b>Details of the complaints</b>	<b>Details of the remedial action taken</b>	<b>Details about what the company intends to do to resolve such issues</b>
<p>Three air quality complaints were received at the Waterval Smelter Complex (WSC) on 03 August 2015; 18 September 2016 and 30 September 2015. All three complaints were raised by Anglo American Platinum employees in the Rustenburg area complaining about exposure to gases.</p>	<p>The WSC SHE teams investigated the plant conditions in relation to the stack and ambient monitoring systems on site, to establish if legal limits were being exceeded that would cause excessive emissions.</p>	<p>In all three complaints, the levels of monitored emissions were within the legal limits and the ambient stations indicated that the ambient concentrations were low outside the WSC. It was concluded that the exposure of emissions by employees was localised to their workplace and the matter has been referred to the Occupational Hygiene Manager to conduct personal exposure monitoring.</p> <p>In addition, to mitigate the risk of gas inhalation in the workplace the WSC recommended that all employees who are working next to the WSC be given respirators. This is also compulsory for WSC employees entering the complex.</p>

One complaint was in respect of a dust

<b>Details of the complaints</b>	<b>Details of the remedial action taken</b>	<b>Details about what the company intends to do to resolve such issues</b>
<p>Chris de Bruyn complained about excessive dust at the Paardekraal tailings dam on 13 February 2016.</p>	<p>The reasons given for the dust was the reduced production levels and a wet beach could not be maintained and high wind speeds over 6m/s contributed to visible dust.</p>	<p>The management plans reported are:</p> <ul style="list-style-type: none"> <li>• Change in deposition strategy to keep the beach wets</li> <li>• Water sprays and capping of the side slopes and central dams</li> <li>• Establishment of vegetation on the side slopes</li> <li>• Testing underway on the use of wind barriers and netting</li> <li>• Continual engagement with I&amp;AP's to communicate the progress made on the vegetation, wind barriers, capping and netting.</li> </ul>