3 September 2007

Interested and Affected Party / Landowner

SEF CODE: 501334

Dear Sir / Madam

ENVIRONMENTAL IMPACT ASSESSMENT (EIA) AND DEVELOPMENT OF AN ENVIRONMENTAL MANAGEMENT PROGRAM (EMP) IN TERMS OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT 28, 2002) FOR CENTRAL RAND GOLD SOUTH AFRICA (PTY) LTD'S PROPOSED PROJECT TO MINE GOLD AND ASSOCIATED MINERALS IN THE CENTRAL RAND GOLDFIELD AREA, JOHANNESBURG, GAUTENG

- **Introduction**

Central Rand Gold South Africa (Pty) Ltd (formerly referred to as Rand Quest Syndicate) is applying for a Mining Right for gold and associated minerals in the Central Rand Goldfield area in Gauteng in terms of Section 22 of the Mineral and Petroleum Resources Development Act (Act 28, 2002) [MPRDA]. Approval to mine the area must be obtained from the Department of Minerals and Energy.

The Mining Right Application covers the part of the Central Rand Goldfield that is situated south of the central areas and east and west of Johannesburg in the Gauteng Province. The application area includes the Crown Mines, Consolidated Main Reef, City Deep and Langlaagte areas.

As part of the Mining Right Application, Central Rand Gold must prepare an Environmental Impact Assessment (EIA) and Environmental Management Program (EMP). Ferret Mining and Environmental Services (Pty) Ltd has been appointed to conduct the EIA and EMP in terms of the MPRDA, while Strategic Environmental Focus (Pty) Ltd (SEF) will be responsible for the public participation process. Please refer to the attached Background Information Document for detailed information.

- **Draft Scoping Report available for public review**

The Draft Scoping Report for the abovementioned project will be available for public review from **Monday, 10 September 2007 – Friday, 12 October 2007** at public venues in the area (please see appended Table 1 for a list of public places where the Draft Scoping Report will be available for review) and on the SEF web site www.sefsa.co.za (see below for more information).

To download an electronic copy of the report, click on Downloads (left navigation bar). A list of downloadable documents will open. Click on the files labelled *EIA and EMP for Central Rand Gold South Africa (Pty) Ltd.* Please be patient as the downloading process can take some time. Once the documents have opened in Acrobat Reader, click on the stiffy disc icon in the top left corner to save the documents to your computer. Once they are saved, you may disconnect from the Internet and peruse the document at your leisure. Should you have any problems in obtaining the information from the Internet, please feel free to contact SEF for assistance. Alternatively, an electronic copy of the report will also be available on request from the Public Participation Office.

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- **Open House to present the findings of the Draft Scoping Report**

SEF would like to invite all Interested and Affected Parties (I&APs) to attend the Open House that will be convened as follows:

Date: Wednesday 3 October 2007
Time: 13:00 – 19:00
For more information about the Open House please contact the Public Participation Office.

The objectives of the Open House will be to present the contents of the Draft Scoping Report visually; for I&APs to contribute issues of concern and/or suggestions for enhanced benefits and/or alternatives and to contribute local knowledge. I&APs will have an opportunity to meet with the members of the Project Team, engineers, and EIA technical specialists and discuss any questions they may have in their language of choice. As the Open House set-up is different to that of a public meeting, I&APs are welcome to attend at any time convenient to them between 13:00 and 19:00.

- **Invitation to participate and comment**

Since we value your participation in this application, we would like to encourage you to provide comments, issues of concern and suggestions for enhanced benefits and/or alternatives. Please complete and return the enclosed Registration and Comment Sheet on or **before Friday, 12 October 2007** to the Public Participation Office. Please note that **focus group/community meetings are planned for September and October 2007, as well as the Open House,** mentioned above**.** Should you be interested in attending one of these meetings/Open House, please indicate accordingly on the Registration and Comment Sheet.

Meanwhile, should you have any queries, please feel free to contact Lara Scheltema or Kabelo Mphake at Tel: (012) 349 1307, Fax: (086) 640 5815 / (012) 349 1229 or E-mail: Lara@sefsa.co.za/ Kabelo@sefsa.co.za.

We look forward to receiving your comments.

Yours sincerely

Antoinette Pietersen
For Strategic Environmental Focus (Pty) Ltd

ENVIRONMENTAL IMPACT ASSESSMENT (EIA) AND DEVELOPMENT OF AN ENVIRONMENTAL MANAGEMENT PROGRAM (EMP) IN TERMS OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT NO 28, 2002) FOR CENTRAL RAND GOLD SOUTH AFRICA (PTY) LTD'S PROPOSED PROJECT TO MINE GOLD AND ASSOCIATED MINERALS IN THE CENTRAL RAND GOLDFIELD AREA, JOHANNESBURG, GAUTENG

BACKGROUND INFORMATION DOCUMENT AND INVITATION TO COMMENT

Central Rand Gold

First Document for Comment
September 2007

S.E.F. STRATEGIC ENVIRONMENTAL FOCUS Since 1997 10 Years

PURPOSE OF THIS DOCUMENT

The purpose of this document is to provide Interested and Affected Parties (I&APs) with information about Central Rand Gold South Africa (Pty) Ltd's proposed project to obtain a Mining Right to mine gold and associated minerals in certain areas of the Central Rand Goldfield in Johannesburg, as well as to obtain from I&APs their initial comments and/or issues of concern with regards to the proposed project, Environmental Impact Assessment (EIA) and Environmental Management Program (EMP).

Central Rand Gold appointed an independent environmental consultant, Ferret Mining and Environmental Services (Pty) Ltd to conduct the EIA and develop an EMP in terms of the Mineral and Petroleum Resources Development Act (Act No 28, 2002) [MPRDA], while Strategic Environmental Focus (Pty) Ltd is responsible for the public participation process.

We would like to encourage all I&APs to comment on:

- The ecological, physical, socio- economic and environmental issues of concern
- The proposed public participation and EIA/EMP process, and
- Any other issues and suggestions.

Your comments will add value and enrich the EIA Report / EMP that will be submitted to the Department of Minerals and Energy (DME). Based on this application, the DME will decide on whether the proposed mining may go ahead, in accordance with the MPRDA.

Please complete the enclosed reply sheet or write, phone, fax or e-mail the Public Participation Office (see p9).

BACKGROUND

Central Rand Gold South Africa (Pty) Ltd (formerly referred to as Rand Quest Syndicate) is applying for a new Mining Right for gold and associated minerals in the Central Rand Goldfield area in Johannesburg, Gauteng in terms of Section 22 of the MPRDA. Approval to mine the area must be obtained from the DME. Central Rand Gold, which was established in 2006 to "re-explore" and "re-mine" the Central Rand Goldfield, will be the chief operator of the mining activities, should the Mining Right be granted.

Central Rand Gold obtained a Prospecting Right over the application area in July 2006. Since obtaining the Prospecting Right, the company commenced with prospecting activities and a feasibility study to determine whether gold mining would be viable. The feasibility study includes a financial, technical and socio-economic/environmental component (see Figure 1).

Proactive baseline environmental studies to determine the environmental risks thus formed part of the feasibility study. Due to the area's rich history, vigorous prospecting activities by Central Rand Gold and the availability of vast information on the study area, the complexity of the area (including the environmental risks), is well understood.

Results from the prospecting programme indicate that mining could be feasible. However, feasibility of the proposed mining activity from an environmental perspective needs to be confirmed by the EIA and EMP that are being conducted.

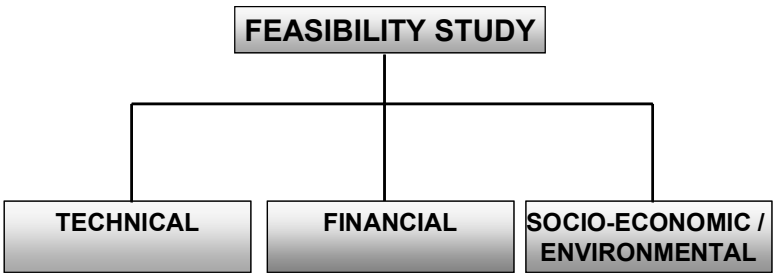

Figure 1: Feasibility study

Box 1. What is a Mining Right Application?

The Mining Right Application process is described in detail in the MPRDA. It is a structured process through which a mining company must demonstrate that it adequately understands all parts of the proposed mining project. The proponent must demonstrate to the DME that it has the financial resources to develop, operate and close the proposed mine and that it adequately understands, and can pay for the mitigation measures needed to minimise or prevent long term impact to the biophysical and social environment, and where relevant, how the project will contribute positively in the local region.

DESCRIPTION OF THE PROPOSED GOLD MINING PROJECT

Minerals to be mined

The main product from the planned mining operations will be refined gold. Crude bullion bars known as "dorè", will be produced by the company's central treatment plants and sent to a refinery (probably Rand Refinery) for further refining into 99.95% gold bars. They will be sold by recognised bullion banks in London or Zurich on the company's behalf.

An additional portion of sales revenue may be derived from the sale to third parties of residues containing silver, uranium, osmiridium, industrial minerals and sized aggregates.

LOCATION OF THE PROPOSED MINING SITE

- **General**

The Mining Right Application covers that part of the Central Rand Goldfield, that is situated south of the central areas and east and west of Johannesburg in the Gauteng Province.

With reference to Figure 2 (see enclosed map), the application area includes the former mining areas of Crown Mines, Consolidated Main Reef, City Deep and Langlaagte.

- **Names of farms**

The area is defined by co-ordinates which include portions of the farms Glen Lea 228 IQ, Randglen 229 IQ, Hospitaal 230 IQ, Vierfontein 321 IQ, Aeroton 320 IQ, Robinson 82 IR, Elandsfontein 90 IR, Doornfontein 92 IR, Vogelstruisfontein 231 IQ, Paardekraal 226 IQ, Klipspruit 318 IQ, Diepkloof 319 IQ, Mooifontein 225 IQ, Ormonde 99 IR, Turffontein 96 IR, Turffontein 100 IR, Klipriviersberg 106 IR, Elandsfontein 107 IR, Langlaagte 223 IQ, Langlaagte 224 IQ and Randskou 324 IQ.

MOTIVATION FOR THE PROPOSED PROJECT

The reason Central Rand Gold wishes to mine the area is three-fold.

- **Substantial recoverable gold deposits**

Within the project area, the original discovery of the Witwatersrand Gold Reefs was made in 1886 and until the early 70s, when much of the mining ceased due to low gold prices and increasing depths (2 800m), a total of 247 million ounces were mined at an average recovered grade of 8.2 gram per ton (g/t).

Detailed analysis of an extensive database from previously operating mines, suggests that substantial reserves could be recoverable by both surface, shallow underground and deep underground mining methods.

The application of new mining technology such as ore sorting and mechanised rock handling will therefore allow the financially viable recovery of gold (and metal by-products) from underground sources, which were previously considered to be sub-economic.

In addition, world-wide there are increased demands for gold by manufacturers of gold jewellery. Gold is also being used increasingly in electronic components because of its high conductivity (thermal and electrical) and resistance to corrosion, as well as medical applications, in particular, dentistry.

- **Socio-economic benefits for the region**

Although the proposed mining will be a highly mechanised operation, approximately 200 workers per slot will be required. Industry studies suggest a 8:1 multiplier in indirect employment from mining operations. Central Rand Gold South Africa (Pty) Ltd intends to mainly employ labour from the surrounding communities rather than from further a field.

- **New legislation – "Use it or lose it"**

The requirements of the MPRDA includes the "use it or lose it" principle. This means that holders of unused old order mineral rights which have not yet been brought into production, had to apply for a new order Prospecting or Mining Right within one year from 2004. If not applied for, the reserves reverted back to the custodianship of the State and became available to other companies able and wishing to mine them. Similarly, existing prospecting rights remained valid for two years after the MPRDA came into effect and mining rights for five years. Within these periods, the holders of such rights had to apply to the Department of Minerals and Energy to convert into a new order Prospecting or Mining Right, meeting the requirements of the MPRDA. Central Rand Gold identified an opportunity to investigate the possibility of mining gold and secured the Prospecting Rights, which have resulted in this application.

GEOLOGY OF THE PROJECT AREA AND PREVIOUS MINING ACTIVITIES

The Central Rand Goldfield (see Figure 3) comprises a 7km wide sequence of quartz pebble reefs, where heavy minerals, including gold, pyrite and potentially uranium, have been concentrated to a greater or lesser extent.

The Main Reef package near the base of the Central Rand Goldfield is considered the most important and contains several distinct sheet-like reefs. In the past, when mining occurred here, the Main Reef Leader was comprehensively mined out (except for a few small reef blocks) down to a vertical depth of about 2 800 m below surface.

The Main Reef, although well developed, was not mined extensively in much of the Central Rand Goldfield, with the exception of the old Simmer and Jack lease area in the east, where it was mined over a wide area. The South Reef was also mined quite extensively. Mining was however terminated at a shallower depth than in the case of the Main Reef Leader, as gold grades diminished progressively down-dip.

Mining of a particular reef band within the Bird Reef package occurred on a relatively minor scale, with mining restricted to the west of the project area. Again, only one of numerous pebble reefs, the K9A, was mined to a limited extent in the Kimberley Reef package.

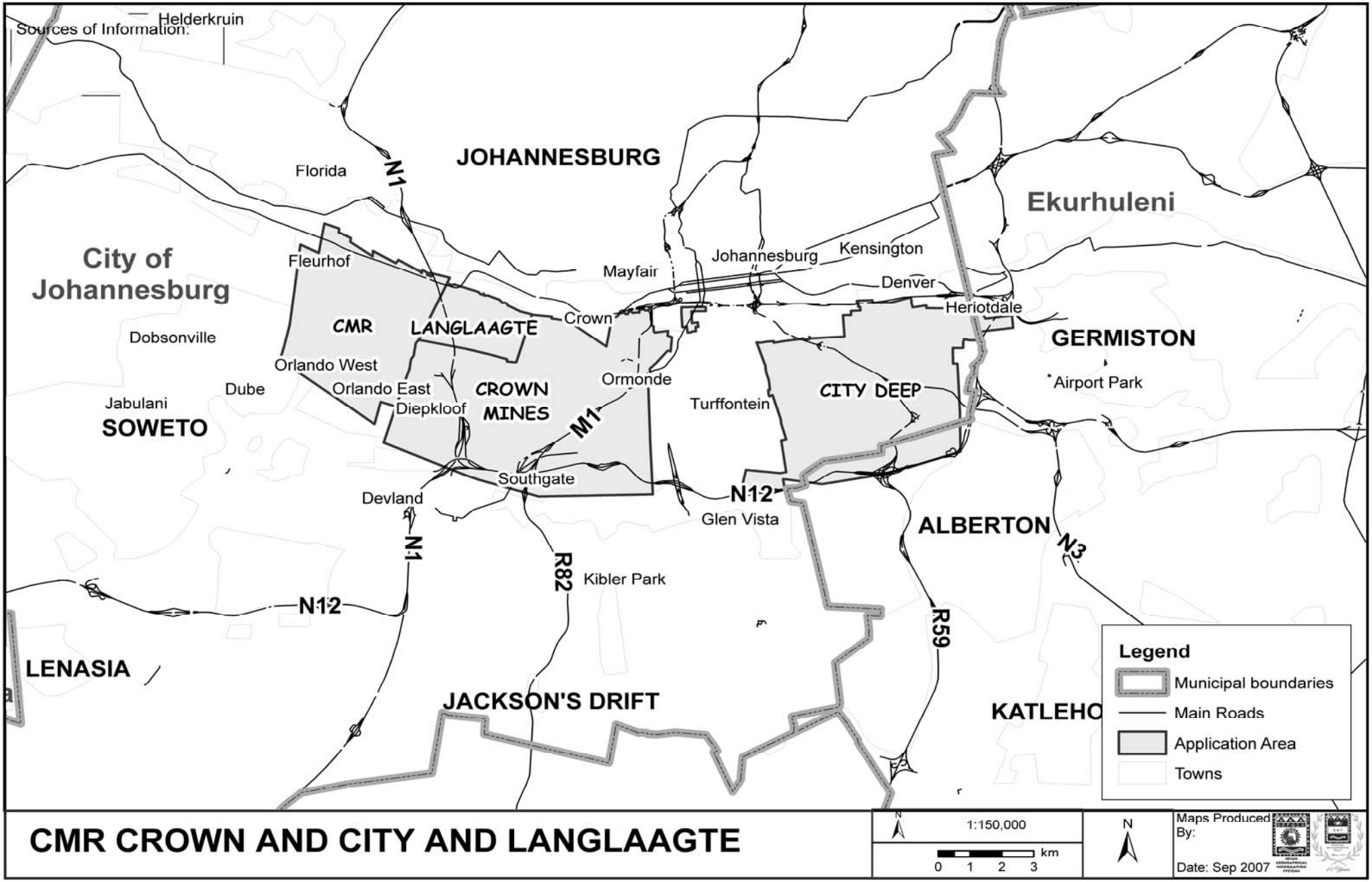

Figure 2: Locality Map

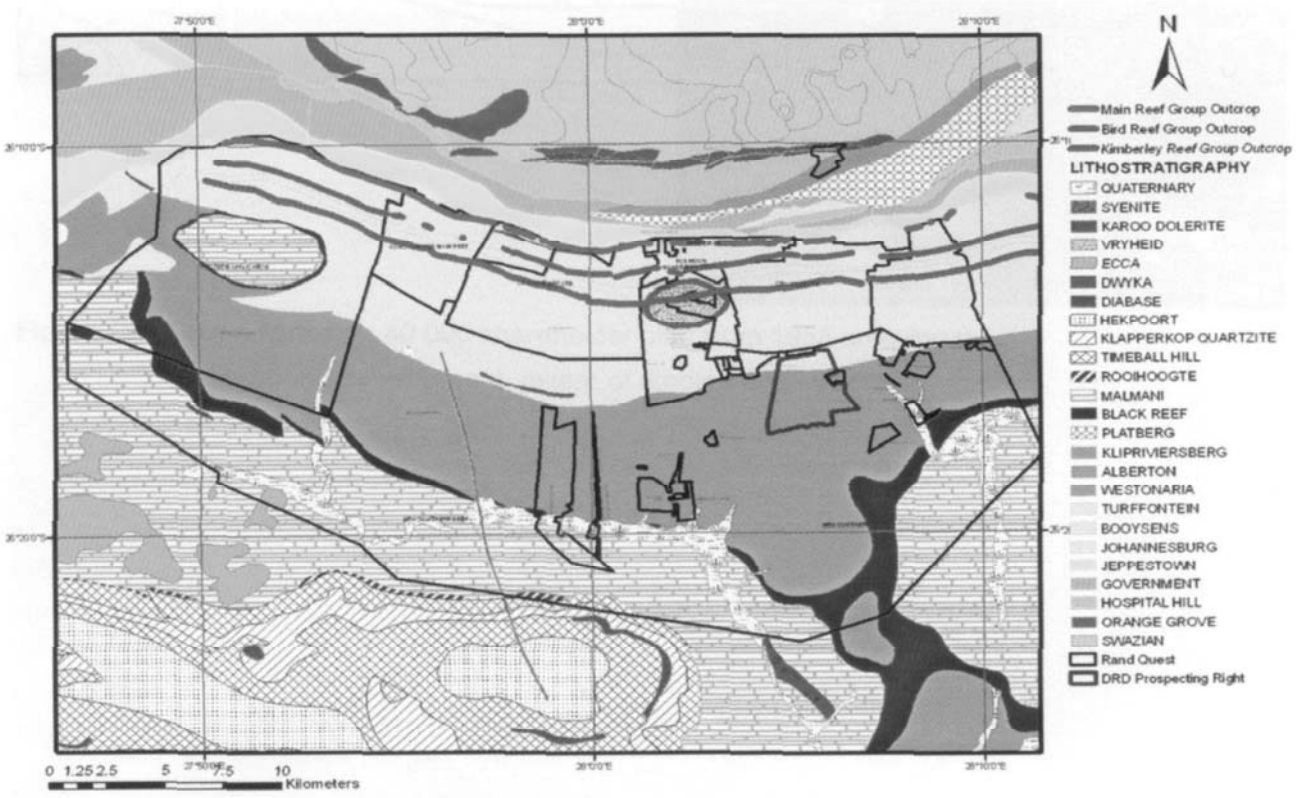

Figure 3. An illustration of the different reef packages that will be mined and that contain mainly gold, pyrite and potentially uranium.

PROPOSED MINING METHODS

Mining, if authorised, will proceed according to an agreed plan, termed the Mining Work Program.

At this stage, mining operations are planned for the three reef packages, namely the Main, Bird and Kimberley Reef packages (see Figure 3). Where available, other reef packages intersected within the mining authorisation area will be explored for economical extraction.

Mine design philosophy

The mine design process has been approached with a view to achieve optimal gold resource extraction with minimal surface impact. This will be achieved through a trackless mining layout, which in comparison with conventional narrow reef mining, lends itself to better mining efficiencies and substantially safer mining conditions for mining personnel.

Proposed mining methods

It is envisaged that the major reefs will be exploited by means of slot, undercut and shallow mining, as well as mining of the deeper ore resource with operations ultimately concentrated in underground workings.

- ***Slot and undercut mining***

Initially a "slot" will be cut at surface by ripping or excavating (i.e. no blasting) being approximately 100m long by 20m wide and 10m deep. The bedrock will be processed through a mobile "plant" which consists of a primary and secondary crusher, a gravity concentrator and floatation concentrator. These plants will be relocated underground as soon as possible.

This will result in a concentrate of approximately 10% of the volume of bedrock mined. The concentrate will then be pumped to a central extraction plant (standard CIP or CIL plant). The remaining 90% will be utilised as backfill either replaced directly or first, processed through a backfill plant to create classified backfill and then replaced in the ground. Concurrently, a footwall decline will be developed for access to the undercut and creating water drainage levels. The undercut will be performed by utilising the decline and cutting into the reef beneath the slot. The mining void will be systematically backfilled and rehabilitated. Topsoil will be stockpiled and replaced during the final rehabilitation. If and where feasible, shallow ore will be mined from underground haulages to a depth of approximately 70 mbs. These haulages will be accessed from underground workings or from the freshly excavated surface slot cuts.

- ***Shallow mining***

Reef from depths of 70 mbs – 170 mbs will be accessed through a surface portal and a decline developed in the footwall of the reef horizon (see Figure 5). All shallow reef will be hauled to surface via this portal for processing at the slot. Concentrate will be pumped to a central extraction plant.

- ***Mining of the deeper ore resource***

Ore in excess of 170 mbs, will be processed in mobile processing plants. These plants will be initially located at an elevation of 170 m and will be moved to deeper elevations of approximately 300mbs, 600 mbs and 900 mbs when required. The deeper resource will be accessed through extended declines from surface.

Figure 4. Slot mining typically entails the use of mechanical equipment.

Box 2. What will happen to the existing, old underground workings?

Large portions of the proposed mining area are disturbed land, mainly as a result of past mining activities. Today, there are some existing, old underground workings and disused shafts that pose safety threats to local communities living in the vicinity. Mining activities proposed by Central Rand Gold to a large degree will result in the strengthening of some of the present structures underground and making safe some of the old shafts. As the old underground workings could pose safety threats to workers and are no longer usable, Central Rand Gold will mostly create a new underground network, using state-of-the-art technology. This network will be continuously backfilled (made safe) as an area is completed.

Proposed production schedule

As stipulated in South African environmental and mineral legislation (i.e. the National Environmental Management Act (Act No 107, 1998 [NEMA] as amended, and the MPRDA), planned production may commence only after authorisation to proceed with the mining activity has been granted by the relevant authorities, in this case the DME. However, on the assumption that permission is received early in 2008, the first production from the surface mining operations is expected during 2009, with steady state production being planned during 2010. Underground mining operations are planned to reach steady state during 2012.

Life of the proposed mine

With the anticipated production rates previously indicated, the anticipated life of mine is at least 50 years based on present indications. This resource statement is continually being revised and updated as the results of the current exploration program are processed and integrated into the project's geological resource model.

Further confirmation of the resource will be addressed through underground exploratory work, which will confirm the validity of the underground mine plans and the availability of individual reefs for exploitation.

Figure 5. An example of a surface located decline entrance.

SURFACE STRUCTURES, SERVICES AND OPERATIONS

Surface structures at the proposed mining operations will comprise temporary structures in the form of container units, which will include the following:

- Offices
- Change-houses
- Ablution facilities
- Lamp rooms
- A medical station, and
- Workshops.

The temporary buildings will cover area of approximately 1 000 m^2, on about 10 hectares of land. Each of the portal sites (there will be approximately nine portal sites) would be about five hectares in extent. All surface operation areas will be fenced and secured.

Of importance is that there will be no planned accommodation for employees on a permanent basis, as staff and labour will be drawn from the communities resident in Johannesburg.

With regard to services that will be supplied, the following will apply:

- **Power / electricity:** The proposed surface and underground operations will source power from 1 000 Kva diesel powered generators that will be installed underground as soon as possible.
- **Water use:** The proposed surface and underground operations will require about 140 kilolitres of water per month (about 800 litres of water per ton of ore). Initially, water will be supplied by the Rand Water reticulation system and recycled. Thereafter, process water will be sourced from the mine workings and boreholes. The impacts of mining on surface and groundwater quality will be controlled through an integrated water management plan. This plan will include a Water Use License Application (see Box 3). In terms of the National Water Act (Act No. 36, 1998) this plan must be approved by the Department of Water Affairs and Forestry.

- **Waste management:** Waste will be generated by surface operations. Siliceous quartzites taken out with decline development will be crushed and sized by an independent contractor and sold as fill for industrial and road construction purposes. It is expected that there will be no slimes tailings deposition sites established due to the nature of extraction technology and that the waste generated from the processing plants will be used as backfill in underground operations.
- **Transport infrastructure:** The surface mine operations will be connected via a network of internal roads in the mining area(s).

Box 3. Some facts about a Water Use License

A Water Use License generally is required when a water use needs to be licensed. This is typical for larger and more complex residential or other urban developments where there may be abstraction of water, construction of dams, irrigation with sewerage effluent, bridge construction, etc. A Water Use License Application may take between 6 months and 2 – 3 years, depending on the complexity of the application. Before a Water Use License is granted, the Department of Water Affairs and Forestry will need to determine the Reserve. In certain catchments, a Reserve may have been determined and in others it may not yet have been determined, which could delay the issuing of a Water Use License.

A Reserve comprises two elements, an ecological and a human reserve. The ecological and human reserve is the minimum water that must be available for basic human needs and basic ecological needs after water has been allocated to other water users.

MANAGING THE POTENTIAL ENVIRONMENTAL IMPACTS OF THE PROPOSED MINING OPERATIONS

Conducting surface and underground mining operations in a sensitive urban environment will require that *inter alia* the following operating philosophies and monitoring programs are strictly adhered to at all times:

Noise management

Noise generated from the surface operations will be monitored and a noise management program will be integrated into the mining operational planning. This management program will include the strategic placement of overburden, ore and topsoil stockpiles, so as to create buffer zones between operational areas and sensitive urban locations. Wherever possible, operation of machinery in noise sensitive areas will be restricted to daylight operating hours. Noise surveys of key operational areas will be routinely undertaken and noise generation reduction through the implementation of new and innovative technological developments, particularly in the field of material science, will be continually researched.

Light nuisance management

Any light impact from the surface operations will be monitored. This will be minimised through the restriction of machinery operation to daylight hours and through minimising the construction of surface structures in the operational area.

Dust management

Dust generation from surface stockpiles and dumps will be monitored, and where necessary, dust suppression techniques will be applied. The continual rehabilitation of the excavated areas will ensure that acceptable long term dust levels are maintained and that future nuisance levels of airborne dust are minimised. It is intended that the mine tailings from the new mining operations will not be deposited on the surface of the mining authorisation area. These tailings will be used as backfill in the current workings and any excess material will be placed in the (historical) older mine workings. However, limited surface deposition areas will be needed during the initial mine development stage of the operation.

Water management

The surface operation will be managed as a “zero discharge” area and any water encountered during the operation will be pad-docked in surface storage dams for settling. If necessary, the water will be treated, prior to discharge back into the mining area.

Access to workings

Access to all surface and underground workings will be restricted at all times through fencing and security controlled access points. This will be complemented with the continuous security patrolling of the perimeter of operational areas.

Surface mining rehabilitation

Any voids created by the surface mining operations will be systematically backfilled with overburden material and processed ore and slimes. Where any topsoil is encountered, it will be stockpiled and either processed for metal recovery or integrated into the final rehabilitation scheme. Opportunities for the disposal of mining material into existing excavations on the mining lease property will be investigated. Where required, mining waste will be moved off the mining lease area to pre-designated waste disposal sites.

Stability of surface infrastructure

The impact of mining operations on the stability of surface infrastructure will be continuously recorded with a detailed risk management and geotechnical monitoring program. This will include seismic and surface subsidence monitoring, before and during mining. Modern and the latest blasting techniques will be used underground to minimise impacts.

The impact of mining activity on surface stability will be actively managed and minimised through the application of sound geotechnical principles, which will include the design of adequate pillars combined with the backfill placement into the historical and newly excavated mining voids.

Minimal disposal of waste material

Wherever possible, a minimal amount of waste material will be hauled to surface. The application of ore sorting technology underground will enable waste to be separated and hauled back into the stoping areas as rock fill. Where

commercially viable, it will be hauled to surface as an aggregate for urban construction applications.

Optimal disposal of discard material into existing and excavated mining voids

The occurrence of a significant volume of old workings in the vicinity of the planned mining operations (about 4 000 km of tunnels), provide a convenient opportunity for on-going tailings, slimes and rock fill disposal from the development and processing operations. All of these activities will be subject to adequate measures to prevent pollution of underground water systems.

Re-cycling of water from the underground workings

Wherever possible, the available water resource, accessible from the old mine workings will be utilised. Water used in mining and processing operations will be re-cycled. Capital expenditure has been provided for the rehabilitation of existing vertical shafts with rope guides, for access to the water resource and pumping equipment.

ENVIRONMENTAL IMPACT ASSESSMENT PROCESS

As mentioned earlier, as part of the Mining Right Application, Central Rand Gold must conduct an EIA and compile an EMP (see Figure 6).

An EMP is a statutory requirement of the MPRDA. It has two parts, an Environmental Impact Assessment and an Environmental Management Program, which must be submitted to DME, together in the form of an EIA Report and EMP. This report needs to indicate the potential environmental, economic and social impacts that could result from the proposed mining operation during construction, operation and closure. It needs to illustrate the issues, concerns and suggestions raised by I&APs and needs to outline the measures that must be taken to avoid or reduce negative impacts, and enhance positive impacts. The report also needs to indicate how environmental performance will be measured once the project commences, during operation and after closure of the proposed mine.

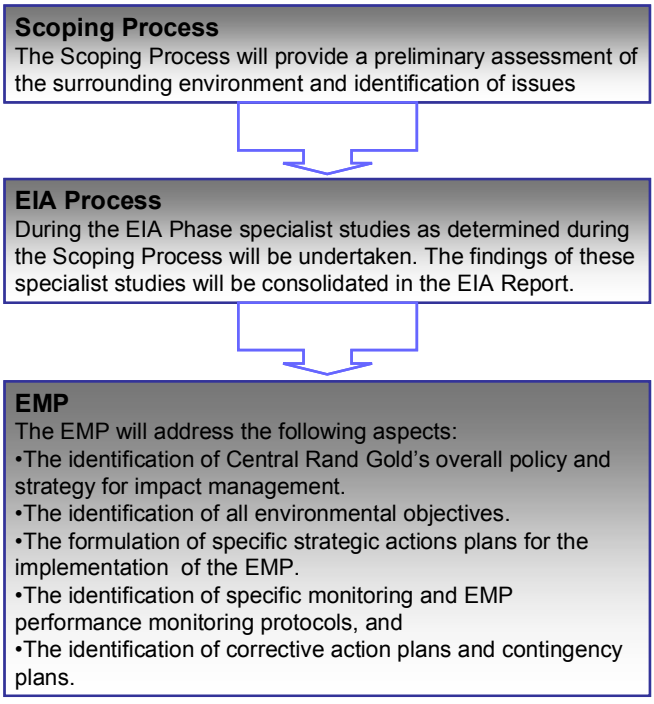

Figure 6: The EIA process

PUBLIC PARTICIPATION PROCESS

The process to conduct an EIA and develop an EMP through an interlinked process of public participation and evaluation by environmental specialists will take about six months to completion.

Public participation is the cornerstone of all environmental assessments. The aim is to assist all public and private stakeholders to identify issues of concern and to offer suggestions for enhanced benefits, for evaluation by environmental specialists.

The proposed steps as well as timing in the process are summarised here for comment.

September 2007: Announcement of invitation to participate: Invitation letters, advertisements and wide distribution of this document. Draft Scoping Report available for public review.

September - October 2007: Meetings with the authorities, communities and small groups of stakeholders. An Open House will be convened to present the findings of the Draft Scoping Report (see page 8 for more details).

Mid October – Mid November 2007: Commence with environmental impact studies.

Mid November 2007 - mid January 2008: Draft EIA and EMP available for public review. Open House to present the findings of the Draft EIA and EMP.

Mid January – beginning of February 2008: Update reports based on comments received, and submit to Department of Minerals and Energy for consideration and decision.

May 2008: Advise stakeholders of DME's decision.

Box 4. Environmental and social measures

Central Rand Gold subscribes to international best practice in sustainable development.

Central Rand Gold pursues a policy of openness and transparency in all its dealings with legislators, affected communities and other stakeholders.

In addition, all mines are required by the new minerals legislation to abide by the principles of the NEMA as amended and to comply with the principles of sustainable development. As such, all mines are required to develop a Social and Labour Plan to demonstrate how the mine will comply with the objectives of social and economic development and empowerment that are laid out in the Mining Charter for the South African mining industry in terms of the MPRDA. Central Rand Gold has indicated that it is committed to develop and implement the Mining Work Program, as well as the Social and Labour Plan, which has to be carefully integrated into the Johannesburg Metropolitan City Council's Integrated Development Plan.

POTENTIAL ISSUES FOR INVESTIGATION BY THE EIA

Specialist investigations will be undertaken to determine the potential impact of the proposed operation on the environment and to recommend ways to avoid or minimise negative impacts, and enhance positive impacts.

The following issues may be raised by stakeholders, and taken up in specialist investigations. These are presented here to stimulate stakeholders to raise further issues.

Soils and ecology: The area already has been generally disturbed by earlier gold mining activities. Specialists will assess the quality of soil through the area, and an ecologist will assess undisturbed areas and the drainage lines that cross the area to establish whether any rare or endangered species are present.

Surface water: Stakeholders in the area have long been concerned about water quality in the Klip Spruit, and may be concerned about potential impacts as a result of the new operation. The possibility of river pollution during floods and measures to reduce the risk will be evaluated. A water balance for the mine will be developed together with measures to deal with excess water from the open pit areas, as well as the underground operations.

Groundwater: Landowners and communities in the area who depend on groundwater may be concerned about potential impact on their water supply, as well as pollution of groundwater. A groundwater specialist (a geohydrologist) will assess these potential impacts and the adequacy of the mining operation's proposed pollution control and monitoring systems.

Air quality: The main impacts on air quality are likely to come from dust produced by *inter alia* exploration drilling and excavation. The environmental assessment will cover all these aspects in relation to cumulative air emissions and the ambient air quality of the region.

Noise and visual impacts: The potential impacts of noise as a result of the mining activities will be assessed. Measures to avoid or reduce impacts will be recommended by the noise and visual impact specialists.

Socio-economic issues: Unemployment and the associated poverty and poor quality of life are an ongoing source of concern in the area. Potential socio-economic benefits of the proposed operations will be investigated to ensure that maximum benefit to the local community and its structures and services is obtained. Job opportunities created by the new operation will be quantified.

Blasting and subsidence issues: Blasting and subsidence issues will be addressed as part of the rock mechanical studies.

Draft Scoping Report available for public review

Please be informed that the Draft Scoping Report will be available from **Monday, 10 September 2007 – Friday 12 October 2007** at the public venues listed in Table 1 appended.

The Draft Scoping Report will also be available on the SEF website: www.sefsa.co.za.

Open House to present the contents of the Draft Scoping Report

An Open House will be convened to present the contents of the Draft Scoping Report. An Open House provides an opportunity for I&APs to meet with the Project Team and peruse the information at their leisure. All I&APs are encouraged to attend the Open House at any time convenient between 13:00 and 19:00. Details of the Open House are as follows:

Date: Wednesday, 3 October 2007
Time: 13:00 – 19:00
For more information about the Open House please contact the Public Participation Office

Your comments please

We would like to encourage all Interested and Affected Parties (I&AP) to participate in the proposed project by contributing comments, issues of concern and suggestions for enhanced benefits and/or alternatives. Should you wish to register as an I&AP and to provide initial comments on the proposed project, or have any questions, please feel free to contact the Public Participation Office by **Friday, 12 October 2007** as follows:

Lara Scheltema / Kabelo Mphake
Strategic Environmental Focus (Pty) Ltd
PO Box 74785
LYNNWOOD RIDGE
0040
Tel +27 12 349 1307
Fax +27 86 640 5815/+27 12 349 1229
Email: Lara@sefsa.co.za/ Kabelo@sefsa.co.za
SEF Web site: http://www.sefsa.co.za
Central Rand Gold Web site:
http://www.centralrandgold.com

Your comments are important.
Please complete and return the enclosed Registration and Comment Sheet or write, fax or email the Public Participation Office.

ENVIRONMENTAL IMPACT ASSESSMENT (EIA) AND DEVELOPMENT OF AN ENVIRONMENTAL MANAGEMENT PROGRAM (EMP) IN TERMS OF THE MINERAL AND PETROLEUM RESOURCES DEVELOPMENT ACT (ACT 28, 2002) FOR CENTRAL RAND GOLD SOUTH AFRICA (PTY) LTD'S PROPOSED PROJECT TO MINE GOLD AND ASSOCIATED MINERALS IN THE CENTRAL RAND GOLDFIELD AREA, JOHANNESBURG, GAUTENG

Central Rand Gold

REGISTRATION AND COMMENT SHEET

SEF Ref No: 501334

Title_____ Name _____

Surname _____

Company Name / Interest _____

_____

Postal or Residential Address _____

_____

Area _____

Postal Code _____

Tel ( )_____

Mobile _____

Fax ( )_____

Email address _____

Please mark with an **X** to indicate whether you would like to participate in the public participation process and attend project meetings and/or the Open House:

Yes, I would like to comment/participate	**YES**
Yes, I would like to attend a focus group / community meeting	**YES**
Yes, I would like to attend the Open House	**YES**
No, I am not interested in commenting/participating	**NO**

COMMENTS (You are welcome to attach separate sheets)

The following issues must be considered by the Environmental Impact Assessment/Environmental Management Program:

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Please provide details of any of your friends/colleagues whom you would like to be added to the mailing list:

Title_____ Name _____

Surname _____

Company name _____

_____

Tel ( )_____

Fax ( )_____

E-mail ( )_____

Please complete and return to SEF by no later than **Friday, 12 October 2007:**

Attention: Lara Scheltema / Kabelo Mphake
Fax: +27 86 640 5815 / + 27 12 349 1229
Email: lara@sefsa.co.za / kabelo@sefsa.coza
Post: PO Box 74785, Lynnwood Ridge, 0040

Please feel free to **phone** us on (012) 349 1307 should you not have access to a fax or e-mail facility.

Thank you for your participation.

Please be assured that your comments will form part of the final EIA and EMP that will be submitted to the Department of Minerals and Energy.