EXTERNAL INDEPENDENT
WATER USE LICENCE AUDIT
EXXARO COAL (PTY) LTD: (C) AND (I) INTEGRATED WATER USE LICENCE
MAY 2023

CONDUCTED BY

inlexso
INNOVATIVE LEGAL SOLUTIONS

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EXTERNAL INDEPENDENT WATER USE LICENCE AUDIT

EXXARO COAL (PTY) LTD: (C) AND (I) WATER USES

Water Use Licence No: 07/A42J/CICI/6418
File No: 27/2/2/A942/4/4

Exxaro Coal (Pty) Ltd: (C) AND (I) WUL

Issued: 18 October 2019 and amended on 16 February 2022

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1. EXECUTIVE SUMMARY

1.1. The Water Use licence authorises Exxaro Coal (Pty) Ltd: Grootegeluk Mine for Section 21 (c) and (i) water use activities for the mining of coal and therefore removal of perennial pans within quaternary catchment A41E and A42J.

1.2. This licence was amended on 16 February 2022 to remove conditions not applicable to the removal of the pans authorised under the licence.

1.3. The findings in this Report are based on the physical / actual on-site observations by Inlexso (Pty) Ltd at the pans found at Grootegeluk Mine within the quaternary catchment A41E and A42J, which was conducted on 16-17 May 2023, as well as a desktop audit exercise conducted by Selvan Subroyen.

1.4. This report constitutes an assessment of the Mine's compliance with its applicable WUL namely:

Water Use Licence No: /A42J/A/5319
File No: 27/2/2/A541/2/9

Exxaro Coal (Pty) Ltd: MCWAP Abstraction

Issued: 18 October 2019 and amended on 16 February 2022

1.5. The Audit was necessitated by the fact that the Mine's current, abovementioned WUL requires an external water use licence audit to be conducted on an annual basis by virtue of Condition 11 of Appendix I which states: "*The Licensee shall appoint an independent external auditor to conduct an annual audit on compliance with the conditions of this licence. A report on the audit shall be submitted to the Provincial Head within one month of the finalisation of the audit."*

1.6. This audit report comprises of an **Audit Compliance Matrix**, which represents a working document which was populated with comments as provided by the Mine during the abovementioned Audit.

1.7. As part of Inlexso's mandate, non – compliances with the WUL are highlighted and thereafter proposed rectification and/or preventative measures are proposed. The findings and observations contained in this report represent the state of affairs on 16 - 17 May 2023.

1.8. Selvan Subroyen has 15 years environmental auditing expertise and holds the following degrees: LLB, University of South Africa; BSc Honours in Environmental Science, University of KwaZulu Natal and B Paed (Geography), University of Durban-Westville.

Andy Kabeng has 7 years environmental auditing expertise and holds the following degrees: BComm |Law, University of Pretoria. LLB (UNISA). ISO 45001 Auditor (PECB).

1.9. Selvan Subroyen was accompanied and assisted during the audit by Sethudi Lesufi (Practitioner Environment); Simon Mashele (GGC Environmental Specialists) and Filomaine Swanepoel, (Senior Environmental Specialist) for the Mine. The team also assisted by providing Inlexso with additional or supplemental information as and when required as part of the audit. They also served as a liaison official between the Mine and Inlexso. This Report is accordingly submitted to Exxaro Coal (Pty) Ltd ("Exxaro") via Filomaine Swanepoel.

1.10. Copyright subsists in the contents and format of this Report. Any unauthorised use, reproduction, editing or publication of the contents and/or format of this Report are acts of copyright infringement and makes the infringer liable for civil law copyright infringement and may in certain circumstances make the infringer liable to criminal prosecution in terms of Section 27 of the Copyright Act 98 of 1978.

2. FINDINGS

2.1. Presentation of findings

2.1.1 The Audit Compliance Matrix, which is found in this Report, contains a list of all commitments in respect of the WUL.

2.1.2 Each listed commitment in the Audit Compliance Matrix is accompanied by three columns: a column indicating the level of compliance, a column containing the comments by the Inlexso audit team and a column indicating action or proposed rectification measures to be taken (if any).

2.1.3 Findings were rated in terms of the following classification and colour coding:

2.1.3.1 **Green:** indicates compliance with the relevant WUL commitment;

2.1.3.2 **Red:** indicates non–compliance with the relevant WUL commitment; and/or

2.1.3.3 **Blue:** indicates that the relevant condition is merely a comment in the WUL which is duly noted by the Mine or the condition is not applicable to the mine.

2.1.4 The final findings are presented in the form of a percentage so as give a clear indication of the Mine's level of compliance with the WUL commitments.

3. SUMMARY OF NON – COMPLIANCE FINDINGS

No non-compliances were identified during the audit.

4. CONCLUSION

4.1. The Mine's WUL **contain approximately 54 conditions**. This total figure represents the listed conditions in the Mine's WUL and does not take into account any possible repetition or duplication of the conditions.

4.2. **20** conditions of the WUL were **noted.**

4.3. The Mine was found to be **compliant with 34** of its applicable WUL conditions.

4.4. Overall, the Mine is **compliant with 100%** of the applicable WUL conditions**.** This total was achieved by excluding those conditions found to be noted and not applicable from the total number of conditions.

5. AUDIT COMPLIANCE MATRIX - See table that follows hereunder

GROOTEGELUK (C) & (I) INTEGRATED WATER USE LICENCE COMPLIANCE MATRIX
File Number: 27/2/2/A942/4/4
License No: 07/A42J/CICI/6418
Issued: 18 OCTOBER 2019 and Amended on 16 FEBRUARY 2022

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
1	This licence is subject to all applicable provisions of the National Water Act, 1998 (Act 36 of 1998).	Noted	Excel GG 2022 Environmental Incidents Report Sheet. Grootegeluk Standard Practice Instruction SHEC Related, SPI/GG/H01.003 dated 3 January 2022 with revision date of 3 January 2025.	Section 19 of the NWA needs to be adhered to and it requires the licensee to implement measures for the prevention and remedying effects of pollution.				
2	The responsibility for complying with the provisions of the licence is vested in the Licensee and not any other person or body.	Noted	Licence 07/A42J/A/5319 dated 19 April 2021.	The licence was issued to Exxaro Coal (Pty) Ltd., and responsibility of complying with the licence lies with Exxaro Coal (Pty) Ltd.				
3	The Licensee must immediately inform the Provincial Head of any change of name, address, premises and/or legal status.	Compliant	Deeds Web title deed was inspected, and it confirmed that all properties listed belongs to Exxaro Coal (Pty) Ltd.	No change of name, address, premises and/or legal status occurred during the audit period. It was concluded that this information remains unchanged.				
4	If the property in respect of which this licence is issued is subdivided or consolidated, the Licensee must provide full details of all changes in respect of the properties to the Provincial Head of the Department within 60 days of the said change taking place.	Compliant	Deeds Web title deed dated May was inspected and it was confirmed that the listed properties belong to Exxaro. (Daarby 458, Grootegeluk 459, Hieromtrent 460, Leeuwdrift 312 LQ).	None of the properties in indicated in the licence were subdivided or consolidated during the audit period.				
5	If a Water User Association is established in the area to manage the resource, membership of the Licensee to the Association is compulsory. Rules, regulations and water	Compliant	Registration letter is in place. Auditor had sight of the August 2016 letter received from the Mokolo water user association.	GG is part of the Mokolo Water Users Association, in 2023 an interim management committee was established, and GG is part of that committee.				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
	management stipulation of such association must be adhered to.							
6	The Licensee shall be responsible for any water use charges and/or levies imposed by a Responsible Authority.	Noted	Auditor had sight of: Proof of payment notice- GG & Thabametsi Levies 19 April 2023	Levies are being paid as invoices are received.				
7	While effect must be given to the Reserve as determined in terms of the Act, where a lower confidence determination of the Reserve has been used in issuance of this licence, the licence conditions may be amended should a higher confidence reserve be conducted.	Noted	Visual inspection of Government Gazette GN 1669 of 14 January 2022 Mokolo and Matlabas catchments' Reserves.	The mine has committed that it will comply with the Reserve as published on 14 January 2022.				
8	The licence shall not be construed as exempting the Licensee from compliance with the provisions of any other applicable Act, Ordinance, Regulation or By-law.	Compliant	Libryo - Digital Site legal register dated 17 May 2023, with online Standards and Legal notifications for Exxaro.	All other applicable Acts, Ordinances, Regulations and By-laws are adhered to by Exxaro as a company, however for this water use no other compliance to any other Act is required. If any other applicable Act, Ordinance, Regulation or By-law is relevant, Exxaro will comply with the legislation.				
9	The licence and amendment of this licence are also subject to all the applicable procedural requirements and other provisions of the Act, as amended from time to time.	Noted		At the time of the audit this condition is noted, and no action required by the Licensee.				
10	The Licensee shall conduct an annual internal audit on compliance with the conditions of this licence. A report on the	Compliant	Internal Water Use Licence Audit for Exxaro (Pty) Ltd, Grootegeluk 2022 – was finalized 9 Dec 2022. Submitted 4 January 2023,	The internal audit conducted, as required the report was submitted to the Provincial Head				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
	audit shall be submitted to the Provincial Head within one month of the finalization of the audit.		GG.DWS.019.2022 - Internal IWUL Compliance Report for 2022	within one month of the finalisation of the audit.				
11	The Licensee shall appoint an independent external auditor to conduct an annual audit on compliance with the conditions of this licence. A report on the audit shall be submitted to the Provincial Head within one month of the finalisation of the audit.	Compliant	Proof of Submission In place: GG.DWS.011.2022 - Submission of the 3rd Party IWUL Audit Report 2021 - 19 Jul 2022	The External Audit for 2022 was conducted by Inlexso in May 2022 and finalized 08 July 2022. The report was submitted a month after the report was finalized. Inlexso was appointed to conduct the 2023 External Audit in May 2023				
12	Any incident that causes or may cause water pollution must be reported to the Provincial Head or a designated representative within 24 hours.	Compliant	Excel GG 2022 & GG 2023 Environmental Incidents Report Sheet.	No reportable water related incident occurred within the audit period. (May 2022 to May 2023)				
13	The Department accepts no liability for any damage, loss or inconvenience, of whatever nature, suffered as a result of / amongst other things.	Noted		This condition is noted, and no action is required from the Licensee.				
13.1	Shortage of water;							
13.2	Inundation of flood;							
13.3	Any force majeure event;							
13.4	Siltation of the river of dam basin; and							
13.5	Required Reserve releases							
1	**GENERAL**							
1.1	This licence authorises Exxaro Coal (Pty) Ltd: Grootegeluk Mine for Section 21 (c) and (i) water use activities for the mining of coal and therefore removal of perennial pans as set out in Table 2 within quaternary catchment A41E and A42J and	Compliant	Inspection of the Pan closest to the mining area of Grootegeluk which still falls outside the mining fenced areas.	Pans 44 and 18 was used for the Donor pans for the Pan Creation Proof of Concept study, as was agreed with DWS during the licencing process. The Mines fence line is then also within 100m of some of the				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
	in the water use licence application reports submitted to the Department (refer condition 1.2).			licensed pans. The first pans will be mined through in 2023.				
1.2	The Licensee must carry out and complete all the activities listed under condition 1.1 according to the following:	Noted	Noted as per the reports set out under 1.2.1. updated offset strategy was submitted in August 2022 reference number: GG DWS 015.2022.	This is noted updated and Final Monitoring Bio-monitoring Program, Rehabilitation Plan, Offset Strategy was submitted to the Department as per the license requirement in 2020. Activities are taking place accordingly. As reports are revised and updated, they are shared with the department.				
1.2.1.	Reports submitted to the Department or the Provincial Head, specifically:							
1.2.1.1	Wetland Report compiled by Ground Truth water, wetlands and environmental Engineering, dated October 2018;							
1.2.1.2	Water Monitoring Programme compiled by Exxaro Coal Grootegeluk, effective date 2018;							
1.2.1.3	Rehabilitation Plan compiled by Golder Associates Africa (Pty) Ltd., dated November 2018;							
1.2.1.4	Environmental Management Programme report compiled by Golder Associates Africa (Pty) Ltd, dated September 2013;							
1.2.1.5	IWWMP compiled by Golder Associates Africa (Pty) Ltd, dated November 2018;							
1.2.1.6	Surface and Storm Water Management Plan compiled by Golder Associates Africa (Pty) Ltd, dated September 2013;							
1.2.1.7	Off-set Strategy Report compiled by Digby Wells Environmental, dated June 2018;							
1.3	No activity must take place within the 1:100-year flood line or the delineated riparian	Compliant	Exxaro Coal (Pty) Ltd: Grootegeluk Coal Mine Integrated Water and Waste Management	No unauthorized activities took place within the 1:100-year flood line or the delineated riparian				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
	habitat, whichever is the greatest, or within 500 m radius from the boundary of any wetland unless authorised by this licence.		Plan for 63 pans within Grootegeluk areas - 2018. Compiled by Golder Associates Africa (Pty) Ltd. Report reference: 1405692-321355-13. Dated: November 2018. Wetland study within the Exxaro Grootegeluk Complex, GG/G20/29/03/2017 dated October 2018, compiled by GroundTruth Water, Wetland and Environmental Engineering.	habitat as the closest river to the site, the Moloko River, where not authorized. All 63 pans are licensed to be mined though.				
1.4	The conditions of this authorisation must be brought to the attention of all persons (employees, sub-consultants, contractors etc.) associated with the undertaking of these activities and the Licensee must take such measures that are necessary to bind such persons to the conditions of this licence.	Compliant	Mail to Surveyors to demarcate pans during the fence move of 2020. Mail to Geology on 18 April 2023 – Noting the positions of the boreholes in relation to the pans.	Awareness is currently done per section as persons work within the specific area. The Mines fence line is then also within 100m of some of the licensed pans. The pit movement will impact the first pans by Mid 2023 - Vegetation Clearing & Prospecting.				
1.5	A copy of the water use licence and reports set out under condition 1.2 of this Appendix must be on site at all times.	Compliant	Exxaro Coal (Pty) Ltd. Grootegeluk Mine WUL available on site. (SharePoint Link)	At the time of the audit, it was found that a copy of the WUL was available on site and made available to the Audit Team.				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
1.6	A suitably qualified person(s), appointed by the Licensee, and approved in writing by the Provincial Head, must be responsible for ensuring that the activities are undertaken in compliance with the specifications as set out in reports submitted to the Department or the Provincial Head and the conditions of this licence.	Compliant	Exxaro to the Provincial Head under reference GG.DWS.002.2020 Proof of submission of letter with appointment submitted to the Provincial Head, GG.DWS.021.2021 – Biomonitoring submission and change in contractor – 15 Dec 2021	Letter indicating the appointment of Qualitied persons where submitted, however no approval has been received from the Provincial Head.				
1.7	Ecological class of rivers and wetlands (seasonal pans) that will remain within the catchment & the offset (PES of B) must not to be lowered. Recommended Ecological Class (REC) for wetland must be set as class B.	Noted	Digby Wells Wetland Bio-monitoring Annual Report 2022.	The annual wetland biomonitoring report for 2022 indicate that the 18 pans being monitored still have a PES of B GG is in the process of amending the monitoring programme.				
2	**FURTHER STUDIES AND INFORMATION REQUIREMENTS**							
2.1	An Environmental Management Plan (EMP) and rehabilitation plan for the remaining wetlands listed in Table 1 must be submitted (5) years before commencing with closure to the Provincial Head for a written approval.	Noted	Noted.	The rehabilitation plan will be revised and submitted 5 years before closure of the mine				
3	**PROTECTIVE MEASURES**							
3.1	***Structures and Materials***							
3.1.1	*Removed – Amendment approved 16 Feb 2022*							

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
3.1.2	Any access roads, bridges, pathways or other linear crossings should be:	Noted		The license is for the removal of 63 pans through mining activities. These pans will be mined through and lost when vegetation is cleared Currently no Crossing of system will be done.				
3.1.2.1	Non-erosive, structurally stable and should not induce any flooding or safety hazard;							
3.1.2.2	Any damage is repaired immediately to prevent further damage;							
3.1.2.3	Non-polluting with respect to silt and litter that can be deposited into a watercourse;							
3.1.2.4	*Removed – Amendment approved 16 Feb 2022*							
3.1.2.5	*Removed – Amendment approved 16 Feb 2022*							
3.1.2.6	*Removed – Amendment approved 16 Feb 2022*							
3.1.2.7	Not consist of any polluting material.							
3.2	***Riparian and In-stream Habitat (Vegetation and Morphology)***							
3.2.1	*Removed – Amendment approved 16 Feb 2022*							
3.2.2	Operation and storage of equipment must not take place within the 1: 100-year flood line or delineated riparian habitat, whichever is the greatest unless authorised in this license.	Compliant	Visual Inspection of the area.	No Operation and Storage of equipment takes place within a 1:100-year flood line & Delineated pans, unless authorized. - No Riparian Habitat is evident.				
3.2.3	*Removed – Amendment approved 16 Feb 2022*							
3.2.4	Alien and invader vegetation must not be allowed to further colonise the remaining wetland and offset areas, and all new alien vegetation recruitment must be sustainably eradicated	Noted		The GGC rollout of the Phase 2 Alien Invasive control program planned for 2023 will Implemented on GG. Currently the pans are not impacted and thus there are no Alien Invasive				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
	or controlled according to a respective management plan as was submitted to the Provincial Head before being implemented.			plants of concern associated with these watercourses. As the mine impacts the area over time the GG Alien Invasive Control plan will be rolled out into these areas. Plan to be submitted to the Department before implementation				
3.2.5	*Removed – Amendment approved 16 Feb 2022*							
3.2.6	*Removed – Amendment approved 16 Feb 2022*							
3.2.7	*Removed – Amendment approved 16 Feb 2022*							
3.2.8	*Removed – Amendment approved 16 Feb 2022*							
3.2.9	*Removed – Amendment approved 16 Feb 2022*							
3.3	***Biota***							
3.3.1	*Removed – Amendment approved 16 Feb 2022*							
4	**REHABILITATION AND MANAGEMENT**							
4.1	*Removed – Amendment approved 16 Feb 2022*							
4.2	All disturbed areas must be re-vegetated with an indigenous seed mix in consultation with an indigenous plant expert, ensuring that during rehabilitation only indigenous shrubs, trees and grasses are used in restoring the biodiversity.	Noted		Revegetation will be done on the remaining pans not impacted or destroyed by mining should it be required It should be noted that the Pans in front of the pit will be mined through and lost. The surrounding areas where Pan 44 & 18 was impacted will be allowed to naturally re-vegetate and seed mix used				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
				only is natural regrowth is insufficient. However, these areas will be mine through in 2023.				
4.3	An active campaign for controlling invasive species must be implemented within disturbed zones to ensure that it does not become a conduit for the propagation and spread of invasive exotic plants.	Noted	Grootegeluk Draft Alien Invasive Control Plan Coupa request - Phase 2 -Coupa service number 124270 approved sourcing form.	The GGC rollout of the Phase 2 Alien Invasive control program planned for 2023 will Implemented on GG. Currently the pans are not impacted and thus there are no Alien Invasive plants of concern associated with these watercourses. As the mine impacts the area over time the GG Alien Invasive Control plan will be rolled out into these areas. Plan to be submitted to the Department before implementation				
4.4	*Removed – Amendment approved 16 Feb 2022*							
4.5	Topsoil must be stripped and redistributed	Compliant	Grootegeluk Observed Topsoil stockpiles.	Topsoil will be striped as per the mines EMP for the area as the pit moves toward the Western border of the Mining area. Stockpiled Topsoil will be used in the mine rehabilitation activities.				
4.6	The Provincial Head must sign a release form indicating that rehabilitation was done satisfactory according to specifications as per this license.	Noted		This is noted and will be complied with once final rehabilitation has commenced.				
4.7	*Removed – Amendment approved 16 Feb 2022*							

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
4.7.1	*Removed – Amendment approved 16 Feb 2022*							
4.7.2	*Removed – Amendment approved 16 Feb 2022*							
4.7.3	*Removed – Amendment approved 16 Feb 2022*							
4.8	*Removed – Amendment approved 16 Feb 2022*							
4.9	The Offset Plan must be updated to consider the rehabilitation of the relevant pans within the offset for approval by the Provincial head within 6 months of the license amendment being issued.	Noted	GG.DWS.015.2022 – 15 August 2022.	Revised offset plan was submitted in 2022				
4.10	Experienced environmental rehabilitation personnel as well as the correct equipment for environmental rehabilitation must be available.	Noted		This is noted and experienced environmental rehabilitation personnel as well as the correct equipment will be used during rehabilitation.				
5	**MONITORING AND REPORTING**							
5.1	**A comprehensive and appropriate environmental assessment and monitoring programme** (**including bio-monitoring and eco-toxicology**) to determine the impact, change, deterioration and improvement of the aquatic system associated with the activities listed under condition 1 .1 and other existing activities as well as compliance to this water use licence conditions **must be developed and submitted to the Provincial Head for a written approval before**	Compliant	GG.DWS.006.2020 - Submission of Documents as per c&i IWUL - Submitted 1 April GG.DWS.009.2020. - Submission of Remaining Documents as per c&i IWUL - Submitted 1 July 21, Follow-up 10 Aril 21, Resubmitted 26 Oct 20, 3 Nov 20, and Hard Copies - 9 Nov 22. Follow-up - GG.DWS.008.2021 - Follow-up on Approval of Documents (22 April 21). Draft Biomonitoring Report - Wetland Biomonitoring for the	Biomonitoring Plan for the seasonal pans were created and submitted to the department in 2020. The plan has however not been approved. Digby Wells was appointed, and the Biomonitoring Specialists and the first Biomonitoring commenced in January 2021. The last biomonitoring was conducted 1-3 March 2023				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
	commencement and must subsequently be implemented.		Grootegeluk Coal Mine (Project Number EXX6656).					
5.2	Six (6) monthly monitoring reports for Groundwater and surface water must be submitted to the Provincial Head until otherwise agreed in writing with the Provincial Head.	Compliant	GG 4th Quarter Water Quality Report 2022. - GG.DWS.006.2023 - 2022 fourth quarter water quality report – Submitted 10 Mar 2023	The quarterly monitoring reports (which includes water level monitoring) was submitted to the Provincial Head. It should be noted that groundwater and surface water impacts (monitoring) take place at Grootegeluk as part of their initial WUL.				
5.3	A qualified and responsible scientist must be retained by the Licensee who must give effect to the various licence conditions and to ensure compliance thereof pertaining to all activities impeding and/or diverting flow of watercourses as well as alterations to watercourses on the property as set out in condition 1.1.	Compliant	Appointment of Digby Wells as Specialist for Biomonitoring (C60002707). – Ref GG.DWS.028.2021 - Biomonitoring Report Submission	Exxaro has appointed qualified and responsible scientists to assist with the various conditions within the WUL. The Exxaro Environmental team with the help of Digby Wells – who is doing the Bio-monitoring will ensure compliance to the conditions.				
5.4	The Licensee shall conduct an internal and external audit as per condition 1 1 and 12 of Appendix 1 and the audit report must include:							
5.4.1	Reporting in respect of the monitoring programme referred to in condition 5.1 of Appendix IV and all other reporting and compliance conditions outlined in this licence;	Compliant	Review of the External Audit was conducted 11-12 May 2022 and finalized July 2022. Proof of submission GG.DWS.011.2022 - External IWUL Audit Reports to the Provincial Head (PS Ramolobeng) dated 19 July 2022.	The annual internal and external WUL audit was undertaken for Grootegeluk in respect of this licence during May 2022 & Oct 2022. The external audit report includes reporting in respect of the monitoring programme, a record of implementation of mitigation measures and recommendations where non				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
				compliances were observed. Reporting in relation to the monitoring programme will take place under condition 5.1 of this WUL and recommendations has been made to suggest adequate mitigation measures where non-compliance exist. The mine addressed the Non-compliances via their corrective action system.				
5.4.2	A record of implementation of all mitigation measures including a record of corrective actions; and	Compliant	Grootegeluk Compliance Action sheet	All non-compliances were captured and are actively managed by the mine.				
5.4.3	*Removed – Amendment approved 16 Feb 2022*							
5.5	The Licensee must apply in writing to the Provincial Head for alternative reporting arrangements for which written approval must be provided.	Noted		The Licensee did not apply for alternative reporting arrangements during the audit period. It should be noted that groundwater and surface water impacts (monitoring) take place at Grootegeluk as part of their initial WUL.				
5.6	*Removed – Amendment approved 16 Feb 2022*							
6	**OTHER WATER USERS**							
6.1	The Licensee must attempt to prevent adverse effects on other water users. All complaints must be investigated by a suitable qualified person and if investigations prove that the Licensee has impaired the rights of other water users, the	Compliant	Excel GG 2022 & 2023 Environmental Incidents Report Sheet.	There is a complaints register is in place to capture any complaints, where after an investigation will be conducted to make sure that the complaint is valid. The complaints register forms part of the incident list at Exxaro.				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
	Licensee must initiate suitable compensative measures.			No complaint related to the seasonal pans was received from the surrounding water users.				
7								
7.1	If surface and/or groundwater pollution has occurred or may possibly occur, the Licensee must conduct, and/or appoint specialists to conduct necessary investigations and implement additional monitoring, pollution prevention and remediation measures to the satisfaction of the Provincial Head.	Noted	No mining in the pan area has commenced.	No surface and/or groundwater pollution occurred during the audit period which could impact on the 63 pans. No mining in the pan area has commenced. This condition is noted.				
7.2	The Licensee shall keep all records relating to the compliance or non-compliance with the conditions of this licence in good order. Such records shall be made available to the Provincial Head within 14 (fourteen) days of receipt of a written request by the Department for such records.	Compliant	External Audit for Water Use Licence 07/A42J/CICI/6418 for Exxaro Coal (Pty) Ltd.: Grootegeluk Mine - 2022 compiled by Inlexo - Finalized July 2022 GGC IWUL Compliance matrix – Q1 of 2023 & Actions Plans.	All records relating to compliance and non-compliance of the WUL conditions are recorded in the audit reports. Both the internal and external audit reports are available to the Provincial Head upon request. No request for this information has been received by the Department				
7.3	The Licensee shall keep an incident report and complaints register, which must be made available to any external auditors and the Department.	Compliant	Excel GG 2022 & 2023 Environmental Incidents Report Sheet.	No complaint related to the seasonal pans was received from the surrounding water users.				
8	**BUDGETARY PROVISIONS**							
8.1	The water user must ensure that there is a budget sufficient to complete and maintain the water use and for successful implementation of the	Compliant	Exxaro Grootegeluk closure liability review 2022 draft spreadsheet. A total of R368570 has been budgeted for the rehabilitation.	The Exxaro Grootegeluk closure liability review 2022 does provide for the monitoring relating to to creating pans. After the 5-year monitoring plan based on the outcome on the				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
	rehabilitation programme as set out in this licence.			study, a decision will be made on the creation of future plans.				
8.2	The Department may at any stage of the process request proof of budgetary provisions for rehabilitation and closure of project.	Noted		At the time of the audit, no request from the Department have been received for the proof of budgetary provisions for rehabilitation and closure of project.				
9	**MONITORING**							
9.1	**Bio-Monitoring**							
9.1.1	The Licensee must develop and submit to the Provincial Head within six (6) months of issuance of the Licence a bio-monitoring programme that will include the compilation of an initial database from which the scope and frequency of future bio-monitoring can be developed. This initial assessment must lead to the establishment of a reliable site-specific long-term bio-monitoring programme. This programme must be able to qualify and quantify the impact on biological systems in the water environment in the area directly affected by activities as well as downstream from these activities.	Compliant	GG.DWS.006.2020 - Submission of Documents as per c&i IWUL - Submitted 1 April GG.DWS.009.2020. - Submission of Remaining Documents as per c&i IWUL - Submitted 1 July 21, Follow-up 10 Aril 21, Resubmitted 26 Oct 20, 3 Nov 20, and Hard Copies - 9 Nov 21. Follow-up - GG.DWS.008.2021 - Follow-up on Approval of Documents (22 April 21).	There is an existing monitoring programme for the Grootegeluk mine area, and monitoring points extend into the mine extension site (which includes the authorised water use activities). GG is in the process of updating the monitoring programme for 2023.				
9.1.2	*Removed – Amendment approved 16 Feb 2022*							
9.1.3	*Removed – Amendment approved 16 Feb 2022*							

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
10								
10.1	The Licensee must develop and implement an Emergency and Contingency Plan.	Noted		The mine has an Emergency Plan and will need to be updated to also consider any potential impact on the pans when the mine moves into the area - SPIGGH06.101 GG complex emergency plan - revision date June 2025.				
10.2	*Removed – Amendment approved 16 Feb 2022*							
10.2.1	*Removed – Amendment approved 16 Feb 2022*							
10.2.2	*Removed – Amendment approved 16 Feb 2022*							
10.2.3	*Removed – Amendment approved 16 Feb 2022*							
10.2.4	*Removed – Amendment approved 16 Feb 2022*							
10.2.5	*Removed – Amendment approved 16 Feb 2022*							
10.2.6	*Removed – Amendment approved 16 Feb 2022*							
10.2.7	*Removed – Amendment approved 16 Feb 2022*							
10.2.8	*Removed – Amendment approved 16 Feb 2022*							
10.3	*Removed – Amendment approved 16 Feb 2022*							
10.4	The Licensee must rectify all valid issues reported within 7 days of the issue being reported to the Licensee. All incidents shall be recorded in an incident register which will include reasons for non-rectification of issues raised.	Compliant	Excel GG 2022 & 2023 Environmental Incidents Report Sheet.	No complaint related to the seasonal pans was received from the surrounding water users.				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
10.5	Statistical summary of malfunctions and incidents shall be included in the Annual Report.	Compliant	At the time of the Audit no complaints or incident as it relates to the Grootegeluk pans where received. Incident Register 2022 / 2023	No malfunctions or incidents as it relates to the Grootegeluk pans where received. Also, no malfunctions were recorded to include in the Internal Audit report.				
11	**SITE SPECIFIC CONDITIONS**							
11.1	The wetland specialist mitigation measures must be implemented.	Compliant	Offset plan GGDWS.015.2022 – Submission 15 August 2022 Pan Creation Concept - GGDWS.022.2021	The Monitoring Protocols as submitted has been implemented. (The Monitoring Program will be reviewed and updated to consider the amended conditions). Water monitoring programme as per Operational Instruction is implemented for Surface, Ground Water and Bio-monitoring.				
11.2	Designs and methodologies must be updated and a plan for this proposed.	Compliant	Offset plan GGDWS.015.2022 – Submission 15 August 2022 Pan Creation Concept - GGDWS.022.2021	The Pan Creation POC Methodology and the offset plan were submitted which address the mitigation.				
11.3	An AMD strategy must be submitted for approval within a year and provision made for money to implement the strategy.	Compliant	Grootegeluk Acid Mine Drainage (AMD) Strategy. Submission of AMD Strategy to the Provincial Head (MD Nethengwe) under reference GG.DWS.007.2021 dated 19 April 2021.	The AMD strategy was submitted to the Provincial Head for approval within a year from issuance of the licence.				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
11.4	Decant areas and volumes must be shown on a map	Compliant	Grootegeluk Pollution Source-Preliminary Report, 1786935-322974-1, dated May 2020, compiled by Golder Associates Africa (Pty) Ltd. Visual observation of Grootegeluk Mine: Contaminant Transport Modelling Report, GGtG20l27l111201712, dated November 2018 compiled by GCS (Pty) Ltd.	No decant areas were identified as part of the groundwater, pollution source term characterisation or contaminated transport modelling assessments conducted at Grootegeluk.				
11.5	The pollution plume must be shown on a map.	Compliant	Grootegeluk Mine: Contaminant Transport Modelling Report, GGtG20l27l111201712, dated November 2018 compiled by GCS (Pty) Ltd.	At the time of the audit, it was found that a map with the pollution plume was included into the groundwater modelling report (Figure 5.4 in GCS report) The mine GW model will be reviewed and updated in 2023				
11.6	*Removed – Amendment approved 16 Feb 2022*							
11.7	*Removed – Amendment approved 16 Feb 2022*							
11.8	Baboon spiders must be relocated.	Compliant	Permit to capture, transport and release issued in terms of the National Environmental Management Biodiversity Act, 2004 (Act 10 of 2004), permit 10663 for the period 16 March 2020 to 16 February 2021. Exxaro Grootegeluk Mine: Biodiversity Study to Inform Wetland Creation, Wetland Offsetting and Protected Species Relocations Nov 2019 - GroudTruth. GTB244_Exxaro Grootegeluk Baboon and Protected Plant Relocation Strategy Report (FINAL) - Ground Truth 2020	A permit for capturing, transport and relocation of several biota (including baboon spiders) has been obtained. Relocation of the biota was undertaken in 2020. The strategy developed form this process will be implemented in future.				

Reference	Conditions	Compliant/ Non-Compliant	Proof of Compliance	Comments and plan of action	Agreed to Management Response	Responsible Person	Accountable Person	Action Date
11.9	*Removed – Amendment approved 16 Feb 2022*							
11.10	The ecological monitoring and Auditing plan and Programme must be submitted to the Provincial Head for approval before mining starts.	Compliant	Monitoring Protocol for Non-perennial pans, GG/G20/29/03/2017 dated April 2020, compiled by GroundTruth Water, Wetland and Environmental Engineering. Proof of submission of Monitoring programme and Concept Study to the Provincial Head (MD Nethengwe) dated 21 April 2020. Exxaro letter GG.DWS.006.2020 dated 20 April 2020 submitted to the Provincial Head pertaining to compliance of the condition. Visual inspection of Grootegeluk Audit Schedule dated 2020.	The Bio-monitoring Monitoring protocol has been submitted to the Provincial Head for approval. (The Monitoring Program will be reviewed and updated to consider the amended conditions).				
11.11	*Removed – Amendment approved 16 Feb 2022*							
11.12	Proof of latest audits must be submitted indicating 95% compliance. The other 5% must not have impacts on water resources.	Compliant	Internal Water Use Licence Audit for Exxaro (Pty) Ltd, Grootegeluk 2022, finalised on 9 December 2022. submitted 4 January 2023. External Audit was conducted 12-13 May and finalized July 2022 Proof of submission GG.DWS.011.2021 - External IWUL Audit Reports to the Provincial Head (PS Ramolobeng) dated 19 July 2022.	The annual External WUL audit for 2022 conducted in May 2022, indicated a compliance scoring of 100%. At the time no pans had been impacted				

I, **Risimati Chauke** (name and surname), as the **Acting General Manager** of **Exxaro Coal (Pty) Ltd: Grootegeluk Coal Mine**, confirm that I have read and understand the contents of this audit report.

Signed at **Grootegeluk, Lephalale** (place), on 17/07/23 (date).

Signed by:Risimati Chauke
Signed at:2023-07-30 21:28:00 +02:00
Reason:I approve this document Risimati

Acting General Manager

Signed by:Ayanda Zide
Signed at:2023-07-17 13:53:34 +02:00
Reason:I approve this document Ayanda

Ayanda Zide

Manager Sustainability (Witness)