

# MOTIVATIONAL MEMORANDUM:

## REZONING THE REMAINDER OF THE FARM WILDEBEESTPAN 442 - IP



URBAN & REGIONAL PLANNING  
DEVELOPMENT CONSULTANTS

**HEAD OFFICE (JHB)**  
110 4<sup>TH</sup> Avenue | Linden | 2195  
P.O. Box 52287 | Saxonwold | 2132

**MPUMALANGA OFFICE**  
8 Doornhoek Road  
Waterval Boven | 1195  
P.O. Box 52287 | Saxonwold | 2132

**Tel:** +27 11 888 8685  
**Fax:** +27 86 641 7769  
**Email:** [info@kipd.co.za](mailto:info@kipd.co.za)  
**Web:** [www.kipd.co.za](http://www.kipd.co.za)

# **MOTIVATIONAL MEMORANDUM:**

## **Application for Rezoning**

### **In respect of**

### **The Remainder of the Farm**

### **Wildebeestpan 442 - IP**

### **On behalf of**

### **Wildebeestpan (Portion 9 & 10)**

### **Communal Property Association**

**Compiled by:**

<b>Title</b>	<b>Position</b>	<b>Date</b>
RAEESA SOOMAR CASSIM	PROFESSIONAL TOWN PLANNER	13 February 2020
RAEESA SOOMAR CASSIM	PROFESSIONAL TOWN PLANNER	Amended 20 March 2020
RAEESA SOOMAR CASSIM	PROFESSIONAL TOWN PLANNER	Amended 28 August 2020

**Reviewed by:**

<b>Title</b>	<b>Position</b>	<b>Date</b>
SASKIA COLE	PROFESSIONAL TOWN PLANNER	13 February 2020

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**ANNEXURES**

Annexure A – Windeed report and Title Deed

Annexure B – Power Of Attorney and Resolution

Annexure C – Locality Plan

Annexure D – Land Use Map

Annexure E – Zoning Certificate

Annexure F – Proposed Scheme Annexure

## 1. APPLICATION

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Application is hereby made in terms of Section 62 of the City of Matlosana Spatial Planning and Land Use Management Bylaw, 2016, hereinafter referred to as the "By-Law", read together with the provisions of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) (SPLUMA) and the Town Planning and Townships Ordinance (Ordinance 15 of 1986), for the rezoning of the **Remainder of the Farm Wildebeestpan 442 - IP** (hereafter referred to as "the property").

The intention of the application is to obtain land use rights for "Mining" in addition to those for "Agriculture". The land use rights for "Mining" will only be on fifty percent (50%) of the property size and thus application is made for a mixed zoning, retaining the agricultural land uses and adding mining land uses.

The purpose of this memorandum is to introduce, elaborate upon and motivate the application for rezoning.

## 2. SITE OWNERSHIP

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In terms of Deed of Transfer T 76828/1905, the property is owned by the the Wildebeestpan (Portion 9 & 10) Communal Property Association and measures 1067,0994 hectare. See **Annexure A** attached.

## 3. AUTHORISED AGENT

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KiPD (Pty) Ltd, the authorised agent, has been appointed by the Wildebeestpan (Portion 9 & 10) Communal Property Association to lodge an application on their behalf for the rezoning of the site (see **Annexure B** for Power of Attorney and Resolution).

### Details of Agent

Name	KiPD (Pty) Ltd
Responsible Persons	Saskia Cole
Postal Address	P O Box 52287, Saxonwold, 2132
Contact Number	011 888 8685 / 082 574 9318
Email	saskia@kipd.co.za

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## 4. THE SUBJECT PROPERTY

### 4.1. Site Locality

The Remainder of the Farm Wildebeestpan 442 - IP is located south east of the town of Stilfontein ( $\pm 10$ km away), on the border of the City of Motlasana Local Municipality and JB Marks Local Municipality, south of Khuma ( $\pm 3$ km away) (See **Annexure C**). The property measures 1067,0994 hectare.

### 4.1. Existing Land Use

With reference to **Annexure D**, the site is currently devoid of buildings and is utilised for grazing purposes. The R502 passes through the northern section of the site and effectively creates a division between the residential development to the north and the vacant land to the south. To the east of the site is an existing tailings dam.

### 4.1. Zoning of surrounding area

The surrounding farms are zoned "Agricultural" in terms of the Klerksdorp Land Use Management Scheme, 2005. Khuma is mostly zoned for a residential development, along with some supporting community and educational facilities.

### 4.1. Development Controls and Existing Zoning

With reference to **Annexure E**, the site is zoned as follows in terms of the Klerksdorp Land Use Management Scheme, 2005:

Zoning	Agricultural
Primary rights	Agriculture, Conservancy, Conservation Purposes, Cultural/Heritage Site, Dwelling Unit, Electrical purposes, Farm Settlement, High Potential / Unique Agriculture, Protected Areas
Floor Area	As determined by the Local Authority
Coverage	70%
Height zone	Height Zone 0 Two (2) Storeys

#### 4.2. Title Restrictions and Bondholders Consent

Deed of Transfer T 76828/1905 does not contain any adverse conditions affecting this application and there is no bond registered against the property.

### 5. APPLICATION FOR REZONING

Application is hereby made to rezone the Remainder of the Farm Wildebeestpan 442- IP from "Agriculture" to "Special" for Agriculture and Mining (restricted to 500 hectares). The following development controls are applied for:

Development Controls	Restriction
Zoning	Agricultural
Primary Uses	Agriculture, Mining (restricted to a maximum of five hundred (500) hectare).
Height	Ho: 2 Storeys
Coverage	70%
Parking	As determined by the Local Authority

The above land uses are a mix of land uses for both the Agricultural and Mining zonings in terms of Klerksdorp Land Use Management Scheme, 2005.

Mining is defined in the Klerksdorp Land Use Management Scheme, 2005 as : "Land and buildings, that under the Mineral and Petroleum Recourses Development Act, 2002 (Act 28 of 2002) and any amendments thereof, are used or designated for mining and / or exploitation of minerals, or for which purpose a permit has been issued under the fore-mentioned Act."

Mining as defined in the Mineral and Petroleum Recourses Development Act, 2002 (Act 28 of 2002) as follows : "A mine when used as a verb means any operation or activity for the purposes of winning any material on, in or under the earth, water or any residue deposit, whether by underground or open working or otherwise and includes any operation or activity incidental thereto."

A tailings storage facility thus falls under the Land Use Management Scheme definition of "Mining". It has however also been specified as a specific primary land use in the proposed land use rights for the farm portion as well.

## 6. MOTIVATION

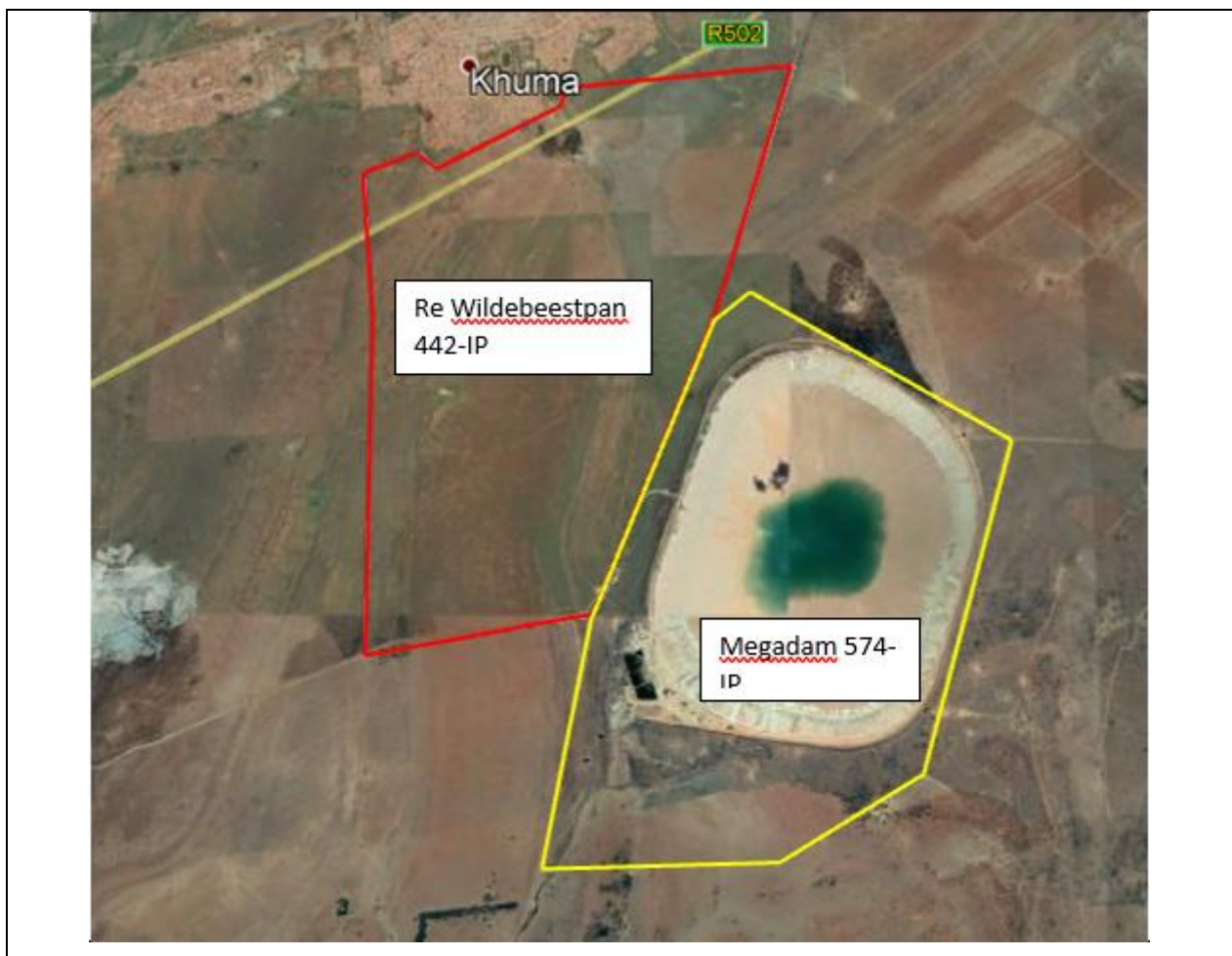
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The need and desirability of this application is set out as follows:

### 6.1. Proposed Use

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Mine Waste Solutions (MWS) currently operates the Kareerand tailings storage facility (TSF) on the Farm Megadam 574-IP, which is located adjacent south-east of the subject farm portion and is within the jurisdiction of the JB Marks Local Municipality, as indicated below :

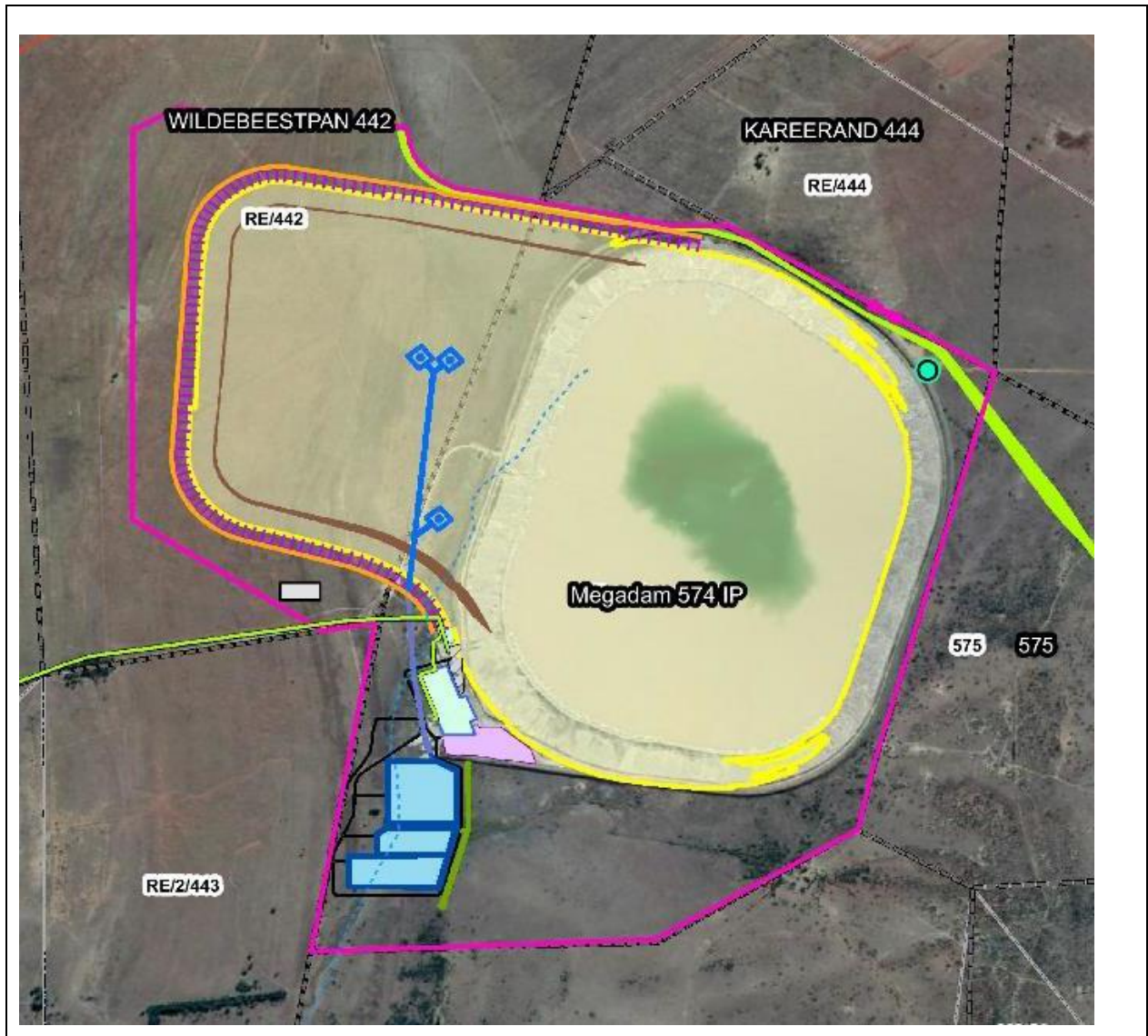




A TSF is a structure made up of (one or more dams) built for the purposes of storing the uneconomical ore (ground up rock, sand and silt) and water from the mining process. Tailings can be liquid, solid, or slurry of fine particles.

MWS would like to expand the existing Kareerand TSF onto the Remainder of the Farm Wildebeestpan 442-IP, as indicated on the plan below.

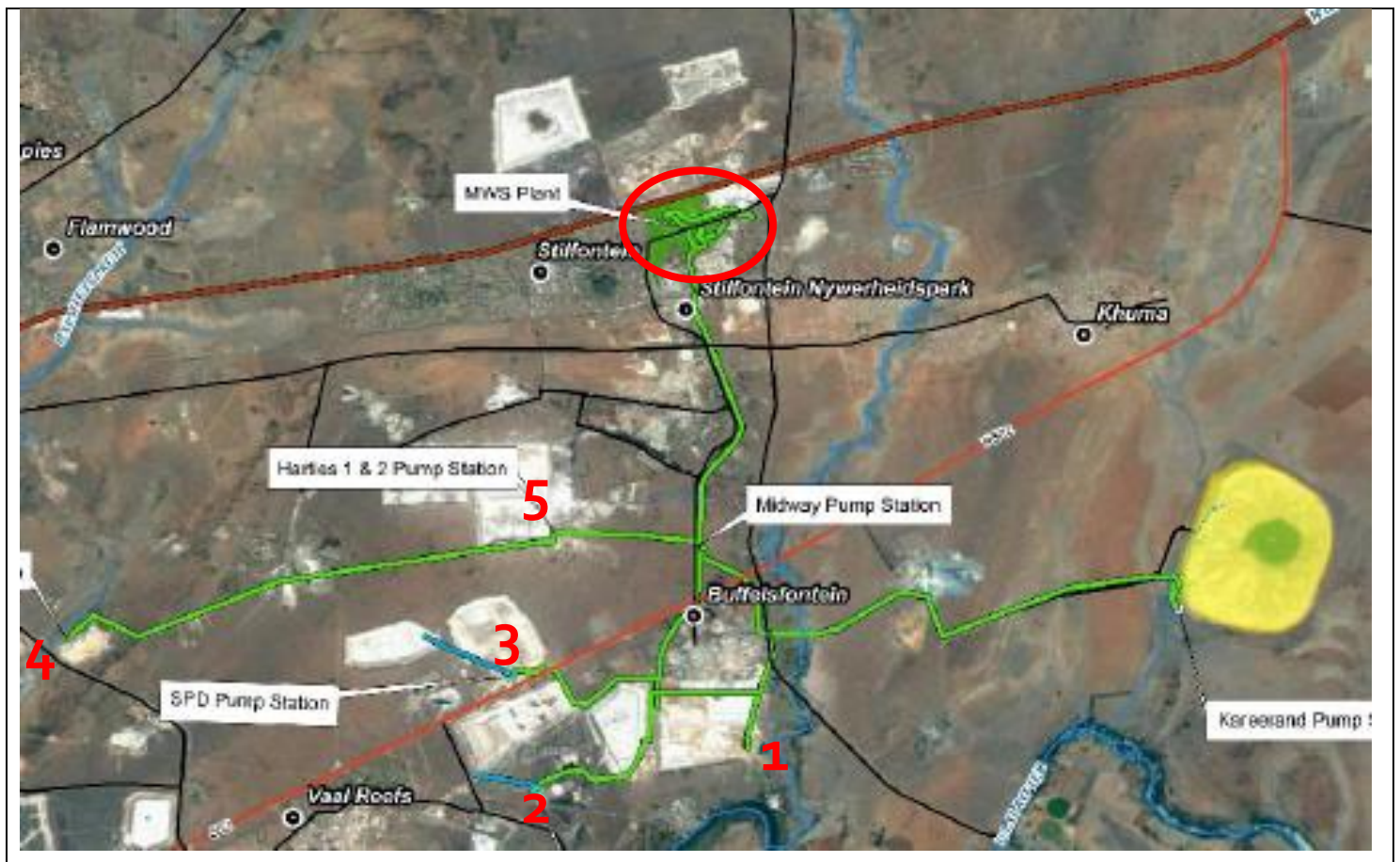
A lease agreement has been signed between MWS and the Communal Property Association to enable the expansion. Approval of this application will grant the land use rights required for the expansion.



## 6.2. Kareerand TSF

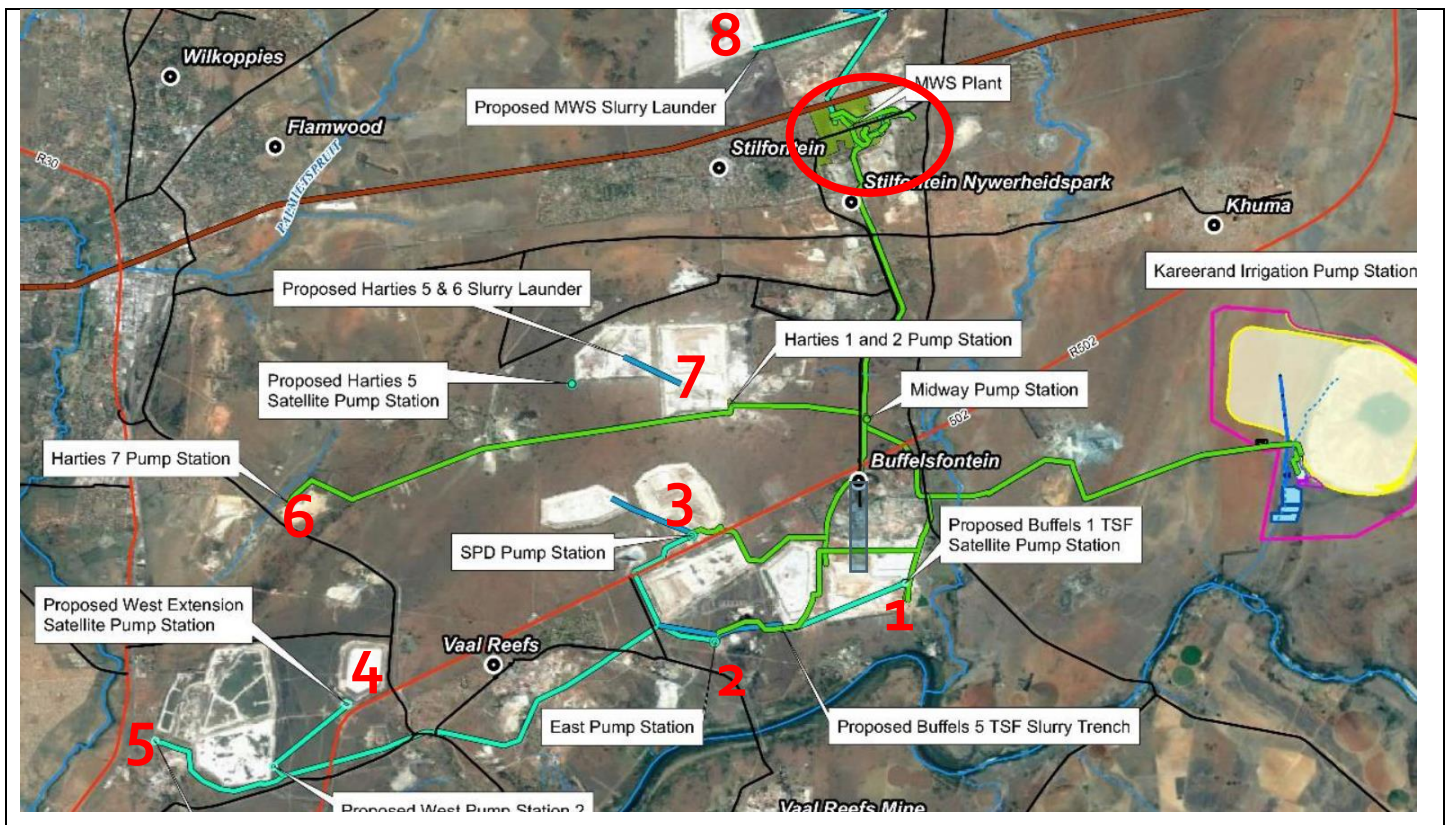
Mine Waste Solution collects and reprocesses mine tailings that have been deposited on other existing tailings storage facilities in the Stilfontein area, these are Source TSFs, and are marked 1 to 5 in red on the plan below.

High pressure water cannons are used to slurry the tailings on the Source TSFs, then the slurry is pumped by a number of pump stations and pipelines to the MWS Processing Plant (circled in red on the plan below). The residues from the Processing Plants are pumped to the Kareerand TSF (indicated in yellow on the plan below). Once an old Source TSF has been completely recovered, it is cleaned-up and rehabilitated.



The Kareerand TSF was designed with an operating life of 14 years, taking the facility to 2025, and total design capacity of 352 million tonnes. Subsequent to commissioning of the TSF, MWS was acquired by AngloGold Ashanti and tailings production target has increased by an additional 485 million tonnes, which will require operations to continue until 2042. The additional tailings therefore require extension of the design life of the TSF.

This project entails the expansion of the current Kareerand TSF to accommodate the increased tailings and final design capacity, along with additional pump stations and pipelines. The TSF expansion is proposed on the western edge of the current facility, and the final height of the combined facility (both expansion and current) will be 122m. The expansion footprint will add 346 hectares (ha) to the TSF and approximately 40 additional hectares will be cleared for supporting infrastructure. The following plan shows the expansion of the network :



### 6.3. Environmental Impact Authorisations

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In order to expand the Kareerand TSF, there is a requirement to submit the following applications to obtain authorisations and licences :

- Application for Environmental Authorisation through a Scoping and Environmental Impact Assessment Report process and the compilation of an Environmental Management Programme in terms of the National Environmental Management Act, 1998 (Act 107 of 1998) and its Regulations; and
- Waste Management License application in terms of the National Environmental Management Waste Act, 2008 (Act 59 of 2008)

GCS Water and Environment (Pty) Ltd have been appointed by AngloGold Ashanti to apply for the necessary environmental approval documents.

Specialist studies have been commissioned to assess the impacts of the TSF expansion on identified aspects of biophysical and socio-economic receptors within the area. Mitigation, management and rehabilitation designs will be informed by the team of specialists and engineers.

A public announcement was published in November 2019 and a stakeholder database has been compiled, which will be updated as the process progresses.

### 6.1. Need and Desirability

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The Source TSF's in this area are old and contain a significant grade of ore. With new processes and technology it is economically viable to recycle these TSF's and reclaim the gold and uranium. The old TFS's have a higher risk of environmental contamination as well as potential health impacts associated with air quality and radiological concerns. Reclaiming and depositing the tailings on newer and better designed facilities reduces these risks. The sites of the old TSF's are then rehabilitated, which frees up this land for alternate development. The reclamation of old tailings storage facilities also removed sulphites and radioactive uranium, from tailings, thereby reducing the mineral content that leads to acid mine drainage.

With MWS becoming part of AngloGold Ashanti, there is now access to additional old Source TSF's which underpins the need for the expansion of the Kareerand TSF. The approval of the land use rights applied for in this rezoning application will enable this expansion onto the adjacent farm portion. The Agriculture zoning does not allow for mining uses, hence the application for "Special" which would allow both agriculture and mining uses.

The entire portion will not be used for the tailings storage facility, hence the need to retain the "Agriculture" zoning and limitation in terms of size for mining. This will allow the land owner, a Communal Property Association, to continue their exercising agricultural activities.

The project will support the concurrent rehabilitation of the existing Source TSF's and the expansion of the Kareerand TSF, thereby reducing the risk of windborne dust and ensuring the management of storm water. Removing and consolidating the tailings storage facilities in the Stilfontein area into a single mega tailings storage facility will, in the long term, positively impact the surrounding environment and Vaal River.

The decision by AngloGold Ashanti to increase the life of the reprocessing plant and the expansion of the TSF is an indication of the continuation of an economic activity through mining and mining related activity. The continued presence of the mines has an effect on the growth of the City of Motlasana from an economic perspective as well as from a social (employment, education, access to basic services) perspective.

## 6.2. Impact of Mining in South Africa

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South Africa is one of the richest non-oil resource countries in the world, an estimated R35trn worth of mineral resources. The Greater Stilfontein area is home to some of the most prominent gold mines in the world.

Over the past 30 to 40 years the mining industry has declined in South Africa, from contributing a massive 21% to the GDP in 1980 to 7% in 2016. 7% of the GDP is still a significant contribution, excluding the indirect impact the industry has on the economy.

Despite the hard times, mining still employs nearly 5% of South Africa's employed workforce, makes a significant direct contribution to GDP, sits on extensive reserves, and remains a world leader in the production of many minerals.

The decline of the mining sector might seem expected in a world that is marching towards a services and information economy. As the primary producer of raw materials, it underpins a vast share of the South African economy.

The largest share of value created by the mining industry, 47%, goes directly to employees, and this share has seen a dramatic rise from just 27% since 2012.

Industry wages have risen sharply in recent years. Mine workers are now the highest paid industrial workers in the country. Including benefits, overtime and bonuses, entry-level remuneration even in the faltering gold sector can be as high as R150,000 per year.

There are 465,000 people directly employed in mining, who in turn support some 4.5m dependants with the R126bn they earn per year. In addition, the industry can claim credit for some 1.4m indirect jobs. If the same worker-to-dependent ratio applies to these jobs, the industry supports, directly or indirectly, almost 20m South Africans.

The industry has a strong transformation record, exceeding the requirements of the 2010 Mining Charter by a large margin, including in procurement and staff demographics at all levels of the business.

Community investments, such as building houses, schools and clinics, upgrading local infrastructure, and providing child and adult education facilities, accounted for 2% of the mining industry's expenditure in 2018, or R3.5bn.

The mining industry accounts for by far the largest share of South Africa's exports, at 38% in 2018. Counting the products of minerals beneficiation, that share rises to 60%. Mining is critical to earning foreign exchange to pay for South Africa's interests in imports.

After employees, the national treasury is the second-largest beneficiary of value created by the mining sector, at 24% in 2018. Although direct company taxes vary with profitability, royalties and employee taxes are a reliable source of income for the state. More than half of the government's tax revenue goes into social protection services ranging from free and subsidised housing to clean water, electricity and education, all of which benefit from the taxes paid by the mining industry.

At R89bn in capital expenditure and R159bn in operational spending, the mining industry nearly rivals government itself as a primary consumer of the country's goods and services. More than half of the operational spending went to the transport, storage and communication sectors, making up almost a third of those industries' total revenues. Mining is also a large buyer of petrochemicals, rubber, plastics, metals, machinery and equipment.

The manufacturing sector has a symbiotic relationship with mining. It is the biggest user of the products of the mining industry, while the mining industry in turn is a large customer for manufactured products, especially in the construction and engineering sectors.

The transport industry is equally reliant on mining. Coal alone accounts for 60% of the railways' revenue. Truck transport likewise depends heavily upon customers in the mining industry.

South Africa's energy sector is heavily dependent on a thriving mining industry, and will remain so for the foreseeable future, even under the government's plans to phase out coal.

Six of South Africa's 16 largest towns measured by contribution to GDP are still substantially reliant on the mining industry.

Mining has been critical in developing the country's skills and technology. The industry is a world leader in many aspects of mining. Seven of the world's ten deepest mines are in South Africa. The mining industry directly led to the establishment of the Universities of Pretoria and the Witwatersrand, and continues to contribute heavily to higher education. It is also the third-largest spender on research and development in South Africa.

Mining has a hand in the abundance of products that consumers use every day. From tin cans to burglar bars, bicycles to ships, and pharmaceuticals to pacemakers, almost all raw materials not derived from farming, forestry or fishing are produced by the mining industry.

The health of the mining industry matters not only to mining investors, managers and workers. It has a disproportionate influence on the well-being of all South Africans.

Mining still plays a significant role in the functioning of the country. The growth of the mining industry will certainly have an impact on the standard of living and economic output of the country.

## 7. POLICY FRAMEWORKS

### 7.1. Spatial Planning Environment

This section reviews the relevant spatial planning document and plan, to determine the suitability and compliance to the spatial plans of the City. The City of Motlasana Spatial Development Framework, 2009 is applicable to this application.

### 7.2. Spatial Development Framework 2009

The City of Motlasana Spatial Development Framework, 2009 (SDF) is a city wide spatial policy document that identifies the main challenges and opportunities for the City, sets a spatial vision for the future city and outlines a set of strategies to achieve that vision.

The SDF comprises of a socio economic analysis for the entire municipal area and uses this data to inform future development and growth within the region. According to the SDF, 45% of the employed people within the municipal area are employed within the Mining sector. This is a substantial figure and is key in supporting the growth of the industry. There is a direct correlation between the growth of the mining industry, the employment rate and as a result, the quality of life.

The extended life of the reclamation operations will create employment for a longer period and thus associated socio-economic benefits to the town and settlements in the area.

### 7.3. SPLUMA Development Principles

In terms of the Spatial Planning and Land Use Management Act (Act 16 of 2013) (SPLUMA), the following principals apply to spatial planning, land development and land use management and are hereby applied to this application:

SPLUMA Referral		Proposed Development Compliance
7 (a)	Spatial Justice	The proposed expansion of the tailings dam will enable the growth of economic activity and as a result improve access to employment opportunities for the local citizens.
7 (b)	Spatial Sustainability	The proposed tailings dam is well located in a sense that it is far enough from residential development and will thus not have any negative impacts on the surrounding community.



7 (c)	Efficiency	The proposed tailings dam is ideally located as it will be an expansion of the existing facility.
7 (d)	Spatial Resilience	The proposed tailings dam is located far enough from residential development, thus providing sufficient space to secure the populous from any environmental shocks.
7 (e)	Good Administration	The development answers to the broader scope and the microscope of all spheres of government, in that it answers the need of the intention to increase accessibility to necessary social needs in previously disadvantaged townships within South Africa.

## 8. RECOMMENDATION

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The expansion of an existing TSF will enable the reclamation and rehabilitation of various old TFS's in the area, thus reducing the number of facilities as well as freeing up this land for other development. The reclamation process will reduce the mineral content that leads to acid mine drainage and the processed tailings will be pumped to a new facility which will have better controls in place with regards to safely and management of the facility.

The expansion of the facility is in the interest of the environment and the longer life span of the processing plant will ensure continued employment.

We recommend that the application for the rezoning be approved as applied for or as per the town planning department specifications.