

eyeKhala 9, 2025

SLR Project No.: 723.000073.00001

Qela elinomdla nelichaphazelekayo

RE: Uvavanyo lweMpembelelo yokusiNgqongileyo neNtlalo (i-ESIA) likacetywayo Lwemisebenzi Yokugrumba Amaqula Okuhlola Kude Enxwemeni kwiBhloko Northern Cape Ultra Deep, Unxweme Lwasentshona, Mzantsi Afrika: Isaziso Ngesigunyaziso Sokusingqongileyo

Imbalelwano yethu yangaphambili ye-4 eyoKwindla 2025 malunga neprojekthi ekhankanywe apha ngasentla iyabhekisa.

Egameni leShell Offshore Upstream South Africa B.V. (Shell), isaziso sinikezelwa ukuba ngomhla **wama-30 kweyeSilimela 2025** iSebe leZimbiwa kunye Nezibonelelo Zamafutha (DMPR) **livume laza lakhupha isiGunyaziso sokusiNgqongileyo** kule projekthi ikhankanywe apha ngasentla ngokwemiqathango yoMthetho weSizwe woLawulo lokusiNgqongileyo, 1998 (No. 107 ka-1998) (NEMA) kunye neMigaqo yoVavanyo lweMpembelelo yokusiNgqongileyo (EIA) ka-2014. Oku kunika iShell imvume yokuba, *phakathi kwezinye* izinto, ukwenza uphando lwe-geophysical kunye nemisebenzi yokugrumba amaqula ngaphakathi kweBlock Northern Cape Ultra Deep (NCUD).

Ikopi yoGunyaziso lokusiNgqongileyo iqhotyoshelwe (jonga isiHlomelo A) kwaye inokufamaneka kwiwebhusayithi ye-SLR (<https://www.slrconsulting.com/public-documents/shell-ncud/>) kunye newebhusayithi yasimahla (<https://slrpublicdocs.datafree.co/public-documents/shell-ncud/>). Ugunyaziso lokusiNgqongileyo luchaza, phakathi kwezinye izinto, isigqibo, imisebenzi egunyazisiweyo, imiqathango yokugunyaziswa, izizathu zesigqibo kunye nenkqubo yesibheni ngokweMigaqo yeSizwe yeziBheni ka-2025.

Inggalelo yakho itsalelwe kwilungelo **lakho lokufaka isibheni** esisemthethweni kuMlawuli weziBheni. Ngokwemiqathango yoMmiselo 4(1) no-4(2) weMigaqo yeZibheni zeSizwe ka-2025, umbheni kufuneka, **zingaphelanga iintsuku ezingamashumi amabini (20)** ukusukela kumhla wokuthunyelwa kwesaziso sesigqibo kumaQela aNomdla nabachaphazelekayo (I&APs) (ungeka dluli umhla we-29 eyeKhala 2025):

- Ngenisa isibheni, kwifom emiselweyo, kuMlawuli weziBheni; kunye
- Thumela ikopi yesibheni kumenzi-sicelo (oko kukuthi, iShell).

Ngokwemiqathango yoMmiselo 4(3), isibheni kufuneka:

- a. sithunyelwe ngokubhaliweyo;
- b. sibe kwifom efumaneka kwiwebhusayithi yeGunya leZibheni;
- c. siquke amaxwebhu axhasayo, ekubhekiswe kuwo kwisibheni, kunye
- d. sifake ubungqina bokuhlululwa kwentlawulo yesibheni esingabuyiswayo, ukuba imiselwe.



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Ifom yesibheni emiselweyo kunye noncedo oluphathelele kwinkqubo yesibheni luyafumaneka kuMlawuli weziBheni. **Izibheni mazingeniswe kuMlawuli weziBheni ngenye yezi ndlela zilandelayo:**

Isebe Lamahlathi, Ukuloba kunye Nokusingqongileyo: ICandelo leZibheni kunye noPhononongo lwezoMthetho

Ingqwalasela: Director: Appeals and Legal Review
Imeyile: appeals@dffe.gov.za
Ngeposi: Private Bag X 447, Pretoria, 0001
Ngesandla: Environmental House, Corner Steve Biko and Soutpansberg Street, Arcadia, Pretoria, 0083

Kuya kufuneka ungenise ikopi yesibheni kunye nawo nawaphi na amaxwebhu axhasayo kumenzi-sicelo:

Shell Offshore Upstream South Africa B.V. (Shell)

Ingqwalasela: Appeals Coordinator
Imeyile: SNU-NCUD@shell.com
Ngesandla: *Care of SLR Consulting:*
5th Floor, 9 Grove Exchange, 170 Main Road, Corner Grove Avenue, Claremont, Cape Town, 7700

Nceda uqaphele ukuba ngokommiselo 4(4)(a) weMimiselo yesiBheni yeSizwe, uShell kufuneka enze iikopi zezibheni ezifumanayo zifumaneka kumaqela anomdla nachaphazelekayo namaziko karhulumente achaphazelekayo. Ngenxa yoko, nceda uqaphele ukuba naziphi na iinkcukacha zobuqu, njengoko kucamngcwe ngokoMthetho woKhuseleko loLwazi loMntu 4 ka-2013 (POPIA), eziqukwe kwisibheni ziya kusasazwa ngokungqinelana nesibophelelo somthetho esibekwe kuShell phantsi komgaqo 4(4)(a) nangokungqinelana necandelo 11(1)(c) lePOPIA.

Siyakubulela ngomdla wakho kulo mba. Nceda ungathandabuzi ukuqhagamshelana nathi ukuba unayo nayiphi na imibuzo.

Abazithobileyo,

Iqela Lokubandakanya Abantu kwiShell NCUD



ISIHLOMELO A: ISIGUNYAZISO SOKUSINGQONGILEYO





mineral & petroleum resources

Department:
Mineral and Petroleum Resources
REPUBLIC OF SOUTH AFRICA

ENVIRONMENTAL AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998 (ACT 107 OF 1998) AS AMENDED AND THE ENVIRONMENTAL IMPACT ASSESSMENT REGULATIONS, 2014 AS AMENDED

IN RESPECT OF THE PROPOSED EXPLORATION WELL DRILLING IN THE NORTHERN CAPE ULTRA DEEP BLOCK, LOCATED OFF THE WEST COAST OF SOUTH AFRICA

APPLICATION DETAILS

Application Reference Number	12/3/274
Holder of the Environmental Authorisation	Shell Offshore Upstream South Africa B.V.
Location of the Activity	The license block Northern Cape Ultra Deep is located offshore between Port Nolloth and Lamberts Bay, Western Cape, South Africa. The project area of interest in the license block Northern Cape Ultra Deep is located 300 km offshore, at its closest point, in water depths ranging from 2 500 m to 3 200 m.
Size of the Environmental Authorisation Application Area	5 254 km ²

This environmental authorisation (hereinafter referred to as the 'authorisation') does not negate the holder of the authorisation of the responsibility to comply with any other statutory requirements that may be applicable to the undertaking of the proposed activity(s).

DECISION ON THE AUTHORISATION

ACRONYMS/SUBSTITUTE TERMS

Agency	: Petroleum Agency SA
AOI	: Area of Interest
Department	: Department of Mineral and Petroleum Resources
ECO	: Environmental Control Officer
EIA Regulations	: Environmental Impact Assessment Regulations, 2014, as amended
EIAR	: Environmental Impact Assessment Report
EMPr	: Environmental Management Programme
I&APs	: Interested and Affected Parties
MMO	: Marine Mammal Observer
MPRDA	: Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002), as amended
NEMA	: National Environmental Management Act, 1998 (Act 107 of 1998), as amended
NCUD	: Northern Cape Ultra Deep
PAM	: Passive Acoustic Monitoring
ROV	: Remotely Operated Vehicle
VSP	: Vertical Seismic Profiling

The Department is satisfied with the information made available to it and, subject to compliance with the conditions of this authorisation, Shell Offshore Upstream South Africa B.V. should be authorised to undertake the listed activities under the EIA Regulations specified in section 3 below. Details regarding the basis on which the Department reached this decision are set out in Annexure 1 of this authorisation.

ACTIVITY(S) AUTHORISED

By virtue of the powers conferred on it by the NEMA and the EIA Regulations, the Department hereby **grants** the authorisation to **Shell Offshore Upstream South Africa B.V.** to undertake the listed activities specified in section 3 below and as described in the EIAR submitted on **28 February 2025**.



The granting of this authorisation is subject to compliance with conditions specified under section 5 below.

1. DETAILS OF THE HOLDER OF THIS AUTHORISATION

Shell Offshore Upstream South Africa B.V.
Carel van Bylaandtlaan 30
The Hague
The Netherlands
2596HP

Contact Person : Ms Fabiola Rossato
Email : Fabiola.Rossato@shell.com

2. DETAILS OF THE ENVIRONMENTAL ASSESSMENT PRACTITIONER

SLR Consulting (South Africa) (Pty) Ltd
5th Floor, Letterstedt House
Newlands on Main
Cnr Main and Campground Roads
Newlands
7700

Contact Person : Mr Jeremy Blood
Email : jblood@slrconsulting.com



3. LIST OF ACTIVITIES AUTHORISED

3.1 Table 1 below tabulates the listed activities authorised under the EIA Regulations: Listing Notice 1 (Government Notice No. R 983) of 04 December 2014 and the EIA Regulations: Listing Notice 2 (Government Notice No. R 984) of 04 December 2014.

Table 1: Authorised Listed Activity(s)

Activity Number	Activity Description	Description of Listed Activity in relation to the Proposed Project Activities
EIA Regulations: Listing Notice 1		
14	<i>"The development and related operation of facilities or infrastructure for the storage or for the storage and handling of a dangerous good, where such storage occurs in containers with a combined capacity of 80 m³ or more but not exceeding 500 m³".</i>	The proposed drilling operation would make use of infrastructure which would handle and potentially store oil, gas and/or fuel (diesel). Information on the anticipated handling volumes and storage capacity for these substances is currently not available; thus, this activity is included to provide for a situation where storage capacity exceeds 80 m ³ or more but falls below 500 m ³ .
17	<i>"Development (i) in the sea...in respect of (e) infrastructure or structures with a development footprint of 50 m² or more"</i>	Wells may be abandoned on the seafloor if deemed safe to do so based on a risk assessment. A single wellhead measures an estimated maximum of 10 m ² ; thus, the cumulative footprint for 5 wells could be 50 m ² .
19A	<i>"The infilling or depositing of any material of more than 5 m³ into, or the dredging, excavation, removal or moving of soil, sand, shells, shell</i>	The proposed drilling would result in various forms of disturbance to the seafloor and would result in more than 5 m ³ of sediment being disturbed and/or moved.

	<p>grit, pebbles or rock of more than 5 m³ from;</p> <p>(i) the seashore</p> <p>(ii) the littoral active zone, an estuary, or a distance of 100m inland of the high water mark of the sea or an estuary, whichever distance is the greater; or</p> <p>(iii) the sea; -</p> <p>But excluding where such infilling, deposition, dredging, excavation, removal or moving –</p> <p>(f) will occur behind a development setback;</p> <p>(g) is for maintenance purposes undertaken in accordance with a maintenance management plan;</p> <p>(h) falls within the ambit of activity 21 in the Notice, in which case that activity applies;</p> <p>(i) occurs within existing ports or harbours that will not increase the development footprint of the port or harbour; or</p> <p>Where such development is related to the development of a port or harbour, in which case activity 26 in Listing Notice 2 of 2014 applies.</p>	
EIA Regulations: Listing Notice 2		
4	<p><i>The development and related operation of facilities or</i></p>	<p>The proposed drilling operation would make use of infrastructure which would</p>



	<p><i>infrastructure for the handling, or storage and handling of a dangerous good, where such storage occurs in containers with a combined capacity of more than 500 m³.</i></p>	<p>handle and potentially store oil, gas and/or fuel (diesel). Information on the anticipated handling volumes and storage capacity for these substances is currently not available. This activity is included to provide for a situation where storage capacity exceeds 500 m³.</p>
6	<p><i>"The development of facilities or infrastructure for any process or activity which requires a permit or license or an amended permit or license in terms of national or provincial legislation governing the generation or release of emissions, pollution or effluent, excluding</i></p> <p><i>(i) Activities which are identified and included in Listing Notice 1 of 2014;</i></p> <p><i>(ii) Activities which are included in the list of waste management activities published in terms of section 19 of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) in which case the National Environmental Management: Waste Act, 2008 applies; or</i></p> <p><i>(iii) The development of facilities or infrastructure for the treatment of effluent, wastewater or sewage where such facilities</i></p>	<p>Should the operator decide to incinerate waste on the drilling unit and support vessels an Atmospheric Emission License will be required in terms of the National Environmental Management: Air Quality Act, 2004.</p>



	<i>have a daily throughput capacity of 2000m³ or less.</i>	
7	<p><i>"The construction of facilities or infrastructure for the bulk transportation of dangerous goods:</i></p> <p><i>(i) In gas form, outside an industrial complex, using pipelines, exceeding 1 000m in length, with a throughput capacity more than 700 tons per day.</i></p> <p><i>(ii) In liquid form, outside an industrial complex, using pipelines exceeding 1 000m in length, with a throughput capacity more than 50 m³ per day."</i></p>	<p>The proposed project will make use of drilling infrastructure/tools (e.g. pipes, casings, etc.), which would extract oil and/or gas for testing on the drilling unit. Due to the anticipated depth of the proposed wells of a maximum 4 570 m below the seafloor, this infrastructure would exceed 1 000 m in length. The designed throughput capacity of this infrastructure could also exceed the thresholds specified in the listed activity.</p> <p>Most of the facilities proposed for exploration are temporary (except for the casings inside the well bore and possibly the wellhead, which may be abandoned on the seafloor).</p>
14	<p><i>"The development and related operation of –</i></p> <p><i>(i) An island;</i></p> <p><i>(ii) An anchored platform; or</i></p> <p><i>(iii) Any other structure or infrastructure on, below or along the sea bed.</i></p>	<p>The proposed drilling operations would result in the placement of equipment (i.e. a wellhead) on the seabed. During well abandonment, the wellhead(s) may be left on the seafloor unless site-specific risk assessments conclude there is a danger or risk to other marine users, in which case wellheads would be removed.</p>
18	<i>"Any activity including the operation of that activity which requires an exploration right in terms of Section</i>	<p>The operator is proposing to drill up to 5 exploration and/or appraisal wells. The activity (namely, drilling) requires an</p>

	<p><i>79 of the Mineral and Petroleum Resources Development Act, 2002 (Act No 28 of 2002), including,</i></p> <p><i>(a) Associated infrastructure, structures and earthworks; or</i></p> <p><i>(b) The primary processing of a petroleum resource including winning, extraction, classifying, concentrating or water removal;</i></p> <p><i>but excluding the secondary processing of a petroleum resource, including the beneficiation or refining of gas, oil or petroleum products in which case Activity 5 of the Notice applies.</i></p>	<p>exploration right. While the operator already holds an exploration right for Block Northern Cape Ultra Deep, drilling was not previously authorised. As such, this activity is deemed applicable.</p>
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3.2 The holder of this authorisation is authorised to undertake the following exploration activities within the application area:

- 3.2.1 Drilling of up to five (5) exploration and appraisal wells [one (1) well will be drilled with an additional four (4) drilled pending the success of the first], using a drillship or semi-submersible drilling unit. The drilling activities will be supported by up to three (3) support vessels. Drilling is expected to take approximately three (3) to four (4) months per well, excluding mobilisation.
- 3.2.2 Wireline logging of the well(s) using VSP to generate high-resolution seismic images of the geology in the well's immediate vicinity once well depths are reached. The objective is to confirm the presence of petroleum.
- 3.2.3 Flow testing of up to two (2) wells to determine the economic potential of a discovery before the decision to abandon or suspend the wells.

- 3.2.4 Sonar surveys to generate maps of the terrain and identify any obstacles or hazards using various methods such as multibeam/single beam echo sounders, sub-bottom profilers, and side scan sonars.
- 3.2.5 Sampling of seabed sediments using piston, jumbo and box coring, and cone penetration testing methods. The analysis of sediment samples will contribute towards the geochemical assessment of seabed soils.
- 3.2.6 Pre-drilling seafloor surveys using ROVs to identify any hazards or obstacles on the seafloor once specific well locations are identified.
- 3.2.7 The plugging and abandonment of wells on completion of drilling and logging using cement plugs, which would be tested for integrity.
- 3.2.8 A final clearance ROV survey before the demobilisation of the drillship or drilling unit and supply vessels from the offshore license block NCUD.

4. LOCATION OF THE AUTHORISATION APPLICATION AREA

The authorisation application area is located within the block NCUD off the West Coast of South Africa. The AOI for the proposed drilling programme is approximately 5 254 km² in extent. It is located between Port Nolloth and Lamberts Bay and is ~300 km from the coast at its closest point. The water depth ranges from 2 500 m to 3 200 m. The coordinates of the authorisation application area are presented in Table 2 below.

Table 2: Coordinates of the Authorisation Application Area

Number	Latitude	Longitude
1	31°32'18.4053"S	13°58'35.4172"E
2	31°34'01.3511"S	13°55'50.2736"E
3	31°01'41.7305"S	13°28'33.5417"E
4	31°01'41.6778"S	13°28'33.4976"E
5	31°00'32.5769"S	13°28'08.5054"E
6	30°49'50.2000"S	13°24'16.6446"E
7	30°39'39.1957"S	13°21'00.0000"E
8	30°33'45.5921"S	13°33'51.0417"E
9	30°17'10.6540"S	14°00'00.0000"E
10	30°17'40.5570"S	14°00'00.0062"E
11	30°22'19.4762"S	14°00'00.0607"E
12	31°31'25.5668"S	14°00'00.1025"E

5. CONDITIONS OF THE AUTHORISATION

5.1 SCOPE OF AUTHORISATION

- 5.1.1 The holder is authorised to undertake activities specified in section 3 above.
- 5.1.2 The authorised activities must only be executed within the authorisation application area.
- 5.1.3 The holder of this authorisation is responsible for ensuring compliance with the conditions of this authorisation.
- 5.1.4 Any person(s) acting on behalf of the holder, including contractor(s), subcontractor(s), consultant(s), and employees, are also subject to the conditions of this authorisation. This condition, however, does not exonerate the holder from its accountability and responsibility to ensure compliance with the conditions of this authorisation.
- 5.1.5 Any changes to, or deviations from, and amendments to the authorised activities and conditions of this authorisation must be approved in writing by this Department before such changes, deviations or amendments are effected. The Department reserves the right to request the submission of information deemed necessary to assess and evaluate

the significance and impacts of such changes, deviations, and amendments. Any changes, deviations and amendments may be subject to the provisions of Chapter 5 of the EIA Regulations.

5.2 NOTIFICATION AND APPEAL OF AUTHORISATION

- 5.2.1 The holder must, in writing, within fourteen (14) days of the date of this authorisation, notify all registered I&APs of the outcome of the authorisation application.
- 5.2.2 The notification contemplated above must, amongst other issues:
 - 5.2.2.1 Stipulate the date of the decision and the date of issue of this authorisation.
 - 5.2.2.2 Provide reasons for the decision.
 - 5.2.2.3 Inform registered I&APs of the appeals procedure in terms of the National Environmental Management Act, 1998: National Appeals Regulations (GN 5985 in GG 52269 on 13 March 2025).
 - 5.2.2.4 Draw the attention of the registered I&APs to how they may access the decision, including obtaining a copy of this authorisation.

5.3 COMMENCEMENT OF THE ACTIVITY(S)

- 5.3.1 The authorised activities shall not commence within 20 days from the date that the notification of the decision of this authorisation was sent to registered I&APs, pending potential lodgement of appeal(s).
- 5.3.2 Where an appeal is lodged against the decision by any party, this authorisation or any provision or condition thereof will be suspended in accordance with section 43(7) of the NEMA; and as such, you may not commence with any activity until a decision on the appeal(s) is taken.
- 5.3.3 These authorised activities must commence within 5 years from the date of issue of this authorisation. If the commencement of the authorised activities does not begin within the said period, the authorisation lapses unless an extension is granted in terms of regulation 30 of the EIA Regulations. Where the authorisation lapses, and the holder

still intends to execute the authorised activity(s), a new authorisation in terms of the EIA Regulations must be obtained.

5.4 MANAGEMENT, MONITORING AND AUDITING OF OPERATIONS, INCLUDING REPORTING REQUIREMENTS

- 5.4.1 The EMPr submitted with the EIAR is hereby approved. It is hence mandatory for the holder to implement all the recommendations and management measures stipulated in the EMPr throughout all phases of the proposed activities.
- 5.4.2 Any non-compliance with the EMPr constitutes non-compliance with this authorisation, and any non-compliance with this authorisation may result in its suspension and may render the holder guilty of an offence in terms of section 49A of the NEMA and may if convicted, be liable for a penalty as contemplated in terms of section 49B(1) of the NEMA.
- 5.4.3 Should there be changes in the operation and management of the authorised activities, the EMPr must be amended to accommodate those changes and be submitted to the competent authority for approval before implementation commences.
- 5.4.4 The holder of this authorisation must undertake the necessary measures to ensure that operators, contractors, subcontractors, and any person(s) acting on behalf of the holder have full awareness of the recommendations of the EMPr before commencing with any authorised activity.
- 5.4.5 The EMPr must be included in all contractual agreements between the holder and the contractor(s).
- 5.4.6 A copy of the EMPr must always be kept onboard the drillship/drilling unit for the duration of the authorised activities.
- 5.4.7 The holder must, before the commencement of the authorised activities, appoint an independent and appropriately qualified experienced ECO. The function of the ECO is to ensure that the conditions of this authorisation and the recommendations of the EMPr are implemented and adhered to.



- 5.4.8 The holder must, before the commencement of the authorised activities, appoint an independent MMO with appropriate certifications and a trained PAM Operator to monitor the interaction of marine fauna and undertake PAM, respectively, during VSP operations.
- 5.4.9 The holder must, before the commencement of the authorised activities, appoint a suitably qualified Fisheries and Community Liaison Officer to communicate with fishing sectors for the duration of the authorised activities.
- 5.4.10 The holder of this authorisation must submit, to the competent authority, monthly environmental compliance monitoring reports conducted and compiled by the ECO for the duration of the authorised activities.
- 5.4.11 The holder of this authorisation must submit, to the competent authority, a close-out compliance report compiled by the ECO, within 90 days of the end of each drilling programme.

5.5 SPECIFIC CONDITIONS

- 5.5.1 The holder or ECO must, within 30 days before the commencement of the authorised activities, distribute notifications to all I&APs, including the Agency, informing them of the project plans. The said notifications must include, amongst other things, the following:
- 5.5.1.1 Commencement date, including drilling unit/drillship and support vessel(s) mobilisation date(s) and anticipated duration of the drilling and associated activities.
 - 5.5.1.2 Details of the drilling unit/drillship, helicopter and support vessels.
 - 5.5.1.3 Sketch plans indicating identified drilling locations.
 - 5.5.1.4 Details of the MMO, PAM Operator and Fisheries and Community Liaison Officer contact persons for reporting environmental issues associated with the planned activities.

- 5.5.2 The holder must, within 60 days before commencement of the authorised activities, submit all specific management plans identified in the EIAR to the competent authority and other relevant authorities for consideration and approval.
- 5.5.3 The holder must undertake pre-drilling surveys at each well site. ROV footage must be reviewed by an appropriately qualified expert to identify any environmental sensitive features. Findings of the expert review must be shared with the competent authority.
- 5.5.4 The holder must notify the South African Heritage Resources Agency and the Agency, as per section 35(3) of the National Heritage Resources Act of 1999, should any of the marine underwater cultural heritage and/or shipwrecks be present during the pre-drilling surveys.
- 5.5.5 The holder must avoid planning geophysical surveys during the peak movement of migratory cetaceans.
- 5.5.6 Illegal dumping of waste or any equipment aboard the drilling unit/drillship and support vessels is prohibited.
- 5.5.7 In the event of loss of equipment that presents a risk to navigational activities, other marine users and/or the marine environment, measures to retrieve lost equipment must be undertaken where feasible. Such incidents must be reported to the competent authority and the South African National Hydrographic Office within 24 hours of occurrence.
- 5.5.8 On completion of the demobilisation process, the holder must ensure that the drilling area is left safe for other sea users, and all I&APs must be informed of the completion of the authorised activities.
- 5.5.9 The holder remains accountable and liable for any residual or latent risks that may occur after completion of drilling. In this regard, necessary measures to address such risks are mandatory.

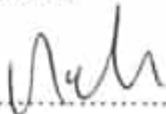
5.5.10 All recommended mitigation measures included in the EIAR and EMPr dated 28 February 2025 are deemed to be conditions of this authorisation and must therefore be adhered to.

6. DISCLAIMER

The Department shall not be responsible for any damages or losses suffered by the holder in an instance where the operation is temporarily or permanently stopped for reasons of non-compliance with the conditions as set out herein or any other subsequent document or legal action emanating from this decision.

7. RECOMMENDATION

In view of the above, and having taken into consideration the environmental management principles as set out in section 2 of the NEMA, the information presented in the authorisation application and the EIAR, and subject to compliance with conditions of this authorisation, this Department is satisfied that the proposed activities will not be in conflict with the objectives of the integrated environmental management set out in Chapter 5 of the NEMA and will not result in any detrimental risks to the environment and the public. **The authorisation is accordingly granted.**



JACOB MBELE

DIRECTOR-GENERAL

DATE: 30/6/2025

APPENDIX 1: REASONS FOR DECISION

1. Information Considered in Making the Decision

All the information presented to the Department was considered in making this decision. The said information includes, amongst others:

- 1.1 The provisions of Chapter 5 of the National Environmental Management Act, 1998 (Act 107 of 1998), as amended (NEMA) which relates to the integrated environmental management and section 2 NEMA principles; the Environmental Impact Assessment Regulations, 2014 as amended (hereinafter referred to as the "EIA Regulations"), provisions of the Integrated Coastal Management Act, 2008 (ICMA) and other relevant environmental regulatory framework.
- 1.2 The environmental authorisation application dated 08 July 2024.
- 1.3 The environmental impact assessment report (EIAR) and environmental management programme (EMPr) submitted on 28 February 2025.
- 1.4 The information contained in the following technical and specialist reports received by the Department on 28 February 2025:
 - 1.4.1 Drilling Discharge Modelling Report prepared by CLS Brasil.
 - 1.4.2 Oil Spill Modelling Report prepared by CLS Brasil.
 - 1.4.3 Underwater Sound Transmission Loss Modelling Report prepared by SLR Consulting (Canada) Ltd.
 - 1.4.4 Marine Ecology Specialist Assessment prepared by Pisces Environmental Services (Pty) Ltd.
 - 1.4.5 Fisheries Specialist Assessment prepared by Capricorn Marine Environmental (Pty) Ltd.
 - 1.4.6 Socio-Economic Impact Assessment prepared by SLR Consulting (South Africa) Pty Ltd.
 - 1.4.7 Cultural Heritage Impact Assessment prepared by Prof MJR Boswell, DSI-NRF Chair in Ocean Cultures and Heritage.
 - 1.4.8 Air Quality Assessment prepared by SLR Consulting (South Africa) (Pty) Ltd.
 - 1.4.9 Climate Change Risk Assessment prepared by SLR Consulting (South Africa) (Pty) Ltd.
 - 1.4.10 Closure Planning Framework prepared by WSP Group Africa (Pty) Ltd.



- 1.5 Exemption letters from conducting Maritime Underwater Heritage and Paleontological specialist studies from the Specialists and granting letters by the South African Heritage Resources Agency.
- 1.6 The results of the public participation process (PPP) submitted with the EIAR, which highlighted issues, concerns, and comments raised by various interested and affected parties (I&APs) and the manner in which the issues were considered by the environmental assessment practitioner.

2. Submission and Consideration of the EIAR and Supporting Documents

- 2.1 Regulation 23(1)(a) and 23(1)(b) of the EIA Regulations requires the applicant to submit within 106 days of the acceptance of the scoping report, or, where regulation 21(2) applies, within 106 days of receipt of the application by the competent authority, submit to the competent authority:
 - (a) An environmental impact assessment report, inclusive of any specialist reports, an EMPr, a closure plan in the case of a closure activity and where the application is a mining application, the plans, report and calculations contemplated in the Financial Provisioning Regulations, which have been subjected to a PPP of at least 30 days and which reflects the incorporation of comments received, including any comments of the competent authority; or
 - (b) A notification in writing that the documents contemplated in subregulation 1(a), will be submitted within 156 days of acceptance of the scoping report by the competent authority or where regulation 21(2) applies, within 156 days of receipt of the application by the competent authority, as significant changes have been made or significant new information has been added to the documents which changes or information was not contained in the original documents consulted on during the initial PPP contemplated in subregulation 1(a) and that the revised documents will be subjected to another public participation process of at least 30 days.

The EIAR and the EMPr were submitted within the prescribed legislated timeframe i.e., 28 February 2025.



3. Key Findings

Careful consideration of information submitted to the Department thus resulted in the following conclusions:

- 3.1 All fundamental and procedural requirements prescribed in the applicable legislation such as the NEMA, EIA Regulations, ICMA, and Climate Change Act, 2024 were satisfied.
- 3.2 The majority of the negative potential impacts on the environment from normal drilling operations were assessed to range from very low to low significance post-mitigation, and therefore deemed acceptable and manageable, provided the applicant implements the proposed mitigation measures.
- 3.3 The potential impact of a major unplanned oil spill event on marine ecology, fishing and nearshore communities was assessed to range from low to high significance post-mitigation. While the significance of the impact on marine fauna and fisheries should a major oil spill event take place is deemed unacceptable due to the high significance rating, the probability of the event taking place, which is highly unlikely, was considered. Internationally, the probability of a well blow-out is 0.0143% (based on Lloyds Register) for normal exploration wells, whilst in South Africa, no blow-outs were experienced to date based on 358 wells drilled offshore. The acceptability of the project is also informed by the drilling technology and the associated well blow-out preventive measures that have evolved.
- 3.4 The provisions of section 12 and section 63 of the ICMA such as the impact of the authorised activities on coastal public property, the coastal protection zone, coastal access land, and coastal environment; socio-economic impact if the project is authorised or not; and whether the project is contrary or not to the interest of the whole community and future generations; applicant's past environmental performance; and PPP were duly considered. Based on the outcomes of the environmental impact assessment carried out and the proposed mitigation measures, the proposed authorised activities is deemed acceptable. In addition, the



authorised activities are not contrary to the interests of the whole community and future generations.

3.5 The identification and assessment of the potential cumulative impacts were undertaken. This included the cumulative impacts of the project in its totality and its impact on past and future activities within reason. The assessment is deemed to have been undertaken adequately. The potential impacts were assessed to range from very low to low significance, which is acceptable.

3.6 The EIAR considered the need and desirability of the authorised activities in the context of energy and resources-related policies and plans, climate change policies, etc. The proposed project is deemed compatible and harmonious with the said policies. More importantly, the need and desirability of the project, considered the environmental and socio-economic sustainability of the project and outcomes, as per 3.2 and 3.3, are therefore deemed acceptable.

3.7 Project alternatives considered, such as drill site location, timing of the proposed activity, design/technology, well abandonment and no-go categories, during the environmental impact assessment process to reduce the potential environmental impacts are deemed acceptable, taking into consideration the nature of the authorised activities. The applicant is required to adhere to the identified preferred project alternatives as prescribed in the EIAR.

3.8 The PPP carried out complied with Chapter 6 of the EIA Regulations and related guidelines. A comprehensive PPP as recorded in both the scoping report and the EIAR not limited to distributing notifications to I&APs using several methods (emails, SMS and/or WhatsApp, project advertisements in local and regional newspapers, site notices, radio announcements, etc.); holding several meetings with I&APs, distributing the scoping report and EIAR for comments, and use of languages spoken within the project area of influence were carried out.



4. Conclusion

In view of the above and having taken into consideration the environmental management principles as set out in section 2 of the NEMA, this Department is satisfied that the authorised activities will not be in conflict with the objectives of the integrated environmental management set out in Chapter 5 of the NEMA and will not result in any detrimental risks to the environment and the public. This environmental authorisation is accordingly granted.



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JACOB MBELE

DIRECTOR-GENERAL

DATE: 30/6/2025