



NORTHERN CAPE
PROPERTY INVESTMENT
HOLDINGS

Registration No.: 2007/019438/07



6 May 2008

Att: Ms. Lindile Mpanza
Carte Blanche Journalist

Good Afternoon Lindile ,

Thank you for contacting us so that we may answer your questions , please find below the answers . We hope that we have interpreted your questions correctly , if not please do not hesitate in contacting us to clarify any issues.

I have also attached our reply to the Sunday Times for some clarity on the situation and for your easy reference.

We will also be forwarding you the EIA for your easy reference.

- 1. Explain the entire process that has gone into this residential development? When did it begin and when will it be complete?**
The “Development Property” being portion 16 and 42 of the farm RoodePan 70 , Kimberley was earmarked as a potential development site in October 2006 , when it was placed on the books of Auction Alliance to be actioned-off .
In the prospectus issued by Action Alliance ahead of the auction it was noted that the property was rezoned in 1989 by Bester Behusing and that this zoning had subsequently lapsed due to Bester Behusing going into liquidation shortly thereafter.
After viewing the property and discussing the parameters of a proposed development with Sol Plaatje Municipality , it was decided to enter into a Purchase Agreement with Jofran Trust , the property owners who purchased the property after the liquidation of Bester Behusing. An agreement was reached and signed by both parties on 30 November 2006 for Rapitrade 555 (Pty) Ltd t/a Northern Cape Property Investment Holdings (“The Development Company”) to purchase the property.

The town / township planning phase was activated in February 2007 , where several months of planning was dedicated to this project by MVD Kalahari as the town planners and project engineers , as well as the rest of the project team.

A final development proposal was submitted to Sol Plaatje Municipality on 9 October 2007 for review and comment from the various municipal departments , the development proposal was submitted in eight (8) separate applications to enable the municipality to properly review the separate applications and the total development proposal. The applications where also work-shoped with the municipal departments to ensure that all the information was at hand for the Municipality to make an informed decision.

The Development was given the approval by the Sol Plaatje Council in Council Resolution C575/07 dated 5 December 2007 after being reviewed by Municipal Dept. and being advertised in the local newspapers and all other Municipal requirements and legislation.

A full Environmental Impact Assessment was requisitioned in September 2007 and this has been undertaken by an independent consultants , who have for filled every requirement NEMA and DETEC regulations. Consultation and discussions where also held with Mr Mark Anderson (DETEC / Flamingo Trust) on 26 September 2007 , who advised that we appoint a specialist Ms. M. De Villiers of the Avian Demography Unit at the University of Cape Town to do a specialist study and report on the impact of a development on the flamingo's and birdlife.

An application was submitted to the Dept. Agriculture for the rezoning of agricultural land to residential and commercial and this was granted on 22 January 2008.

Construction will start immediately once a DTEC / Environmental approval has been granted (R.o.D) and it is envisaged that this development will take approximately 8 years to complete.

2. At what stage is the Northgate development at?

Council Approval	- 5 December 2007
Dept. agricultural Approval	- 22 January 2008
DETEC / Environmental Approval	- Awaiting Decision

Prior to any "Development" being able to proceed three approvals are required , these are stated above.

Once an approval has been obtained from DTEC / Environmental , we will immediately begin construction on Phase 1 , which is envisaged to be 1 July 2008.

3. Concern has been raised about the rich birdlife that might be affected by the construction. Were there other alternative sites and if so, why weren't they used?

Other sites (3 alternatives) and a "no go" option were investigated , all of these sites were for sale and offered to us. All the alternative sites had substantial disadvantages and the "Northgate" site was selected due to a number of positive elements.

Our EIA (Environmental Impact Assessment) has substantially addressed the impact of the construction on the birdlife of Kamfersdam , as well as the alternative sites which we investigated. There are specialist reports by highly qualified and respected independent individuals and all this information has been available to the public as incorporated in our Scoping Report of 11 February 2008.

4. The council rezoned the 380ha development site from agricultural to commercial and residential use despite the area being earmarked as a conservation area in the city's draft spatial development plan. Why?

The Council rezoned the "Development Property" based on a huge amount of information and reports submitted.

The Council decision was taken utilizing the approved and current Spatial Development Plan(SDF) approved by Council in 2004.

The "draft" Spatial Development Plan has only been posted on the Sol Plaatje Municipality website from 16 April 2008 , for comment by interested and affected parties and public review. This "draft" was not in existence or available to anybody when Council approved the rezoning on 5 December 2007 of the "Development Property".

It is by pure lack of communication within the Municipality that the "Northgate Development Property" was not included in the "draft" Spatial Development Plan(SDF) , which has been issued for comment and is not yet an approved official document.

The public participation process for the "draft" SDP(SDF) has not yet commenced.

5. How many people have appealed against the council's rezoning decision and how far has this gone?

The Council received one objection to the proposed development

in the process of advertising the Development , this was from only one party - Northern Cape Ranchers c.c. and the Council and Municipal Dept. rejected this objection on the grounds that it did not contain enough merit to stop the approval.

On 2 February 2008 , once again only one party – Northern Cape Ranchers c.c. (adjacent land owner)lodged an appeal with the Dept. of Housing against the Council Resolution. This appeal has been rigorously opposed by the Sol Plaatje Municipality and ourselves.

We are at present awaiting the outcome of the Appeals Tribunal , which should be issued on Friday 9 May 2008.

6. The rezoning follows the appointment of Advocate Phemelo Sehunelo to the board of Group 1 Developments. Is this pure coincidence?

The rezoning does not follow the appointment of Advocate Sehunelo to the board of Group1 Developments.

Adv. Sehunelo resigned from the Sol Plaatje Municipality in August 2005 and has since been a partner and legal advisor to GemRock. Adv. Sehunelo was appointed to the board of directors of Group1 Developments on 27 March 2008 , due to his extensive network of business links and assistance in acquiring potential developments in Gauteng.

7. The development is supposed to be a R2bn investment into the Kimberley economy over the next couple of years. Yet Northgate will be situated 2km north of the city at Kamfersdam which is a wetland and a natural heritage site. Kamfersdam is also said to support the largest permanent population of Lesser Flamingo in Southern Africa and the artificial island was built to get them to breed. How will construction affect the ecologically sensitive site and how do you justify putting Kimberley's greatest ecological asset at threat?

The development will indeed result in a R2bn investment into the Kimberley economy over the next 8 years and will also substantially assist in reducing the huge backlog in available "affordable" housing in Kimberley.

Northgate is not situated at Kamfersdam , the wetland or natural heritage site , but the proposed development will take place on adjacent land , which at places borders onto the natural heritage site.

The safeguarding of the population of Lesser Flamingo's has always been at the top our agenda and part of the attraction of the property , was the beautiful views over the flamingo's and Kamfersdam. It must please be noted that we have requisitioned an extensive EIA , with specialist reports and a full EMP to ensure that the construction does not negatively affect the flamingo's or there breeding habits. Our Scoping Reports and EIA are available to the public and have been issued to all registered interested and affected parties.

It must also please be noted that within our proposed development the nearest residential unit will be approximately 1,4 Km from the flamingo breeding island and approximately 1,0 Km from Kamfersdam. This must be taken into account when the suburb of Homstead is within 350 meters of Kamfersdam , the N12 highway between Johannesburg and Cape Town is within 180 meters of Kamfersdam , the Spoornet train lines are within 16 meters of Kamfersdam and the Casino , hotel and entertainment complex is within 860 meters of Kamfersdam.

It must also be noted that at present Kamfersdam nor the flamingos are protected from outside invasion, but our proposed development would supply security walls and fencing including security surveillance equipment which will ensure the protection of the flamingos.

It must also please be noted that at present Kimberley's "greatest" ecological asset is in fact not being properly affected nor utilized for tourism or environmental education , for which our development will make funds available.