Explaination: Commencement of activities prior to environmental authorization

I, Denina Bernard, discovered the Crags while spending time on a farm during the time that our country was in a hard lockdown from March to May 2021. I developed a passion for the area and learnt of possible opportunities.

I learnt that the macadamia industry has notably been increasing in the Western Cape and that macadamias are considered an important crop in South Africa. It is the fastest growing tree crop industry in the country. I believed that it is a great industry in terms of making a difference but which also provides the benefit of enjoying the beautiful agricultural area in the Western Cape.

Macadamia value chain can be broken down into the following levels: the producer of macadamia nuts (farmers), processing /cracking factory owner (who dry, crack (dehusk), sort, cook, roast, grade, package, store and distribute macadamia nuts). Processing factories also market and sell macadamia nuts to fresh produce markets, wholesalers, supermarkets, retailers and informal markets and then to end users (consumers).

A macadamia tree however takes five to twelve years to produce nuts. One needs to plant at least 20-25 Ha of trees to have a commercially viable unit.

I approached my husband, Jaco Bernard, and we decided to pursue the opportunity. We have never been involved in any agricultural business prior to this but made an informed decision that it could be a beneficial investment.

We purchased two portions of agricultural property in August 2021 and another one approximately two months later. The three portions add up to 40Ha. We intend to expand as suitable property becomes available.

The estate agent who specializes in agricultural properties, knew of our intention, and never mentioned any restrictions or potential constraints.

As one needs to wait seven years on average to start having a return on such an investment, we immediately started necessary investigations such as soil surveys and soil mapping by agricultural scientists. They presented us with complete orchard development plans which included the orchard layouts and drainage plans.

We were advised that only 24Ha of the total 40 Ha was suitable to establish orchards. The 24Ha basically includes the greatest part of all "flat" ground. The remaining 15Ha of unsuitable ground include portions on which two existing buildings are situated, a small existing dam on 12/232 (not on the property in question), unsuitable soil and slopes at the bottom part of 12/232 and a portion of 15/232 <u>and the valley in question</u>.

At that stage the entire valley in which we intended building the dam (in the upper first half of it), was covered with pine trees and wattles that formed an impenetrable forest. It was also one of a few areas on the three properties that was not suitable for agriculture; had a natural sunken area and would in our opinion have had the least impact

on/disturbance of the area which wasn't suitable for agriculture but also the greater area. Material needed for the construction was available and most of what would be excavated would be used on site or for future infrastructure. Considering all the alternatives, it was the best option to use this area as a storage dam for three water allocations which we are entitled to from a furrow system as well as water from a borehole that we intended to sink AND clearing all aliens and rehabilitating the bottom half of the valley would be beneficial to the area's environment. It also made the best financial sense as we would otherwise have had to excavate a hole from a flat surface which would be much more expensive. We would rather apply the capital to eradicate aliens on the entire property and rehabilitate the remainder of the valley to restore natural fynbos.

Our planned and thoughtfully designed drainage system would also allow for more water than before into the adjacent nature reserve.

We believed that we were diligent in putting together a holistic and beneficial development plan that would be to the advantage of the area and to our planned development.

We cannot plant the intended 10 000 trees without water security.

Building a dam was a matter of urgency as we ordered our trees which are due for delivery between March to May 2022.

Predictions of the La Niña phenomenon gave hope for an above average rain season which added to our eager to build a dam as soon as possible.

At no time did we realize the extensive processes that needed to be followed.

Denina Bernard.