

Environment & Social Action Plan
Tsodilo Resources Limited
10 May 2010

The Company commits to the actions as specified below, within the specified deadlines, and declares that the resources specified below have been allocated.

<u>Issue</u>	<u>Proposed Actions</u> (Mitigation, Management, Monitoring, and Institute Methods)	<u>Indicator of completion</u>	<u>Target Completion Date</u>
1. Social and Environmental Assessment and Management System	a. Develop a Health, Safety, Environment and Community Policy (“HSEC Policy”) for exploration drilling and potential mining operations that will include, <i>inter alia</i> , the company’s commitments in respect of human resources, occupational health and safety, labor and working conditions, worker’s grievance mechanism, biodiversity preservation (particularly the Okavango Delta), local communities (including Batswana, San or Basarwa, Herero and Hambakushu groups) and any community development, and cultural heritage preservation (particularly in the vicinity of Tsodilo Hills). Appoint a responsible person (e.g. Project Geologist or Country Manager) to spearhead implementation and monitoring of the HSEC Policy.	HSEC Policy provided and agreed with IFC	Within one 45 days of subscription
	b. Document existing and planned community engagement activities in a Stakeholder Engagement Plan (SEP) that will describe procedures for informing the nearby affected communities (including Batswana, San or Basarwa, Herero and Hambakushu groups) about the impacts of the current exploration activities and potential future activities and consulting with them on project development plans and impact mitigation measures, following IFC’s publication Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets (May 2007) . As part of the SEP, Tsodilo, will provide regular (at a minimum annual) feedback to local stakeholders on project activities and implementation of agreed environmental and social mitigation measures.	SEP provided and agreed with IFC	Within three months of subscription

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	c. As part of the SEP establish a comprehensive grievance mechanism to receive and facilitate resolution of the affected communities' (including Batswana, San or Basarwa, Herero and Hambakushu groups) concerns and grievances about environmental and social performance.	Grievances procedure is provided and agreed with IFC	Within three months of subscription.
	d. Conduct a comprehensive Environmental and Social Impact Assessment for any potential mining operations before commencing mining projects covering in particular: water resources (including cumulative impacts on the Okavango Delta), biodiversity, land acquisition, indigenous people and other vulnerable communities, influx management, HIV/AIDs and cultural property issues (including proximity to, and any potential impacts on Tsodilo Hills UNESCO World heritage Site).	ESIA is provided and agreed with IFC	To be assessed ("TBA"), subject to any mine development plans
2. Community Health, Safety and Security	Develop and implement Emergency Response Plan or Procedure (ERP) for exploration drilling. Provide training to Tsodilo staff and contractors' on emergency preparedness and response.	ERP is provided and agreed with IFC	Within three months of subscription
3. Biodiversity Conservation and Sustainable Natural Resource Management	Conduct a detailed biodiversity impact assessment as a part of ESIA development for any potential future mining operations, with particular reference to proximity to, and any potential impacts on the Okavango Delta Ramsar Site.	ESIA is provided IFC	TBA, subject to any mine development plans
4. Cultural Heritage	a. Establish chance find procedure for cultural and historical artifacts for exploration drilling and ensure compliance with the procedure	Procedure documents provided and agreed with IFC	Within three months of subscription
	b. In the case of any future mining operations, conduct an archaeological assessment of the proposed mine site and include any recommendations of the archaeological assessment) into the project design	A copy of Archaeological Assessment is provided and agreed with IFC	TBA, subject to any mine development plans