

BIOPROSPECTING PERMIT AWARDED TO RAPITRADE 670 (PTY) LTD

The Minister of Water and Environmental Affairs has awarded a bioprospecting permit to Rapitrade 670 for the extraction and purification of chemical compounds from the shrublet, *Galenia africana*. This plant is commonly known as *Kraalbos* and is found in abundance in the Northern Cape. The plant is also found in the Western Cape, and Eastern Cape. The Kraalbos has historically been used as medicine for treatment of various diseases by the Khoisan people

BIOPROSPECTING PROJECT ON GALENIA AFRICANA (KRAALBOS)

The Rapitrade 670 (Pty) Ltd, is utilizing Kraalbos to make further extraction and purification of chemical compounds for the development of commercial products in the agro-food chemical and pharmaceutical markets.

Rapitrade 670 (Pty) Ltd conducted a discovery phase bioprospecting on Kraalbos for further research on the extraction of pure flavonoids from Kraalbos extract and the use of these flavonoids in pharmaceutical compounds for medical treatments. Flavonoids are most commonly known for their antioxidant activity in the human body.

The commercialisation phase bioprospecting project concept for Rapitrade 670 (Pty) Ltd was developed based on the positive outcomes of the research studies for Indigenous Botanical Adjuvant Technologies (iBATECH) which was conducted by the University of the Western Cape which utilized the existing traditional knowledge associated with Kraalbos. The initial research studies proved that extracts of Kraalbos shows antifungal, antibacterial and antitoxidant activities.

A range of other commercial products have been developed parallel to the initiative by Rapitrade 670 (Pty) Ltd at a household level:

- NamaquaGold Soap – The soap is hand made with the herbal ingredients of the Namaqualand Kraalbos. The soap is used to treat skin problems, dandruff, wounds and inflammation. It has been produced as a household business.
- NamaquaGold Lotions and creams – The lotions and creams have the same properties of the soap. It keeps the skin soft and has a nice aromatic scent. It has been produced as a household business.

BENEFICIATION

Rapitrade 670 has entered into Benefit Sharing Agreements with:

- 1) Khoi Heritage Foundation – Indigenous knowledge holders
- 2) Komaggas Buffelsrivier Inheemse Venootskap – Access providers

The benefits included under the Benefit Sharing Agreement include:

- 35 Saailand tenants and owners will be reimbursed per kilogram of Kraalbos harvested. This will result in an approximate amount of R2 million upfront payment to the access providers
- A Section 21 company established for the Komaggas community to receive 5% of all distributable cash reserves after costs at the end of each financial year, or at such time as deemed appropriate by the directors of Rapitrade 670 (Pty) Ltd.
- The Khoi Heritage Foundation to receive 1% of all distributable cash reserves after costs at the end of each financial year, or at such time as deemed appropriate by the directors of Rapitrade 670 (Pty) Ltd.

The University of the Western Cape will receive 4% of all distributable cash reserves after costs at the end of each financial year, or at such time as deemed appropriate by the directors of Rapitrade 670 (Pty) Ltd resulting in 10 % on annual profits been paid to the previously disadvantaged communities. The above allocation makes total annual payments of ten percent (10%) by Rapitrade 670 (Pty) Ltd of its annual profit. In addition, Rapitrade 670 (Pty) Ltd will also have a Previously Disadvantaged Individuals (PDIs) shareholding of forty percent (40%) after shareholders loans have been repaid.

Up-front beneficiation:

- For a period of three months, plant materials were purchased from 45 access providers occupying small farms where the total land of Kraalbos is about 200ha. Approximately 200 persons from the community were employed for harvesting of Kraalbos. Two project coordinators from Komaggas assisted with administrative duties
- Shed-hands workers were employed for administrative work
- Two trucks were rented from a local transport business in Komaggas