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THE PRESIDENT'S REPORT

Overview

Once again international metal markets performed badly during the year 2001. The continuation of the world recession experienced in 1999 and 2000 resulted in lower than forecast growth, particularly in the United States. The non-achievement of projected growth, in turn resulted in a slower than forecast depletion of excess stocks, despite cut-backs in production in virtually all mineral sectors.
Some commentators believe that, with the increasing world population augmented by adverse climatic changes and thus excessive demands placed on the agricultural sector, general forecasts for economic recovery are somewhat optimistic for the medium term. Political instability in an increasing number of regions, exacerbated by widespread incidences of terrorism, add to a gloomy prognosis.
In the light of this, some uncertainty exists as to the capacity and ability of the western world, particularly the USA, to recover in the short term. However, on the positive side, the determination shown by the United States after the tragic events of September 11th may well serve to dispel negativity.

In order to maintain its competitive edge the Namibian mining industry has pursued its strategies of cost containment and innovative approaches, in conjunction with its major stakeholders. The success of such policies are amply demonstrated by the achievement of cost-reduction targets by Rossing Uranium.

Internal Namibian Dollar performances by individual operations have been assisted by the dramatic decrease of the currency (through the Rand) against other "hard" currencies. However, such assistance can only be realised when consumables, replacement items, etc are not sourced from external hard currency sources.

Apart from this assistance it is extremely pleasing to report that production at most operations was at a par, or better than, with that achieved in the year 2000.

Namibian mineral production was, of course, enhanced by Ongopolo Mining and Processing recording its first full year of production with operations at both Kombat and Otjihase proceeding well. In addition to both mining operations running at optimal production, the smelter has processed "toll" material from external sources. Exports of pyrite concentrates to Zambia are particularly important as copper concentrate for smelting is an economic "return trip" commodity.

Namdeb Diamond Mining Corporation continues to lead the mining industry in terms of product revenue, contribution to GDP, and employment. The company, in conjunction with Debmarine Namibia, increased its output by some 4,9 % to a total of 1,385 million carats during the year under review. Empowerment efforts, in terms of shallow water contractors, continued throughout the year with very positive results.

The return of Namco from provisional liquidation, with strong backing from the Leviev Group, is extremely encouraging. Mining operations were resumed during the latter half of 2001 with a resultant production of approximately 85600 carats.

Following the signature of a joint venture agreement, Diamond Fields International and the Trans Hex Group started sampling and trial mining in the latter half of the year under review. Initial results have been extremely encouraging, producing some 16500 carats by year-end. Trans Hex replaced the mv Ivan Princep, used as an interim measure, with a new specialised vessel, the mv Namakwa, with an enhanced abrasive jetting system which has proved much more effective.

However, arguably the most important development in the Namibian mining industry, is that taking place in the south of the country at the Skorpion Project. This massive and exciting development is now being successfully fast-tracked into production, expected towards the end of 2002. The social and economic effects of this substantial development on both the southern region and nationally cannot be over-emphasised. It is extremely pleasing to note that the surfacing of the road between Aus and Rosh Pinah is to commence in 2002.

The revival of the Otjosondu manganese project by Purity Manganese is a very pleasing development and it is hoped that this operation will prosper to the benefit of local communities in the Okahandja environs.

Prospecting

Despite cut-backs by a number of international companies in their exploration divisions and the relatively sombre economic outlook, prospecting and exploration activities remained at a high level during 2001. As can be seen in the detailed report on exploration, the number of mineral licences issued during the year by the Mining Commissioner's office showed a significant increase on previous years. Substantial interest continues to be shown in offshore areas, whilst significant controlled activity has taken place in the old Sperrgebiet region. However, prospecting and exploration activities are not confined to these areas but range throughout the country for a wide variety of commodities.

Overall prospecting / exploration expenditure amounted to some N$ 248,7 million for the year under review as compared to N$ 167 million during the year 2000. Once again diamond exploration, inclusive of exploration equipment costs and trial sampling operations, accounted for the major portion (84,1 %) of this expenditure.
Offshore and associated marine exploration developments consisted of equipment purchases, replacements and refurbishments by Namco and Trans Hex, whilst the major expense accruing to DFI was for the completion of a feasibility study. Namdeb expended a massive N$ 79 million on exploration and sampling programmes in comparison to N$ 62 million in the previous year.

On land the exploration scene has been dominated by the activities taking place in the Exclusive Prospecting Licences area of the Sperrgebiet. Expenditure in this region by Chamber members is estimated at some N$ 22 million which, for the first full year (in most cases) of exploration, demonstrates the perceived potential of the area. Companies operating within this special region has contributed to the development of the Land Use Plan and are currently, with the assistance of Geological Survey, combining data on access routes to ensure no untoward developments take place in the region.

Representatives of the Chamber Standing Committee on Prospecting have participated in the development process for the Minerals Policy. Several concerns and recommendations have been expressed and well received. The Chamber and industry representatives have, as is mentioned elsewhere in this report, been heavily involved in drafting Amendments to the Minerals Act. Despite some unavoidable delays, the process is nearing completion and it is hoped that legislation can be effected before the end of 2002.

Unfortunately the drawn-out court case between Northbank Diamonds and the Aussenkehr Grape Growers Association has, as yet, not been resolved. The issue revolves around the "right of access" by a minerals licence holder, provided compensation is paid, to a landowner's property. The mining industry is extremely concerned as this issue may have severe consequences for the future development of the minerals industry.

Capital Investment

Despite continuing to impose strict cost control measures and reassess operating procedures to improve efficiencies, the mining industry has had to provide for new technological developments and to attune itself to the developing world of business systems and communications.

Total capital expenditure for the year under review has been assessed at N$ 245,1 million, mainly invested in plant refurbishments and equipment purchases.

Namdeb Diamond Company incurred capital expenditure in the region of N$ 178 million apart from the N$ 79 million spent on exploration and sampling operations. A considerable proportion of this was spent on the establishment of the Daberas Mine, whilst substantial improvements to processing plant were also made.

Rosh Pinah Zinc Corporation, as part of its expansion programme, purchased one Boomer drill rig, one Simba production rig and two 25-ton haul trucks during the year. In addition, the company has acquired a Minetrack computer assessment system, at a cost of N$ 1,9 million, to monitor equipment performances.

Okorusu Fluorspar has virtually completed its capital equipment expansion programme, having expended some N$ 9,7 million on plant during the year.

Rossing Uranium completed the refurbishment and expansion of its acid delivery system both on-site and at the harbour at Walvis Bay during the previous year. An investigation into the economics of reviving the on-site acid plant operation is being considered for 2002.

As detailed elsewhere in this report, Ongopolo Mining and Processing has continued with its capital refurbishment programme at all three operations, Kombat, Otjihase and the smelter complex. Capital expenditures also include expenses incurred through investigations into various other projects and sub-operations. In total, the company invested some N$ 25,1 million into current operations during 2001.

Health & Safety

Despite the high priority and attention given to health and safety, it is regrettable that two separate mine accidents resulted in three fatalities. Apart from these extremely unfortunate incidents, Chamber member operations maintained and improved on the high standards achieved in previous years.

Statistical penalties imposed on fatal accidents are, understandably, severe, which has adversely affected both average severity rates and shifts lost per accident figures for the year under review. However, it is pleasing to note the decrease in the overall accident frequency rate.
Once again efforts made by both management and employees to report all accidents and incidents have been fruitful. In particular the number of no-time lost incidents has increased which demonstrates a heightened awareness by all concerned. Reporting of such incidents also, through analysis, can indicate trends and areas of potential risk. During the year some 317 accidents / incidents were analysed in terms of injuries to particular parts of the body, causes, personal factors, equipment activity, age and time of accident. Detailed statistics covering these incidents were produced, with analysis recommendations for further attention.

The Chamber is proud that, as a result of its initiatives, the National Occupational Safety Association (NOSA) completed the formal registration of NOSA Namibia with its office in Windhoek. Interest in the various programmes and training courses is high, as evidenced by the number of companies (42) currently participating in the system. An extensive marketing / awareness campaign will be launched in 2002 for all sectors of the economy with particular emphasis on smaller operations.

A unique achievement for Namibia was made at the end of 2001 when all three of the individual operations, Mining Area 1, Northern Areas – Elizabeth Bay, and Orange River Mines, of Namdeb Diamond Corporation achieved NOSCAR status.
In addition to this commendable achievement Kombat, Navachab and Rosh Pinah all retained their five star ratings.

Apart from safety awards, several operations have maintained or achieved ISO accreditation, most notably Namdeb's Mining Area 1, Orange River Mines, Elizabeth Bay and Pocket Beaches operations.
In addition Rossing Uranium was awarded Environmental Management System (EMS) certification in February 2001 through the South African Bureau of Standards

At the end of the year 2001 Namdeb Diamond Corporation recorded a second safety achievement when Mining Area 1, with a combined frequency / severity rate of 0,29, won the A Division of the Chamber Inter-Mine Safety competition and Orange River Mines was awarded the trophy for the B Division, with an amazing 0,00 combined frequency / severity rate.

Northern Areas -Elizabeth Bay Mine also achieved a zero frequency / severity rate during 2001, being the third year in succession, a remarkable achievement.

As reported previously the final draft of the new Mine Health & Safety Regulations has been completed and is waiting for the completion of complimentary legislation before presentation to the Minister of Mines and Energy.

Progress with, and participation in, the Chamber's Occupational Health Education and Awareness Programme (OHEAP) has continued to be extremely encouraging.
The Chamber would like to take this opportunity to record its thanks to Okorusu Fluorspar (Pty) Ltd for its continued sponsorship of the Programme.

The Programme is not confined to the mining industry but is available to any company. Several fishing enterprises, the Namibian Ports Authority and the Municipality have derived benefit from their involvement in the Programme.
In order to expand the Programme, an agreement was signed with Family Health International for funding for capacity building, extension and promotional activities.

Besides advancing the objectives of the Programme and training Peer Educators, the OHEAP Coordinator has been invited to attend and address a number of meetings, most notably the IUHPE World Conference on Health Promotion and Education, which was held in Paris in July 2001, and a conference on "Planning to deal with HIV / AIDS in the workplace" in Mombasa, Kenya in November 2001. The Mubisan Group is currently basing a film production relating to HIV / AIDS on the OHEAP programme.

Employee Relations

Improvement in communication and interaction between employees and employers continued to receive priority attention throughout the year. A number of mutually beneficial agreements were signed during the period under review, ranging from recognition agreements through medical separation to recruitment and selection and sexual harassment policies.

The relationship between employers and employees has been further strengthened through meetings of the Mining Cooperation Council, formed in the year 2000. Four meetings of the MCC took place during the year where issues of mutual concern were discussed on an informal basis.
Of particular significance was the decision by the President of the Chamber and President of the MUN to initiate positive action as far as the preferred future position of the Namibian mining industry is concerned. The project is to identify major issues facing the future of the mining industry and to propose, within these fields, actions necessary to achieve the preferred position. A significant amount of the work undertaken also has a bearing on the development of the Minerals Policy and fits in well with the strategies being developed through the international and regional Mining, Minerals and Sustainable Development project. It is hoped that a definitive document can be published during the first half of 2002.

Despite continuing poor international market conditions the mining industry has managed, through strict controls and involvement of all affected parties, to limit any adverse effects to the workforce. As can be seen from the annual employment statistics (Annexure F) the number of employees has been maintained within 3,6 % of last year's figure. However, it should be recognised that the mining industry in itself is not a major employer but does provide numerous employment opportunities in the form of the ancillary support services it requires. In addition, the creation of entrepreneurial opportunities through responsible outsourcing activities provides other operators access to business development within local communities.

Government relations

Representatives of the Chamber on such statutory bodies as the Labour Advisory Council, Social Security Commission and Employment Equity Commission have carried out their, often onerous, duties in a very professional manner and the Chamber wishes to thank them and their employers for providing this extremely valuable service.

The Chamber also acknowledges the valuable contributions made by members of its various Standing Committees, particularly in respect of sensible, constructive comments and recommendations on all relevant pending legislation.

In particular, the mining industry continues to be involved in amending and extending mining legislation, advising on possible changes to labour-related legislation, and the development of sensible environmental laws. In this context the mining industry has maintained its sound relationship with Government in general and the relevant Ministries in particular.

Outlook

In general predictions for 2002 and the future, based on reassessment of previous forecasts, are not optimistic. The longer than expected downturn in world economies, particularly in developed economies and especially the USA, has resulted in sluggish demand for most mineral commodities. Unfortunately lower than forecast demand has meant that most commodity stocks have not been consumed as rapidly as expected and the production overhang has thus adversely affected the situation.

The forecast for growth, as far as metal commodities are concerned, is understandably conservative, being subject more to general economic recovery factors than to specific individual commodity issues. The effects of cut-backs, mine deferments and rescheduling put into effect over the last few years may, however, provide a buffering effect in the short-term. Analysts also forecast that any production build-up, as a result of new operations, will take some time to influence the current market scene.

The Namibian mining industry has, in addition to stringent cost controls and improved efficiencies, benefitted from the dramatic collapse in the value of the Rand, and thus Namibian Dollar. Such weakness does, to a certain extent, help to counteract unavoidable local cost escalations.
However, caution has to be exercised as far as future developments are concerned since the demise of the Rand bears no relationship to any economic fundamentals so far experienced. Consequently future price forecasts have to be treated circumspectly and adequate assessment of currency risks applied.

Overall, however, the outlook for the Namibian mining industry is a little more positive than for the previous last few years. Production is expected to increase at virtually all existing operations, whilst the projected contributions of the Skorpion and DFI / Trans Hex projects to the sector will provide added benefits to the Namibian economy.

CHAMBER MINING MEMBER EMPLOYMENT AND PRODUCTION STATISTICS

Company	Employees as At 31.12.2001	Product	2001	2000
Namdeb Diamond Corporation (Pty) Ltd	2916	Diamonds (carats)	1384704	1320308
Rossing Uranium Ltd	798	Uranium oxide (metric tons)	2640	3201
Ongopolo Mining & Processing Limited				
Ongopolo Processing	271	Blister copper	27015	5082
		Copper	26647	-
		Silver	18,15	8,79
		Gold (kilograms)	157	18,48
		Refined arsenic trioxide	914	-
		Refined cadmium	Nil	-
		Sodium antimonate	Nil	-
Kombat Mine	301	Copper concentrate	18180	15614
		Contained copper	5480	-
		Contained silver (kg)	10460	
Otjihase Mine	283	Copper concentrate	26152	3485
		Contained copper	6912	-
		Contained silver (kg)	2187	
		Contained gold (kg)	122	
		Pyrite concentrate	56994	11967
		Sulphur	28606	
Anglogold Namibia (Pty) Ltd	311	Gold (kilograms)	2694	2399
Rosh Pinah Zinc Corporation (Pty) Ltd	491	Zinc concentrate	70610	73535
		Zinc metal produced	31803	39126
		Lead concentrate	26182	20665
		Zinc metal produced	13025	11114
		Zinc metal produced	31,97	11,66
Okorusu Fluorspar (Pty) Ltd	157	Fluorspar concentrate	81245	66128
		Dry payable content	73933	59846
Namibian Minerals Corporation	167	Diamonds (carats)	85592	220000

Trans Hex Group Limited	78	Diamonds (carats))) Joint Venture	16470	N / a
Diamond Fields (Namibia) (Pty) Ltd	4	Diamonds (carats))	Nil	Nil
Diaz Point Exploration (Pty) Ltd	81	Diamonds (carats)	8479	11283
Walvis Bay Salt Refiners (Pty) Ltd	101	Coarse salt	500441	482000
Salt Company (Pty) Ltd	67	Coarse salt	58000	32077
		Refined salt	11250	4347
		Rock salt	6400	4585

(production figures in tonnes unless otherwise stated)

2001 ANNUAL REPORT

1. LOCAL PRODUCTION

1.1 Diamonds

Total carats produced during 2001 amounted to some 1,495 million, a decrease of 3,6 % on the 1,55 million produced in the year 2000. Marine diamond production was severely affected by the problems encountered by Namco (see below), accounting for 744034 carats, being some 49,8 % of total production, a drop of 7,4 % as compared to the output of 887500 carats in the year 2000.

Despite lower than forecast recoveries from offshore operations, overall diamond production from Namdeb Diamond Corporation was satisfactory at some 1,385 million carats, an increase of 4,9 % on last year's performance. Offshore (deep waters) production by De Beers Marine Operations amounted to some 542915 carats as compared to the output of 576471 carats in 2000. Land-based operations exceeded targets at 841789 carats in comparison to production of 652746 carats in the previous year. A total of 99057 carats (91091 carats in year 2000) were produced from beach and shallow water operations. Namdeb has continued its empowerment efforts with the consolidation of relations with previously disadvantaged small contractor groups.

Namdeb reports that tonnage treated was some 20 % less than target due to delays in the commissioning of the wet infield screening plant at No. 3 plant and the dump treatment facility at No 2 plant. The deficit was further exacerbated by problems relating to the dredge operation and at No 4 plant. The Elizabeth Bay operation also experienced problems with seawater intake and blending which, again, hampered production.

Along the Orange River, the mobile treatment plant, in series with an infield screening plant, continued treating gravel terraces at the Daberas Mine. The new Daberas treatment plant, which was commissioned early in the year, required the introduction of a high rate thickener into the plant circuit to remove fine particles from the process water. Although much improved, the plant is not yet operating at full capacity. The current mining plan for Daberas indicates a production life of a further nine years.

In Mining Area No 1 mining operations ceased at No 2 plant towards year-end and treatment of the tailings dump commenced. Extensions to the ore resource in the No 4 plant area resulted in the expected life-of mine being extended by another two years.

Two wet infield screening plants were installed in the No 3 plant area during the year and were commissioned by year-end. This represents the first time that dry infield screening technology has been extended to a wet operation.

The dredging operation, introduced in 1997, was originally planned as a five year operation. However, the successful implementation of this technology has allowed for the continuation of dredging operations in Mining Area 1 for at least another ten years.
Planning work continued on developing mining and treatment methods for the ore in pocket beach areas in the northern part of the lease area and a feasibility study has been commissioned to investigate possible treatment of low grade overburden spoil dumps.

At the Elizabeth Bay Mine the feasibility study into changes to the current treatment methods for cemented and wet materials, continued to make progress. stwork concluded that locked-up diamonds in the gritstone could be liberated by crushing. Accordingly, the planned crushing facility (as mentioned in last year's report) was installed during August. Unfortunately, problems with crusher throughput and wear have necessitated investigations into alternative methods of crushing to extend the Mine's life.

Namdeb reports that capital expenditures amounted to some N$ 259,2 million during the year under review, inclusive of some N$ 79 million incurred in exploration and sampling operations.

Having successfully completed the implementation of SAP last year, maintenance and development efforts are focussed on deriving efficiencies and best practice, in alignment with the De Beers Group strategic initiatives. Focus is also being applied to the production areas of the business and further to the delivery of Management Information Systems (MIS). Ongoing personnel training and development is being carried out in the SAP area to further enhance existing skills and competencies.

In the environmental field Namdeb reports that whilst Mining Area 1 retained its ISO 14001 certification, Orange River Mines, Elizabeth Bay and Pocket Beaches were audited in 2001 and received ISO 14001 accreditation.

NamGem Diamond Manufacturing Company, as with manufacturers globally, took measures to limit financial exposure, striving to reduce stock levels and minimise costs, including limiting purchases of rough through the DTC. The company focussed on balancing productivity with market demand, coupled with improving the quality of the product.

During 2001 production rose to 30000 stones, with a turnover of N$ 47,5 million, translating into an increase of 57 % on that in 2000. Namgem's product has been acclaimed by customers globally for the level of workmanship and further efforts are being made to improve quality and, in particular, productivity.

In only its second year of production, the company's established infrastructure has been fully tested and it is now well positioned to take advantage of a positive change in market sentiment, as demonstrated by better than expected retail sales in the USA in December 2001.

As noted in last year's Annual Report, Namco experienced a major disruption to production at the end of the year 2000, resulting in substantial damage to the Namssol mining system used on the vessel mv Kovambo. As a result of the cessation of mining activities and subsequent loss of revenue, exacerbated by ongoing financial commitments, the company was placed into provisional liquidation.

Intensive negotiations resulted in new investment into the company by the world's largest diamond manufacturer, the Leviev Group. Under the agreement, following approval by shareholders and the Toronto Stock Exchange, the Leviev Group assumed a controlling interest (of 31 %) in the company and will acquire an exclusive 15 year marketing right to Namco's production.

Subsequent to the completion of the transaction (on 15th May 2001), the mv Ya Toivo resumed commissioning operations with the Nam 2 seabed crawler mining tool and 100 ton per hour DMS processing plant. Full-scale sampling operations with the Wirth drilling system on board the mv Zacharias started in September. By the end of November some 378 holes had been completed and 189 samples taken. Namco announced that some 1007 stones had been recovered from this programme for a total of 362 carats, which is extremely encouraging and demonstrates the potential of the explored area as a new mining area.

In 2001 Namco produced a total of 85592 carats which, although substantially lower than the declared figure of 220000 carats in 2000, is encouraging in terms of future operations.

Diamond Fields International, as the first stage of its project development, concluded a Joint Venture agreement for mining with the Trans Hex Group. This agreement was signed on 5th March, with mining operations commencing on 25th May, 2001 on the Marshall Fork feature.

Initial operations were undertaken by the mining vessel, mv Ivan Princep, (purchased from Namco) to fast-track the Joint Venture. These included a mixed programme of sampling and test mining, which exercise proved very valuable in verifying the geology of the Marshall Fork feature and provided additional information as to the distribution of diamonds in the various deposits.

In November 2001 Trans Hex deployed the first dedicated joint venture vessel, the mv Namakwa, to replace the mv Ivan Princep. This vessel employs a powerful abrasive jetting system which is yielding up to approximately 30 % more diamonds on a second pass of mining and is monitored by a Reson SeaBat 8125 sea bed visualisation system. Recent reports indicate that bedrock has been reached in all of the mined area, enabling recovery of both the older diamond deposits below the clay and beach-rock false footwall layers and the younger deposit above the false footwall. In addition, recovered diamond grades have been consistently better than grades estimated in 2000 feasibility study.

Following this encouraging progress, DFI has compiled and lodged an application for debt financing for the first of its own (non-joint venture) mining vessel. A suitable vessel plus ancillary equipment has been identified and it is hoped that commissioning will take place during the second half of 2002.

Operations at Diaz Point Exploration produced a total of 8479 carats during 2001, a reduction of some 25 % on the 11283 carats produced in 2000. Operations mainly involve the screening and treatment of Sheetwash and Deflation deposits.

Negotiations for a major restructuring of the company involving the empowerment group Omina (40 %) and Microfin (40 %), a mining group from South Africa, were finalised late in 2001. This restructuring will allow for the re-capitalisation of the company and provide for a major exploration and delineation programme to identify and prove mineable reserves.

1.2 Uranium

Rossing Uranium, Namibia's only operator, produced 2640 metric tonnes of uranium oxide during 2001, a decrease of some 561tonnes (-17,5 %) on that produced during the previous year. It is expected that production will be about 5 % higher in 2002, in line with delivery requirements to existing customers and the objective of reducing inventories and mine costs. Rossing continues to operate below design capacity given the continuing low levels of demand in the uranium market.

Rossing continues to import acid for use in the uranium extraction process. The acid plant at the mine site was mothballed in February 2000 and has not been restarted, as the economics of feedstock for the operation of the plant continue to be at a disadvantage to imported acid.

Construction of the pilot ore sorting plant, which commenced in 2000, was completed early in 2001. Ore currently processed contains 20 % waste which does not contain any uranium. The ore sorting plant will enable removal of this waste before it reports to the secondary crushing plant. This will ensure that the waste rock is not crushed or leached, which will result in savings in production costs. Test work and evaluation of plant performance continued throughout the year under review, as commissioning of a new plant cannot be decided until a complete business case is developed. Plans to place the pilot plant into full production will be developed in 2002. Operation of the pilot plant on a full production basis is important to understanding the full economic impact of the plant into the future.

The RB2000 Business Improvement Programme was concluded in 2001, when the targeted cost saving of N$ 150 million was achieved in the last weeks of December. As a result of this achievement, mine employees shared payments from the savings pool amounting to N$ 17,7 million, with the least amount received by an employee working throughout the entire period of the programme being N$ 10000. The amount paid to employees was equivalent to approximately 3,7 months salary.

The implementation of the Environmental Management System (EMS), which covers the setting up and implementation of management systems for the protection of the environment, resulted in EMS certification in February 2001 through the South African Bureau of Standards. Through this system the status of Rossing's environmental performance is assessed and the demonstration of continuous performance is critical. Subsequent audits during the year under review have confirmed Rossing's EMS certification.

The Verification Study commissioned in 1998 to confirm or refute the findings of a Namibian researcher, Dr Zaire, was completed. Drs J Lucas and D Lloyd presented to the study participants, MUN, mine management and Government Ministries the results of the Verification Study on the effects of long term, low dose radiation exposure. These experts refuted the earlier work of Dr Zaire, stating that " the overall conclusion is that the frequency of chromosomal damage in the miners did not exceed that in control subjects". The findings were subsequently approved by Rossing and the MUN for publication in the relevant scientific journals. The Study was published in the June 2001 issue of Radiation Research 155.

1.3 Copper

2001 was the first full year of operations for Ongopolo Mining & Processing Limited, the Namibian company which consists of cash investors, management, staff, unions, and an environmental trust. One of the major successes of the company since acquiring the assets of Tsumeb Corporation Limited has been its concentration on "core business" and a well-thought out programme of responsible "outsourcing" of non-core activities to responsible empowerment groups.

The Kombat mine continued to perform well throughout 2001, producing some 18100 tonnes of concentrate as compared to 15600 in the previous year. Production is now stabilised at a throughput of approximately 30000 tpm, slightly below its 35000 tpm capacity. An extensive refurbishing programme is underway at the mine, with particular emphasis on water controls. The programme involves doubling the water handling capacity at the operation to ensure against any repetition of historical inflow flooding. Implementation of the new shaft complex (Asis Far West Project) has started and power supply is currently being established. This major programme will secure production for the 20 years.

The refurbishment programme at the Otjihase operation has been virtually completed and production stabilised at an optimum rate of 60000 tpm, although the design capacity is for 110000tpm. As noted in last year's Annual Report, pyrite concentrates from Otjihase have been exported to Zambia and South Africa and negotiations are in process to secure long-term contracts with these purchasers. In this context, the news that construction of the road bridge, between Namibia and Zambia, is to commence in 2002 is extremely encouraging.

Operations at the smelter complex were satisfactory, resulting in some 27000 tonnes of blister copper being produced by year-end.

Several exciting development projects are currently in various stages of investigation by the Company. The environmental Assessment report for the Tschudi Project has been completed and it is planned to finalise a bankable feasibility study by the end of 2002. Ongopolo has entered into an agreement with ZincOx Resources to fully investigate the exploitation and development of the Tsumeb slag resource. It is expected that bulk sample treatment will be carried out during the second quarter of 2002 leading to the development of a full feasibility study by year-end. The Company is also investigating the re-treatment of tailings dam materials, provisionally estimated to contain some 0,4 % copper, 0,9 % lead and around 14 g/t silver.

1.4 Lead

Apart from a significant increase (26,8 %) in lead concentrates produced, at 26182 tonnes, by the Rosh Pinah Zinc Corporation, the concentrate grade was maintained at previous levels, resulting in net metal production of 13025 tonnes as compared to 11114 tonnes in the year 2000.

Rosh Pinah's lead concentrates continue to be sold through trader tenders for overseas shipments through the Port of Walvis Bay. The company and port authority are investigating the most efficient method for the shipment of future consignments through the port of Luderitz and a trial shipment has been provisionally scheduled for March.

1.5 Zinc

Rosh Pinah's production of zinc concentrates was slightly less (4 %) in the year under review, at 70610 tonnes, as compared to 73535 tonnes in 2000. Concentrate grade was maintained at just over 53 % throughout the year. Metal produced and shipped amounted to 31803 tonnes as against a comparable total of 39126 tonnes the previous year.
As reported last year, a fourth shift working system for the Mining, Plant and materials Management Issuing Section has been successfully introduced and an agreement to this effect signed with the Mineworkers' Union.

The Re-Engineering Programme has been augmented by the acquisition of a very successful "Minetrack" system (at N$ 1,9 million), used to monitor equipment production and maintenance performance. The Corporation continued with its programme of asset replacement during 2001, purchasing and commissioning one Boomer drill rig, a Simba production drill rig and two 25-tonne haul trucks, at a cost of some N$ 10,2 million. Unfortunately, extremely low metal prices forced the corporation to curtail its investment programme for the year.

Cost of treatment for both zinc and lead products has been re-negotiated to lower real term levels than the previous year, which slightly improved the profit margin position. In addition, cost control measures resulted in significant savings as against budget, which helped the Corporation to weather the adverse effects of the low international metal price market.

As noted in last year's Annual Report, the development of the Skorpion Project, mentioned elsewhere in this report, has had a major effect on the Rosh Pinah community. A sound relationship with Skorpion's managers has been established in order to develop the Rosh Pinah settlement into a self-sufficient entity through a joint venture company, Roshkor.

1.6 Gold

Total gold production increased by approximately 18 %, from 2417 kg in 2001 to 2851 kg in the year under review.

Ongopolo Processing produced some 157 kg, contained in the blister copper product, as compared to 18,48 kg in the year 2000.

Anglogold, at its Navachab Mine, enjoyed a record-breaking year, producing 2694 kg during the year, an increase of some 12 % as compared to the 2399 kg produced in 2000.

No mining problems were experienced during the year and all production targets were met. This achievement, plus better than forecast head grades, 2,3 g/t as against a planned grade of 1,9 g/t, augmented by the increased Namibian Dollar revenue, has reinforced the operation's competitive position.

In the light of enhanced revenue from a slowly improving gold price, combined with the exchange rate between US and Namibian Dollars, investigations are again being undertaken as to the viability of the phased pit expansion project. Unfortunately, as has been reported previously, the decision has long-term implications in so far as a considerable amount of marginal material needs to be processed prior to access to the higher grade deposit. Thus price and cost predictions have to be researched in detail to accurately assess the risks involved in the operation.

The company is continuing to carry out exploration activities on a number of prospects in the region albeit that initial results are, unfortunately, not that encouraging.

1.7 Silver

Full-year production at Ongopolo Processing resulted in production of 18,154 mt of contained silver as compared to 8,788 mt in intial operations in 2001.

Silver in lead concentrates, produced by Rosh Pinah Zinc Corporation, increased dramatically by some 174 %, from 11,655 mt in 2000 to 31,967 metric tonnes in 2001.

1.8 Fluorspar

Production of Acid Grade CaF2 concentrate exceeded the budget of 80000 tonnes, at 81245 tonnes for the year ending December 2001. This represents a massive 22,9 % increase over that produced in the year 2000. Owing to the late arrival of the December vessel, acid grade concentrate (97 % purity) shipped to Europe only increased by 11 %, to 74870 tonnes.

Mining tonnages increased significantly to 221735 tonnes of ore at an average head-grade of 50 % CaF2 and some 1,31 million tonnes of waste material. A cause for great concern is that there is a possibility that mining of the existing A ore-body will be restricted in the future, as the pit configuration is constricted to areas where a compensation agreement with the landowner exists. In January 2001 an exploration contract, involving some 6500m of diamond drilling to define the full extent of the A ore-body, was awarded. By the end of the year some 90 % of the work had been successfully completed, proving significant extensions to the west and down-dip. Drilling will continue during the first quarter of 2002 in order to gain better understanding of the geometry of the ore-body. Future drilling is also planned to explore the nearby B and C ore-bodies whilst other outlying ore-bodies on the Mining Licence and surrounding EPL will be investigated. The current life-of-mine indicates an excess of ten years at a concentrate production rate of 100000 dry tonnes per annum.

Significant investment in both new equipment as well as replacement and renewals took place in 2001, with capital expenditure totalling N$ 9721585. Okorusu's revenue from exports for the year under review amounted to N$ 55,54 million.

Besides Okorusu's involvement as primary sponsor of the Chamber Occupational Health Education and Awareness Programme, the company also identified a need for a radio communications system for the Otjiwarongo State ambulance service. Accordingly the company donated a complete system which will be of great assistance to this important service.
In line with its commitment to uplift the standard of health of its own employees, and to provide a much needed service to the local farming communities, the company constructed and commissioned the "Okorusu Health Clinic", which has been accorded full "Clinic" status by the Ministry of Health and Social Services. A full-time Nursing Sister and assistant have been engaged to operate the facility.

1.9 Salt

Coarse salt production for 2001 by the two Chamber member companies, Salt Company and Salt & Chemicals, amounted to 558441 tonnes, an increase of some 8,6 % on the 514077 tonnes produced in the year 2000.

As noted in last year's Annual Report, the expansion project started in 2000 by Walvis Bay Salt Refiners to increase production capacity from the existing 450000 tpa to 600000 tonnes per annum, has been completed successfully. By the end of December 2001 the company had increased production by some 4 % to 500441 tonnes. December 2001 saw the loading of the largest ever shipment of any product through the Port of Walvis Bay, when 40000 tonnes of coarse salt was shipped to the Qatar Vinyl Company in the Arabian Gulf. This was the first shipment to QVC from Walvis Bay and negotiations are underway to secure regular supplies.

Other bulk sales were better than had been anticipated with a total of 120000 tonnes being shipped during the year to various customers in Nigeria. Bagged exports, mainly to the Democratic Republic of the Congo, were reasonably consistent with a total of 43000 tonnes being shipped during the year under review.

Salt Company's sales of refined and rock salt recovered dramatically in 2001, recording increases of 159 % and 40 % respectively as against year 2000 volumes. In addition to normal customers, orders for rock salt from South Africa were received, which is a new and positive development. South African customers also placed significant orders for refined salt and it is hoped that this business will continue in the future.

2. MINERAL MARKETS

2.1 Diamonds OK

2001 was a difficult year for the diamond industry in general. The year began against the background of a weakening global economy, exacerbated by an excess inventory of polished diamonds held mainly by the US trade. Economic uncertainty in the market was aggravated by the terrorist attack on the United States on September 11th. However, despite these adverse effects, retail sales of diamond jewellery over the Christmas season were above expectations and, in the crucial American market, appeared to have been slightly better than for the corresponding period in 2000. Consequently the predicted reduction in global retail sales was lees than had been feared, with initial estimates of a decrease of only 5 %.

De-stocking by the retail trade and lower demand for diamond jewellery had a negative impact on the rough diamond market, in the form of downward pressure on prices, shortage of liquidity and reduced profitability. In the light of these factors, sales of rough diamonds by the DTC, the marketing arm of De Beers, were approximately 21,5 % lower than for the year 2000, at US $ 4454 million, comparable to sales achieved some five years ago.

Sales through DTC and CSO (in millions US $) for the last five years are as follows :

Year	Total	% Change
1996	4834	
1997	4640	(4,01)
1998	3345	(27,91)
1999	5240	56,65
2000	5670	8,21
2001	4454	(21,45)

The rough diamond market has started the year 2002 in a more optimistic mood. Stocks of rough diamonds in the cutting centres are low. Whilst there is still an overhang of polished material in the pipeline, this is less than at the same time in 2001. DTC's sales prospects for 2002 are greatly dependent on the timing and extent of any recovery in the global economy and the level of polished stocks that the trade pipeline will be confident of carrying.

The Kimberley Process has made significant progress in the development of an international framework for a global certification system based on agreed minimum standards.

The system proposed by the Kimberley Process was tabled at the last United Nations General Assembly session for ratification. It is understood that some members were reluctant to vote in favour of the system due to concerns regarding potential conflict with the World Trade Organisation (WTO) system, hence verification for WTO compliance is required. A sub-committee, on which both Namibia and South Africa have representation, has been tasked the above responsibility and are currently hard at work to ensure that the Kimberley Process fulfils its mandate. In the meantime, the industry, through the World Diamond Council, has introduced a system of warranties and self-regulation to ensure that, pending the adoption of the global certification framework, the trade in conflict diamonds as far as possible does not take place within established channels.

2.2 Uranium

Prices, after having started the year at an all time low of US $ 7,10 per lb U_3O_8, rose at a strong pace during the first quarter of 2001 but then slowed as the year progressed. Average reported spot and long-term prices, in US $ / lb, at the end of each quarter are as follows :

Quarter	Spot	Long Term
1	8.14	9.75
2	8.84	10.00
3	9.32	10.50
4	9.50	10.50

The volume of spot material for 2001 was 16,7 million pounds, an increase of some 16 % on the 14,4 million pounds recorded in the year 2000.

During 2001 the market saw the end of the unrestricted price for material emanating from sources previously aligned with the former Soviet Union. The most significant development during the year was that the higher restricted price prevailed and certainly contributed to the upward price movement in the latter half of the year.

Generally, utilities began adjusting to reduced stock levels and entered the market to meet requirements. The more aggressive price increases in the early part of 2001 resulted in lighter demand with slower rising prices in the second half of the year.

Secondary supplies of uranium still cloud the future of the market. Uncertainty about the quantity and quality of these stocks makes predictions as to the impact of such supplies on the market very difficult. The new year also began without clarity as to how the material will enter the market and the resultant effect on prices. It is thus fair to say that the uncertainties have had a slightly positive effect on spot prices.

The energy crisis experienced in California, in the USA, brought renewed attention to power generation. Emerging US policy spoke favourably for nuclear power as a key source of generated electricity. However, these positive statements will have little impact on the market in the short term. What is significant is the improved efficiency of reactors as producers work to obtain maximum value from installed capacity. One US utility reported having completed a reactor refuelling in only seventeen days. It is therefore clear that fuel demand growth will come from higher utilisation in the short term. However, the future of new reactors is still very unclear.

On the downside, recent accidents and reports of equipment failure or breakdowns in the Japanese nuclear industry have caused the public to swing against expanded nuclear capacity. During the last quarter of 2001, in two separate prefectures, citizens soundly voted against the expansion of nuclear facilities.

Finally, utility customers globally are under pressure to reduce cost of power to the public. This cost pressure is reflected in every discussion with utilities as they seek to keep the price of fuel down as low as possible.

Most forecasters predict a continued rise in the price of U_3O_8 but only at a slow pace. The 33 % price increase experienced during 2001 is not expected to be repeated in 2002.

2.3 Copper

Having started the year at a three-month price of just below US $ 1800 per tonne, copper performed poorly during 2001, accurately reflecting the deterioration in worldwide economic conditions.

In the first quarter prices were reasonably steady within a narrow range between US $ 1750 and $ 1850. However, prices then slid, albeit erratically, to their lowest level for a year in April at US $ 1630 per tonne (74 c / lb), having lost some 20 % since September 2000. No major swings were recorded during the remaining part of 2001 as the price drifted downwards to reach a low of US $ 1336 per tonne in early November.

Correspondingly LME stocks surged, from a low of 475000 tonnes at the start of the year to some 775000 tonnes at year-end close.

However, a modest rally in prices occurred in November, stemming from the news that production cut-backs were being implemented at mines belonging to BHP Billiton and Codelco. This price rally was further stimulated by large-scale fund short covering. A further flurry of announced curtailments came at the end of November, pushing three-month quotes to an 18 week high of US $ 1563 / t on the first trading day of December. However, once it became apparent that many of the announced cuts would only redress the supply / demand balance in the copper concentrate market, and would not have such a significant impact on the refined product market, prices drifted back by some US $ 100 per tonne. A further spate of fund buying later in the month took the price back up to the US $ 1500 per tonne level by the end of the year.

The unfortunate demise of the Enron Group, and the associated unwinding of its metals positions, appear to have amplified price volatility over the last few weeks. According to trade rumour, the corporation was long of physical metal that was offset by short positions in the futures market. Any unwinding of these short positions would go a long way to explaining the rise in price (and a large stock increase) during the latter months of 2001.

As 2001 drew to a close, the market was left to reflect upon a year of considerable hardship as well as change for a number of the industry's participants. The rate of collapse in demand took most commentators by surprise, as at the start of 2001 a double-digit decline in Japanese consumption would have seemed unlikely, whilst the same decline in the USA would have been unthinkable. However, China provided the one bright spot for the year, with consumption growth reaching double-digits and net imports of refined copper in 2001 expected to exceed that of 2000 by around 100 Kt.

Market analysts predict that demand will again just edge supply, with stocks forecast to decrease slightly throughout 2002. In commentator terms 2002 is forecast to be a transitional year for the copper industry with prices reflecting this, unless the funds decide to pre-empt the projected real pick-up in demand during 2003. SG Securities notes that, although copper is linked to the embattled new economy, it is more dependent on the broad housing / construction / infrastructure sector than on specific sub-sectors such as the hard-pressed car industry. It is predicted that recent production cuts, bolstered by limited capacity growth, against a modest rebound in demand will stabilise prices throughout 2002.
However, market analysts have, somewhat cagily, decreased their November forecasts for an average 2002 price of US $ 1630 per tonne (74 c / lb) to US $ 1565 per tonne, rising to US $ 1755 in the year 2003.

2.4 Lead

The lead market experienced another lacklustre year, trading within a 15 % price range. Seasonal shifts in prices from lows of around the US $ 445 per tonne mark to highs of US $ 520, resulted in a year average price of US $ 476 per tonne as compared to the average of US $ 454 for the year 2000.
The relative stability of the lead price, in view of negative growth in usage over the last three quarters of 2001, can be attributed to good management of stocks and a low build-up of new capacity.

Market analysts report that the year under review only saw 50000 tonnes of new capacity added, whilst projections for 2002 are for only half this amount, before returning to some 55000 tonnes in 2003. There has been a slight increase in producer stocks but overall indications are that stock levels will slowly decrease from 3,9 week's consumption at the end of 2000 to a projected figure of 3,2 week's supply in the year 2002.

Lead's primary use continues to be in the battery industry which, apart from the dramatic downturn in the USA, seemed to hold up well throughout the year. Commentators again forecast a weak performance in the OE battery section (primarily based on US projections) being offset by increased demand in the replacement (largely recession-proof) battery industry coupled to recent demand for good quality battery lead.

Primary mine production decreased slightly during the year under review with the indefinite suspension of operations at Asarco's East Helena, Montana lead smelter in March. Cut-backs at a number of operations, most notably Doe Run, Metaleurop and Cominco will exacerbate the lead supply position. Furthermore Chinese exports of refined material to the western world have plateaued, as concentrate supply tightened, treatment charges tumbled and many non-integrated smelters became unprofitable. The tight supply of concentrates has resulted in the Anyang Nonferrous Metals Smelter switching production from refined lead to lead oxide. On the same principle, Glencore announced that its Porto Vesme lead smelter, with a primary lead capacity of 100000 tpy, is to close whilst the company concentrates on secondary lead production.

Commentators report that the physical lead market in Europe is already starting to feel the impacts of production cuts and concentrate supply constraints. Premiums for quality material located in Rotterdam warehouses have been allegedly as high as US $ 85 per tonne.

As a result of the predicted constrained supply / demand balance, analysts are forecasting prices to improve slightly to trade between US $ 510 and $ 540 per tonne, but averaging around US $ 530 per tonne in 2002 and recovering further by approximately 6 % to US $ 560 in 2003.

2.5 Zinc

Starting the year at US $ 1015 per tonne, the zinc price rallied to US $ 1070 briefly but then fell away by some 5 % to end the second quarter at just under US $ 1019 per tonne. Following the anomaly of total reported inventories declining by some 70000 tonnes in the year 2000, analysts consider that the market was, in fact, in surplus. Consequently reported LME stocks rose dramatically in 2001.
During the second half of the year under review the zinc price experienced its worse fall, ending December at a twenty-year low of US $ 732,5 per tonne. The resultant year average price was US $ 885 per tonne as compared to US $ 1128 for 2000, a decrease of 21,5 %.

The poor performance of the zinc market was, again, a direct result of the downturn in the global economy and thus demand. Besides the reversal in fortunes of the car manufacturing market, over-investment in new galvanising plant has led to severe cutbacks. Chinese metal exports, which were at record highs during 2000, diminished slightly in 2001, but it is predicted that the demand for western concentrates will increase again in 2002. Some commentators report that overall western consumption in 2001 dropped by 3,4 % from that in the previous year and will only grow by some 1,3 % in 2002 and 3,9 % in 2003.

Analysts predict that, even a return to a positive demand trend, there is a concern that consumer de-stocking, which is so often a major feature in the zinc market, has been much more severe than previously estimated thus probably cancelling out any forecast gains in the immediate future.
On the production side, mine output again rose in 2001 by some 2,1 % due to the major contributors, Century and Lisheen, whilst Antamina is set to increase its production dramatically in 2002. Western smelter capacity also increased during the year through expansions at Asturiana, Young Poong, Korea Zinc and CMM, whilst the impact of Skorpion in 2002 cannot be discounted.

Stocks are a major cause for concern, having risen considerably in 2001. Analysts forecast that the oversupply in both metal and concentrate, augmented by hidden inventories, will not be offset by the sluggish demand experienced in 2001. Scope for price recovery, therefore, probably rests on zinc riding on the back of other better placed metals as the global economy recovers.

The overall price forecast for zinc in 2002 is for a fall of some 5 % to US $ 840 per tonne. Prices will not recover until 2003 (forecast US $ 980) unless there is a significant increase in demand from the important construction sector.

2.6 Gold

After starting 2001 at just above US $ 272 / oz, gold “spiked” briefly at $ 283 but then fell back with the first quarter average recording a drop of 2 % on the closing quarter of 2000. This registered the fifth successive quarterly decline. The price then dipped to a new, 19 month low of US $ 256 / oz, within $ 3 of the 20 year trough recorded in mid 1999. Prices recovered slightly, trading in a narrow US $ 10 / oz range during April, and hit another "spike" in mid May, testing the US $ 300 / oz level. Subsequently prices fell to previous levels with only very modest gains being recorded in the first half of the year.

The last quarter of the year under review saw the gold price advancing on the back of the terrorist attacks in the USA to a high of just over US $ 290 per ounce, but then falling somewhat as a result of unsubstantiated demand. However, the average quarter spot price of US $ 278 / oz was the highest quarterly price in the past 18 months.

As can be seen from the foregoing, the commodity was subject to extremes in trading, accentuated by opportunity buying offset by sluggish demand. In the market itself the year has been characterised by change and transition in a number of important areas of physical supply and demand. The most important determinant of this change has been the slow down of the global economy, particularly evident in the developed economies. However, lower US interest rates and other circumstances in the market have led to a decrease in hedging activities and a reversal in gold disinvestment as compared to previous years, leaving the overall physical market for gold in a relatively unchanged state of balance.

A cause for concern is the fall in physical demand in both the jewellery and industrial markets, again particularly in developed economies. Some slippage was also recorded in developing markets due to specific regional causes. Estimates of fabrication demand for the year shows a slippage of some 7 % or 270 tonnes, from 3750 t in 2000 to 3480 t in the year under review.

Central bank disposals during the year are estimated to have reached the capping level of 500 t, as agreed during 2000. Commentators suggest that, in view of the relative decline in price, official sales will decrease in future and the global total will be further reduced by the exhaustion of US DLA stocks.

On the supply side, overall mine production has been relatively unchanged on a year to basis, accounting for an output in the region of 2600 tonnes. Since it is believed that many producers have been somewhat protected by hedging programmes and / or local currency weaknesses against the US Dollar, analysts do not foresee any major reduction in output during either 2002 or 2003. Commentators are, therefore, somewhat pessimistic as to any significant sustained revival in US Dollar gold prices in the medium term.

2.7 Silver

Starting the year at US $ 4,55 per ounce, silver prices declined steadily throughout the first half of 2001, reflecting the well-documented dismal global economic picture. Hitting a low of US $ 4,15 per ounce in the middle of August, the prospects of a price rally seemed remote. However, the tragic events of September 11th signalled a short-term change in fortunes. Following panic buying of gold, US Dollars and Swiss Francs, the silver price increased to US $ 4,70 per ounce. The rationale behind this buying frenzy is that, in times of perceived global conflict, these commodities / currencies are considered to be "safe havens" for managers and investors. However, once it became apparent that no major confrontation would result, the price drifted down to previous lows and closed the year at an average price of US $ 4,37 per ounce, some 12 % lower than the average of US $ 4,95 realised in the year 2000.

Fundamentally the main reason for the silver price reaching an eight-year low was the weakness of industrial demand, in particular from the electronics sector. Demand for silver has fallen due partly to the downturn in global economic growth and associated reduction in industrial production. The impact of these factors has been compounded by high material and semi-finished product inventories. The inventory overhang has been most acute in the electronics sector which, in contrast, had boomed during the first three quarters of 2000. This boom, however, led to over-ordering of silver-bearing intermediate products, with the resulting high inventories exacerbating the underlying reduction in demand experienced in the year under review.

Supply related factors have played a lesser role in driving down the Dollar price during the year. Chinese governmental silver sales have continued to be important but, with sales being lower than in the preceding two years, have, in fact, had little significant influence over prices. Although mine production rose during 2001, the increase was less than 2 %, whilst, in a dramatic turnaround from previous years, private investment seems to have virtually dried up. Commentators therefore suggest that a stronger silver price looks to be mainly contingent on global economic recovery and, in particular, a return to positive growth in industrial production. A further positive development would be the cessation of Chinese governmental sales, something that is arguably less predictable than the outlook for the global economy.

Analysts do not see a substantial increase in demand during 2002, forecasting a 1 % price increase at best, whilst predictions for the future are equally pessimistic, being constrained to occasional rallies which would mobilise more stock.

2.8 Fluorspar

Okorusu's holding company, Solvay Fluor and Derivatives, has aggressively been pursuing an intensive Research and Development programme in the light of world sentiment against ozone depleting substances. This research has paid dividends when the company's newly developed Fluorcarbon (HFC 365 mfc) was fully accepted by the United States Environmental Protection Agency as an approved substitute for ozone depleting substances.

Solvay's acquisition, in December 2001, of Ausimont, the large fluorine production facility in Italy, is likely to increase the demand for the supply of acid grade fluorspar from the Namibian operation. Such anticipated demand places pressure on Okorusu to secure rights to ore within its Mining Licence and over new prospecting areas.

Pricing structures for Acid Grade Fluorspar remain essentially stable on the global market with European anti-dumping legislation still underpinning the price of acid grade fluorspar imported into European harbours. Further Chinese government duties have been imposed on the export of fluorspar from China, resulting in a slight improvement in the price of Acid Grade Fluorspar imported into Europe.

Okorusu Fluorspar has a firm order from Solvay for 90000 tonnes of acid grade production for the year 2002, a projected increase of 11 % over production in 2001. In addition the contract calls for a 2,97 % increase in the Euro unit price.

3. EXPLORATION AND PROSPECTING

Prospecting and exploration activities once again continued at a high level throughout the year, as indicated in the statistics received from the office of the Mining Commissioner.

	2001	2000	1999	1998	1997
Non – Exclusive Prospecting licences issued	583	510	518	464	338
Exclusive Prospecting licences awarded	160	155	92	178	121
Claims registered	206	147	176	85	74
Applications pending (new and renewals)	73	37	56	102	104

In addition to the above, three Exclusive Reconnaissance and three new Mining Licences were granted during the year under review. The Mining Commissioner's office is to be congratulated at maintaining the number of licence applications in progress at the end of the year at a reasonable level, in view of the increased number of licences issued.

No new legislation was promulgated during 2001, although considerable work has been carried out on the revision to the existing Minerals Act. Unfortunately a number of issues precluded the completion of this work but it is hoped that an extended session of meetings of the Review Committee, early in 2002, will produce a final draft Amendment Act, including ancillary Mine Health and Safety Regulations and Minerals Licensing Regulations.

In addition to the work being carried out on mining legislation, the Ministry of Mines has actively involved stakeholders in the compilation of a Minerals Policy. Through the consultants, the Minerals and Energy Policy Centre (MEPC) from South Africa, a workshop was held in July at which major issues were identified, discussed and initial suggestions made. Subsequently a draft Policy document was issued to stakeholders for comment and a second workshop, to finalise the policy, is scheduled for February 2002.

As reported last year, one of the main issues of concern to exploration companies is the court action between the Aussenkehr Grape Growers and Northbank Diamonds which, as at the end of 2001, had not been resolved. The action devolves from the agreement of a landowner to allow a mineral licence holder onto a property to implement the mining rights awarded by the Ministry of Mines.
The mining industry is extremely concerned as this "right of access" issue may have severe consequences for the future development of the minerals industry. In this context, it should be noted that a number of other landowner / prospector agreements are being held up, waiting the court's definitive ruling, which is stalling legitimate development of Namibia's resources and having a negative effect on other exploration investment.

The mining industry has also raised concerns at various forums as to the capacity of the relevant ministries to effectively monitor, particularly, exploration work and compliance with legislation and / or conditions attached to licences issued. The industry is understandably concerned at any instances of non-compliance and negative perceptions which the public may have regarding exploration and mining activities.

The Chamber Standing Committee on Prospecting and Environment has concerned itself with issues relating to proposed environmental legislation and, particularly, the development of the Sperrgebiet Area as a prospecting / potential mining area. Committee members were appointed by the Ministry of Environment as consultants to draft standard guidelines for environmental impact assessments. This exercise has been completed and it is hoped that the final document will be made available to all stakeholders early in 2002. Various involved mining companies have made substantial contributions to the Ministry of Environment's Land Use Plan for the Sperrgebiet area and it is hoped that approval to the recommendations contained in this Plan are approved in the first quarter of 2002. A proposal has been submitted to the Mineral Policy Committee that similar Plans should be produced for other regions as a matter of priority.
The prospecting section of the minerals industry is currently involved, with other economic sectors, most notably tourism, in drawing up a roads / tracks plan for the Sperrgebiet Area, with the intention of

restricting access to common routes and rehabilitating those tracks which are now not used. It is the intention to make this plan available to all players operating within this area with the objective of minimising environmental degradation wherever possible.

Progress with the formalisation of the Earth Science Professionals Bill has been slow but, by the end of 2001, a final draft had been approved by the Ministry of Mines and is now waiting submission to Cabinet and thence Parliament.

The Geological Survey has maintained close links with the Chamber Prospecting and Environment Committee throughout the year, particularly as far as progress in airborne surveys and information relating to the Library / Archives section is concerned. In this context the Chamber congratulates Geological Survey on the progress made with its various mapping programmes during the year under review. The data gathered and made available to exploration companies is invaluable.

Exploration expenditure by Chamber members in 2001 of N$ 248,7 million showed a substantial increase of some 50,6 % as compared to the investment of N$ 165,12 million in the previous year. As in previous years, the bulk of exploration costs incurred during the year can be attributed to offshore diamond exploration, inclusive of exploration equipment. However, significant expenditure has been incurred on land-based exploration and sampling programmes, through Namdeb and companies operating in the Sperrgebiet area.

Comparison exploration expenditures (N$ millions)	2001	2000	1999	1998	1997	1996
	249	167	175	124	97	118

The development of AngloBase Namibia’s Skorpion deposit has proceeded apace, so much so that it is forecast that production may well start before the end of 2002. Plant construction is ahead of schedule whilst mining development and training programmes for operators is well ahead of targets. In addition to on-site work, ancillary operations are already receiving attention, such as the warehousing facility at the new quay at the Port of Luderitz, itself a major construction project. In spite of the technical complexities involved in the establishment of such a massive project, it is extremely encouraging to note that not only are 81 % of the total workforce Namibian but that Skorpion has instituted a bursary system, currently supporting seven young Namibians.

Okorusu Fluorspar has completed a desk-top study on the Omburu Fluorspar deposit near Omaruru, which justifies an extensive exploration drilling programme. However, agreement has not yet been reached with the landowner and operations have, accordingly, had to be deferred to the latter half of 2002, with a bankable feasibility study targeted for completion in early 2003.

Ambase Exploration focused its attention on various licence areas in the Kunene, Omaheke and Karas regions but, as yet, with no significant discoveries.
BHP Billiton reports that an extensive Tempest AEM survey was carried out over its licence areas in the Sperrgebiet, whilst over N$ 1 million was expended on geophysical surveys and diamond drilling on an EPL north of Rosh Pinah.
Kumba Resources (formerly Iscor Namibia) has, understandably, concentrated activities on significant areas within the Sperrgebiet EPLS, whilst Cominco and Westport Resources are equally engaged in this region.

However, MTB Namibia (Mount Burgess Gold) has been concentrating on prospecting for kimberlites in the Tsumkwe area in NE Namibia and has met with encouraging results. In addition the company has indications of a copper / zinc anomaly some 25km east of Tsumkwe.

Avdale Namibia has continued its exploration programme in the Otavi Project Area where gold mineralisation has been discovered in a terrain of thin but extensive calcrete cover. Follow-up drilling has assisted in identifying a near-surface deposit which may be exploited by open-pit mining methods.

Investigations are currently underway to determine optimum development of the resource and also to delineate other areas which may have similar styles of mineralisation and potential.

4. HEALTH AND SAFETY

As can be seen from the following figures, the Namibian mining industry still maintains an impressive safety record, especially as regards the low accident frequency rate.

	2001	2000	1999	1998	1997	1996
Number of lost-time accidents	38	41	36	52	69	53
Fatalities	3	2	1	1	1	0
Shifts lost per accident	491,58	323,10	198,53	47,50	113,30	21,66
Frequency rate	0,43	0,50	0,46	0,62	0,67	0,51
Severity rate	209,96	160,34	90,79	91,54	75,13	11,08

Three fatalities, one involving a two employees, during 2001marred an otherwise exemplary safety performance. Unfortunately, despite regular inspections and rigorous adherence to laid-down procedures and standards by all personnel, unforeseen conditions and circumstances can result in such accidents and the Chamber sympathises with both the relatives and employees in the companies concerned.

In terms of statistics, the penalties imposed (6000 shifts per accident), has resulted in significantly poor shifts lost per accident and severity rate figures in 2001 as compared to previous years.
Once again the Chamber Standing Safety Committee has devoted considerable time and priority to the discussion of all potentially serious incidents with the objective of isolating any contributory factors and devising prevention procedures and programmes.

Through increased awareness programmes and intensified controls, the number of accidents / incidents reported has improved dramatically, particularly as regards no lost-time incidents. In 2001 295 no lost-time incidents were recorded as compared to 223 in the year 2000 and 224 in 1999. The reporting of such (minor) incidents is extremely important as they provide valuable trend indications.
Detailed statistics for all lost - time accidents and non-lost - time incidents were compiled and analyses of some 317 incidents carried out during the year under review. This figure, as noted above, is substantially higher than the 260 incidents reported in 2000 and 252 incidents recorded in 1999.
This analysis exercise assists loss control and safety personnel by linking various contributory factors, thus high-lighting existing and potential areas of concern.

Of particular concern is the increased number (32 recorded in 2001) of vehicle-related accidents / incidents, which may or may not have resulted in lost-time injuries. Apart from personnel trauma, such incidents are obviously costly to operating companies. Initial investigations by Chamber Safety Committee members indicate that the majority of vehicle-related incidents occur in non-production vehicles. Steps are currently being taken to ensure that non-production related vehicles are afforded the same degree of inspection / maintenance care as production units.

As reported in last year's Annual Report, the final draft of the Mine Health and Safety Regulations has been completed and is ready for submission to the Minister of Mines. However, its submission and eventual promulgation is dependent on the completion of the amendments to the Minerals Act, which work is anticipated to be complete by the end of the first quarter of 2002.

Following the completion of the verification study on the effects of long term, low dose radiation exposure, last year, and approval of its findings by both Rossing and the MUN, this study was published in the June 2001 issue of Radiation Research 155.

Whilst loss control, safety officials and workplace safety representatives strive to implement and monitor the various occupational health and safety procedures and programmes, the ultimate responsibility for personal safety rests with each individual employee. The overall co-operation and involvement of all personnel is, therefore, a prerequisite for the reduction and prevention of accidents to ensure a safe and healthy working environment.

The Chamber, in subscribing to the promotion of good safety performance, conducts two competitions :

a. The Inter – Mine Safety Competition

In this competition the operating mines strive to attain the lowest accident frequency and severity rates. The competition is split into two divisions; the A Division for larger mines and B Division for smaller operations.

The winners for the year 2001 were :

A Division	Namdeb Mining Area 1	combined frequency / severity rate of 0,29
B Division	Orange River Mines	" " " " " 0,00

Northern Areas -Elizabeth Bay Mine also achieved a zero frequency / severity rate during 2001, being the third year in succession, a remarkable achievement.

b. The Millionaire Award Scheme

A Millionaire Award is made to any mining operation that achieves a million fatality – free employee hours and / or shifts.
In the year 2002 the following awards were made :

Month	Operation	Million Hours	Million Shifts
March	Namdeb Mining Area 1	13	
April	Namdeb Mining Area 1	14	
	Rossing Mine	1	
May	Namdeb Mining Area 1	15	
	Otjihase Mine	4	
July	Namdeb Mining Area 1	16	2
August	Navachab Mine	12	
	Ongopolo Processing	18	
September	Namdeb Mining Area 1	10	
	Orange River Mines	8	1
	Rossing Mine	2	
October	Namdeb Mining Area 1	18	
November	Rosh Pinah Mine	1	
December	Namdeb Mining Area 1	19	

Several Chamber Member operations have maintained their world-class records, including the following :

Orange River Mines	8,22 million fatality-free hours since inception on 1st June 1990
Navachab Mine	12,54 million fatality-free hours since inception in November 1989

Namdeb Mining Area 1 19,50 million fatality-free hours since 14th April 1999

The annual accident statistics for the mining members of the Chamber are shown in Annexure G

STDs / HIV / AIDS

2001 was a very productive year for the Chamber Occupational Health Education and Awareness Programme (OHEAP), due to the commitment of both the OHEAP coordinator and all Peer Educators, supported by the relevant stakeholders.
Okorusu Fluorspar (Pty) Ltd, as part of its social responsibility programmes and on behalf of its owners Solvay Fluor, continued its sponsorship of the programme, augmented by Chamber funds and charges to participating companies.

The Chamber is also pleased to report that a funding support agreement for the extension of the OHEAP programme was signed with Family Health International. The funding period runs from March 2001 to July 2002 and is intended to provide funds for capacity building, extension and promotional activities.

The Coordinator visited all participating companies concentrating on follow-up and refresher training programmes as necessary. During the year 2002 more emphasis will be placed on the frequency and quality of reports from the various working groups.

Many of the “core” participating companies have taken steps to extend their activities into local communities with considerable success. Particular note should be main of the development programmes for secondary schools in Swakopmund, initiated by Rossing and the interaction between Rosh Pinah, Skorpion and the local community. Ongopolo Mining and Processing has made an initial approach to OHEAP to start a similar community project in the Tsumeb area.

The OHEAP Coordinator carried out a “Training for Trainers” programme for the Karas Regional AIDS Committee during which District Health Coordinators were trained to start peer educator programmes in their own communities. Follow-up visits and additional training / counselling programmes are planned for this important development.

An Annual Review meeting was held in Windhoek, in November 2001, for representatives of all the Peer Educator Groups to review progress made during the year, share information and ideas, and to plan ahead for 2002. Whilst participants were reasonably happy with the development of programmes, they reiterated the need for increased commitment and participation by management. They also agreed that a concerted effort should be made to develop and, more importantly, implement company HIV / AIDS policies and to extend these to major suppliers. As stated above, more emphasis needs to be placed on the development of monitoring and evaluation tools and regular data reporting.
OHEAP will investigate the possibility of instituting a regular newsletter on the work done by Peer Educators, other workplace programmes, and dissemination of ancillary information and data.

In addition to routine work, OHEAP, together with Family Health International and AIDS Care Trust, compiled a Peer Educator Manual and a pilot training seminar was held in June. The OHEAP Coordinator was invited to attend the IUHPE World Conference on Health Promotion and Education, which was held in Paris in July 2001, where she made a presentation on the OHEAP programme, which was extremely well received. The Coordinator was also invited to attend a conference on “Planning to deal with HIV / AIDS in the workplace” in Mombasa, Kenya in November 2001 where, again, the OHEAP programme was presented and adopted as a role model for other initiatives. A similar presentation was made at a national workshop for private sector focal persons in Windhoek towards the end of the year.

The OHEAP programme has also been selected to form the basis of a film on HIV / AIDS, being produced by Mubasin, through funding from international NGOs.

NOSA NAMIBIA

The Chamber is pleased to report that, as a result of its initiative, NOSA Namibia was formally registered during 2001 and a Board of Directors appointed. The intention is provide all interested companies (mining and non-mining) with the full range of NOSA services, to the same standards, and at competitive tariffs.

With respect to the NOSA Five Star Grading System, participating companies in the Namibian mining industry once again maintained the high standards set in previous years.
Namdeb Diamond Corporation achieved a unique status at the end of 2001 when all three operations, Mining Area 1, Orange River Mines and Northern Areas – Elizabeth Bay achieved NOSCAR awards.
In addition to this commendable achievement Kombat, Navachab and Rosh Pinah all retained their five star ratings.
Namdeb also achieved third position in the coveted De Beers Chairman's Shield competition.

In addition to the above, Namdeb's Loss Control Manager received the NOSA Safety Professional of the Year Award for the Africa Region, a major and well deserved achievement.

By the end of 2001 a total of 42 companies had registered with NOSA Namibia, whilst three baseline audits, four gap analyses and three gradings were carried out. It is the intention to actively promote NOSA Namibia's services to other (non-mining) companies throughout the country during 2002 and to this end a Marketing Official has recently been appointed.

Eighteen different training courses were run, attracting some 173 participants, at various venues and which proved to be very successful. Feedback from the participants at these courses has been extremely positive and the demand for further training is high.

5. EMPLOYEE RELATIONS

The relationship between employer mining company members of the Chamber and employees, as represented by the Mineworkers Union of Namibia, was strengthened through meetings of the Mining Cooperation Council, formed in the year 2000. Four meetings of the MCC took place during the year where issues of mutual concern were discussed on an informal basis.

At the May meeting the two Presidents proposed that positive action should be taken as far as the preferred future position of the Namibian mining industry is concerned. It was decided to compile position papers on various issues of interest : environment, health and safety, HIV / AIDS, human resource development, small mining, outsourcing, and the enabling environment. These positions, once finalised, will be issued both as separate papers and also in the form of a consolidation document.
To aid thinking and direction on the various subjects a one-day workshop was held at the end of October at the Ministry of Mines building. Experts in the various fields were invited as guest speakers to present each topic, whereafter general discussions took place. It is hoped that the final assembly of these papers will be completed by the end of March and publication in the second quarter of 2002.

The statement made in last year's Annual Report is, in terms of the Mining Cooperation Council and the development of the above publication, still valid and is reproduced below.

> "It has long been recognised that economic success devolves from the most efficient use of resources and the development of human resources is cardinal in achieving this state. Personnel involvement is essential in any organisation and rational, sensible programmes to realise expectations cannot be effectively implemented without the full understanding and co-operation of all involved."

Normal substantive negotiations were, in general, concluded in a satisfactory manner at all Chamber member operations during the year under review.

Only one work stoppage of significant was reported during the year, being a three-day stoppage in March at Rossing. The dispute involved an alteration in the time of a mid-morning tea break to eliminate unproductive breaks in work. Small pockets of resistance led to the stoppage, which was ultimately resolved through conciliation, with the change in break time being upheld.

Various agreements have been entered into during the year, including agreements on such issues as recruitment and selection policy, medical separation and sexual harassment policy at Rossing Uranium. Ongopolo Mining and Processing signed the new Recognition and Procedural Agreement in April and the Substantive Agreement, for wage increments and improvement of other conditions of employment, in June 2001.
During the provisional liquidation process Namco signed an agreement with the MUN to make provision for the payment of outstanding salaries in terms of the Insolvency Act. The agreement also stipulated that former employees would have preference once recruitment re-commences.
Namdeb concluded several agreements, ranging from the special work-in arrangements for the Christmas period to an agreement on industrial relations policies and procedures. The latter agreement is applicable to all (union and non-union) employees.

As reported in last year's Annual Report, Ongopolo Mining and Processing acted as the initiator for the establishment of "Tsumeb Project 2000 Trust". Through this entity and by negotiation with other empowerment groups and entrepreneurs, the company has critically examined all "non-core" activities and successfully outsourced them. Unfortunately, there does seem to be some resistance to the concept of outsourcing, mainly due to affected persons not being fully informed. Ongopolo, however, has put in place mechanisms to address this issue and makes particular effort to involve all possible stakeholders throughout the process. With the total involvement of all stakeholders, responsible outsourcing can provide business opportunities and the chance for responsible entrepreneurs to become part of the economic chain.

Unfortunately, as a result of metal price markets, the recently opened Tantalite Valley Minerals operation, near Warmbad in the south of the country, was forced to suspend operations. It is hoped that industrial mineral prices will recover sufficiently to enable the company to resume operations, with attendant employment benefits, in the near future.

6. RELEVANT LEGISLATION

The Chamber, through its representation, via the Namibian Employers' Federation, on the Labour Advisory Council and the Chamber Standing Labour Committee, has continued to comment and advise on the proposed amendments to labour-related legislation. The draft Labour Amendment Act is now with the Ministry of Labour, after having been modified into "layman's" language. Since the Bill has been approved by Cabinet, it is hoped that the finishing touches will not take long and be presented to Parliament for eventual enactment in the first half of 2002.

Very little progress has been made with either the National Pension Fund or Development Fund, as proposed by the Social Security Commission. The Tripartite Task Force, appointed in 2000, has met a number of times and has to first debate the issue with the actuaries before making final recommendations. However, the fact that some activities of the Social Security Commission are under investigation will probably delay the formulation of the above legislation.

The Employment Equity Commission, on which the Chamber has representation, had an extremely busy year in 2001 with the first Affirmative Action Plan submissions on 6th February 2001. Some 183 reports were received, by that date, from the private sector, in addition to the 46 reports from Government and parastatals in August 2000. The Public Sector were required to submit first year progress plans in August 2001. The Commissioner noted that, whilst most relevant private sector employers complied with the provisions of the Act, there were a number who did not submit returns or did not complete them correctly and strong action will be taken against them. Some employers reported considerable delays in the issuance of compliance certificates, due to the volume of reports submitted at the same time. The Chamber, through the Namibian Employers' Federation and its representatives, accordingly suggested that, in the interests of efficiency, consideration be given to staggering the dates of submissions throughout the year.
Some confusion was experienced in terms of the appointment of understudies for non-Namibian employees in "low-level" jobs. The Commission has recommended that this provision should only apply where incumbents are required to possess skills acquired through a formal training process

As has been noted elsewhere in this report, the compilation of the new Mine Health and Safety Regulations has been completed. Chamber representatives together with senior officials of the Ministry of Mines are now revising the Minerals Act, No 33 of 1992, which exercise has, unfortunately for a number of reasons, been delayed. At the time of compiling this report, however, it is understood that impediments to this process have been resolved and that a concentrated extended meeting will be held to finalise the Amendments by the end of the first quarter of 2002.
In addition to formal legislation, the Ministry of Mines and Energy initiated stakeholder meetings into the development of a Minerals Policy for Namibia. The Chamber is fully supportive of this initiative and, accordingly, has participated fully in the discussions.

Unfortunately, there has been very little progress with Environmental legislation, apart from the promulgation in December 2001 of the Environmental Investment Fund Act.
However, considerable useful information and suggestions have been generated through the Mineral Policy stakeholder meetings and the Mining Cooperation Council initiative and it is hoped that these will act as a catalyst to accelerate the process.

The Chamber, however, does recognise that such important legislation, which will have far-reaching implications for all sectors of the economy, should proceed cautiously with the objective of promulgating sensible appropriate legislation that is fair to all inhabitants of the country.

7. INTER – MINE VISITS

On 15th January the Council of the Chamber was hosted by the Ongopolo Mining and Processing at its Tsumeb offices. This, for virtually all Council members, was the first opportunity to visit operations since the start of Ongopolo. Members visited the smelter complex, tailings dam reclamation site, and were extensively briefed as to developments and future plans for the company.
The Council was unable to meet at other on-site operations during the year but has received several invitations for similar visits during 2002.

For a number of valid but unconnected reasons, it was found to be impossible to hold other Chamber Standing Committee meetings at scheduled venues outside of the Chamber offices. It is hoped that visits to individual properties will resume in 2002, as these can be very beneficial to participating members.

In terms of regional involvement, the Chamber continued to support the Mining Industry Associations of Southern Africa (MIASA) organisation. The General Manager attended two meetings of the organisation during the year under review, the second of which was linked to the Council of SADC Mining Ministers' meeting in Luanda, Angola.
With the restructuring of SADC it is unlikely that the latter type of meeting will continue in its past format, but be rescheduled to annual meetings in Gaborone, the administrative centre of SADC.
MIASA has met with the new SADC officials and, through discussions, been assured of its continued representation at regional mining-related meetings.

As reported in last year's Annual Report, the Chamber, through MIASA, has been involved in international initiatives and, in particular, the Global Mining Initiative (GMI) and the Mining, Minerals and Sustainable Development (MMSD) programmes, which are geared to the World Summit (Rio + 10) and beyond.

GMI was set up by the heads of several international minerals corporations to assess the position of mining and related activities in the world in relation to public perceptions and to propose strategies whereby the industry could become acceptable. It is generally accepted that the perception, by governments, environmental groups and, to a certain extent, the general public, is that the minerals industry is a necessary evil in the community. GMI is attempting to show how historical and ongoing developments in the industry have been and are of great benefit to communities, particularly in respect of development of ancillary industries with attendant social and economic benefits.

The MMSD programme devolves from GMI in that it is concentrating on the position of the minerals industry with respect to the environment in which it operates and the positive contributions it can make to ensure the well-being of future generations. Innovative thinking towards interaction with social development, protection of the environment, apart from long-term economic benefits, is being used to promote awareness and responsibility to all stakeholders concerned with future sustainability of resources.

ANNEXURE A – AVERAGE ANNUAL METAL PRICES

Metal	Quoted as	1996	1997	1998	1999	2000	2001
Copper (cash wirebars)	US $ / metric ton	2297	2277	1653	1571	1814	1578
Gold	US $ / troy ounce	388	330	294	279	279	271
Lead	US $ / metric ton	774	623	528	503	454	476
Silver	US $ / troy ounce	5,19	4,97	5,52	5,22	4,95	4,37
Uranium oxide	US $ / pound						
	Restricted	15,50	12,09	10,41	10,20	8,20	9,25
	Unrestricted	14,02	10,57	9,01	8,25	6,99	10,25
Zinc	US $ / metric ton	1025	1312	1023	1076	1128	885

ANNEXURE B - THE MEMBERS OF THE CHAMBER

As at 31 December 2001

	Representative	Alternate
CLASS A FOUNDER MEMBERS		
1. Namdeb Diamond Corporation (Pty) Ltd	I Zaamwani	A Ashworth
2. Ongopolo Mining & Processing Limited	A Neethling	C Groenewald
3. Rossing Uranium Ltd	D Salisbury	B Paulino
CLASS A MEMBERS		
1. De Beers Services / De Beers Marine Namibia	B R Bishop / H Bredenhann	
2. Namibia Minerals Corporation	K Kapwanga	P Elindi
CLASS B MEMBERS		
1. Anglogold Namibia (Pty) Ltd	F M Bethune	J Daub
2. Okorusu Fluorspar (Pty) Ltd	M T Dawe	R Schommarz
3. Rosh Pinah Zinc Corporation (Pty) Ltd	A W Diedericks	H Fourie
4. Salt & Chemicals (Pty) Ltd	R E Stanton	L Frielingsdorf
CLASS C MEMBERS		
1. Cape Cross Salt	J Shafashike	J H Scholtz
2. Diamond Fields (Namibia) Ltd	A Walden	
3. Diaz Point Explorations (Pty) Ltd	D P Hugo	H Fourie
4. Karibib Mining & Construction Co Namibia Ltd	H J J Bam	A J A Meyer
5. Salt Company (Pty) Ltd	J Klein Jnr	J Klein Snr
6. Savanna Marble cc	J Hoffmann	
7. Skorpion Mining Company	N Green	M Wills
8. Tantalite Valley Minerals	S Severin	
9. Trans Hex Group	P W A Walker	D Gadd-Claxton
CLASS D MEMBERS		
1. Ambase Exploration Namibia Ltd	E E Freyer	K P Knupp
2. Avmin Namibia (Pty) Ltd	P A Lombard	A H Matthews
3. BHP Minerals International Exploration Inc.	D Audace (Dr)	
4. BHP Billiton	M Lenters	J Twidale
5. Billiton S A Ltd	L J Bonner	J C Toerien
6. Cominco (Namibia) Ltd	S Jennings	D Newman
7. Kalahari Gold & Copper (Pty) Ltd	R Timmins	T J Smalley (Dr)
8. Kumba Resources	D Pretorius	D J Alchin
9. Langer Heinrich Uranium	C Johnson	R Evans
10. Mount Burgess Gold	J Moore	N Forrester
11. Onganja Mining Company (Pty) Ltd	R G Carr	E A Barbour
12. P E Minerals	T Ipinge	E Mbeehi
13. Rio Tinto Namibia (Pty) Ltd	K M Sims	N Selibas
14. Tsongoari Exploration (Pty) Ltd	D Newman	A Gordon
15. Westport Resources (Namibia) (Pty) Ltd	R Bonner	D Parnham

ASSOCIATE MEMBERS

1.	African Portland Industrial Holdings Ltd	H J Hebbard	M Liefferink
2.	African Wire Ropes (Pty) Ltd	S Bredenkamp	E Heymann
3.	Barloworld Namibia (Pty) Ltd	J Quarmby	M A Hardwick
4.	Brazil Benguela Exploration & Finance (Pty) Ltd	H C Benecke	
5.	DTC Valuations Namibia (Pty) Ltd	P M Jacobs	E Kahura
6.	Dungrae Engineering	I A E Williamson	
7.	Eco Plan	A Speiser	
8.	Fugro Airborne Survey	G Symons	M Frere
9.	Kegge Advisory Services	G Kegge	
10.	Kuehne & Nagel (Pty) Ltd	H Herrlich	F Cyriax
11.	L van Schalkwyk	L van Schalkwyk	I D Kotze
12.	MSW Namibia	V Stuart-Williams	
13.	Marine & Coastal Geoscience (Pty) Ltd	H Huckstedt	B de Decker
14.	Murray & Roberts Construction (Namibia)	D Scriba	J Louw
15.	Namgem Diamond Manufacturing	M Pearson	
16.	NEC Investment Holdings (Pty) Ltd	A Bruckner	N Bruckner
17.	Palfi, Holman & Associates	A G Palfi	R Wartha
18.	Peter Nutt & Associates	P Nutt	
19.	Pupkewitz Industrial	A W Brockwell	H Pupkewitz
20.	Rex Quip cc	A Lang	C Lang
21.	Rosond (Cape) (Pty) Ltd	P Stoppel	J J Myburgh
22.	Roy McG Miller	R Miller (Dr)	
23.	Rubicon Security cc	D Bamberger	B Nel
24.	SGS South Africa (Pty) Ltd	F J van Rooyen	G Wurr
25.	Selected Hardware	H D Etzold	D Etzold
26.	Siemens (Pty) Ltd	G Langmaak	V Trubenbach
27.	Trust & Mining Company (Pty) Ltd	D O'N Mathews	P Mathews
28.	Woker Freight Services (Namibia) (Pty) Ltd	K H Woker	S K Kankondi

HONORARY LIFE MEMBERS

1. D O'N Mathews
2. J Berning
3. Hon A Toivo ya Toivo

SUMMARY	**2001**	**2000**	**1999**	**1998**
Class A founder members	3	3	3	3
Class A members	2	3	3	3
Class B members	4	4	4	4
Class C members	9	4	4	5
Class D members	15	24	21	21
Associate members	28	26	21	20
Honorary Life members	3	3	3	2
TOTAL	64	67	59	58

ANNEXURE C – THE COUNCIL OF THE CHAMBER

as at 31 December 2001

	Member	Alternate
Class A Founder members		
Namdeb Diamond Corporation (Pty) Ltd	I Zaamwani A Ashworth	 F Ndoroma
Ongopolo Mining & Processing Limited	A Neethling H Nolte	C Groenewald
Rossing Uranium Ltd	D Salisbury	C V Kauraisa B K Paulino
Class A members		
De Beers Services (Pty) Ltd	B R Bishop	
Namibia Minerals Corporation	K Kapwanga	P Elindi
Class B members		
AngloGold Namibia (Pty) Ltd	F M Bethune	F P Badenhorst
Okorusu Fluorspar (Pty) Ltd	M T Dawe	R Gevers
Rosh Pinah Zinc Corporation (Pty) Ltd	A W Diedericks	H Fourie
Salt & Chemicals (Pty) Ltd	R E Stanton	L Frielingsdorf
Class C members		
Class D members	D Newman	
Associate members	D O'N Mathews	

The Council met on the following dates :

9 March 2001
6 June 2001
15 August 2001
27 November 2001

The Executive Council Committee was not constituted during 2001

ANNEXURE D – THE STANDING COMMITTEES OF THE CHAMBER

as at 31 December 2001

The Communications Committee

I Zaamwani (Chairperson)	Namdeb Diamond Corporation (Pty) Ltd
A Hangula-Paulino	Namdeb Diamond Corporation (Pty) Ltd
K Kapwanga	Namibia Minerals Corporation

The Environment & Prospecting Committee

D Newman (Chairperson)	Cominco / Tsongoari Exploration (Pty) Ltd
F Badenhorst	AngloGold Namibia (Pty) Ltd
R Burrell	Namdeb Diamond Corporation (Pty) Ltd
R G Carr	Onganja Mining Company (Pty) Ltd
C Claasens	Ministry of Environment & Tourism
A Freyer	Ambase Exploration Namibia
D Gadd-Claxton	Trans Hex Group
A Goosen	Namdeb Diamond Corporation (Pty) Ltd
G Kegge	Kegge Advisory Services
M Lenters	BHP Billiton
P A Lombard	Avmin Namibia (Pty) Ltd
D O'N Mathews	Trust & Mining Company (Pty) Ltd
V Malango	Ministry of Mines & Energy
A Palfi	Palfi, Holman & Associates
V Petzel	Geological Survey (MME)
D Pretorius	Kumba Resources
R Samunyenga	Ministry of Mines & Energy
G I C Schneider	Geological Survey (MME)
J Shafashike	Small Miners' Association of Namibia
A Speiser	Eco Plan
G Symons	Fugro Airborne Survey
A Walden	Diamond Fields Namibia
P Wickens	De Beers Marine

The Labour Committee

S Nekundi (Chairperson)	Namdeb Diamond Corporation (Pty) Ltd
I Djiuella	Rosh Pinah Zinc Corporation (Pty) Ltd
B Dorrenbacher	Okorusu Fluorspar (Pty) Ltd
P Elindi	Namibia Minerals Corporation
C Horne	Trans Hex Group
H Ipinge	Ongopolo Mining & Processing Limited
C Johannes	Salt & Chemicals (Pty) Ltd
J Klein Jnr	Salt Company (Pty) Ltd
A Liebenberg	Namdeb Diamond Corporation (Pty) Ltd
A Talliard	AngloGold Namibia (Pty) Ltd

The Marine Operators' Committee

A Walden (Chairperson)	Diamond Fields Namibia
D Gadd-Claxton	Trans Hex Group
A Goosen	Namdeb Diamond Corporation (Pty) Ltd
N Hagen	De Beers Marine
N Hammond	Namdeb Diamond Corporation (Pty) Ltd
K Kapwanga	Namibia Minerals Corporation
M Nangolo	Maritime Affairs (Ministry of Transport)
G Rigg	Gemfarm Investments
T Smalley	Terredex
P Wickens	De Beers Marine
C Wium	Namibian Gemstones

The Mine Surveying Committee

D F Hull (Chairperson)	Consultant
T Botha	AngloGold Namibia (Pty) Ltd
A Goosen	Namdeb Diamond Corporation (Pty) Ltd
R N Isaaks	Ministry of Mines & Energy
D Mathews	Rossing Uranium Ltd
P v/d Merwe	Rosh Pinah Zinc Corporation (Pty) Ltd
A Watermeyer	De Beers Marine

The Safety Committee

G Hugo (Chairperson)	Anglogold Namibia (Pty) Ltd
O Campbell	Rossing Uranium Ltd
R Gevers	Okorusu Fluorspar (Pty) Ltd
K Goodhew	NOSA Namibia consultant
P J Liebenberg	Ministry of Mines & Energy
B Nel	NOSA Namibia consultant / Ongopolo / Rubicon
T Rossouw	Namdeb Diamond Corporation (Pty) Ltd
D van Tonder	Salt & Chemicals (Pty) Ltd
B Viljoen	Rosh Pinah Zinc Corporation (Pty) Ltd
vacant	Mineworkers Union of Namibia

ANNEXURE E – BODIES ON WHICH THE CHAMBER WAS REPRESENTED DURING 2001

	Representative	Alternate
The Ancillary Rights Commission	D O'N Mathews	
The Board of Trustees of the Namibian Institute of Mining and Technology	I Zaamwani J C Rogers	
The Council of the Polytechnic of Namibia	J C Rogers	
The Employment Equity Commission	S Nekundi	P Elindi
The Geology Advisory Board UNAM	D Newman	
The Labour Advisory Council	B Paulino	
The Minerals Development Fund Control Board	J C Rogers C Kauraisa	D Newman
The Namibian Employers' Federation	J C Rogers	
The Namibian Ports Authority Board	J C Rogers	
The Namibian Transport Advisory Board	J C Rogers	
The Namibian Water Corporation	C P Sivertsen	F M Bethune
The National Energy Council	I Zaamwani	J C Rogers
The National Vocational Training Board	E D G Mueller	H Beykirch
The Social Security Commission	B Paulino	

ANNEXURE F – CHAMBER MINING MEMBER ANNUAL LABOUR STATISTICS

Year	**Number of employees as at 31 December**	**Total remuneration paid (Namibian Dollars)**
1981	19240	120804606
1982	17300	132157914
1983	16595	139705600
1984	15624	139441000
1985	14869	152825000
1986	14428	165442000
1987	12905	184034000
1988	13073	241553000
1989	12776	283522000
1990	13605	349018000
1991	12265	387860000
1992	11441	385464401
1993	9854	381155796
1994	9693	397789557
1995	9775	458887020
1996	8540	457009217
1997	8214	533967714
1998	7686	592754266
1999	5427	478130587
2000	6248	559436982
2001	6026	565724429

ANNEXURE G – CHAMBER MINING MEMBER ANNUAL ACCIDENT STATISTICS

Year	**Number of Reportable Injuries**	**Rate per 1000 employees**	**Fatalities**	**Rate per 1000 employees**
1981	128	6,65	11	0,57
1982	90	5,20	9	0,52
1983	98	5,81	6	0,36
1984	54	3,46	10	0,64
1985	51	3,43	6	0,40
1986	36	2,50	4	0,28
1987	31	2,40	1	0,08
1988	39	2,98	7	0,54
1989	40	3,13	5	0,39
1990	48	3,53	1	0,07
1991	41	3,34	2	0,16
1992	37	3,23	5	0,44
1993	30	3,04	3	0,30
1994	26	2,68	4	0,41
1995	28	2,86	6	0,61
1996	25	2,93	Nil	-
1997	29	3,53	1	0,12
1998	20	2,60	1	0,13
1999	18	3,32	1	0,18
2000	41	6,56	2	0,32
2001	25	4,15	3	0,50

ANNEXURE H - PAST PRESIDENTS AND VICE PRESIDENTS

THE ASSOCIATION OF MINING COMPANIES OF SOUTH WEST AFRICA

Year	President	Vice President
1969	J P Ratledge	D Borchers
1970	J P Ratledge	D Borchers
1971	W H Bailie	H J van den Hoven
1972	W H Bailie	G Nisbet
1973	J L P MacKenzie	K E Mantell
1974	J L P MacKenzie	K E Mantell
1975	J L P MacKenzie	J Berning
1976	J Berning	M H Rogers
1977	J Berning	J O Rochards
1978	J O Richards	B R Woolfe

THE CHAMBER OF MINES OF NAMIBIA

Year	President	Vice President
1979	J O Richards	B R Woolfe
1980	G R Parker	C A Gibson
1981	C A Gibson	D B Hoffe
1982	D B Hoffe	H A R Meiring
1983	H A R Meiring	C A Macaulay
1984	C A Macaulay	D B Hoffe
1985	H A R Meiring	J O Richards
1986	J O Richards	C A Macaulay
1987	C A Macaulay	H A R Meiring
1988	H A R Meiring	R A A Gower
1989	R A A Gower	M P Bates (Dr)
1990	M P Bates (Dr)	P J V Kinver
1991	P J V Kinver	J C A Leslie
1992	J C A Leslie	R A A Gower
1993	T K Whitelock	A R de Beer
1994	A R de Beer	S James
1995	S James	M J C Wittet
1996	M J C Wittet	A R de Beer
1997	A J Hope	J P Murphy
1998	J P Murphy	K Kapwanga
1999	K Kapwanga	F M Bethune
2000	K Kapwanga	I Zaamwani
2001	I Zaamwani	A Neethling