

The Chamber of Mines of Namibia



Annual Review



2010

Mission:

To efficiently promote, encourage, protect, foster and contribute to the growth of responsible exploration and mining in Namibia to the benefit of the Country and all stakeholders



Vision:

To be acknowledged as the champion of the exploration and mining industry in Namibia

Contents

| | |
|---|-----------|
| Highlights of 2010..... | 2 |
| President's Statement in 2010..... | 3 |
| Chamber Activities in 2010..... | 7 |
| The Chamber of Mines Uranium Institute in 2010 | 13 |
| Mine Safety in 2010 | 19 |
| Overview of Operations | 20 |
| Review of Operations..... | 25 |
| African Bounty | 25 |
| AREVA Resources Namibia | 27 |
| De Beers Marine Namibia | 31 |
| Langer Heinrich Uranium..... | 35 |
| Namdeb Diamond Corporation..... | 39 |
| Navachab | 43 |
| Okorusu Fluorspar..... | 47 |
| Rosh Pinah Zinc Corporation | 51 |
| Rössing Uranium | 55 |
| Sakawe Mining Corporation | 59 |
| Salt & Chemicals | 63 |
| Skorpion Mining..... | 67 |
| The Salt Company..... | 71 |
| Weatherly Mining Namibia..... | 73 |
| Exploration Companies | 74 |
| Mining and the Economy | 83 |
| Annex 1: Key Statistics..... | 86 |
| Output by mine | 86 |
| Employment by mine | 88 |
| Mining and the economy | 90 |
| Tax revenue | 92 |
| Annex 2: Chamber Members and Committees in 2010..... | 94 |
| References | 97 |
| Abbreviations..... | 99 |

highlights of 2010

Langer Heinrich

Stage 3 construction **completed**

Namibia maintains position as **fourth largest uranium producer** in the world

Langer Heinrich **delivers**

1,673 tonnes U_3O_8 highest annual production so far

AREVA

Midi plant

successfully tested

Diamond production

rises to

1.47 million carats

Uranium Institute inaugurated

construction of **Ohorongo Cement** completed

Extract Resources lodges application for mining licence

Vedanta completes purchase of Skorpion Zinc

over

N\$1.5 billion in taxes and royalties paid

73 new bursaries awarded

mining value added **N\$7.7 billion**

mining investment **N\$3.3 billion**

mining exports **N\$10.9 billion**

President's Statement for 2010

"Despite the downturn, the mining sector again spent more on fixed investment than any other sector of the economy with the exception of Government accounting for over one sixth of all fixed investment in the country."

Mine Safety

The Chamber places enormous emphasis on the issue of safety.

We stand by the motto: **one fatality is one too many and one injury is equally one too many**. While the Chamber is pleased to report that 2010 was a fatality free year, it is with extreme regret that I announce that the mining industry suffered three fatalities during the first quarter of 2011.

Mr Shikongo Klemens Klemens, plant operator at Namdeb, drowned when his vehicle drove into a flooded mining area which was mined out. This tragic accident happened in the early morning hours of 12 January this year.

Mr Theophilus Makili, a silo truck driver at Namdeb, was fatally injured on 18 February this year when he lost control of the silo truck which subsequently overturned whilst enroute from Pocket Beaches to Oranjemund.

Mr Eliaser Gabriel, a crusher operator at Okorusu Fluorspar mine, died when he slipped and fell onto an iron rod which fatally impaled him on 27 March.

We express our heartfelt condolences to the families of the deceased employees who lost their lives in the course of executing their duties. Lessons learnt from these tragic mine accidents will be useful to the whole mining industry to ensure that the same does not occur again.

I would also like to point to the emphasis on mine safety that we are incorporating into this year's Chamber Review in line with a commitment made to the Prime Minister and Minister of Mines and Energy in September 2010 during discussions on a possible Mining Charter.

World Economy

2010 has seen the world economy continue to recover from the deepest recession since the Great Depression of the 1930s. The world's largest advanced economies generally maintained positive growth albeit with continued fiscal and monetary policy stimulus. The US Federal Reserve Bank embarked on a second round of quantitative easing in November while an extension of tax cuts was agreed by the White House and Congress in December. However, to no great surprise, both the UK and Japan experienced negative growth in the final quarter of the year under review. The large emerging markets of Brazil, Russia, India and China (the BRICs) raced ahead, experiencing the quite different challenge of rising inflation. However, international attention focused largely on

the sovereign debt problem of Eurozone countries which saw Greece and then Ireland request external assistance to meet their public debt obligations. South Africa grew steadily if not spectacularly while a further three cuts in interest rates by the South African Reserve Bank brought the prime lending rate down to its lowest level since the early 1970s. Low inflation was partly enabled by a strong Rand which reached a two-and-a-half year high – a two-edged sword indeed for export industries such as mining!

Mining in Namibia

Namdeb emerged from a traumatic 2009 leaner and fitter producing 1.47 million carats of diamonds, including an

Chamber of Mines President, Mr Mike Leech



Gold AngloGold Ashanti

P43

exceptional 126 carat stone. De Beers Marine Namibia mined 980,000 carats of this total, significantly above budget thanks to the successful trial of the mv Peace in Africa. Confidence in the future was underlined by the launch of Project 2050 – which aims to take Namdeb to 2050 and beyond – accompanied by announcements that the company planned to invest some N\$5 billion over the coming years to extend the lives of several onshore mines. Samcor spent the year developing its Aquarius dredge mining technology as a viable method of mining its licence areas north of Atlantic 1. Thankfully the improved international climate allowed Namibia's local cutting and polishing factories, which had been hard hit during the downturn, to scale up operations once again.

The price of gold reached record highs which was good news for AngloGold Ashanti's Navachab mine which produced over 86,000 ounces – a robust performance. The new owner of the Otjikoto gold deposit, Aurys Gold Corporation, made a serious statement of intent by dual-listing on the Namibian Stock Exchange (NSX) in February 2011.

The sale of Skorpion zinc mine by Anglo American to India's Vedanta plc for US\$707 million announced in May 2010 was finalised with the transfer of operations going smoothly. The effective date of transfer was 3 December 2010.

The construction of Africa's most sophisticated cement plant by Schwenk-owned Ohorongo Cement reached a successful conclusion and the operation was inaugurated by His Excellency Hifikepunye Pohamba on 3 February 2011. The plant will produce 700,000 tonnes of high quality cement for domestic

Uranium Langer Heinrich

P35

consumption and export to neighbouring countries. Ohorongo Cement has been granted a 25-year mining licence (ML153) and will be fully included in the Chamber of Mines Annual Review from next year. Importantly, Ohorongo signed an agreement with nearby Okorusu Fluorspar mine for the supply of magnetite. It is encouraging to see such positive linkages within the country's mining industry.

After the traumas of 2008 when copper prices plunged, Weatherly announced its intention to reopen Otjihase and Matchless mines which it had put under care and maintenance at the end of 2008. Copper prices reached record highs on international markets, breaking the US\$10,000 per tonne barrier, suggesting that renewed copper mining in Namibia still holds significant commercial promise.

For Namibia's uranium industry, the year 2010 was again one of significant progress. Prices climbed during the course of the year with the spot price finishing above US\$60 per pound. Rössing remained the world's third largest uranium mine despite lower production as a result of poorer ore grades. Production for the year totalled 3,628 tonnes of uranium oxide. By the end of 2010 Langer Heinrich was in the process of completing its Stage 3 expansion which will see production rise to 5.2 million pounds a year. The combined output of both mines allowed Namibia to retain its position as the world's fourth largest uranium producing country after Kazakhstan, Canada and Australia. Developments in our uranium industry have not gone unnoticed by the rest of the world and Namibia has enjoyed a stream of potential uranium investors over the past

Uranium Rössing Uranium

P55

year from a variety of countries including Japan, South Korea, Russia, India and China. Construction of Trekkopje mine by AREVA continued apace. Production from the Midi facility was successfully completed and the building of the final Maxi plant is underway. Bannerman submitted its application for a mining licence in December 2009 but has subsequently revised its resource estimate which has had far-reaching consequences for its mine design and feasibility study. Work is underway to complete the definitive feasibility study for the Etango deposit in 2011. Extract Resources, meanwhile, submitted its application for a mining licence in December 2010 and completed its definitive feasibility study for the Husab uranium project in March 2011. The DFS demonstrates the feasibility of a mine producing 15 million pounds of uranium oxide per year from two open pits which have a combined length of 5.9 kilometres. Husab is likely to be the world's third largest uranium mine when it commences production in 2014. The projected investment is estimated at US\$1.67 billion (N\$12 billion).

At the time of writing this report, considerable uncertainty continued to surround Japan's Fukushima nuclear plant since it suffered extensive damage in the wake of the 11 March 2011 earthquake and tsunami. The Chamber of Mines extends its sympathy to the people of Japan, especially those who have lost loved ones. The Chamber expresses its sincere hope that the problems at Fukushima can finally be brought under control with the minimum of harm to human health. The tsunami was an extreme event which highlighted the risks associated with old reactors located in geologically unstable parts of the world. There is no doubt that events in Japan have prompted a widespread reassessment of reactor safety worldwide – especially for older nuclear reactors. But the Chamber continues to believe that uranium will play a major role in the world's energy mix, and therefore Namibia's economy, in the coming decades.

| Mineral | Unit | Year end price (2009) | Year end price (2010) |
|---------|-------------------|-----------------------|-----------------------|
| Uranium | US\$ / pound | 44 | 61 |
| Gold | US\$ / troy ounce | 1,085 | 1,373 |
| Copper | US\$ / ton | 7,070 | 9,391 |
| Zinc | US\$ / ton | 2,490 | 2,272 |
| Lead | US\$ / ton | 2,327 | 2,440 |

Source: Nedbank SA

Uranium
AREVA

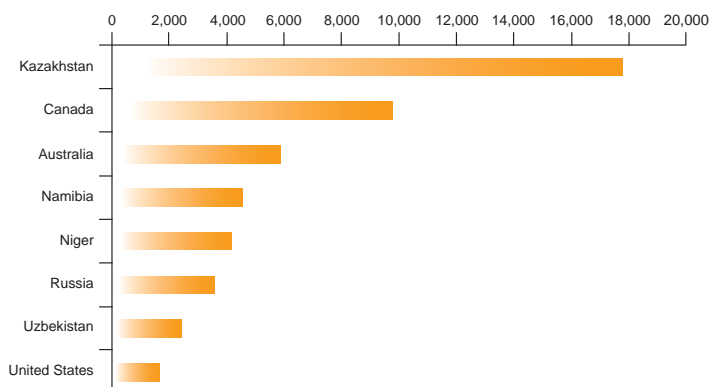
P27

Zinc
Skorpion Mining

P67

Zinc
Rosh Pinah Zinc Corporation

P51

Uranium Producing Countries* (tonnes of contained uranium mined in 2010)

Source: World Nuclear Association

* only includes countries producing more than 1,000t

Economic Contribution

Unfortunately, Namibia's national accounts statistics are produced with a significant lag and we are awaiting provisional figures for 2010. Figures produced by the Central Bureau of Statistics demonstrate that 2009 was an exceptionally difficult year for Namibia's mining industry and its economy as a whole. Significantly, the sector as a whole contracted by an incredible 45 percent while its contribution to Gross Domestic Product (GDP) dropped from 15.9 percent in 2008 to just 10.0 percent in 2009. For the second year in a row the contribution of non-diamond mining to the nation's GDP exceeded the contribution by diamond mining. Total value added by the mining sector fell to N\$7.7 billion while mining exports made up 44 percent of the country's merchandise exports. Despite the downturn, the mining sector again spent more on fixed investment than any other sector of the economy with the exception of Government accounting for over one sixth of all fixed investment in the country. We continue to believe that a good deal of exploration expenditure has not been included in this figure. As our Review again shows, exploration companies continued to spend significant sums of money on their activities during the year.

Taxation

Government revenues from the mining sector in the form of profits taxes, dividends and royalty taxes contributed N\$1.2 billion in taxes in 2009/10. It is important to bear in mind that these payments exclude other tax payments such as PAYE which are significant. For the first time, actual revenues from other mineral royalties, which were introduced in 2006 and revised in 2008, exceeded revenues from diamond royalties. As pointed out in last year's Review, the Chamber has a number of concerns on taxation. Government continues to signal its view that the industry is failing to make an adequate contribution to its revenue base. We intend to continue the dialogue with Government over this critical issue.

2009/10**(N\$m)**

| | |
|---|---------|
| Company tax: diamond mining companies | 511.3 |
| Company tax: non-diamond mining companies | 61.1 |
| Dividend payments:Rössing | 8.5 |
| Dividend payments:NDTC | 100.0 |
| Diamond royalties | 230.8 |
| Other mineral royalties | 261.0 |
| Total direct tax payments | 1,172.7 |

Source: Ministry of Finance

Water Desalination and Infrastructure

Once again the Chamber would like to highlight the progress made on the 20 million cubic metre water desalination plant at Wlotzkasbaken and commends AREVA for the valuable work it is doing. This is a wonderful example of Namibia's mining industry making yet another valuable and strategic addition to Namibia's stock of infrastructure, something that is only rarely appreciated. We at the Chamber are also pleased with the solid progress made last year by the National Water Desalination Task Force on reviewing the pathway forward for desalinated water supply options in general. We look forward to the conclusion of the all inclusive review currently under discussion.

Skills

Skills development continues to be an issue of major attention for the Chamber. As this Review once again demonstrates, Chamber members are putting enormous resources into improving the skills of their workforces and contributing to the nation's skills base, even in the most difficult of economic environments.

Uranium Stewardship Committee and Uranium Institute

From the report of Dr Swiegers elsewhere in this Review, it is clear that the establishment of the Uranium Stewardship Committee and the Uranium Institute has been a welcome addition to Namibia's mining scene. The Chamber believes that the work which still needs to be undertaken on Namibia's policy, institutional and regulatory infrastructure is as vital to the future success of our uranium industry as any physical infrastructure.

Policy

The Chamber has continued to work closely with the Ministry of Mines and Energy on a variety of critical policy issues including the issue of taxation, the new Minerals Bill, and the Transformation Economic and Social Empowerment Framework (TESEF). The September 2010 meeting at Midgard Farm on the issue of TESEF was especially valuable and the Chamber would like to extend its special thanks to both the Honourable Prime Minister and Minister of Mines and Energy for the valuable exchange of views that the meeting afforded. The recently published and influential Fraser Institute rankings show that Namibia

continues to be well-regarded internationally as a destination for mining investment. The improvement is positive but the Chamber believes we could do better still. We hope cooperation can continue in this way and that 2011 will see these initiatives come to fruition. We firmly believe we can work together with the Honourable Minister Isak Katali and Honourable Deputy Minister Willem Isaacks for the benefit of the country over the coming years.

Conclusion

The year 2010 has seen the industry start to recover from the deepest global recession since the Great Depression of the 1930s. We are proud to assert that Chamber members have done their best to meet the challenges of the past few years in a way that minimises the impact on the local workforce and the country. We as the Chamber recognise the huge burden of responsibility on our shoulders as we try to take the country's most important industry forward over the coming years.

It is again my honour to thank all the Chamber Members for their support during another challenging year. My thanks especially go to our General Manager, Veston Malango, the Director of the Uranium Institute, Dr Wotan Swiegers, and our loyal staff for running the

Chamber so effectively. Thanks also go to my Vice Presidents Mark Dawe and Gerry Arnat who were always ready with their advice and support. This Review underlines once again the Chamber's belief that working as a reliable partner with Government and with the workforce of the mining industry offers the best way forward for both the Chamber and the country as a whole. I would like to reiterate a point I made last year when I pointed to the fact that Namibia's mining industry has become truly international involving important players from an ever wider range of countries – South Africa, France, the UK, Canada, Australia, Brazil, Russia, India and China – listed on an equally wide range of stock exchanges. If, as we hope, the world puts its faith in us to provide some of the strategic minerals it needs, we have a special responsibility to work with Government to ensure we build an internationally competitive investment environment as well as a stable and prosperous industry. We all look forward to meeting the challenges that the future will undoubtedly bring.



Mike Leech
Chamber President
06 May, 2011

Fraser Institute Rankings

| | 2010/11 | 2009/10 | 2008/09 | 2007/08 | 2006/07 |
|--------------------------------|---------|---------|---------|---------|---------|
| Policy Potential | | | | | |
| Namibia | 30 | 37 | 34 | 33 | n/a |
| South Africa | 67 | 61 | 49 | 50 | 53 |
| Botswana | 14 | 21 | 18 | 11 | 38 |
| Mineral potential | | | | | |
| Namibia | 29 | 24 | 40 | 12 | n/a |
| South Africa | 66 | 45 | 44 | 45 | 57 |
| Botswana | 7 | 7 | 17 | 14 | 32 |
| Number of jurisdictions | 79 | 72 | 71 | 68 | 65 |

Source: www.fraserinstitute.org

"Skills development continues to be an issue of major attention for the Chamber."

Chamber Activities for 2010

A Review by the General Manager, Veston Malango

The year 2010 was one of significant growth in the activities of the Chamber of Mines. The Chamber expanded by three new staff members and added new services including the centralised work permit and work visa application system from Chamber offices and the inauguration of the Uranium Institute in Swakopmund. The Chamber embarked on hosting a Mining Expo for the first time in its 41 year history. The Chamber submitted empowerment proposals to the Government in the form of a draft Mining Charter. These are some of the highlights of activities during the year under review.

Transformation Economic and Social Empowerment Framework

The last year marked a major milestone in the history of the Chamber of Mines when the Chamber engaged Government at the highest level on the empowerment framework in the mining sector. In place of the annual Bosberaad, the Chamber held a workshop on the Transformation, Economic and Social Empowerment Framework (TESEF) during 24-25 September 2010 at Midgard Country Estate. In attendance were the Right Honourable Nahas Angula, Prime Minister, Honourable Isak Katali, Minister of Mines and Energy, Honourable Willem Isaacks, Deputy Minister of Mines and Energy, Epangelo Directors, Council members and the CEOs of advanced exploration projects. The Chamber of Mines of South Africa provided support by sending Dr Frans Barker, Senior Executive, to share the South African experience on Black Economic Empowerment.

The objective of the workshop was to gain better understanding of the 2008 TESEF document and the 2010 TESEF advert in the media placed by the Prime Minister and also gain clarity on some of the TESEF provisions. Presentations and discussions were very frank, open and constructive. The workshop was not meant to come up with any resolutions but was rather a discussion platform to gain clarity on industry concerns and share proposals for broad-based empowerment initiatives.

There were two major outcomes. Firstly, the Chamber was requested to make concrete proposals on empowerment in the mining sector, using TESEF as a basis. Six weeks later, a draft Mining Charter was produced and deliberated at a special Council meeting in Swako-

pmund. Council approved the final draft Mining Charter document on 30 November. The Chamber submitted the document to the office of the Prime Minister and the Minister of Mines and Energy on 15 December 2010. Further consultations on the draft charter are planned for 2011 in the form of a workshop between the Chamber and the Ministry of Mines and Energy.

Secondly, the Minister of Mines and Energy requested a discussion document highlighting the value chain of a mineral deposit from EPL to Mining Licence stage. After several consultations, a draft document was approved by Council on 30 November and was delivered to the Minister of Mines and Energy on 1 December 2010.

Chamber of Mines General Manager, Mr Veston Malango



Collaboration with Ministry of Mines and Energy

Cooperation with the Ministry of Mines and Energy (MME) as the line Ministry continued in several areas including policy, legislation and mining industry promotional activities. The Chamber is represented on the MME Minerals Bill Committee. The Mining Commissioner and the Director of the Geological Survey actively participated in Chamber Exploration Committee meetings at which EPL challenges were frankly addressed.

MME held a one-day stakeholders' workshop on 29 November 2010 on the development of the nuclear policy, legislation and regulations for uranium exploration, mining and processing. All Chamber members involved in the uranium sector participated and the Chamber Uranium institute took a leading role in providing the necessary input.

The Chamber and MME undertook joint promotional activities at Mining Indaba in Cape Town in February 2010 with the aim of attracting exploration and mining investments to Namibia.

Collaboration with Ministry of Home Affairs and Immigration

In an effort to address challenges at the Ministry of Home Affairs and Immigration (MHAI), the Chamber finally opened a new service for work permits and work visas in February 2010. A new position of HR Administrator was created to drive the system and was filled by Ms Signa Ndombo in February 2010.

Since then, all work permits and work visa applications from Chamber members, including their respective contractors, have been channelled through the Chamber of Mines. The main value add at the Chamber is ensuring that all applications are complete in accordance with requirements before submission to Home Affairs. The system extends to follow-ups, feedback to members, fee pay-

ments and collection of approved permits and visas. Consultations between the Chamber and MHAI over this matter started way back in 2007. The system was a success during the year with approval rates of 98% for work visas and 85% for work permits.

Considering that this is a continuous process in which the industry is continuously importing skills not available locally (while still training) Council approved late 2010, the establishment of a Deputy position to the current HR Administrator. This will enhance communications with members and affected applicants.

Mining Expo 2011

For the first time in the 41 year his-



tory of the Chamber of Mines, the Chamber hosted a Mining Expo during 27 -28 May 2010 at the Safari Hotel under the theme: "Sustainability in Mining: 2010 and Beyond". The objectives were:

- To showcase the Namibian mining industry to all stakeholders, particularly the Government;
- To showcase and discuss industry contributions to the Namibian economy and society;
- To present and promote career opportunities in the mining industry to secondary school students; and
- To network and engage with stakeholders.

The Expo turned out to be a resounding success with booths sold out and over 12 companies on the waiting list. Based on this success, Council made a decision to hold another Mining Expo during 2011 and then once every two years thereafter.

Support to Namibian Institute of Mining and Technology

The mining industry continued to support the Namibian Institute of Mining and Technology (NIMT) as the main training institution for artisans to the mining industry through sponsorship of students and job attachments programmes. The mining industry pays N\$30,000 for each bursary student at NIMT and some Chamber members have sponsored in excess of 100 students at NIMT. Government-sponsored students are subsidised at N\$16,500 per student.

Chamber Support to Namibia Training Authority

The Chamber is represented on the Namibia Training Authority (NTA) Board and has four members on one of the Industry Skills Committees as illustrated under Chamber Representation on other Bodies. The Chamber is chair of the industry skills committee on "Mining, Construction, Quarrying, Electricity, Gas and Water Supply".

Consultations with the NTA included the issue of the training levy to be introduced in the near future. While 1.5 percent of the total wage bill per annum has been set as a training levy under the Vocational Education and Training Act of 2008, Chamber members are on average spending up to 5 percent of their annual wage bills on training.

Chamber Promotion of Mining Skills at Career Fairs

The Chamber continued with initiatives aimed at promoting skills and careers in mining and participated in two Careers Fairs. One was at the Careers Expo 2010 at the Windhoek Show Grounds during 18-19 March where AREVA Resources Namibia and Rössing Uranium took part. The second was the 15th Careers Fair at the Polytechnic of Namibia on 25 March 2010 where Namdeb, De Beers Marine Namibia, AREVA Resources and Rössing Uranium participated under the auspices of the Chamber.

Unfortunately, only Windhoek-based high school learners benefited, leaving out the rest of the country. The Chamber

undertook consultations with relevant authorities to ensure that careers masters from other high schools countrywide attend future careers fairs. This will ensure that the benefits are spread to the rest of the country.

Chamber Inaugurates Uranium Institute

The Chamber of Mines Uranium Institute (UI) was finally inaugurated on 18 August 2010 at a colourful ceremony sponsored by AREVA Resources Namibia. AREVA is also the sponsor of the Information Centre at the UI. The then Erongo Regional Governor, Honourable Samuel Nuuyoma officiated at this event. The UI is reported on in detail in another chapter of this review.

Consultations with Mineworkers Union of Namibia

Cooperation between the Chamber and the Mineworkers Union of Namibia (MUN) is governed by the Mining Consultative Forum, a signed tripartite agreement. Matters of mutual concern addressed include safety and labour relations at mines. Through this forum, a successful workshop aimed at addressing the root causes of strikes took place on 7 May 2010 and was moderated by the Labour Commissioner, Mr Bro-Matthew Shinguadja. The main objective was to learn from experiences of past industrial actions in order to enhance labour relations.



From left to right: Grant Rau (Samicor), Enrico Barbaglia (AREVA), Veston Malango (CoM), Mike Leech (CoM), Mines and Energy Permanent Secretary Joseph Iita and Kombadayeddu Kapwanga (Samicor) at the 2010 Mining Expo

Mine Safety

On the safety front, the mining industry ended 2010 with zero fatalities and generally low Lost Time Injuries (LTIs). Unfortunately, we started the year 2011 with three fatalities, two at Namdeb and one at Okorusu Fluorspar mine. The Chamber of Mines regrets this tragic loss of life. Safety is our top priority and the industry is driven by the motto that "one injury is one too many and one fatality is one too many". A second Safety Peer review mission was successfully carried out at Skorpion Zinc mine on 8 November 2010 with participating safety officers from other mines. The aim of this new hands-on strategy is to enhance safety by learning from each other's safety systems.

Mining Industry Association of Southern Africa

The Chamber of Mines belongs to the Mining Industry Association of Southern Africa (MIASA) which is affiliated to the International Council on Mining and Metals (ICMM).

MIASA is a lobbying and advocacy organisation of the private sector mining industries in the Southern African Development Community (SADC). The main objective of MIASA is to protect and promote the interests of the SADC mining industry at regional and international levels.

MIASA meetings are held in February every year during the Indaba Mining Conference in Cape Town and in member countries on a rotating basis. The Chamber participated in the MIASA meetings in Cape Town on 7 February 2010 and in Harare, Zimbabwe, on 17 September 2010.

Workshops and Conferences

The Chamber continued to actively participate in several major conferences at home and abroad. The General Manager represented the Chamber at the Employment Creation Summit, Windhoek, on 30 September 2010. The Chamber undertook promotional missions on behalf of the Namibian mining industry to Indaba Mining Investment Conference, in Cape Town, between 1-4 February (Veston Malango, GM, and Mike Leech, President) and to the Zimbabwe Mining Indaba in Harare between 15-16 September 2010 (Veston Malango, GM).

The Chamber was represented by Signa Ndombo at the 8th International Vocational Education and Training Association (IVETA) Africa Regional conference during 18-21 April 2010 in Swakopmund.

Dr Wotan Swiegers attended and made presentations at numerous conferences under the auspices of the Chamber of Mines Uranium Institute. These are reported under the Uranium Institute Chapter.

Chamber Membership

Membership to the Chamber is voluntary but membership applications continued to increase, an indication that stakeholders appreciate the value of belonging to the industry association. The strength of the Chamber is derived from the strength of its membership, a factor that counts positively towards Namibia being a favourable investment destination.

Total membership stood at 88 as at 31 December 2010, an increase of 12.8% compared to December 2009. The table on the next page illustrates the trends in Chamber membership during the last ten years.

Chamber Ends OHEAP Project

The Council of the Chamber of Mines made a decision in November 2010 to close down the Occupational Health Education and Awareness Programme (OHEAP). The project was based at the Otjiwarongo office but worked closely with peer educators in mining communities. Council noted the success of the project over the years in raising awareness on HIV/AIDS with a corresponding decrease in prevalent rates. But in light of wellness programs at mines which cover aspects of HIV/AIDS, the continued existence of the OHEAP project in its current form could no longer be justified. The closure was also exacerbated by the termination of partial donor funding by USAID through PACT Namibia. USAID has totally cut or substantially reduced funding to several other HIV/AIDS projects.

Services of the three staff members were terminated in accordance to the applicable provisions of the Labour Act. In order to reduce the impact of retrenchment, Chamber members were encouraged to employ the previous OHEAP staff. One staff member was immediately employed by Okorusu Fluorspar mine and the Chamber is assisting the other two in finding suitable employment within the mining industry.

Chamber Representation on other Bodies

The Chamber was actively represented by the General Manager on the following bodies or committees:

- Minerals Development Fund Control Board of Namibia (MDF): Board Member
- Namibia Employers Federation (NEF): Board Member
- Namibia Institute of Mining Technology: Trustee
- Polytechnic of Namibia (PON): Council member and Vice-Chairperson of the Council of the Polytechnic of Namibia. Tenure expired in September 2010
- Mining Industry Association of Southern Africa (MIASA).
- World Nuclear Association: Associate Member (represented by Dr Wotan Swiegers).

Furthermore, the Chamber was represented on the Namibia Training Authority (NTA) and the corresponding Industry Skills Committees as follows:

- NTA - Maryke Krohne of Valencia Uranium (Pty) Ltd as Board Member;
- NTA - Industry Skills Committee on "Mining, Construction, Quarrying, Electricity, Gas and Water Supply":
 - Mr Mika Keendjele - Manager, Training and Organizational Development, Rössing Uranium Ltd.
 - Ms Liezl Davies - Human Resources Development Manager, De Beers Marine Namibia. Ms Liezl Davies is the Chairperson of this Industry Skills Committee.
 - Mr Sakkie Schreuder - Manager, Safety and Training, Namibia Custom Smelters.
 - Mr Joao Da Costa - Chief Training Officer: Strategic Projects and Engineering Services, Namdeb Diamond Corporation (Pty) Ltd.
- Labour Advisory Council (LAC)
Mr Sylvanus Nekundi (De Beers Marine Namibia) is an LAC member representing the Chamber of Mines through the Namibia Employers Federation (NEF).

Chamber Newsletter

The quarterly publication picked up momentum only in the second half of 2010 after a cooperation agreement with the Windhoek Observer was concluded. Two issues were published and quality consistency was maintained, thereby underpinning the success of the new arrangement. Through this quarterly publication, stakeholders are well informed on major events in the mining sector.

"Safety is our top priority and the industry is driven by the motto that "one injury is one too many and one fatality is one too many."

| Class | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| A. Founder Members | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 |
| A. Members | 3 | 2 | 2 | 3 | 5 | 5 | 6 | 6 | 6 | 6 | 6 |
| B. Members | 4 | 4 | 4 | 4 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| C. Members | 4 | 9 | 6 | 5 | 4 | 4 | 4 | 4 | 2 | 3 | 5 |
| D. Members | 24 | 15 | 14 | 14 | 15 | 15 | 18 | 27 | 28 | 31 | 36 |
| Associate Members | 26 | 28 | 30 | 33 | 28 | 29 | 28 | 26 | 33 | 32 | 36 |
| Hon. Life Members | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 1 | 1 | 1 | 1 |
| Totals | 67 | 64 | 62 | 65 | 59 | 60 | 63 | 69 | 75 | 78 | 88 |



The Chamber of Mines Uranium Institute in Swakopmund



Chamber of Mines Uranium Institute

A Review for the Period May 2010 - May 2011 by Dr Wotan Swiegers

Introduction

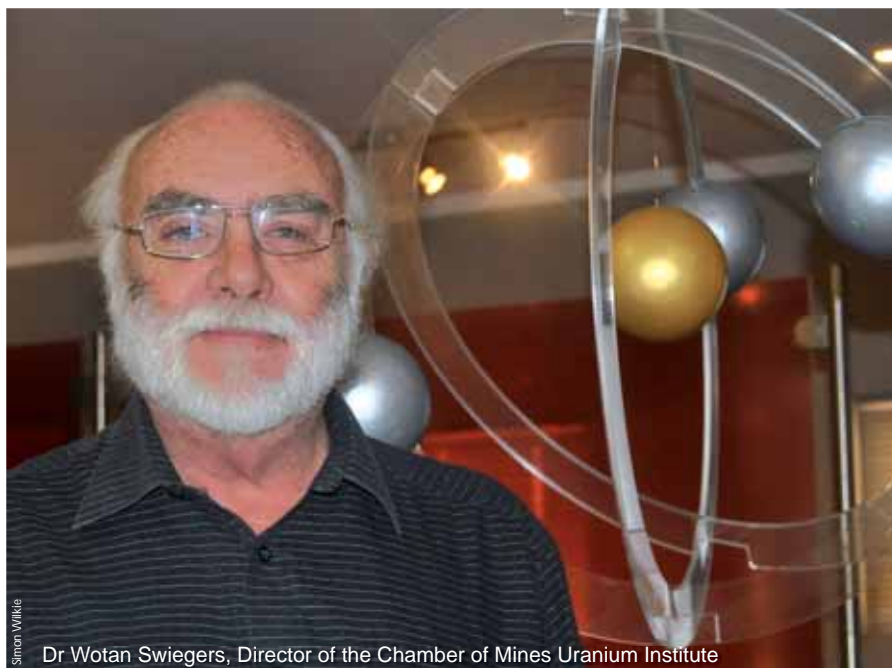
The major defining event this year for the world and the uranium industry was the Japanese earthquake, tsunami and nuclear accident which had disastrous consequences. The human tragedy overshadowed everything and the Fukushima nuclear accident continues to have a major impact on the price of uranium. However, the worldwide production of uranium remains below requirements with relatively low levels of inventory. Share prices (and the spot price of uranium) have recovered after an initial sharp drop and it is predicted that the Namibian uranium industry's short and medium-term profitability will not be affected dramatically thanks to long-term fixed price contracts. The international uranium market remains volatile and is like no other in the history of uranium mining. The medium and long-term outlook for exploration companies like Swakop Uranium, Bannerman Resources and Reptile Uranium remains positive.

Uranium Stewardship

The Chamber of Mines is a member of the World Nuclear Association (WNA) and an associate member of the International Council for Mining and Metals (ICMM), a leadership group focused on improving the sustainable development performance of mining companies and supporting stewardship policies.

The Uranium Stewardship Committee (USC) is a mandated committee of the Chamber. It was set up in 2007 to enable senior executives of the Namibian uranium industry to contribute to emerging policy debates about the expansion of the industry, to promote its safe, efficient and productive development and to ensure stakeholder and public confidence in the industry. It facilitates voluntary consultation and co-operation within the uranium industry without encroaching on the managerial powers or prerogatives of individual members.

The USC is now the representative body which articulates the national and global interest associated with all aspects of the Namibian uranium industry and it advocates the industry's views to Government and the community. It co-



Dr Wotan Swiegers, Director of the Chamber of Mines Uranium Institute

ordinates a variety of activities and programmes in areas where it is deemed desirable for members to consult with one another on matters of common concern and to co-operate in specific uranium industry joint initiatives.

All USC members are bound by the Chamber Constitution and the Code of Conduct that commits them to upholding the Namibian uranium brand, whilst ensuring the highest standards of environmental and radiation safety management. Until Government introduces more legally binding regulations, the USC has adopted the World Nuclear Association's (WNA) document entitled "Sustaining Global Best Practices in Uranium Mining and Processing: Principles for Managing Radiation, Health and Safety, Waste and the Environment" as their official guideline document and Environmental Code of Practice.

Uranium Institute

The year 2010 marked the inauguration of the Chamber of Mines' Uranium Institute (UI) on 19 August as a strategic partner which provides support and advisory input to its members. Through the UI, the uranium mining and explo-

ration fraternity is working closely with the Government and state agencies to ensure the sustainable development of Namibia's uranium resources. The UI is playing a leading role in implementing best practice standards to protect and promote the Namibian 'uranium brand' and co-ordinate occupational health, radiological safety and environmental management issues. The UI facilities include a Uranium Information Centre (UIC), a Uranium Training Centre (UTC) and a conference room in order to provide advocacy, training and research.

The UI is financially supported by Rössing Uranium Ltd, Langer Heinrich Uranium Ltd and AREVA Resources Namibia, developer of the Trekkopje mine and the five exploration companies, namely Swakop Uranium, Bannerman Resources, Reptile Uranium, Valencia and Zhonghe Resources.

Communication and Advocacy

Sustained and effective communication is essential for any organisation, especially in the case of the uranium industry where its advocacy and lobbying role with Government,

labour and other stakeholders relies on information and transparency. Its website provides detailed information on the nuclear cycle, uranium industry, government regulation, as well as the environmental and safety aspects of uranium mining and exploration. In line with the ICMMS' Elements of Enduring Value Principles the USC recommends that all of its member companies:

- Engage at the earliest practical stage with likely affected parties to discuss and respond to issues and conflicts concerning the management of social impacts;
- Ensure that appropriate systems are in place for ongoing interaction with affected parties, making sure that minorities and other marginalised groups have equitable and culturally appropriate means of engagement;
- Contribute to community development from project development through closure in collaboration with host communities and their representatives;
- Encourage partnerships with governments and non-governmental organisations to ensure that programmes (such as community health, education, local business development) are well designed and effectively delivered; and
- Enhance social and economic development by seeking opportunities to address poverty.

In pursuance of these objectives, the USC has established productive working relations with Government ministries, companies within and outside of its immediate sector, and other stakeholders. Members of the USC serve on a number of stakeholder committees including the Steering Committee of the SEA/SEMP, the Erongo Region Development Foundation (EDF), the National Cancer Control Committee (NCCC) of Namibia, the Erongo Regional Governor's Education Committee, and the World Nuclear Association (WNA) Working Group on 'Sustainable Development' and International Health Task Force.

The UI's key focus areas include:

- To act as the premier representative of the uranium mining sector in health, environment and radiation safety policy initiatives;
- To assist Government and the industry in formulating measures to strengthen the implementation of the various legislative and policy frameworks related to environmental management, mine closure and environmental manage-

ment sphere of sustainable development;

- To represent the uranium mining industry at international events pertaining to environmental management, mine closure and sustainable development which include World Nuclear Association and International Atomic Energy Agency meetings; and
- To engage the Ministry of Environment and Tourism (MET) on issues of harmonisation of environmental requirements in the mining sector.

The Uranium Institute has further set up a comprehensive Information Centre with an exhibition area of around 100 square metres. Here, most aspects of the uranium industry are addressed. The leading uranium mines showcase the most important aspects of their operations to the public and use the Information Centre as a reception point for their visitors. This provides an excellent basis for an open, honest and on-going discussion with the public and has included groups from as far as China and Kazakhstan, Ambassadors from Germany, France and the US have been received, as well as High Commissioners from Australia and Great Britain, and a number of scientists and anti-nuclear activists from all faculties and various countries.

Training

The primary purpose of the Uranium Training Centre's (UTC) programme is to promote learning and to build capacity in specialised skills through training. It provides an opportunity for UI members to work together to improve safety and health performance, through identifying leading practices and facilitating their adoption by others. This helps companies to gain benefits and experience from pockets of excellence that exist within the industry and helps smaller operators deal with health and safety challenges by providing management, technical and health and safety expertise on an organised basis.

The UTC has been established in consultation with the National Radiation Protection Authority and with the Ministry of Labour to alleviate some of the environmental health constraints facing Namibia. Training courses include: radiation safety courses (levels one to three), audiometry courses, spirometry courses and various other safety courses (with

NOSA) and continued professional development courses for medical personnel.

Working Groups Water and Power Working Group (WG)

The uranium industry is not sustainable without a secure supply of water and power which are interlinked. Due to economic growth, demand for both water and power has risen significantly. Namibia faces serious electricity supply constraints and currently imports much of its power from South Africa (which itself faces an energy shortage) as well as Zimbabwe and Zambia.

Since water remains one of the major challenges for any mine, it is best addressed collectively by the broader industry, working closely with Government. For this reason the Water and Power WG was established and is led by a senior manager. The WG developed a minimum standard for water and waste management which is applicable to all members of the USC involved in mining and exploration activities in the Erongo Region and also applies to their contractors. The process of discussion and negotiation has been ongoing between the UI and NamWater to supply desalinated water in the shortest time possible to ease aquifer drawdown. The USC has consistently urged NamWater to work with the current desalination plant (EDC) and enter into off-take agreements for excess water for bulk distribution to other mines and users in the Erongo Region.

Strategic Environmental Management Plan (SEMP) Working Group

The UI supports a coordinated strategic approach by industry and Government to ensure successful economic development in the Erongo Region. The UI, in conjunction with a number of other interested parties, identified the urgent need for a strategic environmental assessment of the uranium industry in the central Namib in 2007 to better understand the vulnerabilities and opportunities to which the Region might be exposed to as a result of multiple uranium mines developing within a relatively short time span. To this end, the USC and the MME, in co-operation with the German Federal Institute for Geosciences and Mineral Resources (BGR),

commissioned the world's first strategic environmental assessment (SEA) for the Erongo Region. The Southern African Institute for Environmental Assessment (SAIEA) was selected to conduct the study in an independent and scientific manner. It was monitored by external assessors and final SEA Report was launched on 20 September 2010 by the President of BGR at a function in the MME. This groundbreaking report is being translated into a Strategic Environmental Management Plan (SEMP) which provides scientifically backed insights to assist the Government in responsibly managing the growing uranium industry.

Health, Environment and Radiation Safety (HERSS) Committee

The UI established a Health, Environment and Radiation Safety (HERSS) Committee to assist the uranium sector in safeguarding its reputation as a safe and responsible industry. The HERSS committee provides advisory services, strategic direction in the development and review of the legislative and policy framework and identifies research needs in environmental health management, mine closure and sustainable development for the uranium mining sector of Namibia.

Uranium Institute and Health (UMED)

In Namibia all uranium mining and milling operations are undertaken under the Health and Safety Regulations of the Labour Act, the Atomic Energy and Radiation Protection Act and the Workers Compensation Act of Namibia. It sets strict health standards for exposure, for both workers and members of the public. While uranium itself is only slightly radioactive, radon, a radioactive inert gas, is released to the atmosphere in very small quantities when the ore is mined and crushed. Precautions taken during the mining and milling of uranium ores to protect the health of the workers include:

- Efficient dust control, because the dust may contain radioactive constituents and emit radon gas;
- Limiting the radiation exposure of workers in mining, milling and tailings areas so that it is as low as possible and in any event does not exceed the allow-

able dose limits set by the authorities;

- The use of radiation detection equipment in all mines and plants; and
- The enforcement of strict personal hygiene standards for workers handling uranium oxide concentrate.

Health Management

The UI's Director and Chief Medical Officer coordinates the development, promotion and maintenance of workplace policies and programmes that ensure the physical, social and emotional well being of employees and their families. In pursuit of this mission, the UI offers the following services to its members:

- The provision of specialist expertise and advisory input in health related matters;
- Formulating and mandating industry policies and position papers on issues that will impact on the mining industry in particular and employers generally;
- Facilitating interaction between member mines, principally through a standing committee known as the Health Technical Advisory Committee (HTAC);
- Regular dissemination of information to members;
- Promoting and publicising policy positions endorsed by members in appropriate statutory and other forums; and
- On-going liaison with Government departments and officials.

The development of minimum health and safety standards are based on the Health and Safety Regulations of the Labour Act, the Atomic Energy and the Radiation Protection Act. The implementation of minimum standards for occupational health was agreed with the independent medical providers, an international occupational health consultant and the Ministry of Health and Social Services (MoHSS).

Occupational Health Data Management

Although every uranium mine has its own data management system, a need was identified to develop a secure but independently managed occupational health database. The UI, in conjunction with a Windhoek based healthcare company Methealth Namibia Administrators, developed the data management programme WISSARD (Workers' Information Surveillance System and Risk Detection). All collected clinical data is computerised and correlated with environmental data such as dosimeter readings, uranium excretion in the urine, dust, and radiation and noise levels measured on the various mines. Individual and group analyses are conducted annually.

Occupational Medicine

Occupational medical programmes are in place at all mine sites to ensure that all employees are fit to perform their work safely. The occupational medical objectives are clearly defined, namely: to identify and minimise occupational exposure and to screen for early evidence of non-occupational and occupational diseases.

To achieve these objectives, all employees undergo regular medical examinations. These are performed by state registered independent Occupational Health Practitioners. Risk assessments are performed by independent occupational hygienists and all employees are medically examined before, during and upon termination of employment. The frequency and extent of these examinations are determined by the type of the work the employee performs. Special investigations form an integral part of the examination and supplement the conventional medical questionnaire and physical examination. In conjunction with various medical experts, a set of special investigations was selected and developed to comply with UI's requirements.

The most important occupational diseases associated with the mining of siliceous uranium bearing rock are chronic obstructive airways disease, silicosis, lung cancer and tuberculosis.

The occupational health focus is on prevention and early detection of respiratory diseases and dust levels are generally kept below the prescribed level. Where it exceeds the prescribed

level, protective measures are taken. Very few cases of silicosis have been recorded and most sufferers worked previously in South African underground mines before joining the uranium industry in Namibia. In contrast with the South African mines, Namibian uranium mines are open cast mines with excellent ventilation.

Tobacco smoking is the most important cause of lung cancer in a number of studies. The cause of lung cancer in mining workers may be a multi-factorial etiological process with individual genetically determined susceptibility. The UI actively encourages all mines to conduct anti-smoking campaigns.

The UI has embarked on a joint venture with the Medical Aid Societies and the Cancer Association of Namibia to improve the quality of data related to cancer in Namibia.

Tuberculosis remains, together with AIDS, the number one public health emergency and mines are ideally placed to assist with the identification and treatment of these diseases. The TB programmes at uranium mines in Namibia are comprehensive and are considered superior to standards recommended by the WHO. The prevalence of tuberculosis among uranium workers remains low.

Uranium Institute and Radiation Safety

The International Atomic Energy Agency (IAEA) has laid down an international standard for protection against radiation. Amongst other things, it stipulates that levels of occupational exposure to radiation, in other words exposure to those who work with radioactive materials, is not permitted to exceed 100 mSv over a defined five-year period, or 20 mSv a year. The Namibian Regulations for Protection Against Ionising Radiation and for the Safety of Radiation Sources have adopted the same standard.

Mine-wide radiation surveys were carried out at all the uranium mines with the aim of gauging staff concerns about radiation safety on the mine and to assess how well employees understand what radiation is about. With the low ore grades and the low specific activity of uranium, radiation levels in most areas of the mines are not much higher than the background levels in Swakopmund or Arandis.

Average annual exposure levels at the mines are well below the limit of 20 mSv per year stipulated in the new Namibian regulations. Those areas of the mine, such as the final product recovery area, that experience slightly higher levels of radiation are designated as controlled areas, with restricted access and continuous monitoring of radiation exposure for all staff. The areas with lower levels of radiation are designated as supervised areas with random but representative sampling programmes to monitor the radiation exposure for each separate exposure group.

Yet again the limit of 20 mSv was not exceeded by any individual worker during the period under review even if indirect exposure such as ingestion is considered. No evidence has been found from direct measurements or from modeling to suggest that employees and/or the general public have been exposed to radiation levels above, or even close to, limits recommended by the IAEA.

Environmental Management

The UI developed and agreed a set of environmental standards and guidelines for the Namibian uranium industry. This is based on Rio Tinto and AREVA standards and it is in line with the guidelines of the Environmental Management and Atomic Energy and Radiation Protection Act. This document is reviewed and updated on a regular basis.

The HERSS committee is charged with the responsibility of addressing environmental issues (technical, regulatory, and relationship) in a manner that enhances the UI members' contributions to sustainable development and that ensures that risks to the viability of the mining industry are identified and managed. This is achieved through the active participation and engagement of the UI members in formulating key industry positions.

The UI continued to work with the World Nuclear Association (WNA) Sustainable Development Working Standardisation Task Group in developing a standardised list of items in order to "achieve widespread utilities/miners' adherence to strong environmental performance." Nuclear utilities are often required to evaluate the sustainable development performance of their suppliers, especially when they are ISO14001 certified.

Exploration

The USC published a guideline for the rehabilitation of exploration sites. Three of the leading companies to implement the guideline and to establish Namibian trained environmental rehabilitation teams were Bannerman Resources, Swakop Uranium and Reptile Uranium.

Occupational Hygiene

Every uranium mine has an occupational health policy and strategy (either separate or integral with safety and/or environment), consistent with the company's statement of business practice. An independent accredited occupational hygiene company opened its offices at the Uranium Institute and assists with the implementation of the minimum standards. Applicable UI occupational exposure limits (OELs) and biological test limit values are used in all cases except where a lower legal limit is applicable.

Dust

Dust exposure is of special concern in any mine. The possible exposure to dust containing silica and radioactive materials is a potential health hazard at all uranium mines. For control purposes, dust levels are measured at certain dust-generation points. Precautions taken to minimise this problem include the wetting down of muck piles and haul roads in the open pit, as well as dust collection in the crushing plant. In those locations where the standards cannot be met for the general environment, the worker himself is protected by a respirator against abnormalities in target organs at the earliest possible stage.

The UI supports the development of a minimum standard for air quality management and all the mines are assisting the UI in developing the most appropriate standards for Namibia. The ultimate objective is to provide the Erongo Region with an Air Quality Management Plan.

Meetings and Presentations

Dr Wotan Swiegers, Director of the Uranium Institute, represented the Chamber of Mines and several other organisations and actively participated in the following conferences:

- Served on a number of stakeholder committees including the Steering Committee of the SEA/SEMP, Erongo Region Development Foundation (EDF), National Cancer Control Committee (NCCC) of Namibia, Erongo Regional Governor's Education Committee and World Nuclear Association (WNA) working group on 'Sustainable Development' and international Health Task force;
- Gave presentations to various groups visiting the UI ranging from as far as China, Kazakhstan Ambassadors and High Commissioners from Germany, France, the US, Australia and the UK and a number of scientists and anti-nuclear activists from various countries;
- Attended several conferences overseas (and gave presentations) with the Australian Uranium Association, WNA Radon task group, Vattenfall Energy Company, Enercon Services and utilities buying Namibian uranium. These included:
 - a) Nuclear Fuel Conference 2010, San Diego California, US. Topic: "Uranium Stewardship: A Strategic Necessity".
 - b) 35th World Nuclear Association Symposium, London, UK. September 2010. Topic: "A Complex Business in a Simple Jurisdiction: Challenges for Responsible Uranium Development in Africa".
 - c) 54th IAEA General Conference, Vienna, Austria. September 20-24, 2010. Topic: "Various Discussions and Presentations to Private Settings at the General Conference".
 - d) 35th Australian Radiation Protection Society Conference, Hilton Hotel, Adelaide, South Australia. 12-20 October 2010. Keynote speaker on topic: "Radiation Safety in Uranium Mining and Milling in Namibia".
 - e) Vattenfall Energy Uranium Conference, Vattenfall Headquarters, Stockholm, Sweden. 21-22 October 2010. Topic: "Environmental Health Perspectives in Uranium Mining and Milling in Namibia".
 - f) PIARC International Seminar on Road Asset Management, Swakopmund, Namibia, 6 April 2011. Topic: "A Virtual Tour of Uranium Mining and Milling in Namibia .SEMP"

ic: "A Virtual Tour of Uranium Mining and Milling in Namibia .SEMP"

Conclusion

The eyes of the world have always been scrutinising the nuclear industry and the debate around nuclear safety will have a long half-life. Namibia continues to be held in high regard for the manner in which it mines its uranium and the standards of its health and environmental management. The USC cannot afford anything but the highest standards and the UI will strive to maintain these standards.

Left to Right: Ailly Namupala (Assistant Communications Officer), Andrea Dreyer (Communications Officer) and Dr Wotan Swiegers, Director of the Chamber of Mines Uranium Institute





Mine Safety in 2010

The Chamber of Mines of Namibia takes the issue of mine safety extremely seriously. The Chamber contracts Safe-First SHE Consulting & Services to compile and analyse mine safety data for all fatalities and lost time injuries (LTIs) reported by Chamber A, B, and C Class

members. LTIs are defined as all work related injuries where the injured person lost one or more shifts.

These numbers exclude LTIs reported by exploration companies (Chamber D Class members) and Chamber associate members.

Mining companies are obliged to report certain accidents as laid out in mining regulations.

However, not all reportable injuries are LTIs. One fatality is assumed to lead to 6,000 shifts lost.

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|--------------------------------|-------|--------|-------|--------|--------|--------|-------|
| Number of accidents | 48 | 40 | 61 | 83 | 44 | 50 | 44 |
| Fatalities (included in above) | 0 | 2 | 0 | 2 | 1 | 2 | 0 |
| Shifts lost per accident | 23.85 | 325.43 | 19.48 | 167.13 | 160.86 | 259.08 | 23.50 |
| Frequency rate | 1.61 | 1.67 | 2.15 | 2.96 | 1.70 | 1.91 | 1.76 |
| Seriousness rate | 38.34 | 541.95 | 41.95 | 494.45 | 272.88 | 494.15 | 41.34 |

Chamber members reported a total of 48 LTIs during 2010, ten more than during the previous year. No fatalities took place during 2010 following the two fatalities that occurred in 2009. The number of shifts lost per LTI declined to 23.85 compared to the previous year's record high of 325.43. Generally speaking, a more serious LTI will lead to a greater number of shifts being lost.

The frequency rate gives a measure

of the number of accidents in proportion to the number of hours worked. It is defined as the number of LTIs divided by the number of hours worked multiplied by 1,000,000. The frequency rate fell to 1.16 in 2010 compared to 1.67 in 2009 showing that LTIs became less frequent.

The severity rate gives a measure of how serious the accidents were. It is defined as the number of shifts lost divided by the number of hours worked multi-

plied by 1,000,000. The severity rate fell to 38.34 in 2010 compared to 541.95 in 2009 showing that the accidents reported were less severe.

The safety performances of individual mines are described in more detail in the next section but the following table contains the results of the Chamber of Mines' Annual Inter-mine Safety Competition for 2010.

Results of the Chamber of Mines Inter-Mine Safety Competition 2010

A Division (more than 10,000 shifts per month)

| Position | Company | Frequency Rate (F) | Severity Rate (S) | FxS |
|----------|---------------------------|--------------------|-------------------|--------|
| 1 | Namdeb - Southern Coastal | 0.29 | 7.01 | 2.05 |
| 2 | Navachab Gold | 0.59 | 19.93 | 11.68 |
| 3 | Langer Heinrich Uranium | 0.78 | 19.11 | 14.90 |
| 4 | Skorpion Zinc | 0.56 | 27.30 | 15.37 |
| 5 | De Beers Marine Namibia | 1.55 | 23.75 | 36.78 |
| 6 | Rosh Pinah | 1.27 | 51.16 | 64.89 |
| 7 | AREVA Resources | 1.83 | 38.44 | 70.37 |
| 8 | Purity Manganese | 2.13 | 41.48 | 88.22 |
| 9 | Rössing Uranium | 2.22 | 45.75 | 101.38 |
| 10 | Namibia Custom Smelters | 5.01 | 57.62 | 288.72 |

B Division (less than 10,000 shifts per month)

| Position | Company | Frequency Rate (F) | Severity Rate (S) | FxS |
|----------|---------------------------|--------------------|-------------------|---------|
| 1 | Namdeb - Northern Coastal | 0.00 | 0.00 | 0.00 |
| 1 | Salt & Chemicals | 0.00 | 0.00 | 0.00 |
| 3 | Namdeb – Orange River | 1.43 | 45.69 | 65.24 |
| 4 | Okorusu Fluorspar | 4.51 | 221.97 | 1000.39 |

Overview of Operations

African Bounty



Shareholders:
F.C. De Beer 100%
 Product:
Rough diamonds
 Location:
Karas
 Contact Details:
 PO Box 71
 Lüderitz
 Namibia
 Tel: +264 63 303332
 Fax: +264 63 303332

AREVA Resources Namibia



Shareholders:
AREVA 100%
 Product:
Uranium oxide
 Location:
Erongo
 Contact Details:
 PO Box 585
 Swakopmund
 Tel: +264 64 415 720
 Fax: +264 64 415 721
 enrico.barbaglia@AREVA.com

De Beers Marine Namibia



Shareholders:
De Beers 70%
Namdeb 30%
 Product:
Rough diamonds
 Location:
Atlantic 1
 Contact Details:
 PO Box 23016
 Windhoek
 Tel: +264 61 297 8400
 Fax: +264 61 297 8140
 otto.shikongo@debeersgroup.com

Langer Heinrich Uranium



Shareholders:
Paladin Energy 100%
 Product:
Uranium oxide
 Location:
Erongo
 Contact Details:
 PO Box 156
 Swakopmund
 Tel: +264 64 413450
 Fax: +264 64 413451
 werner.duvenhage@lhupl.com

Namdeb



Shareholders:
Government of Namibia 50%
De Beers 50%
 Product:
Rough diamonds
 Location:
Karas
 Contact Details:
 PO Box 1906
 Windhoek
 Tel: +264 61 204 3333
 Fax: +264 61 204 3334
 inge.zaamwani@debeersgroup.com

Navachab



Shareholders:
AngloGold Ashanti 100%
 Product:
Gold bullion
 Location:
Karibib
 Contact Details:
 PO Box 150
 Karibib
 Tel: +264 64 552 000
 Fax: +264 64 550 231
 garnat@anglogoldashanti.com

Overview of Operations

Okorusu Fluorspar



Shareholders:

Solvay Fluor 100%

Product:

97.5% pure acid grade fluorspar

Location:

Otjiwarongo

Contact Details:

PO Box 1236

Otjiwarongo

Tel: +264 67 305 404

Fax: +264 67 305 403

manager@okorusu.com.na

Rosh Pinah Zinc Corporation



Shareholders:

Exxaro Base Metals Namibia (45.79%)

Jaguar Investments (38.98%)

PE Minerals Namibia (8%)

Rosh Pinah Mine Holdings (4.26%)

Rosh Pinah Employee Empowerment

Participation Scheme Trust (2.98%)

Product:

Zinc concentrate

Lead concentrate

Location:

Rosh Pinah

Contact Details:

Private Bag

Rosh Pinah

Tel: +264 63 274318

Fax: +264 63 274223

Christo.Aspeling@exxaro.com

Rössing Uranium



Shareholders:

Rio Tinto plc 69%

Government of Iran 15%

IDC of South Africa 10%

Government of Namibia 3%

Local individual shareholders 3%

Product:

Uranium oxide

Location:

Arandis

Contact Details:

Private Bag 5005

Swakopmund

Tel: +264 64 520 3000

Fax: +264 64 520 3017

mleech@rossing.com.na

Sakawe Mining Corporation



Shareholders:

Samicor Bv 76%

Longlife Mining 10%

Government of Namibia 8%

National Youth Service 2%

Employees 4%

Product:

Alluvial diamonds

Location:

Karas

Contact Details:

PO Box 3498

Windhoek

Tel: +264 61 386 100

Fax: +264 61 249 253

kk@sakawe.com

Salt & Chemicals



Shareholders:

Walvis Bay Salt Holdings 100%

Product:

Coarse and refined salt

Location:

Walvis Bay

Contact Details:

PO Box 2471

Walvis Bay

Tel: +264 64 213350

Fax: +264 64 205026

roy@wbsalt.com

Skorpion Mining



Shareholders:

Vedanta 100%

Product:

Special High Grade zinc

Location:

Rosh Pinah

Contact Details:

Private Bag 2003

Rosh Pinah

Tel: +264 63 271 2380

Fax: +264 63 271 2526

jcoetzee@skorpionzinc.com.na

Overview of Operations

The Salt Company



Shareholders:

Juergen Klein 33.33%

Detlef Klein 33.33%

Johan Klein 33.33%

Product:

Rock, table and refined salt

Location:

Swakopmund

Contact Details:

PO Box 42

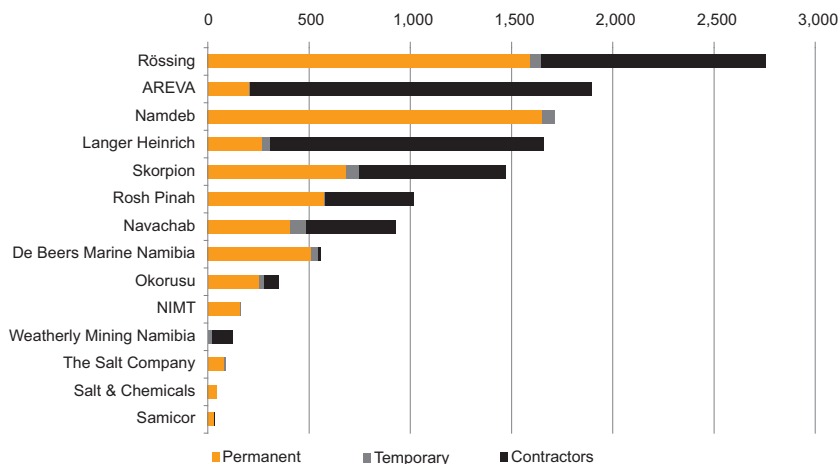
Swakopmund

Tel: +264 64 402611

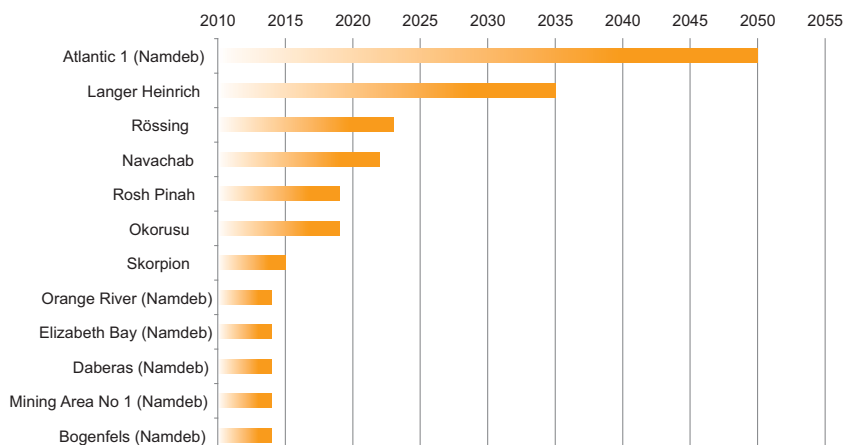
Fax: +264 64 405414

saltco2@africaonline.com.na

Employment by Operation in 2010



Latest Life of Mine Estimates



Weatherly Mining Namibia



Shareholders:

Weatherly International plc

Product:

Copper concentrate

Location:

Matchless, Otjijase, Tschudi

Contact Details:

PO Box 40798

Ausspannplatz

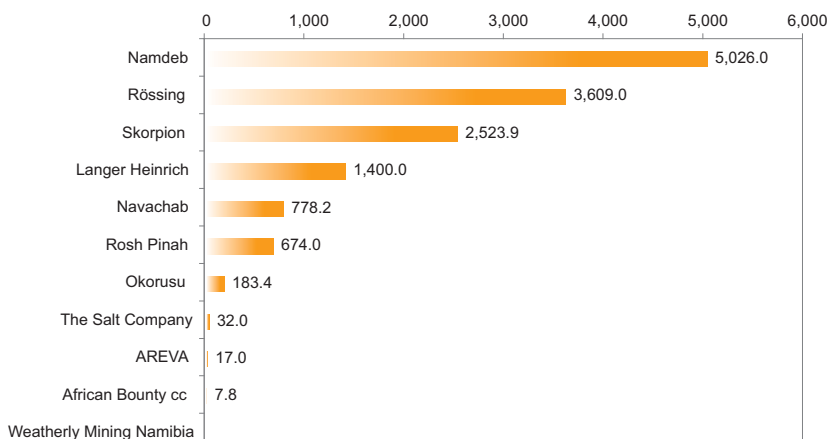
Windhoek

Tel: +264 61 293 1000

Fax: +264 61 293 1200

a.thomson@weatherlyplc.com.na

Turnover by Operation in 2010 (N\$m)



Skills Development

Namibian Institute of Mining and Technology



The Namibian Institute of Mining and Technology (NIMT) was created in 1990 with its main campus located in the town of Arandis near Rössing Uranium. NIMT celebrated its 21st anniversary in 2010. As a Vocational Training Centre cum Technical College, NIMT's Engineering Trades and Civil Trades campuses have been fully accredited by the Namibia Qualifications Authority for three years, the maximum accreditation period possible. In the past few years NIMT has opened two new campuses, the Northern Campus in Tsumeb in 2007 and the Southern Campus in Keetmanshoop in 2009.

In 2010 NIMT had a budget of N\$49.6 million and employed 160 permanent and 4 temporary staff. NIMT had a total of 2,409 trainees during the year including, for the first time, fourth year students at the Northern Campus and third year students at the Southern Campus. A total of 871 new student loans were provided by Government in 2010 while 32 trainees without bursaries were accepted. NIMT prides itself on its excellent performance but training and development is hampered due to poorly qualified school leavers and financial constraints. While the mining industry pays N\$30,000 for each bursary student, Government-sponsored students receive a subsidy of N\$16,500. The subsidy NIMT receives for every Government-sponsored trainee has not changed for the last ten years.

NIMT has an excellent safety record and maintained its 5 star platinum NOSCAR rating in 2010. NIMT has an approved Affirmative Action plan. NIMT had just one expatriate employee at the end of 2010. NIMT has never had a strike in its 21 year existence.

Executive Director:
Mr Eckhart Mueller
Private Bag 5025
Swakopmund
Namibia

Tel: +264 64 511 800
Fax: +264 64 510 369
Email: ho@nimtnamibia.com





Review of Operations

African Bounty cc

African Bounty cc operates as a mining contractor to Namdeb.

Output

Output in 2010

6,683.90 carats

Employment

Permanent employees
at end 2010

14

Temporary employees at end 2010

0

Contractors at end 2010

2

Expatriate employees at end 2010

2

Financial

Financial Year

1 Mar - 28 Feb

Turnover in 2010

N\$7.8 million

Wages and salaries in 2010

N\$2.3 million

Fixed investment in 2010

None

Exploration and prospecting in 2010

N\$0.4 million

Profits in 2010

N\$2.2 million

Corporate tax paid in 2010

N\$0.7 million

Royalties paid in 2010

None

(Royalties are payable by

Licence Holders, not contractors)

Details

Shareholders

**Frederick Coenrad De Beer
(100%)**

Concessions in Namibia

None

Date of production start

2003

Mining Manager

Mr Maans Kennedy

Contact details

PO Box 371

Lüderitz

Namibia

Tel: +264 63 303332

Fax: +264 63 303332

Update of Activities

The highlight of the year was the pick-up in mining activities following the severe downturn of 2009. Production has remained relatively constant but finding a higher grade motorman posed a particular challenge. One fifth of the time at sea is devoted to exploration and general prospecting led by an onboard geologist. African Bounty's safety certificate was reviewed and renewed on 27 August 2010 by the Ministry of Works and Transport and the Director of Maritime Affairs. The company adheres to the onboard SHE file prescribed by Namdeb. No LTIs were recorded in 2010. The past year saw no strikes or other disruptions. The company has applied to the Minister of Labour for continuous operations status to be gazetted. The vast majority of purchases by the company are made locally. African Bounty supports a local soup kitchen in Lüderitz through an annual donation. The company's operations fall under Namdeb's environmental policies.

Highlights for 2010

- **Recovery after 2009 recession**



TEREX
REEDRILL

TEREX REEDRILL

Review of Operations

AREVA Resources Namibia

AREVA Resources Namibia (ARN), 100% owned by AREVA, is currently constructing the Trekkopje uranium mine. A separate EPZ company, AREVA Processing Namibia (APN), will convert the output of the mine into uranium oxide for sale to AREVA clients. Water for Trekkopje mine's heap leaching is provided by the Erongo Desalination Company's (EDC) 20 million cubic metre desalination plant at Wlotzkasbaken.

Output

Output in 2010

Zero

Employment

Permanent employees
at end 2010

ARN – 54

APN - 152

Temporary employees at end 2010

ARN – 6

APN - 0

Contractors at end 2010

186

Expatriate employees at end 2010

ARN – 0

APN - 17



Highlights for 2010

- Completion of Midi plant
- Commissioning of Erongo desalination plant by His Excellency President Pohamba in March 2010
- Supply of potable water from desalination plant to Trekkopje in July 2010
- Inauguration of Chamber of Mines Uranium Institute and associated Information Centre with support from AREVA in August 2010
- Arrival of first four absorption columns for Maxi Plant in September 2010
- Handover of N\$600 million worth of assets to NamPower in November 2010

Financial

Financial Year

1 Jan - 31 Dec

Turnover in 2010

N\$16.99 (EDC only)

Wages and salaries in 2010

ARN - N\$95.3 million

APN - N\$34.9 million

Fixed investment in 2010

ARN - N\$1,298.5 million

APN - N\$835.5 million

Exploration and prospecting in 2010

N\$4.4 million Loss in 2010

ARN - N\$66.3 million

APN – N\$600.1 million

Profits in 2010

N\$115.5 million

Corporate tax paid in 2010

None

Royalties paid in 2010

None

Details

Shareholders

AREVA (100%)

Related operations in Namibia

**AREVA Processing Namibia
Erongo Desalination
Company**

Mines in Namibia

**Trekkopje uranium mine
(ML151)**

Date of production start

April 2013

Latest life of mine estimate

12 years

EPLs at end of 2010

EPL 3573

Affirmative Action plan

Submitted

Number of bursaries awarded in 2010

None

Managing Director

Mr Enrico Barbaglia

Mine Manager

Mr Paul Day

Country Liaison Manager

Mr Hilifa Mbako

Contact details

PO Box 585

Swakopmund

Namibia

Tel: +264 64 415 720

Fax: +264 64 415 721

enrico.barbaglia@areva.com

AREVA started construction of Trekkopje uranium mine in early 2008 following the purchase of UraMin in November 2007. Trekkopje was the most advanced of UraMin's uranium assets. AREVA Resources Namibia (ARN) received a 25-year mining licence (ML151) from Government in June 2008. The Trekkopje deposit is a low grade near surface calcrete deposit which will employ alkaline heap leaching to produce approximately 3,200 tonnes of uranium oxide per annum.

This process is extremely water intensive. Given the increasingly limited water resources available in the Erongo Region, ARN quickly decided to construct a 20 million cubic metre water desalination plant at Wlotzkasbaken 30km north of Swakopmund under a separate company, the Erongo Desalination Company (EDC) fully owned by ARN. Construction commenced in February 2008 and the plant, which is linked to the mine

via a 48km long 800mm diameter pipeline via three pumping stations, was officially inaugurated in March 2010. Trekkopje mine is expected to require some 14 million cubic metres of water per annum, more than the present level of consumption in the entire Erongo Region including all existing mining operations. Provision has been made in the design of the intake pipes and the overall plant to allow for further expansion so that it can deliver up to 40 million cubic metres of water per annum.

A further company, AREVA Processing Namibia, was established in 2010 as an EPZ company. APN will carry out the downstream processing of the pregnant leach solution produced from the heap leach pad. Because Trekkopje requires heap leaching on a scale which has never been tried before, the construction of the mine is taking place in three phases: the mini, midi and maxi phases. This phased approach allows experimental

tion and learning to take place before the full-scale mine is constructed. The maxi pad will be 3km long and 810m wide and contain at any one time approximately 36 million tonnes of milled ore. After uranium extraction, residual ore will be returned to the mine pit.

By the end of 2010, the mini and midi phases had been completed. The first production of sodium diuranate from the mini heap leaching pilot plant took place in April 2009. The midi plant is expected to produce approximately 250 tonnes of uranium oxide in 2011. Construction of the maxi pad and plant is now fully underway and this third and final phase is expected to commence ramp-up in March 2013. The total investment by AREVA in Trekkopje mine, including the processing operations and desalination plant, is expected to reach some US\$1.2 billion (equivalent to N\$8.4 billion at current exchange rates).

Production

Trekkopje mine did not produce uranium for sale during 2010 but the EDC delivered 835,522.5 cubic metres of water to the mine.

Exploration

ARN spent N\$4.4 million during 2010 on further exploration on ore extensions up and downstream of the main paleochannel within the licence area EPL3573.

Safety

ARN does not belong to NOSA. Trekkopje recorded four LTIs during 2010 yielding a LTIFR of 1.83.

Labour Relations

No industrial action took place during 2010. The recognition agreement with the MUN was amended to include AREVA Processing Namibia. ARN is still waiting for its Affirmative Action compliance certificate.

Education and Skills

ARN provided Namibian employees with generic in-house training on a wide range of issues. Each employee has a development plan covering technical training which is updated annually. An on-site state-of-the-art training centre was completed in October 2010. No new bursaries were awarded in 2010.

Community Relations

ARN donated N\$350,000 to the Erongo Development Foundation in July 2010. ARN is a key sponsor of the Information Centre at the Chamber of Mines Uranium Institute which was inaugurated in August 2010. ARN hosted the second annual The Rock Spitzkoppe Community Run and Mountain Bike Challenge in September 2010 and sponsored unemployed marathon runner Erich Goeieman.

"Construction of the Maxi pad and plant is now fully underway and this third and final phase is expected to commence ramp-up in March 2013.

The total investment by AREVA in Trekkopje mine, including the processing operations and desalination plant, is expected to reach some U\$1.2 billion."





Review of Operations

De Beers Marine Namibia

De Beers Marine Namibia is the marine prospecting and mining contractor for the offshore licence areas held by Namdeb.

Output

Output in 2010

980,000 carats

Employment

Permanent employees at end 2010

509

Temporary employees at end 2010

36

Contractors at end 2010

10

Expatriate employees at end 2010

59

Financial

Financial year

1 Jan – 31 Dec

Vessels

mv Debmar Atlantic (16,028t)

mv Debmar Pacific (14,952t)

mv !Gariep (10,498t)

mv Grand Banks (10,424t)

mv Coral Sea (11,441t)

sampling vessel

mv Peace in Africa

Details

Shareholders

De Beers (70%)

Namdeb (30%)

Related operations in Namibia

Namdeb

Mines in Namibia

None

Established

January 2001

Safety ratings at end of 2010

NOSA integrated SeaSafe System

5 star Platinum Certification with NOSCAR status

ISO14001 Certification

ISM Certification

OHSAS 18001 Certification

Lost time injuries in 2010

3

Affirmative Action plan

Approved

Number of bursaries awarded in 2010

4

Managing Director

Mr Otto N. Shikongo

Contact details

PO Box 23016

Windhoek

Namibia

Tel: + 264 61 297 8400

Fax: +264 61 297 8140

Email:

Christine.Visser@debeersgroup.com



Highlights for 2010

- Produced 980,000 carats against a budget of 650,000 carats
- Outstandingly successful trial of mv Peace in Africa completed

Production

During 2010 De Beers Marine Namibia mined 7.7 square kilometers producing 980,000 carats of diamonds against an original budget of 4.5 square kilometers and 650,000 carats. The 180 day trial of the mv Peace in Africa with crawler technology commenced on 5 April 2010 and was concluded on 1 October 2010. The success of the trial led to an extension to 15 March 2011. The exceptional performance delivered in 2010 was mainly due to the remarkable success of the mv Peace in Africa combined with additional mining by the mv Coral Sea as well as efficiency improvements and better utilisation of vessels. Going forward the challenge will consist of coping with the strong exchange rate, the high price of fuel and steel, as well as the need to retain skilled personnel.

| | Area mined (km ²) | Carats mined (’000) |
|------|----------------------------------|------------------------|
| 2003 | 3.1 | 602 |
| 2004 | 4.5 | 835 |
| 2005 | 4.8 | 992 |
| 2006 | 5.6 | 1,018 |
| 2007 | 5.3 | 1,048 |
| 2008 | 5.6 | 1,039 |
| 2009 | 4.3 | 600 |
| 2010 | 7.7 | 980 |

Pre-production Sampling

Pre-production sampling in Atlantic 1 totalled 188 days and 281 days are planned for 2011. The pre-production geo-survey with the Autonomous Underwater Vehicle (AUV) in Atlantic 1 totalled 72 days and 102 days are planned for 2011.

Safety

DBMN retained its NOSCAR, ISO14001, ISM and OHSAS18001 certifications but three LTIs were recorded compared to none in 2009.

| | LTIFR |
|------|-------|
| 2003 | 0.17 |
| 2004 | 0.08 |
| 2005 | 0.32 |
| 2006 | 0.09 |
| 2007 | 0.17 |
| 2008 | 0.07 |
| 2009 | 0.00 |
| 2010 | 0.31 |

Labour Relations

The relationship between DBMN and the MUN continued to be a constructive one. The company and the union concluded the 2010/2011 substantive agreement that provided for increases to basic salaries of employees in the bargaining unit. The Consultative Committee convened quarterly meetings and a number of labour relations issues were tabled, discussed and resolved amicably. No labour disputes, strikes or demonstrations were recorded during the period under review.

Education and Skills

DBMN continued its multi-faceted approach to skills development through bursaries, a self-study assistance scheme, long-term trainee scheme, an understudy programme and full-time studies. Four new bursaries were awarded adding to the 13 existing bursaries. A total of N\$15 million was spent on skills development including the salaries of trainees.

Community Relations

DBMN's Social Responsibility Fund was put on hold at the onset of the global economic crisis and remained dormant during the year.

Environment

DBMN takes the impact of its mining activities on the marine environment extremely seriously. As part of the revised DBMN Environmental Management Plan, a Waste Management Plan was successfully implemented with the aim of providing a framework for the integrated management of all waste generated by DBMN and De Beers Marine vessels in order to minimise the risk of pollution and ensure compliance to all applicable legislation.

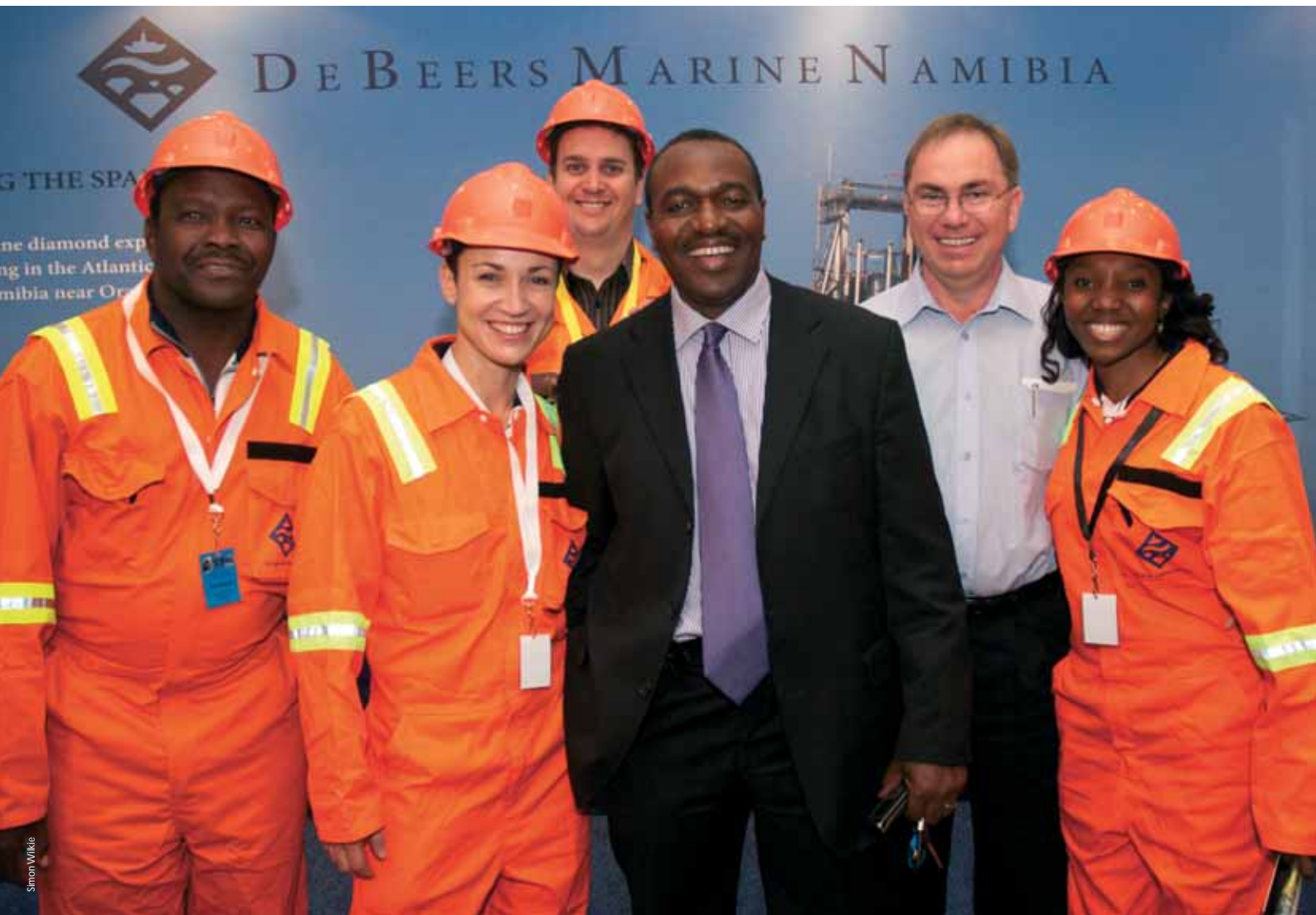
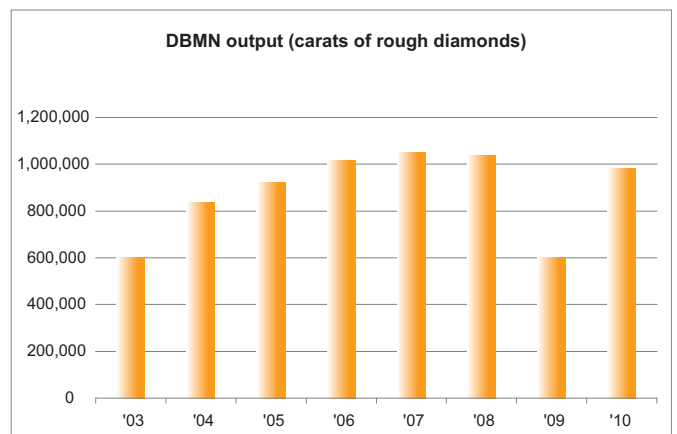
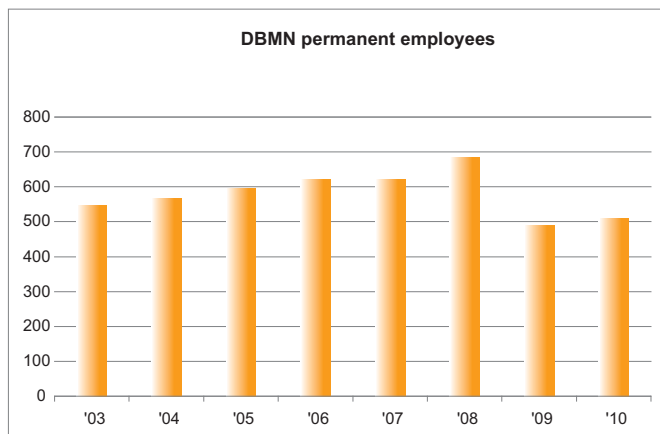
A marine benthic survey workshop was held in November 2010 to review the current benthic monitoring data and to demonstrate recovery of benthic communities to a state of sustainable ecological succession once mining has ceased. Although no benthic sampling was conducted in 2010, 15 days of benthic sampling has been planned for 2011 with the aim of continuing the monitoring of the impact of mining and recovery of benthic microfauna.

The six compulsory environmental standards in areas of Lifecycle Planning (Closure Plan), biodiversity, water, climate change, waste and pollution

prevention, and performance reporting, which have been adopted across the De Beers family of companies, were implemented in 2010. Good progress against targets was made during the year and most are near to completion. The plan in 2011 is to complete all outstanding work as well as revise the climate change targets to align them to those of the De Beers Group and the industry as a whole. An ISO14001 surveillance audit is planned for July 2011.

Successful stakeholder engagement was conducted with the Ministry of Environment and Tourism, the Ministry of Mines and Energy, the Namibian Coast Conservation and Management Project (NACOMA), Namdeb, DBM, and De Beers Group Services (DBGS). Awareness initiatives focussed on World Wetlands Day, DBMN Shore-based Waste Separation, Waste Flow for Operations, World Environmental Day, World Water Day, World Biodiversity Day and International Day of Climate Change.

"The exceptional performance delivered in 2010 was mainly due to the remarkable success of the mv Peace in Africa combined with additional mining by the mv Coral Sea as well as efficiency improvements and better utilisation of vessels."





Review of Operations

Langer Heinrich Uranium

Langer Heinrich Uranium (Pty) Ltd is owned by Paladin Energy, which is listed on the Australian and Toronto stock exchanges as well as the Namibia Stock Exchange. The mine produces uranium oxide “yellow cake” for export to power utilities in countries which are signatories to the Nuclear Non-Proliferation Treaty.

Output

Output in 2010

1,673 tonnes
(3.7 million pounds)

Employment

Permanent employees at end 2010

268

Temporary employees at end 2010

40

Contractors at end 2010

1,350

Expatriate employees at end 2010

11

Financial

Financial Year

1 Jul – 30 Jun

Turnover in 2010

N\$1,400.0 million

Wages and salaries in 2010

N\$114.0 million

Skills development in 2010

N\$1.2 million

Fixed investment in 2010

N\$959.0 million

Exploration and prospecting in 2010

N\$20.6 million

Profits in 2010

N\$254 million

Corporate tax paid in 2010

None

Royalties paid in 2010

N\$32.3 million

Details

Shareholders

Paladin Energy Ltd (100%)

Related operations in Namibia

None

Mines in Namibia

Langer Heinrich mine (ML140)

Date of production start

2007

Latest life of mine estimate

2032

EPLs at end of 2010

EPL3500

Safety ratings at end of 2010

4 star Platinum NOSA

Affirmative Action plan

Submitted

Number of bursaries awarded in 2010

3 full-time

7 part-time

Managing Director

Mr Werner Duvenhage

Contact details

PO Box 56

10 Einstein Street

New Industrial Area

Swakopmund

Namibia

Tel: +264 64 413 450

Fax: +264 64 413 451

Werner.Duvenhage@lhupl.com



Highlights for 2010

- Langer Heinrich achieved nameplate production of 3.7 million pounds for 2010
- Stage 3 expansion progressed almost to completion

Production

During the calendar year 2010, Langer Heinrich achieved its Stage 2 expansion nameplate production of 1,678 tonnes (3.7 million pounds). No major changes were made to the plant but construction of Stage 3 commenced which will bring output to 2,359 tonnes (5.2 million pounds). For Stage 3 new technologies including the Flash Splash heat exchange system, NIMCIX and a gear-driven scrubber are being installed which are expected to reduce the unit consumption of both energy and reagents while simultaneously improving overall recovery. Langer Heinrich expects demand for uranium to steadily increase with prices remaining roughly where they were at the end of 2010.

Exploration

RC drilling of 75 holes was completed within EPL 3500 to delineate the extension of the existing ore body. Geological and radiometric logging of all holes plus sampling was undertaken. All holes and tracks were rehabilitated.

Safety

There were no fatalities during 2010 but one LTI was recorded for a Langer Heinrich employee and two for Langer Heinrich contractors. Langer Heinrich achieved a LTIFR of 0.23. The NOSA system and standards were introduced and are being implemented by all significant contractors on site. Langer Heinrich retained its 4 Star NOSA rating falling just short of a 5 star rating. Langer Heinrich's mining contractor Karibib Mining and Construction retained its 5 Star NOSA rating.

Procurement

Langer Heinrich estimates it spent N\$956 million on purchases from Namibian companies and N\$86 million from foreign companies.

Labour Relations

The labour relations environment at Langer Heinrich has continued to be good with no strikes, demonstrations or labour disputes during 2010. Langer Heinrich has no active union on the mine.

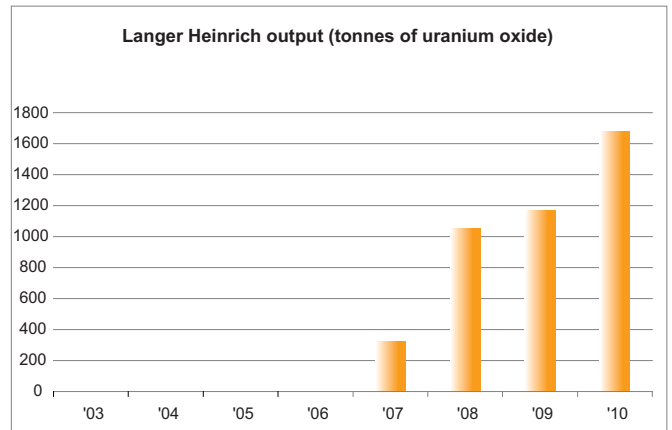
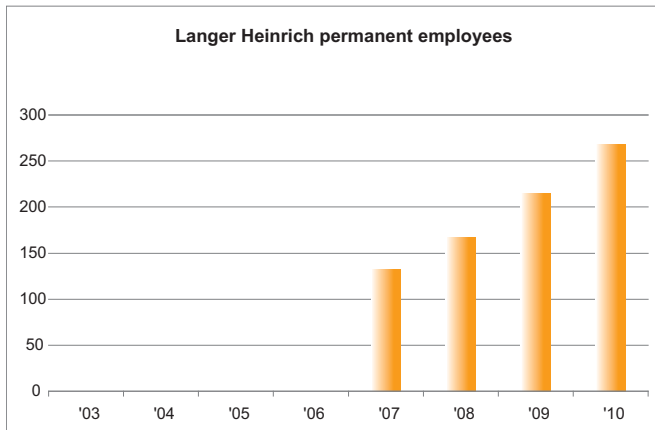
Education and Skills

Three full-time bursaries were awarded to Namibians, two for mining engineering and one for chemical engineering. Assistance is offered for part-time study. Langer Heinrich has developed relationships with vocational training centres in Namibia. Every year approximately 70 students receive practical training at the company as part of their curriculum. Langer Heinrich spent N\$1.2 million on training excluding in-house training.

Community Relations

Langer Heinrich involved itself in a wide range of community activities including helping the Mondesa Youth Opportunities, assisting the Blue Waters Sports Club, installing bio-toilets in camping sites in the Namib-Naukluft National Park, funding a study to track the movement of animals in the Park through the Gobabeb Desert Research Foundation, sponsoring the annual Mathematical Congress, and supporting the food assistance schemes in Walvis Bay and Swakopmund.

"Langer Heinrich estimates it spent N\$956 million on purchases from Namibian companies and N\$86 million from foreign companies."





Review of Operations

Namdeb Diamond Corporation

Namdeb is a 50:50 partnership created in 1994 between De Beers and the Government of Namibia. Namdeb has long-term mining concessions in the south west of Namibia both on land, adjacent to the Orange River and offshore. Namdeb owns 30 percent of De Beers Marine Namibia, which mines the company's offshore Atlantic 1 concession, and 100 percent of NamGem in Okahandja which cuts and polishes diamonds bought from the DTC.

Output

Output in 2010

1,471,000 carats

Employment

Permanent employees at end 2010

1,651

Temporary employees at end 2010

63

Contractors at end 2010

0

Expatriate employees at end 2010

58 (including permanent residents)

Financial

Financial Year

1 Jan - 31 Dec

Turnover in 2010

N\$5,026 million

Wages and salaries in 2010

N\$577 million

Skills development in 2010

N\$5.3 million

Fixed investment in 2010

N\$93 million

Exploration and prospecting in 2010

N\$76 million

Profits in 2010

N\$420 million

Corporate tax paid in 2010

N\$594 million

Royalties paid in 2010

N\$503 million

Details

Concessions in Namibia

Orange River (ML42)

Mining Area 1 (ML43)

Bogenfels (ML44)

Elizabeth Bay (ML45)

Douglas Bay (ML46)

Atlantic 1 (ML47)

Midwater (ML 128 A, B and C)

Date of production start

Mining Area No 1 1920

Orange River 1990

Atlantic 1 1990

Elizabeth Bay 1991

Daberas 1999

Bogenfels 2007

Details

Shareholders

Government of Namibia (50%)

De Beers Centenary AG (50%)

Related operations in Namibia

**De Beers Marine Namibia
NamGem Diamond Cutting
and Manufacturing Company
Namibia Diamond Trading
Company**

Safety ratings at end of 2010

OHSAS 18001:2007

Affirmative Action plan

Approved

Number of bursaries awarded in 2010

None

Managing Director

Ms Inge Zaamwani-Kamwi

General Manager

Mr Lawrence M. Mundell

Contact details

PO Box 1906, Windhoek, Namibia

Tel: +264 61 204 3333

Fax: +264 61 204 3334

Email: inge.zaamwani@namdeb.com

PO Box 35, Oranjemund, Namibia

Tel : +264 63 239 001

Fax : +264 63 239 008

Email : mitford.mundell@namdeb.com



Highlights for 2010

- Remarkable recovery in diamond production and financial performance
- Recovery of 126 carat stone
- Winner of best stall at Chamber Mining Expo

Production

Namdeb holds six mining licences: Diamond Area 1 (whose midwater areas extend three nautical miles into the sea), Bogenfels and Elizabeth Bay licences, which extends from the Orange River in the south to Lüderitz in the north and from a few kilometers offshore in the Atlantic Ocean to between 20km and 35km inland, Douglas Bay, which extends north of Lüderitz for some 60km and approximately 15km inland of the Atlantic high-water mark, Orange River, which extends along the Orange River for about 50km inland from the Mining Area 1 boundary, and Atlantic 1 which encompasses a portion of the middle shelf of the Atlantic Ocean from the boundary of Mining Area 1 to about 65km from the shore. Namdeb is currently investing in a variety of new techniques and technology to extend the life of its onshore operations.

Namdeb produced 1,471,000 carats of diamonds in 2010 compared to 929,000 the year before. This robust performance was due in large part to the strong contribution from De Beers Marine Namibia.

Namdeb took another bold step in 2010 with the development of the Probe Drilling Platform (PDP). The PDP is a jacking-walking eight-legged platform fitted with a probe drill to delineate the shallow water resource between the inshore and the -7 meter isobath. Access to and from the PDP is via an aerial ropeway. Further research and development work is continuing in parallel for the development of potential future mining tools. It is anticipated that the first test mining systems could become operational by around 2014.

All major onshore mining operations are due to close at the end of 2014. During 2010, Project 2050 was launched which aims to make Namdeb profitable and sustainable up to 2050 and beyond. To this end, the successful onshore exploration programme will continue to bring new deposits into production, and the Namdeb Strategic Projects team will continue to investigate and accelerate critical stay in business projects which have the potential to extend the life of mine.

Namdeb remains cautiously optimistic about the diamond market in 2011. Continued positive growth is expected,

albeit at a lower rate. In the longer term, the supply and demand dynamics of diamonds remain attractive. Diamonds are a finite resource and Western consumer markets are recovering at the same time as demand is growing rapidly in the emerging markets of China, India and elsewhere.

Exploration

Exploration work was recommenced after it had been put on hold during 2009. On the Orange River, treatment of bulk samples from Sendelingsdrif continued and additional bulk samples were excavated at Obib. At Southern Coastal within Mining Area No 1, conventional mine and audit sampling continued, as well as the sampling of inter-tidal corridor areas in the northern part of the mine using a BG36 large diameter drill. A project which commissioned a walking platform with a probe drill mounted on it for drilling in the surfzone of Southern Coastal was completed called the PDP mentioned above. In addition, two targets were investigated and drilled in the kimberlite exploration programme in north-east Namibia.

In 2011, the samples collected from Sendelingsdrif and Obib will be screened and treated and the BG36 sampling programme in the northern part of Southern Coastal will continue along with conventional mine sampling. A large geophysical and sampling programme will be undertaken on the marine portion of Namdeb's licences. In addition, drilling of the ultra shallow areas in the surf zone using the PDP platform will be carried out.

Procurement

Namdeb procured goods and services to the value of N\$1.16 billion of which N\$1.09 billion was procured from businesses registered in Namibia. Approximately 3.4% of this was spent with accredited BEE suppliers.

Mine Safety

Namdeb is proud to report that it achieved eight million fatality free shifts and reduced LTIs from 5 in 2009 to 2 in 2010 resulting in a LTIFR of 0.08. Namdeb was audited for OHSAS and retained its OHSAS 18001:2007 certification.

| | LTIs | LTIFR |
|------|------|-------|
| 2003 | 15 | 0.35 |
| 2004 | 10 | 0.23 |
| 2005 | 8 | 0.18 |
| 2006 | 16 | 0.37 |
| 2007 | 7 | 0.17 |
| 2008 | 8 | 0.20 |
| 2009 | 5 | 0.28 |
| 2010 | 2 | 0.08 |

Labour Relations

The maturity of company-union relations can be gauged by the ability of both parties to recover from adversity. In 2010, following lengthy annual substantive wage negotiations, Namdeb and the MUN reached a two year wage settlement. Subsequent to this, the parties participated in a leadership development programme aimed at enhancing the quality of interactions.

Education and Skills

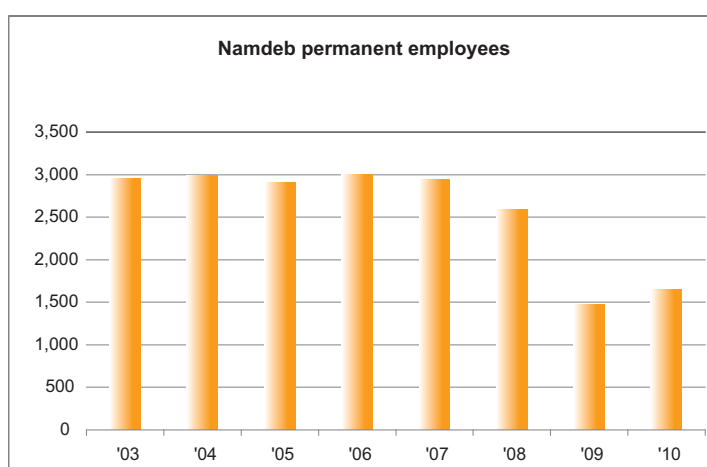
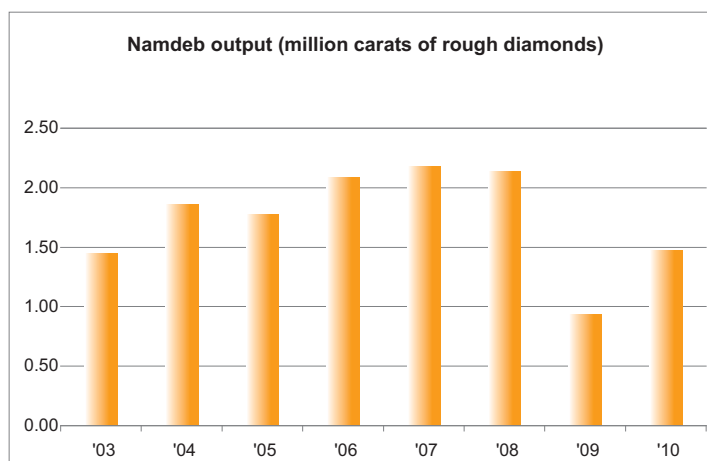
During 2010 Namdeb continued to focus on delivering training aimed at maximising employee potential at all levels of the business. Different levels of leadership were exposed to learning programmes tailor-made to facilitate emotional intelligence and coaching skills which have proved to be vital to the company's operations. In order to enhance a detailed understanding of business processes, Namdeb partnered with an external service provider to customise business understanding across all levels of the workforce. No new bursaries were awarded for the 2010 academic year. However, Namdeb continued to sponsor 14 bursary holders the fields of administration, metallurgy, mechanical, electrical and mining engineering at a cost of N\$864,041. These bursary holders comprised of ten previously disadvantaged males and four previously disadvantaged females.

Environment

During November 2010, the South African Bureau of Standards (SABS) conducted a surveillance audit which confirmed Namdeb's compliance to the ISO14001:2004 Environmental Manage-

ment System. The audit concluded that the system had been improved, management actions had been taken, and employees were keenly committed to maintaining and improving the system. For the year under review Namdeb recorded no near-hit, major or catastrophic incidents.

Namdeb re-started the Environmental Stakeholder Forum, garnering representation from Ministries of Environment and Tourism, Mines and Energy, Fisheries and Marine Resources, and the Department of Water Affairs. The scope of this forum is to promote transparency through the exchange of scientific and technical information, to advise on mitigatory action on mining impacts, and to proactively address concerns through projects led by the Stakeholder Steering Committee. Continued input into other regional and national forums provides Namdeb with the unique opportunity to lead the way as regulators and industry work together to establish guidelines and frameworks.



"Different levels of leadership were exposed to learning programmes tailor-made to facilitate emotional intelligence and coaching skills which have proved to be vital to the company's operations. In order to enhance a detailed understanding of business processes, Namdeb partnered with an external service provider to customise business understanding across all levels of the workforce."





Review of Operations

Navachab

AngloGold Ashanti is the sole owner of Navachab mine near Karibib, Namibia's only gold mine. Navachab is an open pit mine which produces gold bullion for export to the Rand gold refinery in South Africa, a subsidiary of AngloGold Ashanti.

Output

Output in 2010

2,683 kg (86,264 oz)

Employment

Permanent employees at end 2010

405

Temporary employees at end 2010

83

Contractors at end 2010

441

Expatriate employees at end 2010

6

Financial

Financial Year

1 Jan – 31 Dec

Turnover in 2010

N\$778.2 million

Wages and salaries in 2010

N\$128.9 million

Fixed investment in 2010

N\$101.7 million

Exploration and prospecting in 2010

N\$21.8 million

Profits in 2010

N\$286.9 million

Corporate tax paid in 2010

N\$67.0 million

Royalties paid in 2010

N\$23.3 million

Details

Shareholders

AngloGold Ashanti (100%)

Related operations in Namibia

None

Mines in Namibia

Navachab gold mine (ML31)

Date of production start

1985

Latest life of mine estimate

2022

EPLs at end of 2010

EPL3275, 3276, 3971, 3972, 999

Safety ratings at end of 2010

OHSAS 18001

Affirmative Action plan

Approved

Number of bursaries awarded in 2010

7

Managing Director

Mr Gerry Arnat

Contact details

PO Box 150

Karibib

Tel: +264 64 552 012

Fax: +264 64 550 231

garnat@anglogoldashanti.com



Highlights for 2010

- Navachab achieved its highest ever gold smelt in October 2010
- DMS pre-concentration plant commissioned

Production

Production for 2010 increased to 2,683 kg (86,264 oz) of gold bullion compared to 2,014 kg (65,000 oz) in 2009. The DMS pre-concentration plant was commissioned and the pit bottom was successfully and safely mined with the help of the radar system. Navachab went out to tender for expansion mining and drilling. The demand for gold and therefore the price of gold is expected to remain stable over the coming year but the rising price of fuel could negatively affect production at Navachab. With the addition of the new DMS plant, gold production has increased and will continue to do so over the coming year.

Exploration

During 2009 Navachab's drilling programme was primarily aimed at increasing confidence in the known resource and exploring the down plunge extensions to the North Pit, the HW and FW mineralisation. Drilling at Gecko (Grid A West) focused on two geophysical anomalies identified during 2009. The Anomaly 16 drilling focused on the down plunge extension to the lower marble ore zone as well as following up the strike and plunge extent of the lower schist ore zone. Further exploratory drilling was carried out at Starling and Klipspringer to test gold in soil anomalies.

In 2011 exploration will focus on converting inferred resources to measured resources in the North Pit, Eastern Push-back and HW mineralization areas. Level 2 exploration will concentrate on the North Pit down plunge and the FW and HW down plunge extensions as well as the Anomaly 16 lower marble and lower schist down plunge extension. Structural mapping and soil sampling will continue on the EPL areas to identify potential drilling targets.

Procurement

Navachab estimates that some N\$281.3 million worth of goods and services was purchased from Namibian suppliers in 2010 of which about three percent were from businesses owned and run by previously disadvantaged Namibians. The bulk of local purchases consist of diesel from Shell Namibia, maintenance services from Atlas Copco and spare parts from Barloworld Namibia.

Safety

Navachab experienced no fatalities during 2010. One LTI, 30 lost shifts and 38 dressing cases were recorded.

| | LTIs | LTIFR |
|------|------|-------|
| 2003 | 7 | 3.60 |
| 2004 | 2 | 0.90 |
| 2005 | 3 | 2.95 |
| 2006 | 4 | 4.09 |
| 2007 | 5 | 4.52 |
| 2008 | 0 | 0 |
| 2009 | 3 | 2.07 |
| 2010 | 1 | 0.58 |

Labour Relations

The industrial relations climate at the mine has been stable with no disputes or issues of concern registered. The company and the MUN jointly revised employees' conditions of service which had become outdated. Wage negotiations were successfully concluded and implemented on 1 January 2011.

Education and Skills

The mine maintained a total of four bursaries in the course of the year in the fields of electrical engineering, mining engineering, chemical engineering and surveying. A total of 12 employees received awards under the self-study assistance scheme. Six secondary school bursaries were granted to the Karibib Private School.

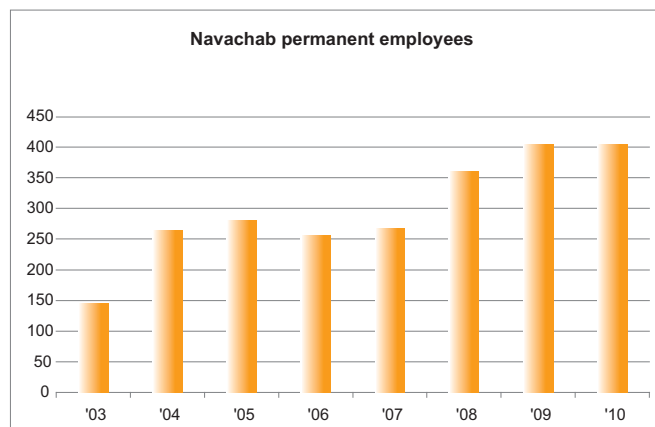
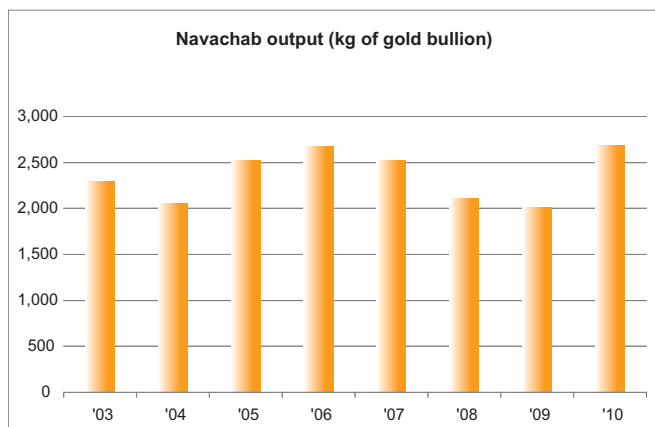
Community Relations

Navachab continued to be the main sponsor of Karibib Private School and also sponsored the Erongo Regional Spring School for grade 12s in maths and science.

Environment

Navachab is committed to producing gold in a safe environment. An air quality, dust and noise baseline and environmental assessment was completed by Airshed Consultants whose report included a recommendation to introduce an air quality and dust monitoring programme which will be implemented during 2011. An EIA was initiated for the new Filtration and FCO- disposal Project. As part of the EIA, a geochemical study was undertaken on the East WRD to determine the possible effects of co-disposal of waste rock and filter product. In addition, a geo-hydrological study is being undertaken by AGES Consultants which includes the drilling of five new monitoring boreholes around the East WRD. An I and AP meeting was held in April 2010 and projects discussed included the DMS, the filtration project as well as the future development of Anomaly 16. Navachab's Rehabilitation and Closure Plan is currently under review.

"The demand for gold and therefore the price of gold is expected to remain stable over the coming year but the rising price of fuel could negatively affect production at Navachab. With the addition of the new DMS plant, gold production has increased and will continue to do so over the coming year."





Review of Operations

Okorusu Fluorspar

Okorusu Fluorspar mine near Otjiwarongo, owned and operated by chemicals and pharmaceuticals giant Solvay, is an open pit mine producing 97.5% pure acid grade fluorspar (CaF_2). The fluorspar is exported via Walvis Bay to Solvay's plants in Germany and Italy, where it forms the basic ingredient in the production of hydrofluoric acid (HF) used in the manufacture of refrigerants, plastics, chemicals and pharmaceuticals.

Output

Output in 2010

104,497t (9% moist, 97.5% pure CaF_2 filter cake concentrate)

Employment

Permanent employees at end 2010

254

Temporary employees at end 2010

27

Contractors at end 2010

71

Expatriate employees at end 2010

6

Financial

Financial Year

1 Nov - 31 Oct

Turnover in 2010

N\$183.4 million

Wages and salaries in 2010

N\$44.7 million

Skills development in 2010

N\$0.9 million

Fixed investment in 2010

N\$13.0 million

Exploration and prospecting in 2010

N\$4.3 million

Profits in 2010

N\$4.5 million

Corporate tax paid in 2010

N\$1.6 million

Royalties paid in 2010

N\$ 3.4 million

Details

Shareholders

Solvay Fluor (100%)

Related operations in Namibia

None

Mines in Namibia

Okorusu Fluorspar mine (ML90)

Date of production start

1988

Latest life of mine estimate

2019

EPLs at end of 2010

EPL2724 Okorusu

EPL 3037 Okanjande

NEPL 1796

Safety ratings at end of 2010

4 star NOSA

Affirmative Action plan

Not Approved

Number of bursaries awarded in 2010

4

Managing Director

Mr Mark Dawe

Contact details

PO Box 1236,

Otjiwarongo

Tel: +264 67 305 404

Tel: +264 61 401457 (Windhoek office)

Fax: +264 67 305 403

Fax: +264 61 308851 (Windhoek office)

Email: manager@okorusu.com.na



Highlights for 2010

- Output increases to 104,494 tonnes from 81,591 tonnes in 2009
- First sales of metallurgical fluorspar (metspar, 85% CaF_2) to Turkey
- Cooperation agreement with Ohorongo Cement over supply of magnetite
- Construction of new concentrate shed at mine and Walvis Bay and new shed rental agreement with Namport

Production

Production of acid grade fluorspar at Okorusu rose to 104,494 tonnes in 2010 compared to 80,857 tonnes in 2009. The coming year will see the commissioning of a new DMS plant that will upgrade low grade ores from the D and E orebodies. The construction of a new drying plant will enhance the metallurgical fluorspar (metspar) business while commissioning is expected to take place of the underground mining operation at the A orebody. Metspar is used as a flux in the steel industry. Okorusu concluded an agreement with Ohorongo Cement for the supply of magnetite (iron oxide or Fe₃O₄) used in the production of cement. The current unfavourable exchange rate is likely to continue to damage profitability in 2011.

Exploration and Investment

As planned, exploration during 2010 focused on the E ore body which is located within the mine's mining licence area. Mapping was conducted over an area of 1.5 square kilometres. Trenching and sample collection was undertaken as well as gridding and line cutting. A total of 5,400 metres of diamond drilling was completed. Infill diamond drilling is expected to continue in 2011. Developments at the Okanjande graphite deposit, where Okorusu Fluorspar holds EPL 3037, are on hold pending the finalisation of litigation over a claims dispute.

Mine Safety

No fatalities were recorded during 2010 but three lost time injuries took place during the year. Okorusu appointed a Safety Health and Environment superintendant. Okorusu continued to receive a 4 Star NOSA rating.

| | LTIs | LTIFR |
|------|------|-------|
| 2003 | 4 | 1.19 |
| 2004 | 2 | 0.59 |
| 2005 | 2 | 0.55 |
| 2006 | 3 | 0.83 |
| 2007 | 3 | 0.77 |
| 2008 | 3 | 0.63 |
| 2009 | 1 | 0.48 |
| 2010 | 3 | 0.67 |

Labour Relations

As has been the case since 1997, labour relations continued to be excellent with no disputes, demonstrations or stoppages of any kind. Wage negotiations for the year were successfully concluded without incident. Earthmoving equipment operators were awarded significant wage increases in March after a comprehensive benchmarking exercise.

Education and Skills

Four apprentices continue to study at NIMT as part of the mine's education and skills development programme. Okorusu supports a student studying chemical engineering at the University of Stellenbosch in South Africa. Four employees were awarded bursaries to tertiary institutions in fields related to their trades and professions while 14 other employees participated in a variety of training courses.

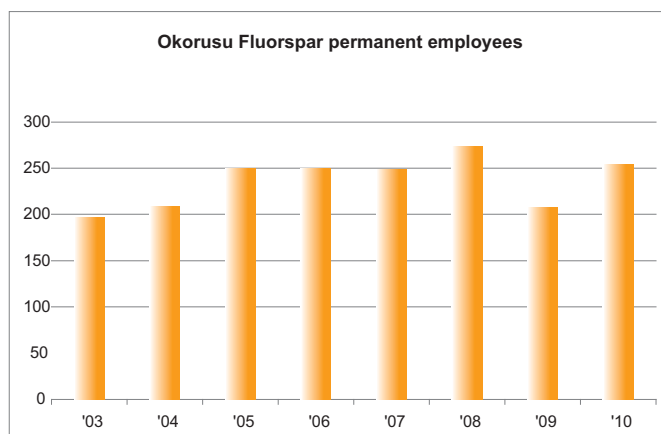
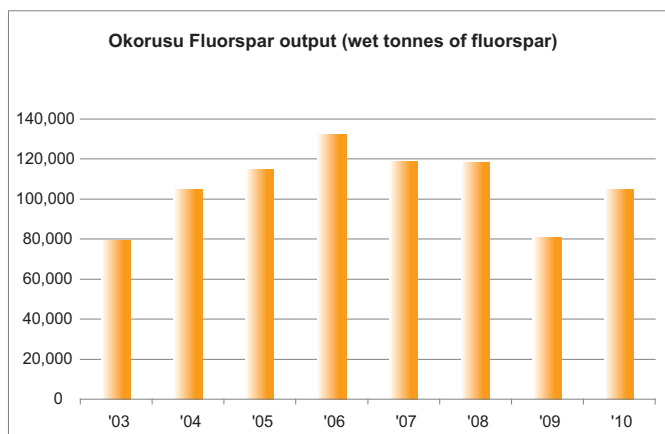
Community Relations

Community relations continue to be excellent. The Okorusu-Otjiwarongo Community Trust, administered by six trustees, continued to receive funds according to the agreed formula and allocated these funds to worthy causes. Donations to 13 schools in Otjiwarongo were increased from N\$13,000 to N\$25,000 per school. Two classrooms and a toilet block at Okarundu Primary School and an administrative block at Tsaraxa-Eibes Primary School were officially handed over to the Ministry of Education. Two brand new vehicles worth N\$826,408 were donated to the Afri-Leo Foundation for a project to conserve lions in the north. Okorusu continued to be the main sponsor of the Occupational Health Education and Awareness Programme (OHEAP) until it was discontinued in December 2010. Some of the OHEAP personnel were absorbed by the mine.

Environment

A new penstock was designed for the mine's tailings dam. An ecological and restoration expert was engaged to draw up an environmental restoration plan for the mine and an environmental officer was appointed in December 2010.

"Community relations continue to be excellent. The Okorusu-Otjiwarongo Community Trust, administered by six trustees, continued to receive funds according to the agreed formula and allocated these funds to worthy causes."





Review of Operations

Rosh Pinah Zinc Corporation

Rosh Pinah is an underground mine producing zinc and lead concentrates. Zinc concentrate is exported to Exxaro's Zincor refinery in Gauteng, South Africa while lead concentrate is sold to an international commodity trader.

Output

Output in 2010

101,040 tonnes
zinc concentrate

19,202 tonnes
lead concentrate

Employment

Permanent employees at end 2010

575

Temporary employees at end 2010

5

Contractors at end 2010

437

Expatriate employees at end 2010

13

Financial

Financial Year

1 Jan - 31 Dec

Turnover in 2010

N\$674.0 million

Wages and salaries in 2010

N\$148.4 million

Skills development in 2010

N\$0.4 million

Exploration and prospecting in 2010

N\$33.8 million

Profits in 2010

N\$85.0 million

Corporate tax paid in 2010

N\$53.0 million

Royalties paid in 2010

N\$35.0 million

Details

Shareholders

Exxaro Base Metals
Namibia (45.79%)

Jaguar Investments
(38.98%)

PE Minerals Namibia (8%)

Rosh Pinah Mine Holdings
(4.26%)

Rosh Pinah Employee
Empowerment Participation
Scheme Trust (2.98%)

Related operations in Namibia

None

Mines in Namibia

Rosh Pinah mine (ML39)

Date of production start

1969

Latest life of mine estimate

2020

EPLs at end of 2010

EPL2265

EPL2616 (relinquished)

Safety ratings at end of 2010

ISO 14001:2004

OHSAS 18001

Affirmative Action plan

Approved

Number of bursaries awarded in 2010

None

Managing Director

Mr Christo Aspeling

Contact details

Private Bag 2001

Rosh Pinah

Namibia

Tel: +264 63 274201

Fax: +264 63 274209

christo.aspeling@exxaro.com



Highlights for 2010

- Extension of the WF3 ore body by infill drilling
- Potential extension of resources at newly-discovered Gergarub deposit in collaboration with Skorpion Zinc
- Potential extension of resources at newly-discovered Gergarub deposit in collaboration with Skorpion Zinc

Production

During 2010 Rosh Pinah produced 101,040 tonnes of zinc concentrate and 19,202 tonnes of lead concentrate. No major changes to operations took place. Crusher down-times remained a challenge. Nonetheless budgeted tonnages of concentrate and metal were achieved. Rosh Pinah did not sell to any new customers or markets in the course of the year.

Exploration

The WF3 ore body was extended by infill drilling. The Gergarub deposit was discovered.

Procurement

Rosh Pinah's procurement programme in 2010 saw N\$174.5 million allocated to Namibian suppliers and 19.9 million to non-Namibian suppliers.

Safety

Rosh Pinah experienced no fatalities during 2010. A total of three LTIs were reported during the year. Rosh Pinah's safety certification ratings did not change.

| | LTIs | LTIFR |
|------|------|-------|
| 2003 | | |
| 2004 | | |
| 2005 | | |
| 2006 | | |
| 2007 | 5 | |
| 2008 | 7 | 0.53 |
| 2009 | 3 | 0.25 |
| 2010 | 3 | 0.24 |

Education and Skills

Exxaro RPZC provides a range of management development programmes. The mine sent six employees to NIMT for skills upgrading and provides job attachments for students in electrical trades, instrumentation, diesel mechanics, fitting and boiler-making.

Community Relations

Rosh Pinah donated N\$1.6 million to a variety of community members, sports clubs, organizations and committees operation on a national and local community level.

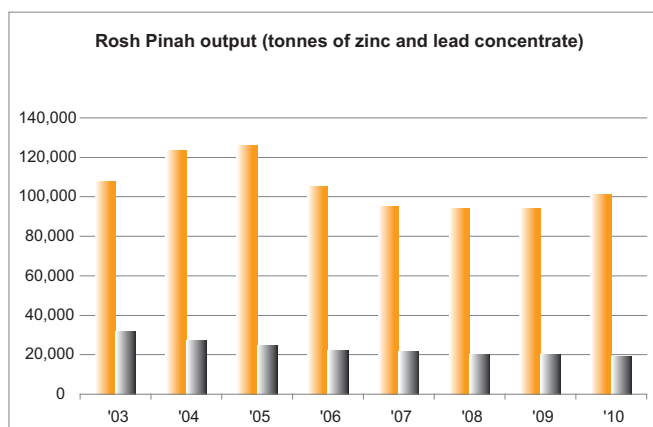
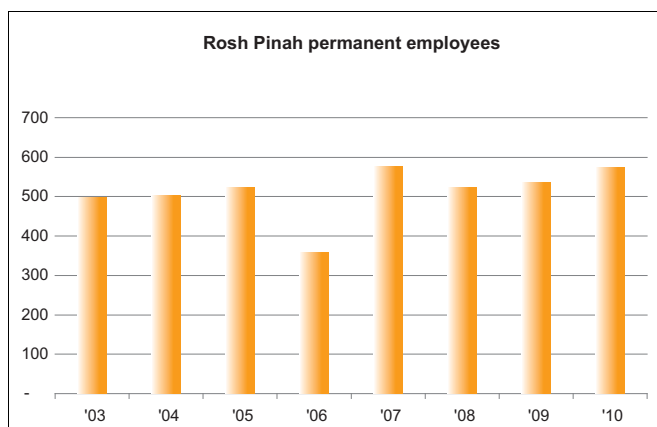
Environment

The tailings dam's rock cladding project is underway while a number of initiatives within the "RoshSkor" framework to improve environmental awareness among citizens and rehabilitate problem areas of the town are being implemented.

Labour Relations

Labour relations were healthy during 2010 and no strikes or demonstrations took place.

"The Gergarub sulphide zinc deposit was discovered which will have a positive impact on the life of the zinc business in Namibia ."





Review of Operations

Rössing Uranium

Rössing Uranium, majority owned by Rio Tinto plc, is Namibia's main uranium mine and is one of the world's largest open pit uranium mines. Rössing produces uranium oxide for nuclear power utilities in countries which are signatories of the Nuclear Non-Proliferation Treaty.

Output

Output in 2010
3,628 tonnes

Employment

Permanent employees at end 2010
1,592
Temporary employees at end 2010
53
Contractors at end 2010
1,107
Expatriate employees at end 2010
11

Financial

Financial Year
1 Jan - 31 Dec
Turnover in 2010
N\$3,609 million
Wages and salaries in 2010
N\$626.6 million
Skills development in 2010
N\$15.5 million
Exploration and prospecting in 2010
N\$14.5 million
Loss in 2010
N\$43.0 million
Corporate tax paid in 2010
None
Royalties paid in 2010
N\$213.6 million

Details

Shareholders
Rio Tinto plc (68.58%)
Iranian Foreign Investment Company (15.29%)
IDC of South Africa (10.10%)
Government of Namibia (3.38%)
Other minority shareholders (2.65%)
Related operations in Namibia
None
Mines in Namibia
Rössing mine (ML28)
Date of production start
1976
Latest life of mine estimate
2023
EPLs at end of 2010
None
Safety ratings at end of 2010
Rio Tinto All Injury Frequency Rate 0.95
Affirmative Action plan
Approved
Number of bursaries awarded in 2010
31
Managing Director
Mr Michael Leech
Contact details
Mine site
Private Bag 5005, Swakopmund
Tel: +264 64 520 9111
Fax: +264 64 520 2253
Corporate Office Swakopmund
Private Bag 5005, Swakopmund
Tel: +264 64 520 3000
Fax: +264 64 520 3017
Windhoek Office
Private Bag 22391, Windhoek
Tel: +264 61 280 9111
Fax: +264 61 233637
Email: glynis.labuschagne@riotinto.com



Highlights for 2010

- Progress made on mine expansion programme
- Work on satellite open pit commenced
- Zero Harm safety programme launched
- Sustainable Performance Acceleration at Rössing (SPAR) launched to focus on business enhancement

Production

Production of uranium oxide fell sharply to 3,628 tonnes in 2010 compared to 4,150 tonnes in 2009.

Throughput at the processing plant was constrained by low ore grades. Looking forward, Rössing expects spot and long-term contract prices to remain strong which should encourage investment.

Exploration

Rössing spent some N\$14.5 million on exploration in 2010. Exploration drilling outside SJ took place in Z19 and Z20 which is close to the southern boundary of Rössing's mining licence area towards the Namib-Naukluft park boundary. Drilling there is planned to continue in 2011. Additional Niobium modelling in SK4 will be undertaken in the first quarter of 2011 to qualify extraction assumptions. A new area close to SJ - SJ West – will be evaluated with RC drilling in 2011.

Procurement

Rössing introduced a preferential procurement policy in 2008 and the company is committed to developing the local economy. In 2010 Rössing spent N\$964 million of its N\$2.4 billion procurement programme in the Erongo Region which focused on Namibian companies and especially Namibian SME suppliers. Rössing's two major historically disadvantaged Namibian-owned suppliers are in the haulage and overall manufacturing sectors.

"In 2010 Rössing spent N\$964 million of its N\$2.4 billion procurement programme in the Erongo Region which focused on Namibian companies and especially Namibian SME suppliers. Rössing's two major historically disadvantaged Namibian-owned suppliers are in the haulage and overall manufacturing sectors."

Safety

Rössing Uranium adheres to the Rio Tinto Health, Safety, Environment and Quality (HSEQ) Management System which conforms to OHSAS 18001. Although in 2010 no fatalities occurred, mine safety deteriorated with a total of 14 Lost Time Injuries and 16 Medical Treatment Cases were recorded. Rössing achieved an All Injury Frequency Rate (AIFR) of 0.95 and a LTIFR of 0.44. Nonetheless, Rössing remains committed to achieving zero injuries.

| | AIFR |
|------|------|
| 2003 | 1.07 |
| 2004 | 1.00 |
| 2005 | 0.89 |
| 2006 | 0.59 |
| 2007 | 0.71 |
| 2008 | 0.91 |
| 2009 | 0.73 |
| 2010 | 0.95 |

Labour Relations

Labour relations were generally good during 2010. One go-slow took place on 24 February 2010 which lasted three hours after which employees returned to normal work. Two grievances were received during the year, one of which went unresolved.

Education and Skills

Rössing has continued to invest significantly in skills development spending some N\$15.5 million in 2010. A total of 20 new bursaries and bursary apprenticeships were awarded for a wide variety of artisans including electricians, fitters and turners, boiler makers, instrumentation mechanics, millwrights, diesel mechanics, auto electricians and rigger rope men bringing the total up to 142. Bursaries continued to support 59 students in the fields of mechanical, electrical, mining, chemical and civil engineering as well as geology, surveying, accounting, archival studies, environmental and occupational therapy, medicine and law. European scholarships continued to two students for an MSc in Mining Engineering and an MSc in Geotechnical and Environmental Engineering. Educational assistance was awarded to 99 children of Rössing employees in a variety of fields. A wide variety of other training initiatives were implemented during the year.

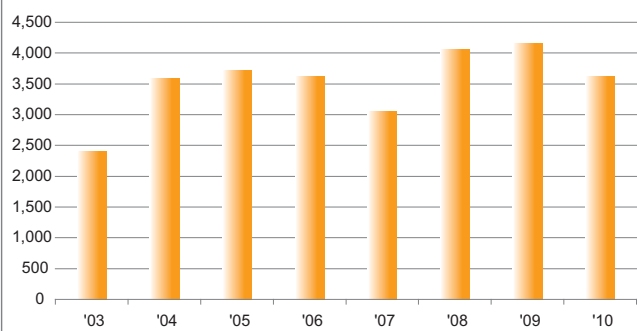
Community Relations

Rössing's Corporate Social Responsibility programme is implemented primarily through the Rössing Foundation which covers initiatives in environment, education and recreation. Due to poor financial performance, the company made no donation to the Rössing Foundation in 2010. However, Rössing provided support to the Chamber of Mines Uranium Institute, Arandis Town Council in its quest to become self-sustaining by 2016, the Arandis Out of School Youth Skill Development Programme, small-scale mining in Erongo, the Community-Based Natural Resource Management Programme in the Ohungu and Otjimboyo Conservancies, and a number of biodiversity programmes.

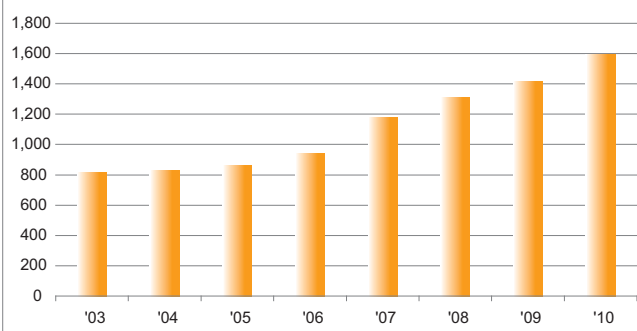
Environment

Rössing employs an Environmental Management System and maintained its ISO 14001:2004 certification. The mine continued to implement the Rio Tinto Integrated Health, Safety, Environment and Quality (HSEQ) Management System. Rössing's air quality monitoring programme was reviewed and the monitoring network expanded. A Social and Environmental Impact Assessment of the proposed expansion of the mine on noise impact was completed and submitted to the Rössing board. The air blast and ground vibration monitoring programme has been fully implemented and permanent stations have been set up in Arandis and on the mine site. The operation of the landfill site has improved significantly as further recyclable waste streams, including air and oil filters and 25 litre metal drums, were identified. Rössing hosted its tenth annual bird-watching event at the Swakop river mouth.

Rössing Uranium output (tonnes of uranium oxide)



Rössing Uranium permanent employees





Review of Operations

Sakawe Mining Corporation (Samicor)

Sakawe Mining Corporation (Samicor)
mines diamonds offshore for sale
to LLD diamond cutting and
polishing factory in Windhoek
and also for export.

Output

Output in 2010

Zero

Employment

Permanent employees at end 2010

30

Temporary employees at end 2010

None

Contractors at end 2010

2

Expatriate employees at end 2010

16

Financial

Financial Year

1 Jan - 31 Dec

Wages and salaries in 2010

N\$2.1 million

Exploration expenditure in 2010

N\$18.0 million

Corporate tax paid in 2010

N\$1.3 million

Details

Shareholders

LL Mining (76%)

Government of Namibia (8%)

Long Life Mining (10%)

Youth (2%)

Employees (4%)

Related operations in Namibia

LLD Diamonds

LL Namibia Phosphates

LL Biofuels

Green Building Construction

Mines in Namibia

ML 36A-J, ML103A, ML51, ML159 (Phosphates)

pending applications -

ML163, ML164,

Date of production start

2003

EPLs at end of 2010

EPL2027A-I, EPL1946,

EPL1950, EPL2002,

EPL3419, EPL2490,

EPL2491, EPL3291

pending applications -

EPL3290, EPL3412

EPL3947

Affirmative Action plan

Approved

Number of bursaries awarded in 2010

None

Managing Director

Mr Kombadayeddu Kapwanga

Contact details

PO Box 3498

Windhoek

Namibia

Tel: +264 61 386 100

Fax: +264 61 249 253

kk@sakawe.com



Highlights for 2010

- Development of high capacity Aquarius Dredge Mining Project
- Granting of first marine mining licence for phosphate to LL Namibia Phosphates
- Progress on beneficiation of raw marine phosphate

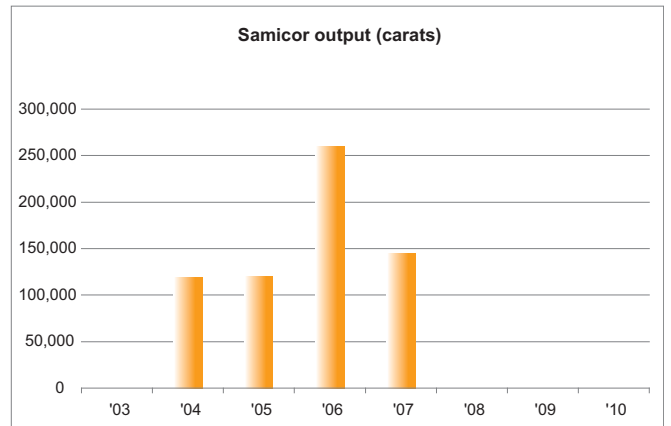
Update on Activities During 2010

Samicor concluded that the mining methods employed for its west coast diamonds are no longer viable for average stone sizes of 0.3 carats and grades of 0.2 carat per square metre that are to be found within its tenements. As a result no diamond mining was conducted during 2010. The board decided that the only way forward was to employ high capacity dredging technology in order to lower the cut-off grade to a point which makes mining these deposits economically viable. Samicor's feasibility studies on high capacity dredge mining – the Aquarius Project – has shown this to be the only economically viable future for Namibian west coast diamond mining north of the Atlantic 1 licence area. Should this dredge project not succeed under Samicor's experienced leadership, it is unlikely that any of these licence areas will produce diamonds again in the foreseeable future. Samicor's efforts were focussed on the re-interpretation of its geophysical and sampling data to delineate specific targets and resources for our high capacity dredge mining project.

Samicor's sister company LL Namibia Phosphates focussed on vibro-core and bulk sample analysis of its marine phosphate samples to find a viable method of converting the raw phosphate into a marketable end-product. A ten-year offshore mining licence (ML159) was granted to LL Namibia Phosphates on 22 October 2010. Samicor will continue to develop both its Aquarius high capacity dredge mining and marine phosphate projects. Both are large, capital intensive projects that will take a number of years to bring into production.

Due to the development stage Samicor currently finds itself in, the company has been operating on a skeleton staff consisting only of key personnel. Employment numbers were very steady in 2010 and no strikes, demonstrations or labour disputes occurred at Samicor in 2010. If and when high dredge mining gets underway, Samicor will once again commence investment in Namibian skills through in-house training and bursaries.

"The board decided that the only way forward was to employ high capacity dredging technology in order to lower the cut-off grade to a point which makes mining these deposits economically viable. "





Review of Operations

Salt & Chemicals

Salt & Chemicals (Pty) Ltd produces coarse and refined salt at Walvis Bay through solar evaporation for export to South Africa as well as other markets in West Africa.

Output

Output in 2010
792,000 tons

Employment

Permanent employees at end 2010
46
Temporary employees at end 2010
None
Contractors at end 2010
None
Expatriate employees at end 2010
None

Financial

Financial Year
1 Sep - 31 Aug

Details

Shareholders
Walvis Bay Salt Holdings (Pty) Ltd (100%)
Related operations in Namibia
Walvis Bay Salt Refiners (Pty) Ltd
Mines in Namibia
Walvis Bay salt pan (ML 37)
Established
1964
Safety ratings at end of 2010
OHSAS 18001:2007
4 star NOSA
Lost Time Injuries in 2010
None
Affirmative Action plan
Approved
Number of bursaries awarded in 2010
9
Managing Director
Mr Royden Stanton
Contact details
PO Box 2471
Walvis Bay
Namibia

Tel: + 264 64 213350
Fax: +264 64 205026
Email: roy@wbsalt.com



Highlights for 2010

- Rise in production to 792,000 tons
- OHSAS 18001:2007 certification achieved and 4 Star NOSA rating retained

Production

Salt & Chemicals produced a total of 792,000 tons of salt during 2010 compared to 720,000 tons in 2009. The increase in output was due to gains from optimising operations. The company expects it will continue to be able to sell its entire production and that prices will remain stable.

Safety

Salt & Chemicals recorded no LTIs during the year and maintained its 4 Star NOSA rating. As planned, the company succeeded in achieving OHSAS 18001: 2007 certification.

Labour Relations

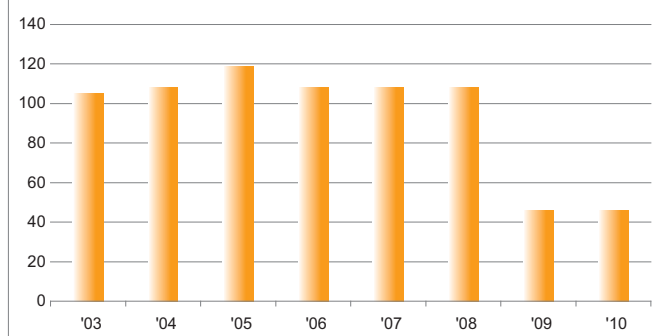
Labour relations were stable during 2010 with no strikes or disputes taking place.

Community Relations

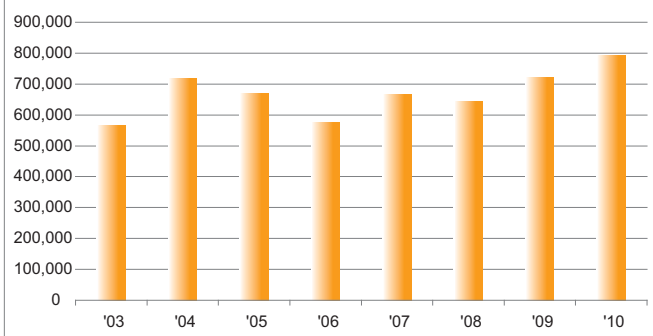
Salt & Chemicals makes annual donations to local schools in Walvis Bay and sponsors school prize-givings, the annual Mathematics Congress and teacher training, as well as the daily transport for the Sunshine Centre which helps disabled children.

"As planned, the company succeeded in achieving OHSAS 18001: 2007 certification."

Salt & Chemicals permanent employees



Salt & Chemicals output (tonnes of salt)





Review of Operations

Skorpion Mining Company

Skorpion Mining Company (Pty) Ltd's open pit mine and Namzinc (Pty) Ltd's EPZ refinery produce Special High Grade zinc for export to world markets.

Output

Output in 2010

151,688 tonnes

Employment

Permanent employees at end 2010

682

Temporary employees at end 2010

68

Contractors at end 2010

724

Expatriate employees at end 2010

36

Financial

Financial Year

1 Apr - 31 March

Turnover in 2010

N\$2,523.9 million

Wages and salaries in 2010

N\$209.2 million

Fixed investment in 2010

N\$47.7 million

Exploration and prospecting in 2010

N\$40.9 million

Profits in 2010

N\$774.9 million

Corporate tax paid in 2010

N\$14.8 million

Royalties paid in 2010

N\$11.6 million

Details

Shareholders

Vedanta Resources plc (100%)

Related operations in Namibia

Namzinc (Pty) Ltd

Mines in Namibia

Skorpion zinc mine (ML108 and ML127)

Date of production start

Skorpion Mining Company 2001

Namzinc 2004

Latest life of mine estimate

2015

Safety ratings at end of 2010

ISO 14001, 9001, 17025

OHSAS 18001

Affirmative Action plan

Submitted

Number of bursaries awarded in 2010

8 bursaries

9 apprenticeships

General Manager

Mr Johan Coetzee (Acting)

Contact details

Private Bag 2003

Rosh Pinah

Namibia

Tel: +264 63 271 2382

Fax: +264 63 271 2526

Email: jcoetzee@skorpionzinc.com.na



Highlights for 2010

- Sale of Skorpion mine by Anglo American to Vedanta Resources completed on 3 December 2010
- Operation remained profitable and zinc prices remained stable
- Lowest total injury frequency rate ever

Production

Skorpion produced 151,688 tonnes of SHG zinc in 2010 compared to 153,815 tonnes of SHG zinc in 2009. SHG zinc production was 0.6 percent below target in 2010 mainly due to load shedding and breakdowns. The new mine plan resulted in a 51 percent increase in stripping ratio which drove the increase in total tonnages mined.

Skorpion zinc mine is a pioneering operation which mines a zinc oxide deposit and uses a new and sophisticated Zinc Solvent Extraction Electrowinning (SXEW) process to produce zinc of 99.995 percent purity. After a number of teething problems, production at Skorpion mine and its associated Namzinc refinery reached design plate levels for the first time in May 2005 and were sustained throughout 2010. Skorpion expects these levels of production to be sustained over the coming years. Small improvements in efficiency may lead to modest increases in output over time. In May 2010 Anglo American announced it had sold its zinc assets to Vedanta Resources, which included Skorpion for US\$707 million. The effective date of transfer was 3 December 2010. Vedanta is now the world's largest zinc producer.

Exploration

Exploration work at Skorpion in 2010 focused on the Gergarub Project in accordance with the joint venture agreement with Rosh Pinah Zinc Corporation where a total of 32,000 metres of drilling was undertaken. Infill drilling began in the existing open pit to explore areas where the oxide ore body is considered potentially open-at-depth. Limited exploration drilling was also carried out in the open pit in order to determine the potential for sulphide ores.

Procurement

Skorpion estimates that it spent N\$608.4 million in Namibia of which N\$136.3 million took place in the town of Rosh Pinah.

Safety

Skorpion experienced no fatalities during 2010 but recorded a total of four Lost Time Injuries and a LTI Frequency Rate of 0.23. The surveillance audit for ISO 9001, ISO 14001 and OHSAS 18001 recertification was successfully completed in July with no major non-conformance being recorded. An ISO 17025 reclassification audit was conducted in October. Alcohol testing and random drug testing was successfully implemented for all permanent employees and contractors.

| | LTIs | LTIFR |
|------|------|-------|
| 2003 | 8 | 0.57 |
| 2004 | 5 | 0.33 |
| 2005 | 2 | 0.11 |
| 2006 | 2 | 0.11 |
| 2007 | 2 | 0.13 |
| 2008 | 4 | 0.29 |
| 2009 | 2 | 0.13 |
| 2010 | 4 | 0.23 |

Labour Relations

No industrial action has taken place at Skorpion since the strike of 2008. Unions and management meet on a monthly basis to discuss issues of concern. Unions and management signed a collective substantive agreement relating to wage increases from 1 January 2011 within just four working days marking a record for Skorpion. Two disputes of alleged unfair dismissal were resolved through arbitration while two further cases are pending with the District Labour Court in Lüderitz.

Education and Skills

Skorpion Zinc maintains a complement of bursary-holders aligned to the company's technical skills requirements. Some 26 Namibian students are currently being sponsored to pursue full-time studies at accredited universities. In addition, 23 NIMT apprentices are provided with job attachments annually. Skorpion also sponsors 16 of its own apprentices at technical training institutions including the Southern Campus of NIMT in Keetmanshoop. The company also facilitates job attachments for 15 non-bursary students annually.

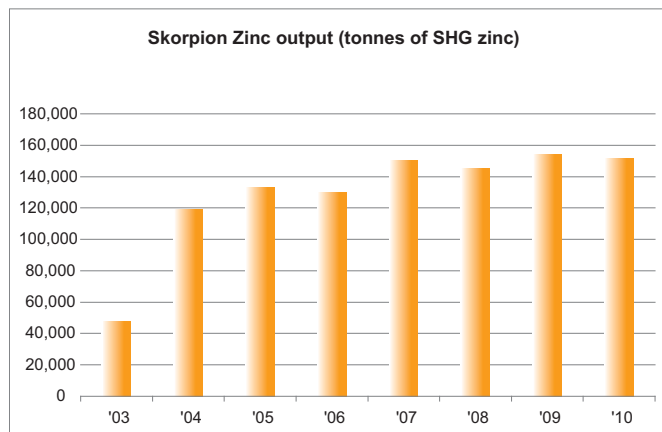
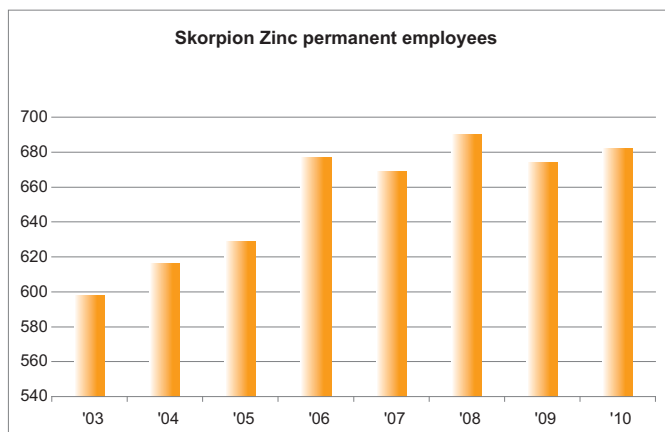
Community Relations

Skorpion made donations to the community totalling N\$26.2 million in the course of the year mainly through the Anglo Skorpion Foundation.

Environment

Skorpion's draft closure plan was updated in October 2010 and an integrated environmental monitoring and rehabilitation plan is in the process of being developed. The existing Environmental Management Plan was reviewed to accommodate the disposal of hazardous waste. The implementation of an Environmental Database will help track environmental performance more effectively. Several recommendations from the Biodiversity Plan were implemented.

"Some 26 Namibian students are currently being sponsored to pursue full-time studies at accredited universities. In addition, 23 NIMT apprentices are provided with job attachments annually."





Review of Operations

The Salt Company

The Salt Company produces coarse, refined, rock and table salt for export to South Africa and countries along the west coast of Africa.

Output

Output in 2010

100,000 tonnes

Employment

Permanent employees at end 2010

85

Temporary employees at end 2010

5

Contractors at end 2010

0

Expatriate employees at end 2010

0

Financial

Financial Year

1 Jul - 30 Jun

Turnover in 2010

N\$32.0 million

Wages and salaries in 2010

N\$4.7 million

Fixed investment in 2010

N\$47.7 million

Corporate tax paid in 2010

N\$0.7 million

Royalties paid in 2010

N\$0.6 million

Details

Shareholders

Jurgen Klein (33.33%)

Detlef Klein (33.33%)

Johan Klein (33.33%)

Related operations in Namibia

None

Mines in Namibia

ML 66A-J,

ML 71 A-C,

ML 83 A-C

Established

1934

Affirmative Action plan

Submitted

Number of bursaries awarded in 2010

None

Managing Director

Mr Detlef Klein

Contact details

PO Box 42

Swakopmund

Namibia

Tel: + 264 64 402611

Fax: +264 64 405414

Email: saltco2@africaonline.com.na

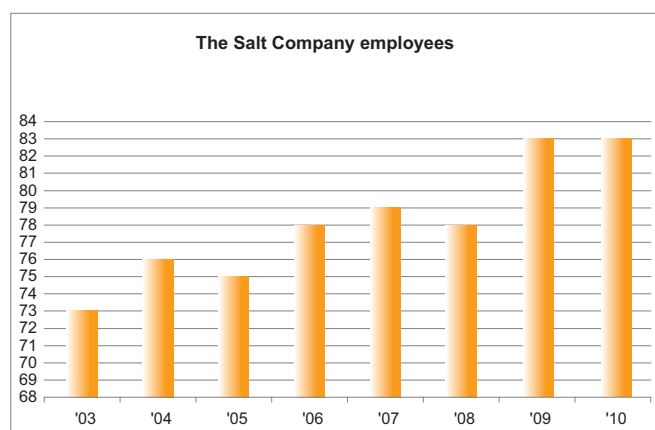


Highlights for 2010

- Production increased to 100,000 tonnes

Update of Activities

Output increased from 79,000 tonnes in 2009 to 100,000 tonnes in 2010 despite major increases in fuel and the strong exchange rate. Overall sales reached 68,853 tonnes worth N\$32.0 million. The company is engaged in looking for new international customers but the cost of ocean transport remains a constraint. Labour relations were good during 2010 with no strikes or demonstrations. The Salt Company paid school fees and helped finance housing in Swakopmund for its employees. The company undertook extensive cleaning of its premises and buildings in order to minimise its environmental impact.



Review of Operations

Weatherly Mining Namibia

Weatherly Mining Namibia owns copper mines at Matchless, Otjihase, Tsumeb West, and Tschudi mines in Namibia. In the past, copper concentrates from these mines were smelted at Namibia Custom Smelters in Tsumeb for export to world markets.

Employment

Permanent employees at end 2010

2

Temporary employees at end 2010

18

Contractors at end 2010

101

Expatriate employees at end 2010

1

Details

Mines in Namibia

ML 3 (Matchless)

ML 10 (Otiase)

ML 22 (Otiase)

ML 73

ML 125 (Tschudi)

Country Manager and Technical Director

Mr Andrew Thomson

Contact details

PO Box 40798

Ausspannplatz

Windhoek

Tel: +264 61 293 1000

Fax: +264 61 293 1200

Email:

a.thomson@weatherlyplc.com.na

Update on Activities

Weatherly Mining Namibia (WMN) placed its mining operations at Otiase and Matchless under care and maintenance at the end of 2008 and retrenched 643 employees. Since then it has been operating on a skeleton staff but the copper market has subsequently staged a remarkable recovery with copper prices reaching all-time record levels during 2010. Weatherly sold Namibia Custom Smelters to Dundee Precious Metals in the first quarter of 2010. WMN believes that the demand for copper will remain at the levels experienced in 2010 for some time and therefore started taking active steps to reopen Otiase and Matchless mines during October 2010 with a view to restarting production in the first half of 2011. If prices remain strong, WMN hopes to develop the Tschudi Project during 2012.



Highlights for 2010

- Recovery in copper price and plans to reopen Otiase and Matchless

Exploration Companies

Auryx Gold Corporation

Otjikoto Gold Project

Current exploration licences

EPL2410

EPL3470

EPL3177

EPL3764

EPL4314

EPL4268

EPL4269

Pending licence renewals

None

Pending new exploration licences

EPL4309

EPL4279

EPL4280

EPL4278

EPL4277

Pending new mining licences

ML169

In 2010 Auryx spent N\$47.7 million on exploration work primarily within the Otjikoto deposit through its locally based team of 11 permanent employees, 15 temporary employees and seven contractors. RC drilling of 83 holes totalling 6,664 metres in length and 31 diamond drilling holes of 7,891 metres in length was undertaken. A total of 7,200 litho samples and 568 soil sediment samples were taken while 6,680 geochemical assays were submitted. The company plans 30,000 metres of drilling in 2011.

CEO: Tim Searcy

PO Box 80363

Olympia

Windhoek

Namibia

Tel: +264 61 237 863

Fax: +264 61 231 514

Email: tsearcy@auryxgold.com

Website:

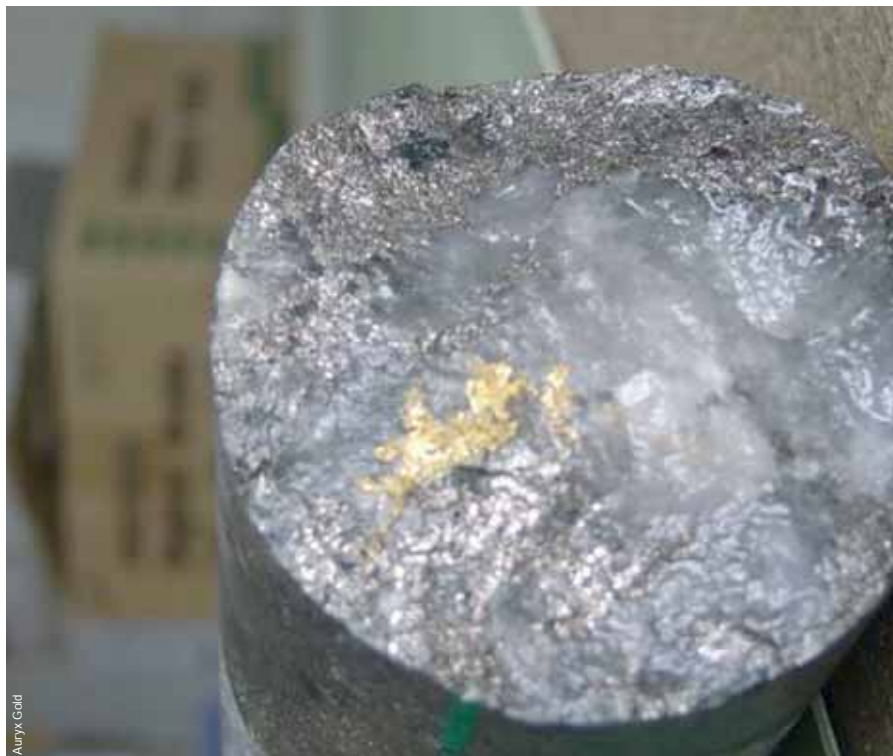
www.auryxgold.com

Highlights for 2010

- Takeover of Otjikoto gold project by Auryx Gold Corporation, a gold focused company
- Mining licence application lodged

Following the purchase of the 35 percent public float of Teal and an additional 15 percent from African Rainbow Minerals by Vale of Brazil in 2009, Vale initiated the process of divesting the Otjikoto gold project in September 2009. Exploration work on Otjikoto had hitherto been carried out by Avdale Namibia. Auryx Gold was named the preferred bidder for Otjikoto in February 2010 and closed the transaction in June 2010 for US\$28 million. Auryx Gold has 92 percent of its shares listed on the Toronto Stock Exchange while eight percent is held by EVI, a Namibian BEE company.

The Otjikoto gold deposit lies between Otavi and Otjiwarongo in northern Namibia. At a 0.8 gramme per tonne cut-off grade, the latest resource estimate comprises an inferred resource of 15.78 million tonnes at 1.94 grammes per tonne for 0.98 million ounces and an inferred resource of 8.40 million tonnes at 1.94 grammes per tonne for 0.52 million ounces.



Auryx Gold

Exploration Companies

Bannerman Mining Resources (Namibia)

Etango Uranium and Swakop River Projects

Current exploration licences

EPL3345

EPL3346

Pending licence renewals

None

Pending new licence applications

Mining licence (ML161) application lodged in December 2009

Highlights for 2010

- Obtained environmental clearance from Ministry of Environment and Tourism for Etango Project
- Total resources at Etango increased to more than 212 million pounds of uranium oxide

Bannerman Mining Resources (Namibia) is 80 percent owned by Bannerman Resources and 20 percent owned by Mr Clive Jones. The company has been conducting exploration work at the Etango and Swakop River Projects in the Erongo Region. Bannerman submitted a mining licence application for its Etango project in December 2009. The company received environmental clearance from the Ministry of Environment and Tourism in 2010 and plans to finalise its Definitive Feasibility Study over the course of 2011, including its planned heap leaching processing facility.

During 2010 Bannerman spent a total of N\$57.4 million on exploration within its two Namibian properties through its locally based team of 32 permanent employees and four contractors which employ 29 people. In total RC drilling of 137 holes totaling 21,304 metres and diamond drilling of 21 holes totaling 4,345 metres was carried out during the year. A total of 25,649 litho samples and 18,963 geochemical assays were submitted for analysis. Ground radiometric, HLEM, GPR, downhole surveys and radiometrics were conducted. This exploration work led to an upward revision of the resource to a measured resource of 29.3 million pounds at 205ppm, an indicated resource of 120.4 million pounds at 200 ppm and an inferred resource of

63.9 million pounds at 176ppm. Bannerman awarded a further five bursaries in 2010 in addition to the one already granted. Labour relations were good with no strikes or industrial action. No fatalities and no LTIs were recorded during 2010. Bannerman's Affirmative Action plan received approval on 2 July 2010.

Bannerman's Community Development Programme has included a number of targeted initiatives including forging a partnership with the Erongo Development Foundation, sponsoring the communication and leadership organisation, Toastmasters and associated school debating competitions, supporting the Swakopmund Mayoral Development Fund through donations from the company and its staff and volunteering activities, and collaboration and sponsorship of the Hospitality Association of Namibia.

Bannerman has been widely acclaimed for its post exploration rehabilitation programme which included the rehabilitation of 387 drill holes in 2010. It has contributed directly to research in Namibia through expenditure on its Environmental Impact Assessment process which culminated in a number of stakeholder meetings in Windhoek and

Swakopmund during 2010. Bannerman works closely with the Coastal Tourism Association of Namibia, including regular meetings with its executive and presentations to its AGM. Through this co-operation Bannerman was a key sponsor of the Hospitality Association of Namibia's Annual Congress in September 2010.

Bannerman has also produced several environmental offsets in anticipation of the commencement of mining operations, predominantly involving the funding of additional scientific research beyond Bannerman's EIA process.

CEO: Leonard Jubber

GM: Brandon Munro

PO Box 2854

Swakopmund

Namibia

Tel: +264 64 416 200

Fax: +264 64 416 240

Email: dweidemann@

bannermanresources-na.com

Website:

www.bannermanresources.com.au



Exploration Companies

Cheetah Minerals Exploration

Current exploration licences

EPL3591
EPL3826
EPL3827
EPL3829
EPL3828
EPL3900
EPL 3899
EPL3516
EPL3517
EPL3518
EPL3553
EPL3554

Pending licence renewals

None

Pending new exploration licences

EPL4503
EPL4504
EPL4505

Highlights for 2010

- Very high resolution helicopter-borne geophysical survey on uranium licence areas with detailed follow-up and drilling
- Discovery of previously unknown uranium both in leucogranite and calcrete in preliminary drilling programmes
- Progress in base and precious metal licence areas through field mapping, geochemistry and airborne geophysical data interpretation

Cheetah Minerals is 100 percent owned by Manica Minerals, a privately held company. Cheetah's exploration model is to act as a specialist exploration management company operating with joint venture partners, outside contractors and consultants to evaluate licence areas covering uranium, base and precious metals. During 2010 Cheetah had two joint venture partnerships: with Pitchstone Exploration of Canada and Platina Resources of Australia. Cheetah spent N\$2.7 million on exploration during 2010 including RC drilling 31 holes of 1,335 metres, 54 litho samples, and 84.7 square kilometers of geochemical surveys. 3,562 sediment samples were

taken and 453 geochemical assays submitted. Ground geophysical surveys covered 509.68 line kilometers. A radiometric and magnetic gradiometer helicopter borne geophysical survey was carried out over 3,800 line kilometers. At this stage no resource estimates have been calculated as only early-phase drilling has been conducted on Cheetah's uranium licences.

Cheetah Minerals Exploration and Manica Minerals, as part of their mandate to conduct minerals exploration in Namibia, are committed to furthering graduate and postgraduate training of Namibian geologists. Dr Corner provides applied geophysics coursework to the Geology Honours students at the University of Namibia. This is an annual voluntary commitment which has been provided since the inception of the UNAM Geology Department and is sponsored by Cheetah.

On all projects, a strict environmental management plan (EMP) is followed in order to minimize their environmental footprints. A contracted environmental officer coordinates and monitors the company's environmental programme and ensures timely submission of biannual environmental reports to the Ministry of Environment and Tourism. Many of the programmes undertaken have been non-intrusive geophysical programmes. All drill sites are fully rehabilitated to standards set out in the EMP.

Director: Dr Branco Corner

PO Box 2055
 Swakopmund
 Namibia

Tel: +264 64 400 970
 Fax: +264 64 400 971
 Email: branko@iafrica.com.na



Exploration Companies

Craton Mining and Exploration

Omitiomire Copper Project

Current exploration licences

EPL3372

EPL3587

EPL3588

EPL3589

EPL3590

EPL4039

EPL 4431

EPL4054

EPL4055

Pending licence renewals

EPL3584

Pending new exploration licences

EPL4150

EPL4151

EPL4296

EPL4297

Environmental Impact Assessment on Omitiomire and undertook regular meetings with farmer associations, regional councils as well as a round of public meetings.

Exploration and Country Manager:

Karl Hartmann

PO Box 81126

Olympia

Windhoek

Namibia

Tel: +264 61 223 522

Fax: +264 61 220 028

Email: khartmann@mweb.com.na

Website:

www.interbasemetals.com

Highlights for 2010

- Prefeasibility study on Omitiomire deposit completed

Craton Mining and Exploration is 100 percent owned by International Base Metals of Australia. In Namibia the company is focused on exploration for copper.

In 2010 Craton spent N\$7.6 million on drilling within its Namibian properties through its locally based team of 32 permanent employees and two contractors. RC drilling of 113 holes totalling 10,075 metres in length was undertaken with 43 litho samples taken. Geochemical surveys were conducted on 1,633 square kilometers and 33,784 sediment samples were collected. The latest estimate for the Omitiomire deposit puts the resource at 117 million tonnes at 0.5 percent copper. The prefeasibility study for Omitiomire was completed during 2010. Development is based on open-pit mining with DMS pre-concentration and subsequent milling and floatation to produce copper concentrate with a grade higher than 50 percent.

No fatalities or LTIs were reported during 2010 and labour relations were good. The company completed an environmental scoping study and initiated an



Exploration Companies

Gecko Mining

Phosphate Mining

Current exploration licences

EPL4426

EPL4062

EPL4063

EPL4099

EPL4104

EPL4152

EPL4153

EPL4154

EPL4155

EPL4167

EPL4185

EPL4365

Pending renewals

EPL3545

Pending new licences

EPL4238

EPL4365

EPL4376

EPL4426

EPL4580

Management team:

Kobus Smit, Philip Ellis,

Robert de Villiers, Oliver

Krappmann

Managing Director:

Philip Ellis

PO Box 81307

Windhoek

Namibia

Tel: +264 61 225 826

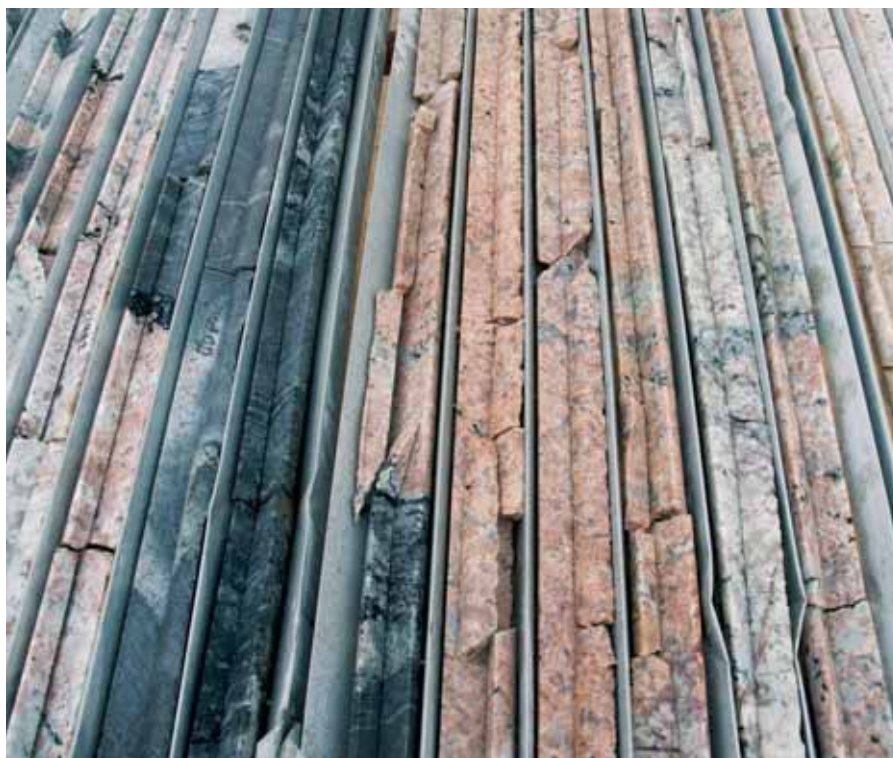
Fax: +264 61 225 304

Email: philip@gecko.na

Highlights for 2010

- Executed marine drop-core sampling programme
- Initiated joint venture on Okandjande graphite project

Gecko Mining is 74.1 percent owned by Kobus Smit and has local affiliates in Gecko Salt, Gecko Coal, Gecko Phosphate, Gecko Silica as well as Gecko Laboratories, Gecko Chemicals and Gecko Drilling. Gecko is focused on the challenge of adding value to Namibia's industrial minerals by producing chemical reagents. Gecko's team of 10 permanent and two temporary employees spent a total of N\$1.6 million on exploration work during 2010 primarily on offshore phosphate deposits within EPL4152. The drilling programme in 2010 consisted of 48 diamond drilling holes and 280 litho samples taken with 68 geochemical assays submitted. Furthermore, 1,150 square kilometers of underwater exploration was conducted for phosphate using drop-core sampling. No fatalities or LTIs were reported.



Exploration Companies

Namibia Rare Earths Inc.

Lofdal Rare Earth Project

Current exploration licences

EPL 3304

EPL 3399

EPL 3400

EPL 3432

EPL 3526

EPL 4133

EPL 4134

EPL 4360

Pending licence renewals

EPL 3399

EPL 3432

Pending new licence applications

EPL4208

Highlights for 2010

- Continued to expand area of rare earths potential in Lofdal
- Conducted first diamond drilling on project and confirmed mineralisation and importance of Namibia as potential rare earth producer

Namibia Rare Earths Inc. (NRE) was incorporated in 2010 to assume exclusive responsibility for the development of the Namibian assets of Etruscan Resources Inc. (now Endeavour Mining Corporation). To reflect this change, the name of the local operating company was also changed to Namibia Rare Earths (Pty) Ltd. Endeavour holds 41 percent of NRE. The aim of NRE was to obtain a public listing on the Toronto Stock Exchange in early 2011 in order to raise sufficient capital to accelerate the development of the Lofdal Project in Namibia as well as to carry out exploration work on its other Namibian EPLs. The company successfully completed its listing on the TSX in April 2011.

NRE spent N\$16.2 million on exploration activities during 2010 including the completion of 20 diamond drilling holes totaling 2,165 metres in length, taking and submitting 4,795 litho samples, conducting geochemical surveys over 10 square kilometers, carrying out ground magnetic, radiometric and gravity surveys, downhole radiometric, magnetic, gravity and optical/acoustic surveys over

9.5 square kilometres, and completing magnetic and radiometric surveys over 265 square kilometres. NRE focused on working with local farmers and assisting in the upgrading of water supply wells and provided logistical support and data to UNAM graduates and for honours theses studies. The company sponsored students to geological conferences and encouraged contractors to engage and train local workforce from Khorixas for field programmes.

There is a need for a greater and more diversified supply of rare earth elements given mounting concern over future supply shortages. China presently controls over 95 percent of world supplies. Prices of rare earths have risen and are projected to continue to rise. The Lofdal Project in Namibia has the potential to become an important source of rare earths, especially the more valuable "heavy" rare earths. NRE has strongly advocated Namibia's reputation as an excellent mining jurisdiction and its rare earth elements (REE) potential to global investors.

CEO: Gerald J. McConnell

828 Dalton Street
Southern Industrial Area
PO Box 31694
Windhoek

Tel: +264 61 303 207

Fax: +264 61 303 210

Email: dburton@namibiaree.com

Website:

www.NamibiaREE.com

Exploration Companies

Reptile Uranium Namibia

Ongolo Uranium and Shiyela Iron Projects

Current exploration licences

EPL 3496

EPL 3497

EPL 3498

EPL 3499

GM: Klaus Frielingsdorf

PO Box 2538

Swakopmund

Tel: +264 64 415 200

Fax: +264 64 405 384

Email: klaus@reptile.com.na

Website:

www.reptileuranium.com.na

Highlights for 2010

- Discovery of Ongolo alaskite deposit
- Discovery of Shiyela iron/magnetite deposit

Reptile Uranium Namibia is 100 percent owned by Deep Yellow Limited (Australia) which is listed on the Australian Stock Exchange.

In 2010 Reptile spent N\$60.0 million on drilling work on its tenements through its locally based team of 52 permanent employees, 10 temporary employees and various drilling contractors. Reptile's local staff are all Namibians. RC drilling of 2,419 holes totalling 134,146 metres in length and 37 diamond drilling holes of 5,288 metres in length was undertaken. A litho sample was taken of every metre drilled. Reptile plans to apply for three mining licences, advance other projects and complete feasibility studies. Drilling of 150,000 metres of RC drilling has been budgeted.

No environmental issues were reported and areas where exploration is complete have been fully rehabilitated and signed off by wardens from Namibia's National Parks. Reptile Uranium funds the Bicycle Empowerment Network (BEN) Namibia as well as clean-up campaigns of the Swakop River from the coast to Rossmund two or three times a year as its main community initiatives.



Reptile Uranium Namibia

Exploration Companies

Swakop Uranium

Husab Uranium Project

Current exploration licences

EPL3138

EPL3439

Pending licence renewals

EPL3138

Pending new licence applications

Mining licence application lodged in December 2010

Highlights for 2010

- Completion of engineering cost study for Husab Uranium Project
- Establishment of project owner's team
- Updated resource estimate to fifth largest uranium-only resources in world
- Approval of EIA by Ministry of Environment and Tourism
- Submission of mining licence application to Ministry of Mines and Energy

Extract Resources is listed on the Australian, Toronto and Namibian Stock Exchanges and operates in Namibia through its wholly-owned subsidiary Swakop Uranium. At the end of 2010, Extract's shareholders included Kalahari Minerals, Rio Tinto, and Itochu. The company has been conducting intensive exploration work on the Husab deposit in the Erongo region since its discovery in February 2008. During 2010 Extract focused attention on expanding the resource and undertaking work in preparation for the Definitive Feasibility Study for Zones 1 and 2 of its Husab Project completing the engineering cost study for a mine producing 15 million pounds of uranium oxide per annum 33 months after project approval. If it goes ahead, Husab will be the world's third largest uranium mine. Extract spent a total of N\$381.5 million on exploration activities in the course of 2010 during which Norman Green was appointed CEO of Swakop Uranium in March 2010. Swakop Uranium submitted its EIA to the Ministry of Environment and Tourism for approval in November 2011 and submitted its application for a mining licence with the Ministry of Mines and Energy in December 2010.

Given the advanced stage of exploration and the transition to mine development, Extract's locally based team had expanded to 27 permanent and 89 temporary employees by the end of the year. In total RC drilling of 1098 holes totaling 269,252 metres and diamond drilling of 260 holes totaling 53,528 metres was carried out during the year within a drilling budget of N\$171.3 million. A total of 248,936 samples were submitted for analysis. By September 2010 the Husab deposit was confirmed as the world's fifth largest uranium-only deposit. Extract has defined indicated mineral resources of 241 million tonnes at 480ppm for 257 million pounds of uranium oxide at Zones 1 and 2 of the Husab Uranium Project and inferred mineral resources of 125 million tonnes at 400ppm for 110 million pounds of uranium oxide at Zones 1,2,3 and 4.

Labour relations were good during the year with no strikes, demonstrations or disputes and successful wage negotiations. A total of eight LTIs were

recorded during the year. CSR initiatives were confined to the awarding of study bursaries to six university students in electrical, mining, chemical, mechanical, and civil engineering as well as accountancy while grants were awarded to two Namibian geologists to further their studies. The company spent N\$15 million on environmental monitoring during 2010. Swakop Uranium publishes a six-monthly newsletter called "Vision".

CEO: Norman Green

PO Box 81162

Olympia

Windhoek

Namibia

Tel: +264 61 300220

Fax: +264 61 300221

Email:

normang@swakopuradium.com.na

Website:

www.extractresources.com



Exploration Companies

Valencia Uranium

Valencia and Namibplaas Uranium Projects

Current exploration licences

EPL3638

Current mining licences

ML149, issued in August 2008

Highlights for 2010

- Construction of new access road from B2 Highway to Valencia mine site
- Drilling commenced at Namibplaas Uranium Project on EPL3638
- Usakos Community Development Project commenced

Valencia Uranium is 100 percent owned by Forsys Metals Corporation which is listed on the Toronto, Frankfurt and Namibian Stock Exchanges. Valencia Uranium was awarded mining licence ML149 in August 2008 by the Minister of Mines and Energy. In addition to this project, Valencia Uranium also manages the exploration activities of the other uranium interest belonging to Forsys, namely the 70 percent interest in Dune-field, the holder of EPL3638.

No changes were made to the reported resource for the Valencia Uranium Project during 2010. Instead, exploration work focused on the Namibplaas Uranium Project within EPL3638, some seven kilometers from Valencia, at a cost of N\$9.3 million. RC drilling completed 39 holes totaling 8,113 metres in length. Diamond drilling completed 19 holes totaling 4,666 metres in length. A total of 1,650 litho samples were taken and 1,650 geochemical assays submitted for analysis. Valencia plans to undertake a major drilling programme at Namibplaas during 2011 – including 3,500 metres of diamond and 52,000 metres of percussion drilling – with the aim of establishing a resource estimate by the third quarter

of the year.

No fatalities or LTIs were reported for 2010. The company signed an agreement with the Usakos Town Council and the community to establish the Usakos Community Vegetable Project. Valencia will contribute N\$2.7 million towards this initiative.

General Manager:

Dr Roger Laine

PO Box 40155

Ausspannplatz

Namibia

Tel: +264 61 219 462

Fax: +264 61 219 267

Email: vul@forsysmetals.com

Website:

www.forsysmetals.com



Mining and the Economy

Gross Domestic Product

The latest official statistics show that Namibia's mining sector generated N\$7.7 billion (US\$912 million) of value added during 2009 contributing 10.0 percent towards the country's Gross Domestic Product (GDP) of N\$77.8 billion (US\$9.2 billion). Diamond mining delivered N\$2.8 billion (US\$333 million) while other mining and quarrying produced N\$4.9 billion (US\$584 million). The year 2009 was the second consecutive year that non-diamond mining generated more value added than diamond mining. If copper smelting and zinc refining were also included, value added from the mining sector would have been even greater.

Exports

Exports from the mining sector reached N\$10.9 billion (US\$1.3 billion) to which must be added exports of blister copper and refined zinc. Mineral-related exports accounted for 44 percent of Namibia's total merchandise exports.

Fixed Investment

In 2009 the mining industry spent N\$3.3 billion (US\$395 million) on fixed investment contributing 17.2 percent to Namibia's entire fixed investment of N\$19.3 billion (US\$2.3 billion). Despite the downturn, the mining sector again spent more on fixed investment than any other sector of the economy with the exception of Government accounting for over one sixth of all fixed investment in the country. Exploration expenditure reached N\$677 million (US\$80 million), its highest level since Independence.

Employment

At the end of 2010, Chamber members (excluding exploration companies and associate members but including the Namibian Institute of Mining and Technology and Namibia Custom Smelters) directly employed 6,847 permanent and 409 temporary employees as well as an additional 5,931 contractors. These Chamber members paid out more than N\$2.0 billion (US\$290 million) in wages and salaries during the year.

Skills

The mining industry continued to invest heavily in people. Despite the need to cut costs, Chamber members awarded a total of 73 higher education and trade bursaries in 2010 for higher education in Namibia, South Africa and elsewhere as well as vocational training at the Namibian Institute of Mining and Technology. In addition some N\$97.8 million (US\$14 million) was spent on a wide range of skills development.

Taxation

In 2009/10 (the latest year for which actual revenue figures as opposed to budget estimates are available) the Ministry of Finance estimated that tax revenue from profits taxes on the mining industry amounted to N\$511.3 million (US\$61 million) from diamond mining and N\$61.1 million (US\$7 million) from other mining. Diamond royalty tax yielded N\$230.8 million (US\$27 million) while other mineral royalties generated N\$261.0 million (US\$31 million). No dividends were paid by Namdeb (in which the Government has a 50 percent shareholding) but Rössing (in which the Government of Namibia has a three percent shareholding) paid N\$8.5 million (US\$1 million). The Namibia Diamond Trading Company paid N\$100.0 million (US\$12 million).

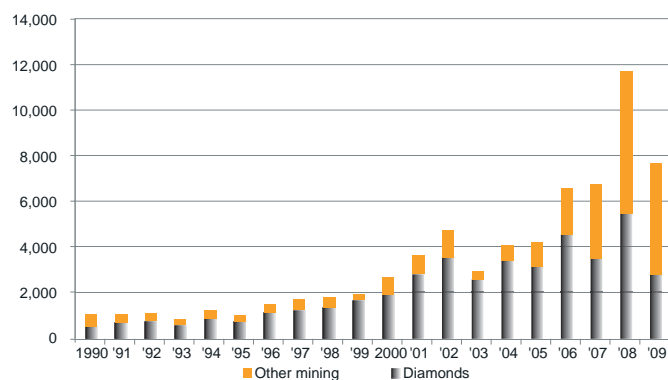
In 2011/12 the Ministry of Finance budgets that profits tax revenue from the mining industry will amount to N\$746.3 million (US\$107 million) from diamond mining and N\$704.4 million (US\$101 million) from other mining. Diamond royalties are expected to yield N\$350.0 million (US\$50 million) and other mineral royalties N\$360.0 million (US\$51 million). If PAYE, Non Resident Shareholders Tax (NRST) and other tax payments by the mining industry to Namibia's fiscus are taken into account, tax revenue from the industry would be far higher.

Conversions to US dollars for the year 2009 have been made using an average exchange rate for 2009 of N\$8.44:US\$ used by the Central Bureau of Statistics in the National Planning Commission while conversions to US dollars for 2010 and 2011/12 have been made using the exchange rate of N\$7:US\$.

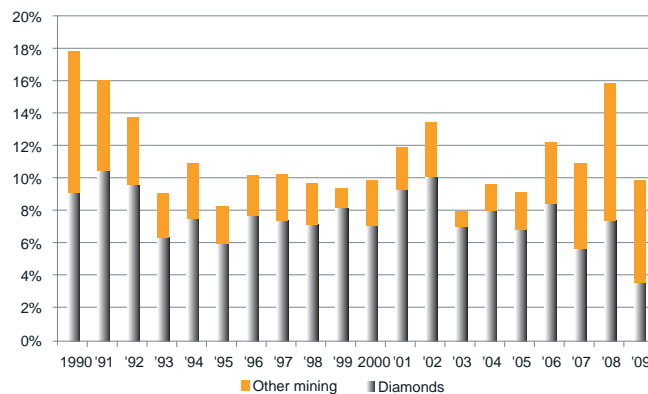
| N\$m | 2008/09 actual | 2009/10 actual | 2010/11 actual | 2011/12 budget |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Company taxes | | | | |
| Diamond mining companies | 498.8 | 511.3 | 370.4 | 746.3 |
| Other mining companies | 730.9 | 61.1 | 214.8 | 704.4 |
| Royalties | | | | |
| Diamond royalties | 451.8 | 230.8 | 251.0 | 350.0 |
| Other mineral royalties | 92.8 | 261.0 | 150.0 | 360.0 |
| Dividends | | | | |
| Namdeb | 0.0 | 0.0 | 0.0 | 0.0 |
| Rössing | 8.6 | 8.5 | 7.6 | 5.3 |
| NDTC | 25.0 | 100.0 | 60.0 | 50.0 |
| Total revenue from mining | 1,807.9 | 1,172.7 | 1,053.8 | 2,216.0 |

Mining and the Economy

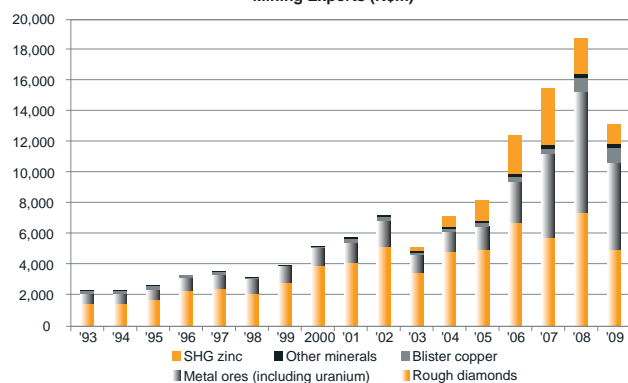
Mining Value Added in Current Prices (N\$m)



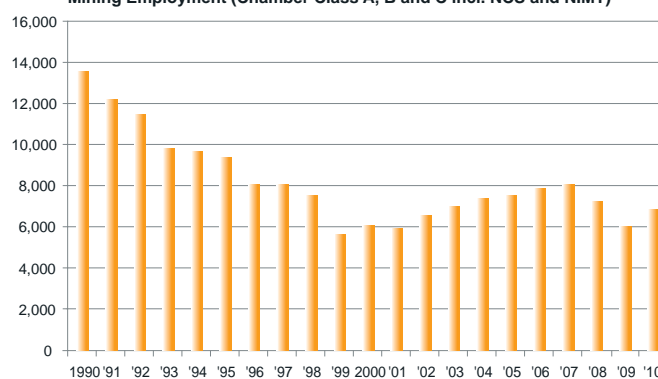
Mining Value Added as Percentage of GDP



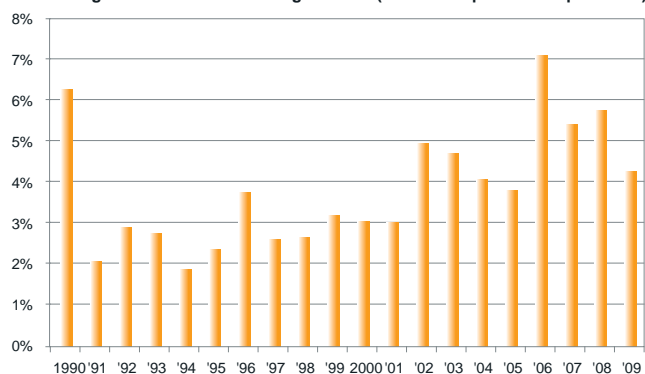
Mining Exports (N\$m)



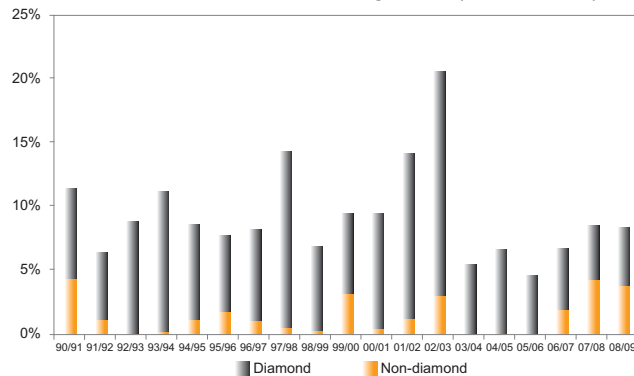
Mining Employment (Chamber Class A, B and C incl. NCS and NIMT)



Mining Investment as Percentage of GDP (includes exploration expenditure)

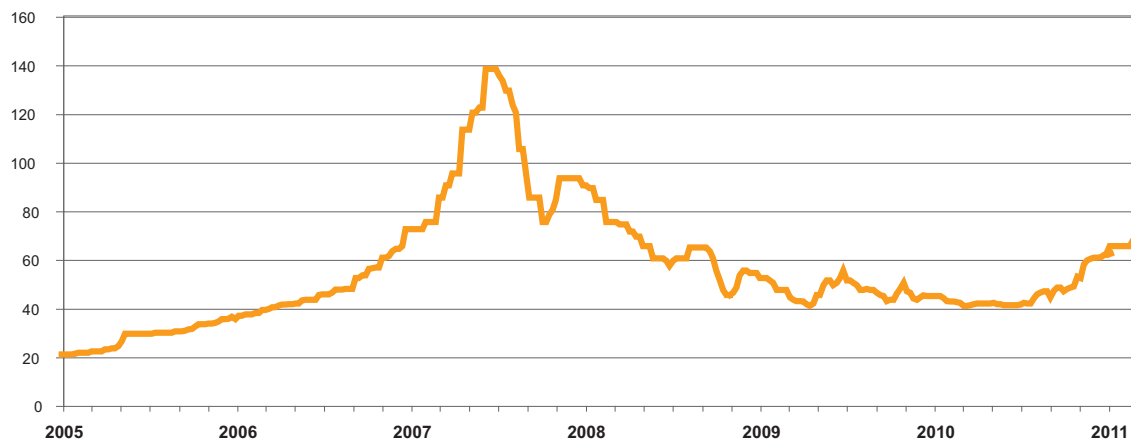


Diamond and Non-diamond Mining Taxation (% of tax revenue)



Key Mineral Prices

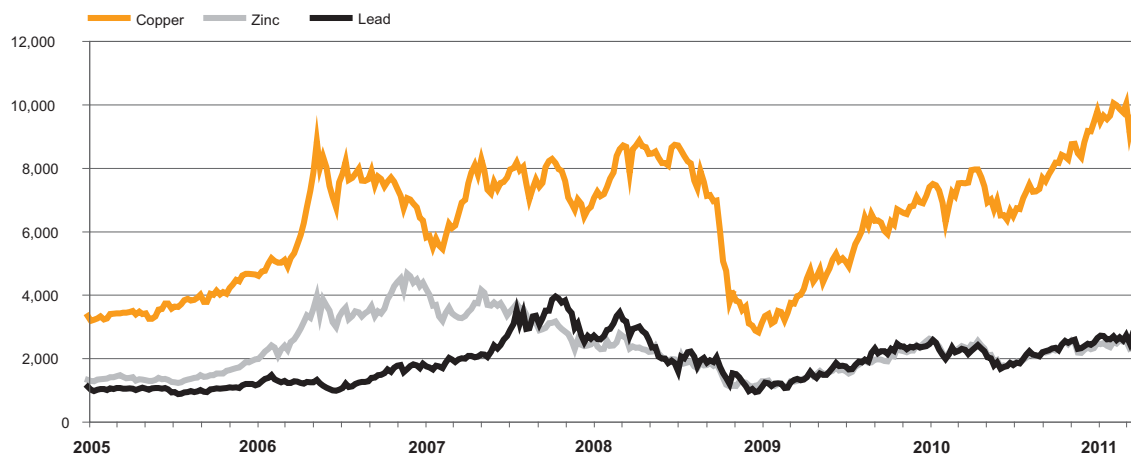
Weekly uranium price (US\$/pound)



Weekly gold price (US\$/troy ounce)



Weekly base metal price (US\$/tonne)



Annex 1 - Key Statistics

Output by Mine

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
|--|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Diamond Fields (carats) | | | | | | | | | 5,802 |
| Langer Heinrich (tonnes of uranium oxide) | | | | | | | | | |
| Namdeb total (carats) | 750,115 | 1,186,133 | 1,547,966 | 1,138,998 | 1,302,918 | 1,340,631 | 1,357,775 | 1,359,100 | 1,275,228 |
| Namdeb (carats) | | | | | | | | | |
| De Beers Marine Namibia (carats) | | | | | | | | | |
| Beach and marine contractors (carats) | | | | | | | | | |
| Navachab (kg of gold) | 1,453 | 1,709 | 1,865 | 1,790 | 2,188 | 1,893 | 2,015 | 2,302 | 1,855 |
| Namibia Custom Smelters* | | | | | | | | | |
| Blister copper (tonnes) | 29,145 | 29,365 | 33,030 | 29,345 | 25,494 | 25,140 | 16,659 | 16,029 | 8,014 |
| Ocean Diamond Mining Holdings Ltd (carats) | | | | | | | | 59,113 | 59,718 |
| Okorusu Fluorspar (wet metric tonnes of fluorspar) | 25,980 | 29,246 | 37,176 | 42,249 | 50,645 | 36,889 | 32,285 | 23,208 | 42,139 |
| Rosh Pinah Zinc Corporation | | | | | | | | | |
| Zinc concentrate (tonnes) | 66,291 | 62,754 | 68,337 | 53,995 | 64,567 | 59,305 | 69,689 | 74,632 | 78,617 |
| Lead concentrate (tonnes) | 23,875 | 19,470 | 19,681 | 16,859 | 24,639 | 26,421 | 28,211 | 26,288 | 24,273 |
| Rössing Uranium (tonnes of uranium oxide) | n/a | 3185* | 2190* | 2168* | 2471* | 2,608 | 3,188 | 3,425 | 3,278 |
| *short tons | | | | | | | | | |
| Sakawe Mining Corporation (carats) | | | | | | | | | |
| Salt & Chemicals (tonnes of coarse salt) | n/a | n/a | n/a | n/a | 284,705 | 320,000 | 258,721 | 432,290 | 434,198 |
| Skorpion Zinc (tonnes of SHG zinc) | | | | | | | | | |
| The Salt Company | | | | | | | | | |
| Coarse salt (tonnes) | 110,800 | 90,727 | 62,600 | 80,000 | 58,930 | 60,000 | 43,550 | 47,270 | 61,915 |
| Refined salt (tonnes) | 980 | 1,065 | 1,153 | 1,200 | 800 | 1,670 | 1,715 | 5,854 | 5,223 |
| Rock salt (tonnes) | n/a | 6,430 | 6,678 | 4,011 | 3,202 | 3,700 | n/a | 5,008 | 6,025 |
| Table Salt (tonnes) | | | | | | | | | |
| Weatherly Mining Namibia* | | | | | | | | | |
| Contained copper (tonnes) | | | | | | | | | |
| Kombat mine | | | | | | | | | |
| Copper concentrate (tonnes) | 30,727 | 37,957 | 33,362 | 30,460 | 26,742 | 34,079 | 18,470 | 18,858 | 8,160 |
| Otjihase mine | | | | | | | | | |
| Copper concentrate (tonnes) | 34,138 | 34,498 | 44,864 | 51,144 | 43,561 | 35,419 | 25,882 | 26,283 | 7,045 |
| Pyrite concentrate (tonnes) | 138,924 | 127,119 | 164,191 | 100,575 | 121,634 | 103,140 | 90,735 | 93,684 | 28,174 |
| Tsumeb operations | | | | | | | | | |
| Copper concentrate (tonnes) | 43,387 | 44,225 | 36,952 | 28,710 | 27,581 | 12,148 | 12,743 | 5,340 | 7,614 |
| Khusib Springs | | | | | | | | | |
| Copper concentrate (tonnes) | | | | | | | | 21,473 | |

* until 1998 TCL, from 2000 to 2006 Ongopolo Mining and Processing

Chamber of Mines Annual Review 2010

| 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|-----------|
| 6,692 | - | 16,470 | 25,401 | 16,762 | 29,477 | n/a | n/a | n/a | n/a | n/a | n/a |
| | | | | | | | | 321 | 1,052 | 1,170 | 1,678 |
| 1,289,776 | 1,320,308 | 1,384,704 | 1,275,899 | 1,454,756 | 1,858,383 | 1,774,000 | 2,084,800 | 2,177,516 | 2,132,165 | 929,000 | 1,471,000 |
| | | | 696,914 | 807,139 | 992,872 | 878,000 | 1,000,743 | 1,068,933 | 1,039,000 | 329,000 | 491,000 |
| | | | 513,053 | 602,037 | 841,965 | 922,000 | 1,017,867 | 1,048,302 | | 600,000 | 980,000 |
| | | | 65,932 | 45,580 | 23,546 | | 66,269 | 67,110 | | | |
| 2,008 | 2,399 | 2,694 | 2,650 | 2,298 | 2,068 | 2,519 | 2,675 | 2,519 | 2,115 | 2,014 | 2,683 |
| - | 5,082 | 27,015 | 17,850 | 26,306 | 26,306 | 22,563 | 22,711 | n/a | 16,586 | 21,543 | 25,019 |
| 73,327 | | | | | | | | | | | |
| 57,700 | 66,128 | 81,245 | 81,084 | 79,349 | 104,767 | 114,886 | 132,249 | 118,766 | 118,263 | 80,857 | 104,494 |
| 69,193 | 73,535 | 70,610 | 77,587 | 107,920 | 123,272 | 126,123 | 105,134 | 94,855 | 94,236 | 94,000 | 101,040 |
| 19,283 | 20,665 | 26,182 | 24,140 | 31,453 | 27,188 | 24,690 | 21,974 | 21,876 | 20,155 | 20,000 | 19,202 |
| 3,171 | 3,201 | 2,640 | 2,751 | 2,401 | 3,582 | 3,711 | 3,617 | 3,046 | 4,067 | 4,150 | 3,628 |
| | | | | | 119,546 | 120,100 | 260,045 | 145,126 | n/a | 0 | 0 |
| 429,230 | 482,000 | 500,441 | 552,000 | 567,000 | 717,000 | 670,000 | 576,000 | 665,000 | 642,000 | 720,000 | 792,000 |
| | | | 35 | 47,436 | 119,205 | 132,813 | 129,897 | 150,080 | 145,396 | 150,400 | 151,688 |
| 60,100 | 32,077 | 58,000 | 54,729 | 84,818 | 62,583 | 66,994 | 61,423 | 66,585 | 90,000 | 61,800 | n/a |
| 7,220 | 4,347 | 11,250 | 9,640 | 11,099 | 11,384 | 10,135 | 12,285 | 13,317 | | 9,000 | n/a |
| 6,220 | 4,585 | 6,400 | 5,631 | 11,421 | 7,069 | 7,399 | 9,072 | 10,200 | | 4,950 | n/a |
| | | | | 9,188 | 4,338 | 5,189 | 5,265 | 5,707 | | 3,400 | n/a |
| | | | | | | | 6,307 | n/a | 8,775 | 0 | 0 |
| - | 15,614 | 18,180 | 23,836 | 16,701 | 16,535 | | | | | 0 | 0 |
| - | 3,485 | 26,152 | 39,125 | 35,511 | 28,071 | | | | | 0 | 0 |
| - | 11,967 | 56,994 | 3,633 | 31,786 | 3,658 | | | | | 0 | 0 |
| - | | | 1,036 | 12,657 | 14,573 | | | | | 0 | 0 |
| | | | | | | | | | | | |

Permanent Employment by Mine

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
|---|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| African Bounty | | | | | | | | | |
| AREVA Resources Namibia | | | | | | | | | |
| De Beers Marine Namibia | | | | | | | | | |
| Diamond Fields (Namibia) | | | | | | | | | 7 |
| Diaz Point Exploration | | | | | | | | | |
| Imcor Tin (Uis tin mine) | 60 | | 60 | | | | | | |
| Langer Heinrich Uranium | | | | | | | | | |
| Namdeb Diamond Corporation | 6,731 | 6,283 | 5,708 | 4,673 | 4,645 | 4,448 | 3,933 | 3,531 | 3,175 |
| Namibia Custom Smelters | | | | | | | | | |
| Namibian Minerals Corporation* | | | | | | | | 69 | 72 |
| Navachab | 153 | 339 | 292 | 288 | 278 | 269 | 294 | 372 | 339 |
| NIMT | | | | | | | | | |
| Okorusu Fluorspar | | 123 | 113 | 128 | 129 | 139 | 146 | 149 | 165 |
| Ongopolo Mining and Processing (formerly TCL) | | | | | | | | | |
| • Ongopolo Processing (formerly Tsumeb smelter) | 697 | 626 | 457 | 657 | 608 | 597 | 468 | 525 | 521 |
| • Tsumeb mine | 1,693 | 1,545 | 1,585 | 1,159 | 1,100 | 1,100 | 511 | 448 | 374 |
| • Kombat mine | 642 | 637 | 632 | 611 | 591 | 591 | 507 | 517 | 521 |
| • Otjihase mine | 627 | 642 | 647 | 656 | 617 | 583 | 528 | 509 | 498 |
| • Khusib Springs | | | | | | | | 36 | |
| Rosh Pinah Zinc Corporation | 449 | 507 | 530 | 337 | 340 | 347 | 402 | 425 | 433 |
| Rössing Uranium | 2,378 | 1,495 | 1,391 | 1,295 | 1,284 | 1,239 | 1,190 | 1,249 | 1,182 |
| Salt & Chemicals | | | | | 40 | 41 | 80 | 81 | 83 |
| Sakawe Mining Corporation | | | | | | | | | |
| Skorpion Zinc and Namzinc | | | | | | | | | |
| SWA Lithium Mines (Rubicon mine) | 101 | | | | | | | | |
| The Salt Company | 71 | 68 | 86 | 50 | 61 | 58 | 60 | 49 | 57 |
| Weatherly Mining Namibia | | | | | | | | | |
| Total employment | 13,605 | 12,265 | 11,501 | 9,854 | 9,693 | 9,775 | 8,119 | 8,118 | 7,587 |

Note: Namdeb Diamond Corporation (Pty) Ltd
employment figures include subsidiary

| 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | | | | | | | | | | 14 |
| | | | | | | | | | | | 206 |
| | | | | 546 | 565 | 596 | 622 | 622 | 684 | 489 | 509 |
| | | 4 | 3 | 3 | 31 | n/a | n/a | n/a | n/a | n/a | n/a |
| 85 | 50 | 81 | 64 | 45 | | | | | n/a | n/a | n/a |
| | | | | | | | | | | | |
| | | | | | | 20 | 132 | 132 | 167 | 215 | 268 |
| 3,269 | 3,024 | 2,916 | 2,890 | 2,953 | 2,993 | 2,913 | 3,000 | 2,940 | 2,594 | 1,480 | 1,651 |
| | | | | | | | | | | 260 | 368 |
| 75 | 261 | 167 | 300 | | | | | | | | |
| 361 | 314 | 311 | 311 | 146 | 246 | 280 | 267 | 267 | 360 | 405 | 405 |
| | | | | | | 65 | 95 | 95 | 105 | 160 | 160 |
| 139 | 151 | 157 | 186 | 197 | 208 | 249 | 248 | 248 | 273 | 207 | 254 |
| | | | | | | 903 | 903 | 944 | n/a | | |
| | 217 | 271 | 224 | 212 | 212 | | | | | | |
| | | | 50 | 101 | 110 | | | | | | |
| | 306 | 301 | 265 | 262 | 262 | | | | | | |
| | 379 | 283 | 314 | 366 | 362 | | | | | | |
| | | | | | | | | | | | |
| 424 | 438 | 491 | 511 | 498 | 502 | 523 | 556 | 556 | 523 | 593 | 575 |
| 1,006 | 808 | 798 | 771 | 817 | 930 | 860 | 939 | 1,175 | 1,307 | 1,415 | 1,592 |
| 87 | 96 | 101 | 98 | 105 | 108 | 110 | 110 | 110 | 110 | 46 | 46 |
| | | | | 18 | 210 | 283 | n/a | n/a | n/a | 37 | 30 |
| | | | 507 | 598 | 616 | 666 | 677 | 669 | 690 | 674 | 682 |
| | | | | | | | | | | | |
| 67 | 59 | 67 | 70 | 73 | 72 | 75 | 78 | 79 | 78 | 78 | 85 |
| | | | | | | | | | | | 2 |
| 5,653 | 6,103 | 5,948 | 6,622 | 7,047 | 7,445 | 7,644 | 8,005 | 8,215 | 7,374 | 6,226 | 6,847 |

Mining and the Economy

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
|---|-------------|--------|--------|--------|--------|-------------|--------|--------|--------|
| Value added (N\$m current prices) | | | | | | | | | |
| Diamonds | 554 | 722 | 775 | 598 | 872 | 763 | 1,169 | 1,251 | 1,358 |
| Other mining | 530 | 381 | 337 | 253 | 396 | 295 | 371 | 478 | 477 |
| Mining and quarrying | 1,084 | 1,103 | 1,112 | 851 | 1,268 | 1,058 | 1,540 | 1,729 | 1,835 |
| GDP (N\$m current prices) | 6,053 | 6,857 | 8,050 | 9,302 | 11,549 | 12,706 | 15,011 | 16,751 | 18,789 |
| As % of GDP | | | | | | | | | |
| Diamonds | 9.2% | 10.5% | 9.6% | 6.4% | 7.6% | 6.0% | 7.8% | 7.5% | 7.2% |
| Other mining | 8.8% | 5.6% | 4.2% | 2.7% | 3.4% | 2.3% | 2.5% | 2.9% | 2.5% |
| Mining and quarrying | 17.9% | 16.1% | 13.8% | 9.1% | 11.0% | 8.3% | 10.3% | 10.3% | 9.8% |
| Value added (N\$m constant prices) | | | | | | | | | |
| | 1990 prices | | | | | 1995 prices | | | |
| Diamonds | 554 | 852 | 1,045 | 762 | 845 | 763 | 783 | 782 | 793 |
| Other mining | 530 | 443 | 380 | 348 | 383 | 295 | 317 | 363 | 324 |
| Mining and quarrying | 1084 | 1,295 | 1,425 | 1,110 | 1,228 | 1,058 | 1,100 | 1,145 | 1,117 |
| % growth | | | | | | | | | |
| Diamonds | | 53.8% | 22.7% | -27.1% | 10.9% | | 2.6% | -0.1% | 1.4% |
| Other mining | | -16.4% | -14.2% | -8.4% | 10.1% | | 7.5% | 14.5% | -10.7% |
| Mining and quarrying | | 19.5% | 10.0% | -22.1% | 10.6% | | 4.0% | 4.1% | -2.4% |
| Gross Fixed Capital Formation (N\$m current prices) | | | | | | | | | |
| Mining and quarrying | 380 | 142 | 234 | 258 | 217 | 302 | 567 | 437 | 500 |
| as % of value added | 35.1% | 12.9% | 21.0% | 30.3% | 17.1% | 28.5% | 36.8% | 25.3% | 27.2% |
| as % of GDP | 6.3% | 2.1% | 2.9% | 2.8% | 1.9% | 2.4% | 3.8% | 2.6% | 2.7% |
| Exploration expenditure (N\$m current prices) | | | | | | | | | |
| | | | | | | 190 | 237 | 112 | 124 |
| Exports of ores and minerals (N\$m current prices) | | | | | | | | | |
| Metal ores including uranium ore | | | | 625 | 601 | 601 | 838 | 905 | 945 |
| Other minerals | | | | 24 | 51 | 40 | 28 | 22 | 39 |
| Diamonds | | | | 1,515 | 1,486 | 1,763 | 2,328 | 2,495 | 2,150 |
| Total | | | | 2,164 | 2,138 | 2,404 | 3,194 | 3,422 | 3,134 |
| Copper | | | | 188 | 244 | 250 | 154 | 194 | 52 |
| Zinc refined | | | | | | | | | |
| Total mining exports (N\$m current prices) | | | | 2,352 | 2,382 | 2,654 | 3,348 | 3,616 | 3,186 |
| Total exports of goods | | | | 4,052 | 4,659 | 5,112 | 6,095 | 6,167 | 6,812 |
| Diamonds as % of merchandise exports | | | | 37% | 32% | 35% | 38% | 41% | 32% |
| Minerals as % of merchandise exports | | | | 58% | 51% | 52% | 55% | 59% | 47% |
| Source: CBS National Accounts | | | | | | | | | |

| | | | | | | | | | |
|---|------|------|------|------|------|------|-------|------|-------|
| Exploration expenditure (N\$m current prices) | 66.9 | 39.3 | 20.5 | 38.2 | 37.8 | 94.8 | 118.3 | 97.1 | 124.0 |
| Source: CMN annual reports | | | | | | | | | |
| | | | | | | | | | |
| Number of Class D members | 13 | 12 | 14 | 15 | 14 | 19 | 22 | 25 | 21 |
| Source: CMN annual reports | | | | | | | | | |

| 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------|
| 1,697 | 1,934 | 2,854 | 3,591 | 2,630 | 3,444 | 3,182 | 4,591 | 3,535 | 5,500 | 2,812 | n/a |
| 253 | 756 | 808 | 1,202 | 362 | 704 | 1,075 | 2,063 | 3,281 | 6,272 | 4,932 | n/a |
| 1,950 | 2,689 | 3,661 | 4,793 | 2,992 | 4,147 | 4,257 | 6,654 | 6,816 | 11,772 | 7,744 | n/a |
| 20,684 | 27,125 | 30,535 | 35,430 | 37,304 | 42,679 | 46,177 | 54,028 | 62,080 | 74,016 | 77,812 | n/a |

| | | | | | | | | | | | |
|------|------|-------|-------|------|------|------|-------|-------|-------|-------|-----|
| 8.2% | 7.1% | 9.3% | 10.1% | 7.1% | 8.1% | 6.9% | 8.5% | 5.7% | 7.4% | 3.6% | n/a |
| 1.2% | 2.8% | 2.6% | 3.4% | 1.0% | 1.6% | 2.3% | 3.8% | 5.3% | 8.5% | 6.3% | n/a |
| 9.4% | 9.9% | 12.0% | 13.5% | 8.0% | 9.7% | 9.2% | 12.3% | 11.0% | 15.9% | 10.0% | n/a |

2004
prices

| | | | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----|
| 908 | 1,858 | 1,631 | 2,504 | 2,377 | 3,444 | 2,872 | 3,962 | 3,840 | 3,815 | 1,919 | n/a |
| 303 | 641 | 659 | 610 | 484 | 704 | 826 | 756 | 902 | 791 | 613 | n/a |
| 1,211 | 2,499 | 2,290 | 3,115 | 2,860 | 4,147 | 3,697 | 4,718 | 4,742 | 4,606 | 2,532 | n/a |

| | | | | | | | | | | | |
|-------|-------|--------|-------|--------|-------|--------|-------|-------|--------|--------|-----|
| 14.5% | -6.7% | -12.2% | 53.6% | -5.1% | 44.9% | -16.6% | 38.0% | -3.1% | -0.6% | -49.7% | n/a |
| -6.5% | 13.2% | 2.8% | -7.4% | -20.7% | 45.5% | 17.3% | -8.5% | 19.4% | -12.3% | -22.5% | n/a |
| 8.4% | -1.7% | -8.4% | 36.0% | -8.2% | 45.0% | -10.9% | 27.6% | 0.5% | -2.9% | -45.0% | n/a |

| | | | | | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----|
| 662 | 831 | 923 | 1,760 | 1,765 | 1,738 | 1,762 | 3,842 | 3,367 | 4,274 | 3,337 | n/a |
| 33.9% | 30.9% | 25.2% | 36.7% | 59.0% | 41.9% | 41.4% | 57.7% | 49.4% | 36.3% | 43.1% | n/a |
| 3.2% | 3.1% | 3.0% | 5.0% | 4.7% | 4.1% | 3.8% | 7.1% | 5.4% | 5.8% | 4.3% | n/a |
| 175 | 167 | 249 | 146 | 264 | 472 | 477 | 482 | 540 | 605 | 677 | n/a |

| | | | | | | | | | | | |
|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----|
| 1,104 | 1,190 | 1,342 | 1,709 | 1,098 | 1,261 | 1,532 | 2,638 | 5,451 | 7,867 | 5,658 | n/a |
| 53 | 59 | 64 | 112 | 95 | 117 | 132 | 236 | 255 | 304 | 191 | n/a |
| 2,860 | 3,936 | 4,161 | 5,192 | 3,546 | 4,911 | 5,002 | 6,787 | 5,782 | 7,444 | 5,032 | n/a |
| 4,017 | 5,185 | 5,567 | 7,013 | 4,739 | 6,289 | 6,666 | 9,661 | 11,487 | 15,616 | 10,881 | n/a |
| 0 | 58 | 201 | 262 | 186 | 212 | 214 | 314 | 358 | 892 | 1,011 | n/a |
| | | | 242 | 694 | 1,318 | 2,518 | 3,693 | 2,289 | 1,288 | | n/a |
| 4,017 | 5,243 | 5,768 | 7,275 | 5,167 | 7,195 | 8,198 | 12,493 | 15,539 | 18,796 | 13,180 | n/a |
| 7,539 | 9,217 | 10,414 | 13,453 | 13,054 | 13,917 | 16,048 | 20,968 | 27,263 | 34,327 | 30,013 | n/a |
| 38% | 43% | 40% | 39% | 27% | 35% | 31% | 32% | 21% | 22% | 17% | n/a |
| 53% | 57% | 55% | 54% | 40% | 52% | 51% | 60% | 57% | 55% | 44% | n/a |

| | | | | | | | | | | | |
|-------|-------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|
| 175.0 | 167.0 | 249.0 | 146.0 | 264.0 | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| 21 | 24 | 15 | 14 | 14 | 15 | 15 | 18 | 27 | 28 | 31 | 36 |

Tax Revenue

| | 90/91 | 91/92 | 92/93 | 93/94 | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Revenue (N\$m) | | | | | | | | | |
| Non-diamond mining | | | | | | | | | |
| Budgeted | 130.0 | 51.0 | 20.0 | 48.0 | 63.0 | 30.0 | 40.0 | 60.0 | 61.0 |
| Actual | 75.8 | 26.1 | 2.6 | 5.8 | 37.5 | 65.6 | 44.8 | 28.6 | 19.2 |
| Non-diamond mineral royalties | | | | | | | | | |
| Budgeted | | | | | | | | | |
| Actual | | | | | | | | | |
| Diamond mining | | | | | | | | | |
| Diamond mining - budgeted | 73.0 | 0.0 | 53.0 | 60.0 | 105.0 | 105.0 | 100.0 | 100.0 | 200.0 |
| Diamond mining - actual | 62.3 | 0.0 | 90.2 | 164.1 | 126.0 | 85.1 | 89.9 | 505.0 | 161.4 |
| Diamond profits - budgeted | 14.0 | 9.0 | 25.0 | 3.0 | 10.5 | 0.0 | | | |
| Diamond profits - actual | 0.0 | 23.3 | 24.9 | 17.4 | | | | | |
| Diamond export - budgeted | 65.0 | 65.0 | 95.0 | 80.0 | 120.0 | 1.0 | | | |
| Diamond export - actual | 60.3 | 90.9 | 93.6 | 114.2 | 3.1 | | | | |
| Diamond royalties - budgeted | | | | | 0.0 | 140.0 | 160.0 | 176.0 | 249.9 |
| Diamond royalties - actual | | | | | 104.1 | 130.8 | 204.2 | 198.8 | 199.3 |
| Budgeted | 152.0 | 74.0 | 173.0 | 143.0 | 235.5 | 246.0 | 260.0 | 276.0 | 449.9 |
| Actual | 122.6 | 114.1 | 208.7 | 295.6 | 233.3 | 215.9 | 294.1 | 703.8 | 360.7 |
| All mining | | | | | | | | | |
| Budgeted | 282.0 | 125.0 | 193.0 | 191.0 | 298.5 | 276.0 | 300.0 | 336.0 | 510.9 |
| Actual | 198.5 | 140.3 | 211.3 | 301.5 | 270.8 | 281.4 | 338.9 | 732.4 | 380.0 |
| Total tax revenue | 1,734.3 | 2,174.3 | 2,378.3 | 2,682.3 | 3,136.1 | 3,610.3 | 4,114.0 | 5,106.1 | 5,497.5 |
| Non-diamond mining as % of tax revenue | 4.4% | 1.2% | 0.1% | 0.2% | 1.2% | 1.8% | 1.1% | 0.6% | 0.3% |
| Diamond mining as % of tax revenue | 7.1% | 5.2% | 8.8% | 11.0% | 7.4% | 6.0% | 7.1% | 13.8% | 6.6% |
| All mining as % of tax revenue | 11.4% | 6.5% | 8.9% | 11.2% | 8.6% | 7.8% | 8.2% | 14.3% | 6.9% |

Expenditure (N\$m)

| | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 11.1 Mining and Mineral Resources Affairs and Services | 9.5 | 11.6 | 19.1 | 25.4 | 16.7 | 18.0 | 31.8 | 30.5 | 25.5 |
| Total government expenditure | 2,576.1 | 3,120.0 | 3,544.7 | 3,366.7 | 3,690.4 | 4,340.6 | 5,073.4 | 5,754.1 | 6,784.1 |
| as % of total spending | 0.4% | 0.4% | 0.5% | 0.8% | 0.5% | 0.4% | 0.6% | 0.5% | 0.4% |

Licences Granted

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
|---|------|------|------|------|------|------|------|------|------|
| Non-Exclusive Prospecting Licences issued | | | | | 552 | 404 | 488 | 338 | 464 |
| Exclusive Prospecting Licences awarded | | | | | 24 | 24 | 53 | 121 | 178 |
| Claims registered | | | | | 240 | 195 | 158 | 74 | 85 |
| Mining Licences granted | | | | | 1 | 3 | 2 | 9 | 4 |

| 99/00 | 00/01 | 01/02 | 02/03 | 03/04 | 04/05 | 05/06 | 06/07 | 07/08 | 08/09 | 09/10 | 10/11 | 11/12 |
|---------|---------|---------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | | | | | | | | | | | |
| 120.0 | 65.0 | 55.0 | 120.0 | 150.0 | 14.9 | 6.5 | 7.0 | 350.0 | 460.5 | 554.5 | 462.3 | 704.4 |
| 211.7 | 36.4 | 106.2 | 283.9 | 3.2 | 7.9 | 0.9 | 350.7 | 779.9 | 730.9 | 61.1 | n/a | n/a |
| | | | | | | | | | | | | |
| | | | | | | | | 228.8 | 200.0 | 250.0 | 250.0 | 360.0 |
| | | | | | | | | 42.9 | 92.8 | 261.0 | n/a | n/a |
| | | | | | | | | | | | | |
| 200.0 | 185.0 | 475.0 | 745.0 | 1,160.0 | 52.0 | 48.3 | 45.0 | 250.0 | 355.0 | 10.1 | 184.5 | 746.3 |
| 142.7 | 439.9 | 764.4 | 1,157.4 | 175.4 | 301.4 | 199.3 | 359.9 | 220.7 | 498.8 | 511.3 | n/a | n/a |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| 205.0 | 240.0 | 294.0 | 420.0 | 450.0 | 500.0 | 242.1 | 316.4 | 271.2 | 442.5 | 125.2 | 252.0 | 350.0 |
| 269.4 | 240.0 | 286.1 | 479.1 | 301.9 | 385.4 | 404.6 | 482.0 | 600.4 | 451.8 | 230.8 | n/a | n/a |
| 405.0 | 425.0 | 769.0 | 1,165.0 | 1,610.0 | 552.0 | 290.4 | 361.4 | 521.2 | 797.5 | 135.3 | 436.5 | 1096.3 |
| 412.1 | 679.9 | 1,050.5 | 1,636.5 | 477.3 | 686.8 | 603.8 | 841.9 | 821.1 | 498.8 | 742.1 | n/a | n/a |
| | | | | | | | | | | | | |
| 525.0 | 490.0 | 824.0 | 1,285.0 | 1,760.0 | 566.9 | 296.9 | 368.4 | 1,100.0 | 1,458.0 | 939.8 | 1,148.8 | 2,160.7 |
| 623.8 | 716.3 | 1,156.7 | 1,920.4 | 480.5 | 694.7 | 604.7 | 1,192.6 | 1,643.8 | 1,774.3 | 1,064.2 | n/a | n/a |
| 6,597.7 | 7,550.4 | 8,165.9 | 9,329.8 | 8,762.9 | 10,468.2 | 13,107.7 | 17,593.4 | 19,182.9 | 21,223.6 | 22,272.7 | 21,055.9 | 26,336.1 |
| 3.2% | 0.5% | 1.3% | 3.0% | 0.0% | 0.1% | 0.0% | 2.0% | 4.3% | 3.9% | 1.4% | n/a | n/a |
| 6.2% | 9.0% | 12.9% | 17.5% | 5.4% | 6.6% | 4.6% | 4.8% | 4.3% | 2.4% | 3.3% | n/a | n/a |
| 9.5% | 9.5% | 14.2% | 20.6% | 5.5% | 6.6% | 4.6% | 6.8% | 8.6% | 6.2% | 4.8% | n/a | n/a |

| | | | | | | | | | | | | |
|---------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 37.1 | 46.3 | 54.3 | 49.3 | 57.6 | 61.0 | 59.1 | 83.7 | 69.2 | 86.4 | 84.2 | 83.1 | 95.3 |
| 7,751.1 | 8,446.9 | 9,782.0 | 10,786.3 | 12,256.7 | 12,758.0 | 13,189.2 | 15,155.2 | 17,827.3 | 22,464.4 | 25,034.7 | 28,891.5 | 37,700.6 |
| 0.5% | 0.5% | 0.6% | 0.5% | 0.5% | 0.5% | 0.4% | 0.6% | 0.4% | 0.4% | 0.3% | 0.3% | 0.3% |

| 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|------|------|------|------|------|------|------|------|------|------|------|------|
| 518 | 510 | 583 | 379 | 363 | 328 | 316 | 243 | 443 | 467 | 311 | 439 |
| 92 | 155 | 160 | 70 | 71 | 75 | 96 | 135 | 194 | 165 | 179 | 230 |
| 176 | 147 | 206 | 231 | 243 | 363 | 191 | 104 | 223 | 241 | 305 | 233 |
| 8 | 5 | 4 | 8 | 12 | 2 | 1 | 0 | 7 | 4 | 4 | 2 |

Annex 2

Chamber Members and Committees 2010 - 31 December 2010

Class A Founder Members

Namdeb Diamond Corporation (Pty) Ltd
Rössing Uranium Ltd

O. N. Shikongo
M. Leech

M. Mundell
Z. Kasete

Class A Members

AngloGold Ashanti
AREVA Resources Namibia
Langer Heinrich Uranium (Pty) Ltd
Okorusu Fluorspar (Pty) Ltd
Rosh Pinah Zinc Corporation (Pty) Ltd
Skorpion Zinc Mining

G. Arnat
E. Barbaglia
W. Duvenhage
M. T Dawe
C. Aspelung
D. Bentley

A. J Stadler
H. Mbako

P. Mawoyo
H. Fourie
J. Coetzee

Class B Members

Salt & Chemicals (Pty) Ltd
Sakawe Mining Corporation

R. E. Stanton
K. Kapwanga

S. Anderson
E. Nefussy

Class C Members

African Bounty cc
Diamond Fields (Namibia) Ltd
Peralin (Pty) Ltd
Purity Manganese (Pty) Ltd
Salt Company (Pty) Ltd

F.T. Kuys
C. Prinsloo
M. Rattay
A. Eretz
J. Klein Jnr.

F.C. De Beer
W. Joubert
J. Rattay
B. Bannai
J. Klein Snr.

Class D Members

African Huaxia Mining (Pty) Ltd
Ambase Prospecting (Namibia) (Pty) Ltd
Auryx Gold Corporation
Bafex Exploration
Bannerman Mining Resources Namibia
Cheetah Minerals Exploration
Craton Mining & Exploration (Pty) Ltd
Desert Minerals Exploration (Pty) Ltd
Extract Resources / Swakop Uranium
Exxaro Base Metals
Gecko Mining (Pty) Ltd
Hallie Investment No.14 (Pty) Ltd
INV Exploration Namibia (Pty) Ltd
Kuseb Mining & Processing (Pty) Ltd
Marenica Energy Limited
Minemakers (Namibia) (Pty) Ltd
Mount Burgess Gold
Namibia Rare Earths (Pty) Ltd
Namibian Copper Limited
Namura Mineral Resources (Pty) Ltd
Nova Energy Namibia (Pty) Ltd
Nutam (Pty) Ltd
OHORONGO Cement (Pty) Ltd
Onganja Mining Company (Pty) Ltd
Otjozondou Mining (Pty) Ltd
PE Minerals
Reptile Uranium Namibia (Pty) Ltd
Rio Tinto Namibia (Pty) Ltd
Sabre Resources Namibia (Pty) Ltd
SADC Minerals & Energy Holdings Ltd
SWA Uranium Mines (Pty) Ltd

V. Yang
G. Viviers
P A Lombard
M. Ashley
B. Munro
B. Corner
K. Hartmann
S. Smith
S. Galloway
E. Mouton
R. De Villiers
S. V Bromfield
M. Stuart
T. Smalley
J. Young
M. Woodborne
N. Forrester
A. Mihailovic
B. Timmins
W.G. McDowall
M. McGeough
B. De Decker
H-W Schütte
R. G. Carr
H W. Rünz,
C. Wium
Dr. L. Pretorius
K. M. Sims
A. Clemen
B. Aarninkhof
V. Osiyuk

V. Petzel
C Mackenzie
L. Jubber
D. Verran
K. Maiden

N. Green

O. Krappmann
A. Ghigini
S. Jennings

N. Biddle
H. Scheepers
J. Moore
K. Woodman
A. Marlow

G. Hall
P. Looijen
Dr. J. Hilger
E. A. Barbour
D. Shimwino
E. Mbeely
L. Laing
N. Selibas
J. Ashipala
Dr. HW. Rünz
A.P. Osipenko

Teck Cominco (Namibia) Ltd
 Valencia Uranium (Pty) Ltd
 Weatherly Mining Namibia
 West Africa Gold Exploration (Namibia) (Pty) Ltd
 Zhonghe Resources

S. Gaike
 R. Laine
 A. Thomson
 K. Webb
 Wang Song

D. Kullmann
 R. Webster
 J. Joubert
 Xiong Qinghua

Associate Members

A. Speiser Environmental Consultants cc
 African Wire Ropes (Pty) Ltd
 Atlas Copco Namibia
 Barloworld Namibia (Pty) Ltd
 Basil Read Mining Namibia (Pty) Ltd
 Bureau Veritas Namibia (Pty) Ltd
 Corinto Investment (Intertek Genalysis)
 Eckhart Freyer Geologist
 Evi Mining Company
 Geomine Consulting Namibia cc
 GPM Drilling & Exploration cc
 International SOS Assistance (Pty) Ltd
 Karibib Mining Construction Company
 Kuehne & Nagel (Pty) Ltd
 Kwezi V Three Engineers Namibia (Pty) Ltd

LM Environmental Consulting
 Manica Group Namibia
 Mega Tech (Pty) Ltd
 Meiring, Kegge & Associates
 Michelle J. Yates
 MMC Open Cast Mining Contractors
 NamGem Diamond Manufacturing
 Namibia Custom Smelters
 Namibia Institute of Mining & Technology
 NDTC Valuations Namibia (Pty) Ltd
 NEC Investment Holdings (Pty) Ltd
 NOSA Namibia
 Palfi, Holman & Associates
 Protea Chemical Namibia
 Rex Quip cc
 Rubicon Security cc
 Salina Invest./ Salina Geological Services
 Terratec Geophysical Services Namibia
 Walvis Bay Bulk Terminal
 WEARCON (Pty) Ltd

A. Speiser
 L. Strauss
 K. Koekemoer
 J. Quarmby
 A. van der Westhuisen
 S. Wait
 V. Simumba
 E. Freyer
 I. Namaseb
 W. Kotze
 J. Meintjies
 M. Feldman
 J. Crafford
 L. O. Nees
 N. Tromp
 L. van Schalkwyk
 L. Martens
 H. W. Timke
 H. Pukewitz
 H.A.R. (Bob) Meiring
 M. Yates
 Z. Nel
 T. Bessinger
 H. Nolte
 E. D G Müller
 S. Ndjaba
 A. Bruckner
 S. Jordaan
 A. G. Palfi
 M. Palomba
 A. Lang
 B. Nel
 C. Mutwiza
 G. Symons
 S. Masiza
 J. Beukes

U. Kuhn

J. Kaitungwa
 F. Leygonie
 S. S. McGregor
 J. Lawrence

F. Cyriax
 L. van Schalkwyk
 I. D Kotze

K. H Woker
 W. Wessels
 Ger Kegge
 A. Speiser
 W. Joubert

A. Scholz
 G. Fassbender

N. Bruckner

R. Wartha
 J. H. Meyer
 C. Lang

A. Kamupini

M. Liefferink

Honorary Life Members

Honourable A. Toivo ya Toivo

Summary

Council of the Chamber of Mines

16 Council Members (3 vacant positions, 13 Members)

13 Total Council Members as at 1 December 2010

M. Leech (President)
 M. Dawe (First Vice-President)
 G. Arnat (Second Vice-President)
 O. N. Shikongo
 D. Bentley
 K. Kapwanga
 C. Aspeling
 W. Duvenhage
 E. Barbaglia/H. Mbako
 R. Stanton
 (Vacant)
 K. Hartmann
 (Vacant)
 E. Mueller
 (Vacant)
 V. Malango

Rio Tinto Rössing Uranium Ltd.
 Okorusu Fluorspar (Pty) Ltd.
 AngloGold Ashanti
 Namdeb Diamond Corporation (Pty) Ltd.
 Skorpion Zinc Corporation (Pty) Ltd.
 Sakawe Mining Corporation
 Rosh Pinah Zinc Corporation (Pty) Ltd.
 Langer Heinrich Uranium (Pty) Ltd.
 AREVA Resources Namibia (Pty) Ltd.
 Salt & Chemicals (Pty) Ltd.
 (Representing Class C Members)
 Craton Mining and Exploration (Repr. Expl. Comp)
 Representative of Associate Members
 NIMT (Co-opted)
 2nd Co-opted Member
 Chamber of Mines

Exploration Committee

K. Hartmann (Chair)

Craton Mining & Exploration (Pty) Ltd.

HR Committee

M. Mundell (Council Sponsor)

Namdeb Diamond Corporation (Pty) Ltd.

Safety (SHE) Tripartite Committee

J. Coetzee (Council Sponsor)

Skorpion Zinc

Mine Surveying Committee

Efraim Tourob (Chair)

Anglogold Ashanti (Pty) Ltd. (Navachab Gold Mine)

Mining Consultative Forum

M. Leech (Chair)
 V. Malango
 B. Shingudja
 J. Lumbu
 J. Ndeutapo
 E. Shivolo

President, Chamber of Mines
 Chamber of Mines
 Ministry of Labour
 Secretary General, Mineworkers Union of Namibia
 President, Mineworkers Union of Namibia
 Ministry of Mines and Energy

CoM Uranium Institute

W. Duvenhage (Chair)

Langer Heinrich Uranium & Chairman of Uranium
 Stewardship Committee (USC)

| Class | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| A. Founder Members | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 |
| A. Members | 3 | 2 | 2 | 3 | 5 | 5 | 6 | 6 | 6 | 6 | 6 |
| B. Members | 4 | 4 | 4 | 4 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| C. Members | 4 | 9 | 6 | 5 | 4 | 4 | 4 | 4 | 2 | 3 | 5 |
| D. Members | 24 | 15 | 14 | 14 | 15 | 15 | 18 | 27 | 28 | 31 | 36 |
| Associate Members | 26 | 28 | 30 | 33 | 28 | 29 | 28 | 26 | 33 | 32 | 36 |
| Hon. Life Members | 3 | 3 | 3 | 3 | 2 | 2 | 2 | 1 | 1 | 1 | 1 |
| Totals | 67 | 64 | 62 | 65 | 59 | 60 | 63 | 69 | 75 | 78 | 88 |

References

Chamber of Mines of Namibia

- President: Mr Mike Leech
- 1st Vice-President: Mr Mark Dawe
- 2nd Vice-President: Mr Gerry Arnat
- General Manager: Mr Veston Malango
- Chamber of Mines Uranium Institute: Dr Wotan Swiegers

Chamber of Mines of Namibia

PO Box 2895
4th Floor Channel Life Tower
Windhoek
Namibia
Tel: +264 61 237 925
Fax: +264 61 222 638
Email: malango@iway.na
Website: www.chamberofmines.org.na

Key Contacts in Government

Ministry of Mines and Energy

Mines and Energy Building
1 Aviation Road
Private Bag 13297
Windhoek

Minister and Deputy Minister

- Minister: Honourable Isak Katali
 - Deputy Minister: Honourable Willem Isaacks
- Tel: +264 61 8111
Fax: +264 61 284 8363

Permanent Secretary

- Mr Joseph Iita
- Tel: +264 61 284 8312
Fax: +264 220386
Email: jiita@mme.gov.na

Directorate: Diamond Affairs

- Diamond Commissioner: Mr Kennedy Hamutenya
- Tel: +264 61 284 8320
Fax: +264 61 238643
Email: khamutenya@mme.gov.na

Directorate: Geological Survey of Namibia

- Director: Dr Gabriele Schneider
- Tel: +264 61 208 5205
Fax: +264 61 238643
Email: gschneider@mme.gov.na

Directorate: Mines

- Mining Commissioner: Mr Erasmus Shivolo
- Tel: +264 61 284 8247
Fax: +264 61 238643
Email: eshivolo@mme.gov.na
 - Chief Inspector of Mines: Mr Mathews Amunghete

Email: mamunghete@mme.gov.na



Honourable Isak Katali,
Minister of Mines and Energy



Honourable Willem Isaacks,
Deputy Minister of Mines and
Energy



Mr Joseph Iita
Permanent Secretary

Useful Documents and Websites

For information on Ministry of Mines and Energy go to: www.mme.gov.na

- Minerals Act 1992 (Act No. 33 of 1992)
- Minerals Development Fund of Namibia Act 1996 (Act No. 19 of 1996)
- Diamond Act 1999 (Act No. 13 of 1999)
- Minerals Policy of Namibia (Ministry of Mines and Energy)
- Minerals Amendment Act 2008 (Act No. 8 of 2008)

National Accounts 2000-2009, Central Bureau of Statistics,
National Planning Commission:

Bank of Namibia annual and quarterly reports:

For information on AREVA:

For information on Navachab:

For information on Diamond Fields:

For information on Namdeb:

For information on Okorusu:

For information on Rosh Pinah:

For information on Rössing:

For information on Skorpion*:

For information on Paladin*:

For information on Weatherly:

For information on Dundee Precious Metals:

www.npc.gov.na

www.bon.com.na

www.aveva.com

www.anglogoldashanti.com

www.diamondfields.com

www.namdeb.com

or Namdeb Annual Review 2010

www.solvay.com

or www.solvayfluor.com

www.exxaro.com

or Exxaro Annual Report 2010

www.rossing.com

or Rössing's 2010 Report to Stakeholders

www.angloamerican.co.uk

or Anglo American Annual Report 2010

www.paladinenergy.com.au

www.weatherlyplc.com

www.dundeeprecious.com

* Listed on Namibian Stock Exchange (NSX)

Exploration Company Websites

Auryx Gold (Namibia):

Bannerman Mining Resources:

Craton Mining and Exploration:

Deep Yellow:

Etruscan Resources Namibia:

Extract Resources:

Namibia Rare Earth:

Reptile Uranium Namibia:

Swakop Uranium:

Valencia Uranium:

www.auryxgold.com

www.bannermanresources.com.au

www.interbasemetals.com

www.deeptyellow.com.au

www.etruscan.com

www.extractresources.com

www.NamibiaREE.com

www.reptileuranium.com.na

www.extractresources.com

www.forsysmetals.com

Abbreviations

| | |
|---------|--|
| AG | Aktien Gesellschaft |
| AIM | Alternative Investment Market |
| ASX | Australian Stock Exchange |
| BCM | bank cubic metre |
| BEE | Black Economic Empowerment |
| BoP | Balance of Payments |
| DevX | Development Capital Board of the NSX |
| DIFR | Disabling injury frequency rate |
| DMS | Density Medium Separator |
| DTC | Diamond Trading Company |
| EPL | Exclusive Prospecting Licence |
| EPZ | Export Processing Zone |
| FoB | Free on Board |
| GFCF | Gross Fixed Capital Formation |
| GIS | Geographical Information System |
| GDP | Gross Domestic Product |
| GmbH | Gesellschaft mit beschränkter Haftung (company with limited liability) |
| GPS | Global Positioning System |
| GRN | Government of the Republic of Namibia |
| ICMM | International Council of Mining and Metals |
| IAEA | International Atomic Energy Agency |
| ISO | International Organisation for Standardisation |
| JSE | Johannesburg Securities Exchange |
| lb | imperial pound (equivalent to 0.4536 kg) |
| LME | London Metal Exchange |
| LSE | London Stock Exchange |
| LoM | Life of mine |
| LTi | Lost-time injury |
| LTIFR | Lost-time injuries Frequency Rate |
| MDF | Minerals Development Fund |
| MIASA | Mining Industry Association of Southern Africa |
| ML | Mining Licence |
| MME | Ministry of Mines and Energy |
| MUN | Mineworkers Union of Namibia |
| mv | Motor vessel |
| Nammic | Namibian Mineworkers Investment Company |
| NEF | Namibian Employers Federation |
| NIMT | Namibian Institute of Mining and Technology |
| NOSA | National Occupational Safety Association |
| NOSCAR | the highest award for safety given by NOSA |
| NPPC | Namibian Preferential Procurement Council |
| NQA | Namibia Qualifications Authority |
| NSX | Namibian Stock Exchange |
| NYSE | New York Stock Exchange |
| ppm | parts per million |
| R&D | Research and Development |
| REACH | Registration Evaluation and Authorisation of Chemicals |
| RC | Reverse Circulation |
| SADC | Southern African Development Community |
| SAIMM | Southern African Institute of Mining and Metallurgy |
| SHG | special high grade |
| SSM | Small Scale Mining |
| st | short ton (equivalent to 0.907 tonnes) |
| troy oz | troy ounce (equivalent to 31.104 g) |
| TESEF | Transformation Economic and Social Empowerment Framework |
| TSX | Toronto Stock Exchange |
| wmt | wet metric tonne |
| WNA | World Nuclear Association |



Chamber of Mines Executive Committee



Mr Mike Leech, MD
Rossing Uranium
(President)



Mr Mark T Dawe, MD
Okorusu Fluorspar
(First Vice-President)



Mr Veston Malango,
General Manager



Mr Gerry Arnat, MD
Anglogold Ashanti
Navachab
(Second Vice-President)

Chamber of Mines Team



Veston Malango
General Manager

Chamber of Mines Uranium Institute



Dr. Wotan Swiegers
Director,
Uranium Institute



Doreen Meyer
Personal Assistant
to General Manager



Signa K.Ndombo,
HR Administrator,
Responsible for
Work Permits /
Visa System at the
Chamber



Shahieda Stumpfe,
Personal Assistant
to Director



Florian Andjamba,
Environmental Guide



Andrea Dreyer
Communications Officer



Ailly Namupala
Assistant Communications Officer

www.chamberofmines.org.na

4th Floor Channel Life Tower
39 Post Street Mall
PO Box 2895
Windhoek
Namibia
Tel: +264 61 237925
Fax: +264 61 222638
malango@iway.na

