



**The Chamber of Mines
of Namibia**

VISION FOR THE MINING INDUSTRY

Vision for the Namibian Mining Industry is to be widely respected as a safe, environmentally responsible, globally competitive and meaningful contributor to the long term prosperity of Namibia.

VISION FOR THE CHAMBER

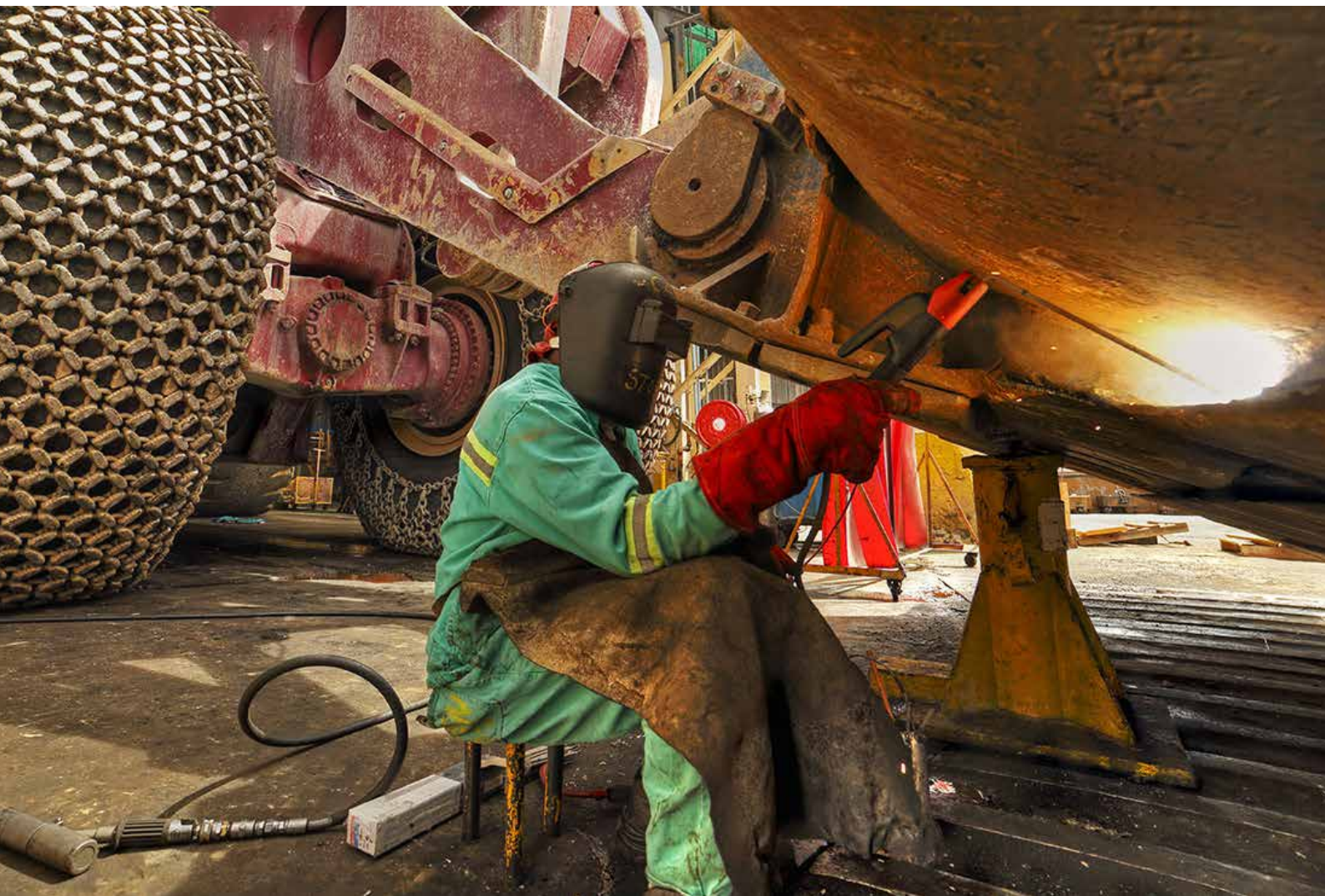
To be acknowledged as the champion of the exploration and mining industry in Namibia.

MISSION

To effectively 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.

CORE VALUES

- Integrity
- Transparency
- Accountability
- Compliance



5	STRUCTURE OF THE CHAMBER
9	HIGHLIGHTS OF 2016
10	FOREWORD FROM THE CEO
11	PRESIDENT'S REPORT FOR 2016
20	MINE SAFETY IN 2016
23	REVIEW OF OPERATIONS
67	MINES UNDER CONSTRUCTION
71	EXPLORATION COMPANIES
83	MINING AND THE ECONOMY
88	ANNEX 1: KEY STATISTICS
88	OUTPUT BY MINE
90	PERMANENT EMPLOYMENT BY MINE
92	MINING AND THE ECONOMY
94	TAX REVENUE
97	ANNEX 2: CHAMBER MEMBERS AND COMMITTEES IN 2016
102	REFERENCES
103	ABBREVIATIONS

COUNCIL OF THE CHAMBER OF MINES



K. Kapwanga (President)
Sakawe Mining Corporation



J. Coetzee
(1st Vice President)
QKR Namibia



H. Mbako
(2nd Vice President)
AREVA Resources
Namibia



M. Dawe
B2Gold Namibia
(Pty) Ltd



S. Solomons
Langer Heinrich
Uranium (Pty) Ltd



O. Shikongo
Namdeb Holdings
Limited



I. Simaata
Skorpion Zinc
Corporation (Pty) Ltd



C. Horn
Rosh Pinah Zinc
Corporation (Pty) Ltd



W. Duvenhage
Rössing Uranium
Limited



Zheng KePing
Swakop Uranium



A. Snyman
Salt & Chemicals
(Pty) Ltd



C. Thomas
Weatherly Mining
Namibia Ltd.



B. Munro
Bannerman Mining
Resources Namibia



D. Kullmann
Valencia Uranium
(Pty) Ltd.



H. Schütte
OHORONGO
Cement (Pty) Ltd.



V. Petzel
B2Gold Namibia (Pty)
Ltd (Chairperson -
Chamber Exploration
Committee)



Z. Kasete
Dundee Precious
Metals Tsumeb



E.D.G Mueller
Namibian Institute
of Mining and
Technology



S. Januarie
Imerys Gecko
Holdings (1st Co-
opted Member)



H. Nolte
Imerys Gecko
Holdings (2nd Co-
opted Member)



V. Malango
Chamber of Mines
(Ex-Officio)

CHAMBER OF MINES EXECUTIVE
COMMITTEE

President
Kombadayedu
Kapwanga (*Sakawe
Mining Corporation*)



First Vice President
Johan Coetzee
(*QKR Namibia*)



Second Vice President
Hilifa Mbako
(*AREVA Resources
Namibia*)



CEO
Mr Veston Malango

CHAMBER OF MINES STRUCTURE



Chief Executive Officer
Veston Malango



Economist
Lauren Davidson



Accountant
Hilma T. Nampala



Personal Assistant to CEO
Doreen Meyer



HR Administrator
Signa K. Ndombo

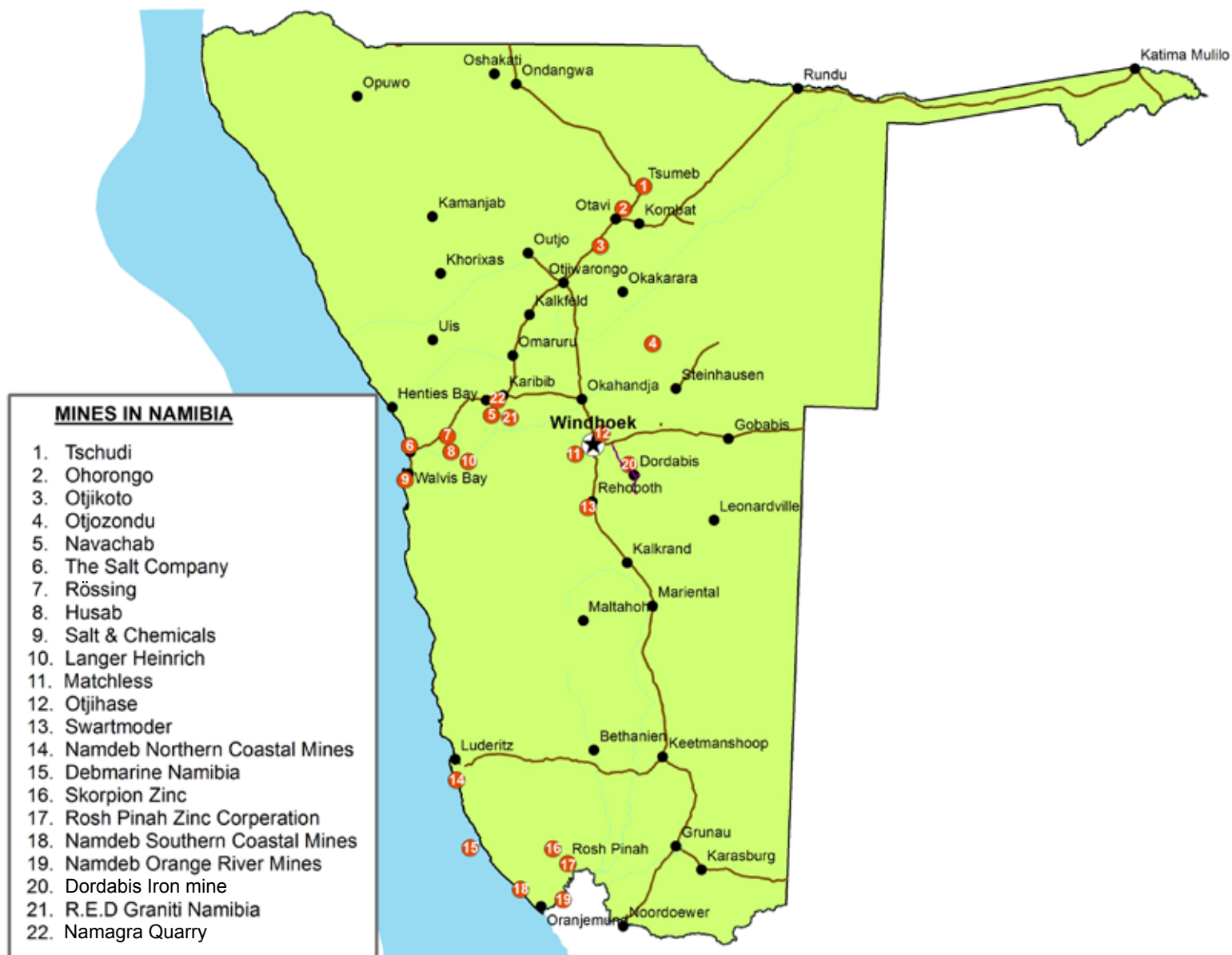


Institutional Worker
Drieka M. Skrywer



Caretaker
Junias Nahambo







1. Mining Sector made a direct contribution of 11.1% to GDP in 2016, but contracted by 6% in terms of real value added (NSA Preliminary statistics).

2. Tschudi copper mine, trebled Namibia's refined copper cathode production.

3. B2Gold's Otjikoto gold mine posted record production.

4. Through a Joint Venture partnership, Imerys Graphite and Gecko Namibia continued the development of the Okandjande graphite mine which is scheduled for production in April 2017.

5. Salt & Chemicals inaugurated their salt expansion project, which would boost salt production from 700,000 tonnes to 1,000,000 tonnes by 2018.

6. Tests work conducted in six phases on Bannerman's Heap Leach Demonstration Plant yielded results far exceeding benchmarks in the optimisation study.

• **Turnover > N\$28.85 billion (N\$25.28 billion in 2015)**

• **Wages and salaries > N\$4.15 billion (Excluding Swakop Uranium)**

• **Exploration spending by operating and exploration companies > N\$510.92 million**

• **Corporate tax paid > N\$1.75 billion (N\$2.35 billion in 2015)**

• **Royalties paid > N\$1.45 billion (N\$1.41 billion in 2015)**

• **Total taxes paid > N\$3.21 billion (N\$3.76 billion in 2015)**

• **Chamber members directly employed 9,574 permanent individuals, 669 temporary employees, and 5,400 contractors (2015: 8,853 permanent employees, 716 temporary employees, and contractors 9,423).**



FOREWORD FROM THE CEO



In the last seven years, the Chamber in partnership with the Government has worked relentlessly to ensure that Namibia remains an attractive destination for investment in mining and to ensure that this sector, one which underpins economic growth in Namibia, continues to divulge maximum economic benefit for the country. A raft of policy proposals in 2011, which if implemented, would have been severely detrimental for the mining sector, resulted in major uncertainty and angst among existing operations, exploration companies and potential investors. Thankfully, the Government retracted the worst of these proposals and in productive cooperation with industry worked towards establishing a conducive regulatory framework, which drew over N\$40 billion in investment to the sector. This ultimately led to the development of three new mines. In 2014, the Fraser Institute Survey of Mining Companies ranked Namibia as the most attractive destination for investment in mining and exploration on the African continent.

Sadly, however, the tides have reversed and we find ourselves in a similar situation as in 2011. In the 2015 Fraser report, Namibia dropped three places ranking as the fourth most attractive destination for mining in Africa. In the most recent 2016 survey,

Namibia's ranking has fallen a further five places to ninth position. The proposed empowerment policy and legislation, the New Equitable Economic Empowerment Bill (NEEEB) and Additional Conditions to licences were cited as the main drivers for the ranking degradation.

"In the most recent 2016 survey, Namibia's ranking has fallen a further five places to ninth position."

This comes at a time when the Namibian economy finds itself in a vulnerable situation, where Government debt levels are at 42% of GDP, surpassing sustainable thresholds. Government has thus had to reign in the spending through fiscal consolidation measures which have already started to play its course through job losses in the construction sector, and sizeable contractions in others. Despite having recorded a contraction of 6% in 2016, the mining sector remains resilient and continues to be the stronghold of the Namibian economy, with ample opportunity for expansion in mineral production and value addition potential through associated linkages.

Through the formulation of NDP5, the Chamber identified significant opportunity for investment in the manufacturing of inputs into the mining sector, such as components for processing plants. The mining sector spent 41% of its revenue on locally procured goods and services in 2016, which presents itself as an appealing business case to manufacture some of these inputs. This is one of the many examples in which the mining sector provides critical mass for the advancement of other industries. For such investments to occur, however, a favourable and conducive regulatory environment is of utmost importance.

Furthermore, the mining sector, through its comprehensive Corporate Social Responsibility programmes has already made significant contributions to the achievement of a number of goals and targets in the Harambee Prosperity Plan and National Development Plans. This comes at a time when Government is strapped to achieve these targets alone, and the need for strong collaboration between the private and public sector is more prominent than ever.

Effective partnerships are not the only pillars of saving grace in the years to come. What is required is an environment in which privately owned businesses, and thereby mining companies, can flourish without having to comply with restrictive regulatory requirements. The attractiveness of the Namibian mining sector, along with others will continue to be eroded should uncertainty around the proposed pieces of legislation and policies continue, especially during a time where the Namibian economy cannot afford to forego new investments and business opportunities.

Safety

Painstakingly, the mining industry suffered another two fatalities in 2016. Martin Shilompoka, a machine operator at B2Gold's Otjikoto gold mine, sadly passed away on 22 January 2016 after being trapped between a dozer and diesel truck during a refuelling operation on 28 December 2015. Just when we thought the year was almost over, a second fatality occurred at Namdeb's Southern Coastal mine on 12 December, 2016 when a sea wall on which Likus Shetunyenga, a multi-skilled dozer operator was working, collapsed and caused the dozer and operator to submerge below water.

We express our heartfelt condolences to the families and friends of the deceased employees. The Chamber continues to learn from these experiences to ensure that similar accidents will be avoided in the future.

Despite these tragic events, the mining industry continues to strive towards its objective of "zero harm" through a self-governing system which is pioneered through Safety Peer Review missions by the Chamber Safety Committee.

"...the mining industry continues to strive towards its objective of "zero harm" through a self-governing system..."

2016 was also a challenging year with regards to other safety statistics. The mining sector recorded a slight increase in the number of Lost Day Injuries, from 50 in 2015 to 53 in 2016. Similarly, the industry recorded a 7.5% increase in Disabling Injuries from 80 in 2015 to 86 in 2016.



We are grateful to the full support we receive from the Chief Inspector of Mines and his team. We remain optimistic that this cooperation will continue to bear fruit as has happened in previous years when the industry has attained zero fatalities and lower safety statistics.

World Economy

The United States of America (USA) and Europe recorded sluggish recovery and growth in the first six months of 2016, and geopolitical developments underpinned global uncertainty throughout the year. Most certainly, Britain's exit from the European Union and the election of Donald Trump as the new president of the USA created a stir in an otherwise more optimistic and stable global environment.


It was thus a surprise to see even modest improvement in economic growth in the USA, Eurozone and UK in the second half of 2016 following these events. The Fed raised interest rates for the second time since 2006 in December 2016 as the US economy returned to almost full employment levels, increases in earnings per employee and an

uptick in core inflation signalled growth in the local economy. Global recovery, however, is now threatened by protectionist and inward looking policies as a very likely outcome of these two hallmark events.

2016 was a volatile yet successful year for the gold price, which recorded an increase of 28.8% between January and July 2016 as the safe haven asset was well sought after in an unpredictable global climate. Following the Brexit vote and Trump's victory, the gold price posted sharp declines, returning to US\$1,145/kg at the end of 2016 when the Fed signalled towards a rate hike and the Trump administration adopted a pro-growth policy focusing on infrastructure and stimulating the US economy. Furthermore, the demand for gold saw a decline from two of its biggest consumers, India and China.

Turning further east, risks of slowdown in China were diminished as government stimulus supported growth in 2016 and was the primary driver in the recovery of commodity prices. China's structural adjustment, however, should not be forgotten as the economy moves from import led consumption to consumer led growth. Emerging market economies, Russia and Brazil, appear to be on the path to recovery while India posted robust growth in 2016 supported by effective policy decisions and strong external buffers.

The uranium price posted its worst performance in 12 years, dropping to an unsustainable low of US\$18.75/lb early in November 2016 amidst expectations of a steady recovery. The sharp decline was a result of surpluses from large stockpiles at utilities including enough inventory



held by Japan's operational reactors to power them for the next six years. Many mines world over have suspended operations due to persistently low prices since the Fukushima incident and record low prices continue to threaten the sustainability of mines in operation. Namibia's uranium sector was not left unscathed as will be outlined in a later section of this speech.

“The uranium price posted its worst performance in 12 years, dropping to an unsustainable low of U\$17.50/lb early in November 2016 amidst expectations of a steady recovery.”

Closer to home, South Africa teetered on the brink of recession in 2016 brought about heightened political uncertainty, increasing social unrest and rising unemployment. Depressed oil prices also stifled the Angolan economy, feeding through to Namibia's retail sector, a large proportion of which was driven by the Angolan market.

Notwithstanding a two-year long drought, Namibia's fast growing economy halted very suddenly with two consecutive contractions recorded in the second and third quarters of 2016, at 1.2% and 1% respectively, brought about by reduced growth in the construction and mining sectors. Furthermore, the ballooning budget deficit has been cited as one of the main reasons for a downgrade from positive to negative in the outlook of Namibia's investment rating by international ratings agencies; Fitch and Moody's. Fiscal consolidation measures announced by the Government in October 2016 and

in the recently tabled Budget will see further contractions in the Namibian economy, particularly in the construction sector.

Not without its own challenges, the mining sector is fortunately not directly impacted by the gloomy developments in the local economy. The outlook for the mining sector is substantially more optimistic on the back of a new mega mine which entered production at the end of 2016 and other developments highlighted below.

Highlights of Mining in Namibia

In response to the persistent depressed uranium price, Langer Heinrich announced that it would be reducing production by 20% for the following two years. As part of their restructuring and cost reduction strategy, mining operations were suspended and low grade ore which has been stock piled will now feed the plant. The company also retracted the 20% sale of the mine's shareholding following the restructuring of bonds, which has allowed the company to meet its debt obligations.

A two-month long strike involving a wage dispute spanning from the end of February to mid-April at the Rosh Pinah zinc mine severely curtailed production of zinc and lead concentrate.

Swakop Uranium's Husab mine produced its first barrel of uranium on the 30th of December 2016, marking a monumental event on Namibia's mining timeline, as the world's second largest uranium mine came into production. The mine is expected to reach nameplate capacity in 2019.

Despite some challenges at the

Tschudi copper mine, the mine's contribution trebled Namibia's refined copper production of copper cathode. Furthermore, B2Gold's Otjikoto gold mine posted record production through the expansion of mining operations into the wofshag zone. In combination with an attractive average gold price and significantly low operating costs, Otjikoto gold accounted for 10% of mining revenue and contributed to Namibia's trebled gold production in two consecutive years.

The Mv SS Nujoma completed sea trials and was successfully delivered to Cape Town on 22 August 2016 where it was equipped for operation. The vessel is currently in Namibian waters with final commissioning of all systems at an advanced stage. The vessel is expected to enter into full operation during the second quarter of 2017. This development will boost future diamond production through specialised exploration and by an additional vessel added to the mining fleet which was previously used for exploration.

The Okandjande graphite mine near Otjiwarongo which is under development through a joint venture partnership between Imerys Graphite and Gecko Namibia is scheduled for first production in April 2017. The graphite ore will be processed at the nearby Okorusu refurbished plant, bringing back to life a mining site which closed doors in 2014 due to the depletion of high grade fluorspar deposit.

“Swakop Uranium's Husab mine produced its first barrel of uranium on the 30th of December 2016...”

Salt & Chemicals officially inaugurated the expansion of its salt production operations in July 2016, which will boost their annual output from 700,000 tonnes to 1,000,000 tonnes of salt per annum.

As for projects close to development, once North River Resources has received its mining licence, the closed lead and zinc mine in the Erongo region will once again come into production with new investments. Further results from Bannerman's Heap Leach Demonstration plant outperformed targets in the optimisation study cementing their position and preparedness for mine development to commence once uranium prices recover.

The year in perspective

New Equitable Economic Empowerment Framework (NEEEF)
The Chamber was actively involved in the private sector consultations with government on the proposed empowerment legislation, the New Equitable Economic Empowerment Bill (NEEEB). The Chamber formally made submissions to the Law Reform and Development Commission and to the Office of the Prime Minister in August 2016. The outcome of NEEEF is still uncertain, though we have it in good faith that Government is cognisant of the sector's concerns with the current version of the Bill. The Chamber is concerned that the continued uncertainties around NEEEF will further worsen Namibia's rankings in the Fraser Institute reports as detailed in a following section. We therefore wish to appeal to government to expedite this matter to ensure an amicable outcome as soon as possible. The Chamber hopes that government will adopt the constructive alternative proposals in NEEEF which accommodate market fundamentals of the private

sector and growth thereof, while implementing effective and pro-growth empowerment mechanisms.

Namibia Investment Promotion Act, 2016

The Chamber is equally concerned with the Namibia Investment Promotion Act of 2016 and is part of Business Namibia that has proposed changes to the Act before it comes into effect. As with NEEEF, the Chamber appeals to government to quickly amend this Act in consultations with the private sector under the umbrella of Business Namibia to bring an end to uncertainties and further downward sliding of Namibia's competitive rankings on global rating agencies.

"The Chamber is concerned that the continued uncertainties around NEEEF will further worsen Namibia's rankings in the Fraser Institute reports ..."

Export Levy

Following the gazetting of the Export Levy Act on 24 June 2016, the Chamber engaged extensively with the Ministry of Finance on particulars of the legislation which present challenges to the effective implementation and administration by mining companies, specifically the definition of export levy amount and the frequency of payments. The Chamber has presented alternatives which have largely been accepted by the Ministry of Finance and proposed changes should be in the form of Regulations or amendments to the Act.

NDP5

The Chamber played a prominent role and contributed significantly to the formulation of the fifth National Development plan which was

scheduled to be launched in March 2017, and in which the mining sector has been recognised and prioritised to move the Nation towards the goals and objectives outlined in Vision 2030.

Harambee Prosperity Plan

The Chamber welcomed the Harambee Prosperity Plan as unveiled by His Excellency, President Hage Geingob on 5 April, 2016. The Chamber is encouraged that Harambee is in sync with the Mining Charter that the Chamber submitted to government in November 2010 and adopted in September 2014.

Chamber members were assigned two activities under the Social Progression and Economic Transformation pillars to "Introduce a housing scheme for mine workers" and "Chamber of Mines members to adjust procurement policies to favour local SMEs and local entrepreneurs" respectively.

The Chamber is proud to announce that the mining industry has delivered on the two activities and continues to do so going forward. The industry spent over N\$ 11 billion on local procurement of goods and services during 2016, which was 64% of total procurement spend. Furthermore, this constitutes approximately 41% of the total industry revenue. These figures speak volumes and demonstrate that the procurement policies in the mining sector are already aligned to support local SMEs and local contractors. Going forward, government should concentrate on attracting investments in manufacturing plants for high value inputs into mining processes. Similarly, the industry provides housing schemes in various forms to ensure workers return home to a decent dwelling. Workers are at liberty to elect for homeownership



through mortgages with financial institutions. In some cases, mines are disinvesting in housing property and selling to miners. One new mine has taken the approach to purchase land from local municipalities, service such land and transfer title deeds directly to mine workers for home construction through normal bank mortgages. In an unprecedented move to support Harambee, one mine has donated land worth N\$ 31 million to Tsumeb municipality to enable construction of low cost housing to local communities. The Chamber has since been submitting quarterly reports to the Presidential Advisors and the Minister of Mines and Energy.

Moratorium on Marine Phosphate Mining

The Chamber welcomed the granting of an Environmental Clearance Certificate to Namibia Marine Phosphates by way of a letter issued by the Environmental Commissioner dated 9 September 2016. However, a public outcry on the procedures followed for its issuance resulted in a decision to retract the Clearance Certificate. The Chamber remains grossly concerned that an agreement and way forward on marine phosphate mining has not yet been

concluded, but remains supportive of an environment conducive for all sectors of the economy to co-exist.

Security of Water

Despite the recent good rains, water security remains a threat to mines, especially in the central part of Namibia. Should these areas encounter continued water shortages, Navachab could be negatively impacted through reduced gold production, undermining the profitability of the mine and consequently the socio-economic contribution to the national economy.

“Despite the recent good rains, water security remains a threat to mines, especially in the central part of Namibia.”

Rossing was granted an Environmental Clearance Certificate to construct its own desalination plant which would alleviate pressure on the national utility, NamWater. This milestone enables all other permits to follow. Other mines in the vicinity have expressed interest to participate in

this project. The Bankable Feasibility Study (BFS) is being updated to advance the project forward.

Trans Namib & Rail Working Group

The Chamber welcomed the announcement by Government in 2016 to purchase six General Electric (GE) locomotives and 90 sulphuric acid tanker wagons to transport sulphuric acid to mines. The Chamber was pleased to witness the official launch of the rolling stock and handling equipment on 1 March, 2017 at the Windhoek Railway station. The Chamber commends government on this direct support to the mining industry and notes that this will also help other mines to move some of their cargo off the highly congested national roads and thereby contribute to better safety on the roads. The Chamber continues to engage TransNamib on further proposals to enhance rail transport, including proposals for public-private partnerships.

Joint Value Addition Committee (VAC)

The Chamber has actively participated in Joint Value Addition Committee. Unfortunately, due to government financial constraints, the planned field missions to



galvanising and copper wire and tube manufacturing plants in South Africa and Zambia respectively could not be undertaken. The Chamber had made all logistical plans until the last moment when the trips had to be cancelled. We hope this matter will be executed this year to ensure the successful conclusion of a Minerals Beneficiation Strategy.

Mining Expo and Mining Conference

The fifth Mining Expo and Conference in 2016 was a great success, with the change of venue to the Windhoek Show Grounds. There was a slight reduction in the number of exhibitors, a reflection of current economic headwinds. The venue change significantly raised the calibre of the event offering more space and facilities for all participants.

This annual event is now firmly entrenched in the Windhoek calendar of events during the last week of April.

Ministry of Mines and Energy (MME)

The Chamber continues to enjoy a cordial and constructive relationship with our line Ministry under the leadership of Hon Obeth Kandjoze as the Minister of Mines and Energy

and his Deputy, Hon. Kornelia Shilunga. The Chamber appreciates the support received from MME, particularly when some of our members are still sailing through tough economic times, particularly the uranium mines.

The Chamber of Mines was delighted at the news that the Minister of Mines has lifted and terminated the moratorium on new applications for EPLs in respect of nuclear fuel minerals. The ten years' moratorium was terminated effective from 15 December, 2016. We wish to commend the Honourable Minister on this bold decision and welcome development which places Namibia at a competitive advantage when uranium markets recover and investors scramble for EPLs again as we saw in 2007 at the height of the so-called "uranium rush".

The Chamber welcomed the Minister's assurance that there will be no backlog of licence applications during 2016. However, the Chamber was very disappointed to note that the backlog actually developed due to unintended consequences in the implementation of Additional Conditions to licences. The Chamber wishes to commend the Minister and his team for the successful outcomes during the watershed special Council meeting

with the Minister on 16 November, 2016, at which most stumbling blocks were addressed. The Chamber has accordingly finalised amendments to the Additional Conditions as requested by the Hon. Minister. We are pleased to note that members have since been receiving physical licences to enable new investments into exploration and mine development to flow into Namibia.

The Chamber is deeply concerned to note that sadly, Namibia dropped from first position in 2014 as the most attractive destination for mining and exploration in Africa, to ninth position in 2016 in the recently released Fraser report.

"The Chamber wishes to commend the Minister and his team for the successful outcomes during the watershed special Council meeting with the Minister on 16 November, 2016, at which most stumbling blocks were addressed."

The report named NEEEF and the new Additional Conditions to licences as the main reasons for Namibia's tumbling. We therefore



appeal to government to expedite an amicable conclusion on NEEF and thereby remove the damaging investor sentiments so that Namibia can regain its previous ranking and benefit from Foreign Direct Investments (FDIs).

Highlights from operations

Diamonds

There was a significant reduction of 11% in the output of diamonds from 1.76 million carats in 2015 to 1.57 million carats in 2016. Namdeb land operations contributed 403,000 carats to this total, also posting a drop in output due to operational challenges which involved declining resources, cementation of ore, water management challenges and reduced throughput owing to clayish material.

Debmarmine production fell marginally from 1.2 million carats in 2015 to 1.17 million carats in 2016. The decline in output was due to scheduled vessel servicing which took place throughout the course of the year.

Sluggish global demand for diamonds continued during 2016 which drove declining diamond sales and prices.

Uranium

Rössing uranium produced 1,850 tonnes of uranium in 2016, a significant increase of 48.6 % from 1,245 tonnes of uranium oxide production in 2015. Despite depressed market conditions, a number of improvements in mining activities increased mill throughput and consequently, production. The company also declared a profit in 2016 as a result of enhancing mining efficiency and eliminating bottlenecks.

Production from the Langer Heinrich mine was sustained during 2016 posting a marginal increase from 2,228 in 2015 to 2,236 in 2016 due to ongoing efforts to achieve operational efficiency while trying to curb the costs of production.

Swakop Uranium commenced production on 30 December 2016.

Zinc

Refinery production increased from 82,029 tonnes in 2015 to 85,427 tonnes in 2016 despite a number of operational challenges faced by the mine. In order to maximise output and refinery processes, Skorpion zinc imported ore from Turkey and Morocco which contributed to the rise in refined zinc production.

A two-month long strike at the Rosh Pinah Zinc mine was the primary cause for a severe drop in the output of zinc concentrate which fell from 99,665 tonnes in 2015 to 80,560 tonnes in 2016.

Lead

Similarly, the decline in lead concentrate production from 18,521 tonnes in 2015 to 14,862 tonnes in 2016 was also as a result of the industrial action at Rosh Pinah mine.

Gold

B2Gold produced 4,714 kg in 2016, 12.3% up from production in 2015, resulting from increased throughput owing to the completion of the mill expansion project which was successfully completed in September 2015. Mining operations were extended to the Wolfshag zone which also contributed to record production.

Production from Navachab remained stable in 2016, amounting to 1,878 kg of gold bullion.

Cement

Ohorongo Cement produced 777,571 tonnes of cement in 2016, a reduction from 796,055 tonnes in 2015.



Copper

Tschudi copper mine reached nameplate production in March 2016 after which mining operations intersected water in the open pit and resulted in higher than anticipated dewatering quantities. Production was negatively impacted by the unforeseen challenges. However, enhanced infrastructure was installed to better manage the higher water quantities and the mine produced 16,391 tonnes of copper cathode in 2016, trebling refined copper production in Namibia.

Salt

Salt & Chemicals produced 698,590 metric tonnes of salt in 2016, an increase of 13.5% from the 614,980 produced in 2015.

The Salt Company produced 136,949 tonnes of salt in 2016 in line with set targets.

Economic Contribution

Preliminary statistics produced by the National Statistics Agency for 2016 show that the sector made a direct contribution of 11.1% to Namibia's GDP, but contracted by 6% in real terms. This contraction was primarily a result of the decline in diamond output and base metal production, more specifically for

zinc and lead, which are allocated significant weightings in the National Accounts.

The Chamber of Mines, however, is in disagreement with the reported preliminary overall contraction of mining by 6% and disputes the overall GDP contribution of 11.1%. While the contraction for diamonds of 9.6% may have been accounted for correctly, the Chamber negates the contraction of 1.2% posted by metal ores as this also includes production of copper and gold along-side zinc and lead. As reported in the "Highlights from Operations" section, production of pure copper was trebled and total gold production increased by 10% from 2015. Gold bullion and copper cathode are high value minerals and the Chamber is thus of the firm view that their combined contribution would have off-set the contraction in zinc and lead, yielding positive growth for this sub-category in the National Accounts.

Fixed investment by the sector saw a further reduction from N\$5.46 billion in 2015 to N\$3.49 billion in 2016. It is of no surprise that these numbers may appear insignificant in comparison to the exceptionally high fixed investment of approximately N\$17 billion recorded in 2014, as the development of the three new

mines and the sulphuric acid plant are now complete.

Exploration remained stable in 2016, posting a slight increase from N\$490 million in 2015 to N\$510 million, as prices for base metals and gold started to improve. However, the flat spend very likely reflects the challenges in the implementation of Additional Conditions to licences which delayed the issuance of exploration licences to Chamber members for the most part of 2016 as detailed above, and thus investments into exploration.

Chamber statistics show that members paid out N\$3.2 billion in corporate taxes and royalties in 2016. These figures exclude PAYE paid through wages and salaries by the sector.

Training and Employment

The mining industry spent some N\$82.8 million on training and skills development in 2016 and awarded 33 new bursaries. In addition to in-house training programmes and support provided for tertiary education, the mining sector continued to support and develop local skills capacity with job attachments and internships provided to NIMT students.



Proud to have you here... Dundee staff pose for a picture with the new acid tankers specifically designed for the transportation of Sulphuric acid shortly after the tankers had arrived.

In 2016, mining and exploration companies collectively employed 9,574 people in permanent positions. Total employment by the sector, which includes permanent, temporary positions and contractors, decreased from 19,000 in 2015 to some 16,000 jobs in 2016 as construction of the new Husab mine came to an end.

Conclusions

In conclusion, the mining industry remains the backbone of the Namibian economy and opens new opportunities to the wider economy as the country is now reaping the benefits of new investments and re-investments with three new mines in production. Namibia has trebled gold and copper production in 2016 and with the recovery of most commodity prices, the mining industry is geared to support and underpin the NDP5 goals. The focus is shifting to upstream manufacturing industries to produce high value

mining inputs and thereby realise the multiplier effect in the economy and import substitution. The new sulphuric acid plant at the Tsumeb smelter is a starting point for such upstream industries. The mining industry remains committed to supporting local suppliers of goods and services as illustrated by the ever-increasing lucrative Namibian spend in the last three years.

However, the sustainability and continued success of the mining industry will depend on the competitiveness of Namibia as an attractive investment destination for exploration and mining. The further slide of Namibia's ranking in the 2016 Fraser Institute report is a wakeup call for government to bring to an end investor anxiety and uncertainty on NEEEF policy as well as the Namibia Investment Promotion Act of 2016. The private sector has shown commitment by working closely with government

to ensure that Namibia retains its previous status as the most attractive investment destination in Africa for exploration and mining.

My tenure as President of the Chamber of Mines comes to an end and I will be passing on the baton to my successor Mr. Johan Coetzee. I wish to take this opportunity to thank all Chamber members, the EXCO team, my colleagues at the Council and the CEO and his team for their continued support during the last two years under my leadership. It is my sincere hope that the Chamber shall continue to grow from strength to strength and steer the industry to greater heights for the socio-economic development of Namibia as a whole.



Kombadayedü Kapwanga
Chamber President
25 April 2017

MINING SAFETY OVERVIEW 2016

Notwithstanding continued efforts to achieve the goal of Zero Harm by the mining sector, two fatalities regrettably occurred in 2016. Both fatalities involved heavy mobile equipment at B2Gold's Otjikoto mine and Namdeb's Southern Coastal Mines respectively. The industry also recorded a marginal worsening of the Lost Day Injury Frequency Rate (LDIFR) for 2016 compared to 2015, which rose from 2.37 to 2.39. The number of lost day injuries for the period increased from 80 in 2015 to 86 in 2016. Overall, hand/finger/foot injuries were the most common injuries reported among operations. All mines have focused programmes in place to address these and a downward trend in injuries was evident towards the latter part of the year.

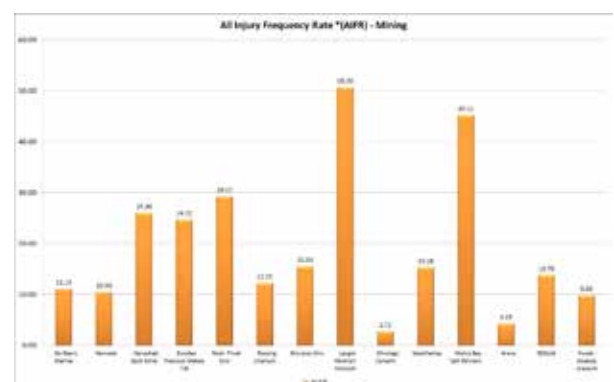
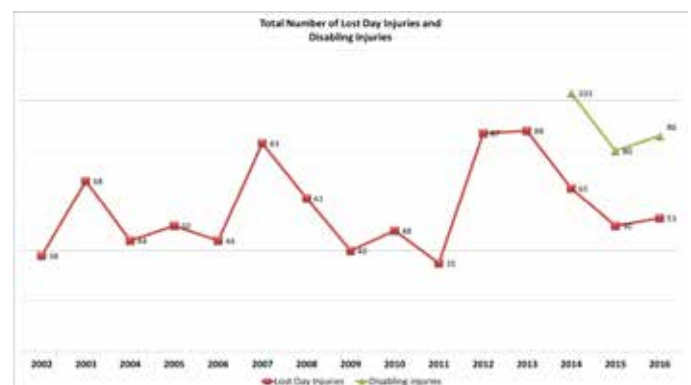
The industry continues its relentless focus on the prevention of fatalities with the various Health and Safety improvement programmes aimed at further understanding and managing fatality risks as well as health-related impacts.

The Chamber of Mines Safety Committee conducted Peer Review meetings and consultations at the following member sites during the course of the year; Namdeb, Tschudi copper mine, B2Gold's Otjikoto mine and the Walvis Bay Salt operation. Key learnings from

these visits included, among others, fall prevention and protection practices, fatigue management and the use of technology-driven solutions to manage safety risks. These peer review sessions are also attended by the Office of the Chief Inspector of Mines, the Ministry of Labour as well as the Mine Workers Union of Namibia (MUN), demonstrating a collaborative effort to improve health and safety in the industry, and involves the sharing and learning of best practices.

On the regulatory side, the Committee continues to work with the office of the Chief Inspector of Mines towards the finalization of the draft Mine Health & Safety Regulations.

The year under review was unfortunately not exemplary in safety performance for the sector, especially given the continuous improvement trend that was evident over the past three years. The industry however, is committed to reverse this trend and continues to work towards the goal of Zero Harm. The Chamber's Safety committee continues to play a key role in ensuring collaboration, learning and self-regulation across member operations to achieve this goal.









OPERATING COMPANIES

23

CHAMBER OF MINES
ANNUAL REPORT 2016



AREVA RESOURCES NAMIBIA

Output

Output in 2016
Nil

Employment

Permanent employees at end 2016
35

Temporary employees as end 2016
0

Contractors at end 2016
70

Expatriate employees at end 2016
0

Financial

Financial Year
1 Jan – 31 Dec

Turnover in 2016
N\$243.6 million (from water sales)

Wages and salaries in 2016
N\$27.8 million

Fixed investment in 2016
Nil

Exploration expenditure in 2016
Nil

Profits & Losses in 2016
N\$32 million profit (AREVA
Resources Namibia)
N\$75.6 million loss (AREVA
Processing Namibia)

Details

Shareholders
Uramin Inc 100%

Related operations in Namibia
AREVA Processing Namibia
Erongo Desalination Company

Mines in Namibia
Trekopje uranium mine
(ML 151)

Date of production start
Mine under care and maintenance

Latest estimate of life of mine
10 years

Affirmative action plan
Approved

Number of bursaries awarded in
2016
Nil

Managing Director: Hilifa Mbako
Mine Manager: Francois Van Dyk



The Minister of Mines and Energy paid a visit to the Erongo Desalination Plant.

Contact Details

PO Box 585, Swakopmund, Namibia
Tel: +264 64 415 720 | Fax: +264 64 415 721
christine.de-klerk.ext@areva.com | www.areva.com



100% owned by AREVA, constructed the Trekkopje uranium mine. A separate company, AREVA Processing Namibia (APN), will convert the output of the mine into uranium oxide for sale to AREVA clients once operations commence. Water for the Trekkopje operations is provided by the 20 million cubic metre Erongo Desalination Plant, situated at Wlotzkasbaken.

Highlights for 2016

- Completion of the 2016 maintenance programme.
- Desalination plant assisted NamWater to meet water demand of uranium mines, especially when commissioning ramped up at the Husab mine towards the end of 2016.

Production

The mine continued with its care and maintenance programme in 2016 and thus no production was recorded. The test programme explored ways of pre-concentrating the ore by discarding most of the waste rock before the material is leached. Processes such as finer crushing, attrition and flotation were tested and valuable knowledge was gained.

Exploration

No exploration work was undertaken in 2016.

Safety

There were no LTI's recorded for the year in review. One FA (First Aid Case) was reported.

Labour Relations

No industrial action was reported and sound labour relations were maintained between the company and MUN.

Education and skills

As part of its external skills development programme, AREVA sent five of its employees for technical skills upgrading at the Namibia Institute of Mining and Technology (NIMT), while one employee completed a post-graduate degree in Radiation at the Namibia University of Science and Technology (NUST). Two bursars pursuing degrees in Engineering at the University of Namibia (UNAM) continued to receive financial sponsorship from the company. Internal training totalling 2,072 hours was provided to AREVA employees.

Procurement

AREVA spent N\$56.9 million on local goods and services in 2016.

Community Relations

The AREVA Foundation continued to support Corporate Social Responsibility (CSR) projects in the areas of economic development, education, culture and sport in their neighbouring communities.

AREVA contributed to local economic development by co-funding the Erongo Development Foundation (EDF) micro-finance credit scheme for small and medium enterprises and funded training sessions for leather patchwork for community members at the Community Skills Development Foundation (COSDEF) Arts & Crafts Centre in Swakopmund.

In support of sporting events, the company co-hosted and sponsored *"the Rock Spitzkoppe Community Run and Mountain Bike Challenge"* and an annual soccer event in partnership with Engen.

AREVA contributed to cultural activities and events through sponsorship provided to several festivals of communities and conservancies and fundraising events organised through local authorities among others.

In an effort to curb the number of fatalities among students in vehicle related accidents, the company provided 120 boom-gates to 60 schools in the Erongo to safeguard pedestrians using zebra crossings.

Lastly, support to education programmes involved the sponsorship of trophies for the two top performing Engineering students at NUST.

Environment

AREVA Namibia is committed to environmental protection at all stages of mine development. While the project is under care and maintenance sufficient resources are provided to implement the environmental management plan and monitor aspects such as air and water quality, radiation, flora and fauna. The monitoring programme which covers the mine and neighbouring areas such as Arandis and Wlotzkasbaken was carried out as scheduled in 2016. Independent audits of the environmental management plan for the mine and the desalination plant confirmed a high level of compliance.

A rehabilitation trial which commenced in 2010 began to reveal which surface treatments are the most effective as restoration measures in this part of the Central Namib.

B2GOLD NAMIBIA (PTY) LTD

Output

Output in 2016
4,714 kg - Gold Bullion
147 kg - Silver

Employment

Permanent employees at end 2016
781

Temporary employees at end 2016
85

Contractors at end 2016
138

Expatriate employees at end 2016
19

Financial

Financial year
1 Jan – 31 Dec

Wages and salaries paid in 2016
N\$358.3 million

Fixed investment in 2016
N\$325 million

Exploration expenditure in 2016
N\$67 million

Details

Shareholders
B2Gold Namibia (Pty) Ltd (90%)
EVI Mining Company Ltd (10%)

Mines in Namibia
Otjikoto mine
ML 169

Date of production start
December 2014

Latest estimate of life of mine
2025

Safety rating at end 2016
None

EPLs at end of 2016

EPL 2410
EPL 3195
EPL 4277
EPL 4278
EPL 4279
EPL 4280
EPL 4309
EPL 4314
EPL 5597
EPL 5598

Affirmative Action Plan
Approved

Number of bursaries awarded in 2016
5

Managing Director: Mr Mark Dawe



Contact Details

PO Box 80363, Windhoek, Namibia
Tel: +264 61 295 8700 | Fax: +264 61 295 8799
naminia.pr@b2gold.com | www.b2gold.com



Namibia's second gold mine, the Otjikoto mine, lies between Otavi and Otjiwarongo in Northern Namibia. The mine came into production in December 2014 and has successfully entered into commercial production exceeding production targets.

Highlights for 2016

- Record production achieved at the Otjikoto gold mine.

Production

The Otjikoto gold mine produced 166,286 ounces (4,714 kilograms) of gold bullion, well exceeding the production guidance range. 2016 production benefitted from higher throughput due to the successful completion of its mill expansion project in September 2015 and also due to overall process optimizations. Mining operations in the Wolfshag zone commenced in June 2016, which also played a major role in achieving record production.

Exploration

Infill drilling of 7,000 metres was conducted on the Wolfshag zone and on the exploration core of 4,000 metres as well as RAB drilling totalling 5,000 metres to test targets on the mining licence.

Exploration drilling at the Ondundu deposit continued to yield encouraging results.

Safety

The mine suffered one fatality in 2016 when a machine operator was trapped between a dozer and a diesel truck during a refuelling operation in December 2015. Two million hours without an LTI was clocked at the end of October 2016 with a total of 343 LTI free days achieved. Two LTI's were reported during the last two months of 2016.

Advanced technology instalments in the mining process also allowed for less exposure to potential incidents and a safer working environment.

Labour Relations

B2Gold Namibia experienced harmonious labour relations during 2016. The Company's Management and the Union's Branch Executive Committee (BEC)

aim to resolve labour-related differences amicably and ensure that sound labour relationships are maintained at the mine.

Education and Skills

B2Gold provided five once-off bursaries in 2016, three of which were to vocational training candidates, and two for university students. The company offered seven pre-bursars the opportunity to work for 12 months before commencing formal studies in 2017 in the following fields of study; Engineering (Electrical/Mechanical), Mining, Geology, Accounting with a Chartered Institute of Management (CIMA) specialization, and Metallurgy.

Furthermore, approximately 60 Namibian artisans who received training for the construction of the Otjikoto gold mine, and consequently part of the workforce thereof, were handpicked by Vancouver based executives to work on the construction of the new Fekola mine in Mali.

Procurement

B2Gold spent approximately N\$823 million on Namibian-produced goods and services in 2016.

Community Relations

B2Gold's Corporate Social Responsibility (CSR) Programme aims to promote responsible mining, mitigate risk and demonstrate long-term sustainability from resources and to prepare communities for when the mine closes. In 2016, CSR activities and financial support involved projects in education, livelihood development, conservation and health.

Environment

The Environmental management plan (EMP) was reviewed in 2016, with a focus on improving operational waste management practices related to processes and infrastructure. The company proceeded with progressive rehabilitation of disturbed areas with closure planning and reclamation strategies currently being formulated.

Consultations and engagements were held with various stakeholders, including government agencies, neighbouring farmers as well as with other mines and operations in the surrounding areas. Discussions were also held with NUST to identify research opportunities.

DE BEERS MARINE NAMIBIA (PTY) LTD

Output

Output in 2016
1,170,000 carats

Employment

Permanent employees at end 2016
808

Temporary employees at end 2016
32

Contractors at end 2016
25

Expatriate employees at end 2016
121

Financial

Financial year
1 Jan – 31 Dec

Vessels
Mv Debmar Atlantic
Mv Debmar Pacific
Mv !Gariep
Mv Grand Banks
Mv Mafuta
Mv SS Nujoma
Mv Coral Sea (on charter)
Mv The Explorer (on charter)

Details

Shareholders
Namdeb Holdings (100%) –
Government (50%) and De Beers
(50%)

Related operations in Namibia
Namdeb Diamond Corporation
(Pty) Ltd and Namibia Diamond
Trading Company (Pty) Ltd (NDTC)

Mines in Namibia
Marine diamond mining off the
coast of Namibia

Established
January 2001

Safety ratings at end 2016
ISM Certification
OHSAS 18001 Certification
ISO 14001

Affirmative Action Plan
Approved

Number of bursaries awarded in
2016
1

CEO: Mr Otto. N Shikongo



Mv The Explorer mv SS Nujoma was successfully delivered to Cape Town in August 2016.

Contact Details

PO Box 23016, Windhoek, Namibia
Tel: +264 61 297 8400 | Fax: +264 61 297 8140
Stella.Auala@debeersgroup.com



DEBMARINE NAMIBIA
unlocking the sparkle

De Beers Marine Namibia (Pty) Ltd, trading name:
Debmarmine Namibia
Company registration number 85/090

Debmarmine Namibia (DBMN) is the marine exploration and mining operator for the offshore licence area held by Namdeb Holdings (Pty) Ltd.

Exploration

Exploration sampling totalling 138 days was carried out in 2016 in the Atlantic 1 mining licence with a chartered vessel (mv The Explorer). The programme was aimed at undertaking on-going exploration (fleet and projects) and to generate inferred resource. A total of 60 days are planned for exploration in 2017.

Safety

The marine diamond mining operator retained its ISO 14001, ISM and OHSAS 18001 certifications. Five Lost Time injuries were recorded in 2016 (2015: three), with an Lost Time Injury Frequency Rate (LTIFR) of 0.29. The company also experienced ten High Potential Incidents, which were thoroughly investigated and the necessary preventative and corrective measures implemented.

Labour Relations

During the year under review, DBMN and the Union were engaged in a number of activities, all aimed at strengthening their constructive relationships. The three year wage agreement which was signed in 2014 continued and will be in place until March 2017. The two parties jointly applied to the Minister of Labour, Industrial Relations and Employment Creation, for an exemption to allow the Company

to deduct money from employees for the purpose of a home ownership scheme for qualifying employees. The application was successful and the exemption was issued in November 2016. No strikes, demonstrations or disputes were reported during the period under review.

Education and skills

Skills development focused largely on in-house training, and employees participated in marine, safety, technical skills, leadership & self-worth as well as communication programmes. Trainees were also subjected to extensive skills development programmes in control and instrumentation, drilling, engine room ratings, deck ratings and seabed tool pilots among others. One Mechanical Engineering bursary was awarded in 2016 and N\$50.1 million was spent on training and development.



Highlights for 2016

- Operational performance exceeded budget.
- The new exploration and sampling vessel, the mv SS Nujoma was delivered ahead of schedule.

Production

DBMN achieved its production target in 2016, with a total of 12 square kilometres mined producing 1.17 million carats against an original budget of 11.1 square kilometres and 1.17 million carats.

Pre-production Development

Pre-production development sampling in 2016 in the Atlantic 1 mining licence totalled 341 days against a budget of 293 days. A total of 203 days are planned for 2017. There were no pre-production geophysical surveys in the Atlantic 1 mining licence during 2016. A total of 115 days for geophysical surveys are planned for 2017.

Procurement

DBMN remains committed to supporting local enterprises in so far as local procurement is concerned and for this reason the establishment of a supply and delivery point in Namibia will continue to feature as a strategic objective. To this end, Namibian spend for 2016 amounted to N\$1.421 billion representing 26% percent of total spend value.

Community Relations

The Debmarine Namibia Social Responsibility Fund (SRF) continued to sponsor worthy initiatives in 2016, with a particular focus on education, welfare, sports and capacity building. These included the Khomas Regional Science Fair, the National Science Awards, sponsorship of the Namibian Investment Conference, support to the Namibian Police and the donation of school equipment through the Debmarine-Namdeb Foundation. Greater emphasis was placed on sport development through sponsorships to the National Football Association, the Namibian Paralympic Team for the Rio2016 Paralympic games and the 100-metre gold winning paralympic athlete, Ananias Shikongo. The company contributed some N\$2.4 million to the Fund in support of these projects and initiatives.

Environment

The benthic monitoring programme currently focuses primarily on soft seabed sediments. Josef Shikeva, an MSc student registered at the University of Namibia has been appointed to conduct research on the use of underwater video footage to assess the impact of mining on hard benthic surfaces in Southern Namibia. The outcomes of this project will provide inputs for a potential future continuous hard substratum monitoring programme.

Other supportive research initiated in 2016 for the benthic monitoring programme include, the application of geophysical data for the determination of physical habitat recovery, screen monitoring feasibility study and the plume modelling study in Atlantic 1 mining licence area

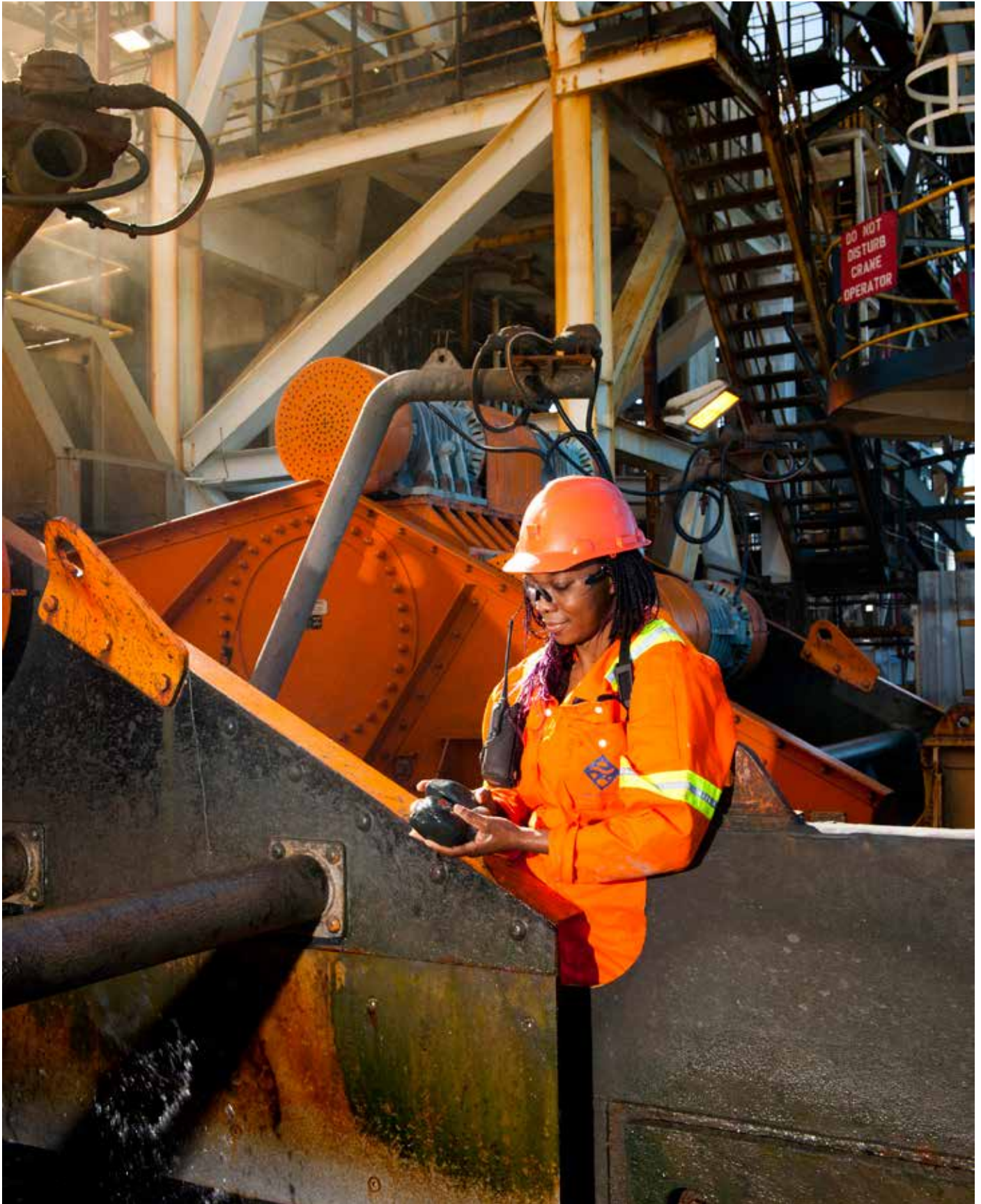
Three Marine Scientific Advisory Committee (MSAC) meetings were successfully held in April, July and September 2016.



31

OPERATING COMPANIES

CHAMBER OF MINES
ANNUAL REPORT 2016



DUNDEE PRECIOUS METALS TSUMEB (DPMT)

Output

Output in 2016
40, 869 tonnes of blister copper
191, 630 tonnes of sulphuric acid

Employment

Permanent employees at end 2016
594

Temporary employees at end 2016
58

Contractors at end 2016
980

Expatriate employees at end 2016
7

Financial

Financial year
1 Jan – 31 Dec

Turnover in 2016
N\$1.925 billion

Wages and salaries in 2016
N\$263.7

Fixed investment in 2016
N\$253.7 million

Loss in 2016
N\$48.5 million

Corporate Tax paid in 2016
Nil

Dividends paid in 2016
Nil

Details

Shareholders
Dundee Precious Investments B.V
(100%)

Date of production start
1963

Latest estimate of life of mine
2030

Safety rating at end 2016
No safety rating done during 2016

Affirmative Action Plan
Approved

Number of bursaries awarded in 2016
3

Vice President and Managing Director
Mr. Zebra Kasete



Removal of impurities which have not reached desired copper percentage (98 percent or greater) via scrapping. This molten material is also known as oxide slag and is fed back into the converter.

Contact Details

P.O. Box 936, Tsumeb, Namibia
Tel: +264 67 223 4000 | Fax: +264 67 223 4231
z.kasete@dundeeprecious.com | www.dundeeprecious.com



Dundee Precious Metals Tsumeb, previously known as Namibia Custom Smelters, is located in Tsumeb, a northern town approximately 430 kilometres from Windhoek and produces blister copper from imported copper concentrates. The company has invested heavily in their new smelter, with state of the art gas filtration systems.

Highlights for 2016

- Official inauguration of sulphuric acid plant on 6 April 2016.
- Commissioning of the 2 new Pierce Smith Converters
- Sulphuric acid plant fully commissioned and subsequent production of sulphuric acid.

Production

Blister copper production fell from 45, 220 tonnes in 2015 to 40, 869 tonnes in 2016. The drop in production was primarily a result of an unplanned shutdown early in 2016, stemming from a nation-wide power outage.

At the sulphuric acid plant, two new Pierce Smith Converters were commissioned which have tight fitting off-gas hoods and transport the sulphur dioxide emissions to the plant. The addition of these converters significantly helped to boost sulphuric acid production in 2016 which totalled 191, 630 tonnes.

Safety

DPMT recorded a sharp increase in the number of LTI's recorded in during the year in review, from one in 2015 to 15 in 2016. The company continued with safety programmes focusing on critical risk control and the leadership to enhance a safe working environment.

Labour Relations

A three year wage agreement was concluded and the company moved away from a three shift to four shift operation.

Education and Skills

Three new bursaries were sponsored by DPMT in 2016 with five carried over from 2015 for internal and external candidates. The company spent approximately N\$6.9 million on skills development in 2016, which included a number of in-house training

programmes for operators and soft skills development as well as study assistance for employees.

Procurement

DPMT spent N\$38.7 million on goods and services from businesses owned by previously disadvantaged Namibians, and N\$774.9 million from Namibian businesses and companies.

Community Relations

DPMT spent approximately N\$3.7 million on community projects during the year, which included support provided to Tsumeb Municipality for water infrastructure and emergency response, funding to SMEs, education, sports and culture initiatives.

Environment

DPMT conducted and completed a number of specialist studies to determine environmental impacts and suitable controls. These included a water balance model, groundwater model, contaminated land assessment, groundwater monitoring protocol, legacy waste identification and surface water monitoring protocol.

A nursery was built during 2016, with the intent to start phytoremediation trials in 2017.

An external consultant was appointed to conduct a number of specialist studies for the DPMT expansion project Environmental Impact Assessment (EIA). The EIA process progressed well in 2016 and draft reports for most studies were available for review towards the end of the year.

Back end of Converter where settled dust slurry is filtered and caked.



LANGER HEINRICH URANIUM (PTY) LTD

Output

Output in 2016
2,232 tonnes

Employment

Permanent employees at end
2016
309

Temporary employees at end 2016
80

Contractors at end 2016
360

Expatriate employees at end 2016
20

Financial

Financial Year
1 Jul – 30 June

Turnover in 2016
N\$2.056 billion

Wages and salaries in 2016
N\$224 million

Fixed investment in 2016
N\$89 million

Exploration expenditure in 2016
Nil

Loss in 2016
N\$2.138 billion

Corporate tax paid in 2016
Nil

Royalties paid in 2016
N\$83 million

Government: N\$80.4 million
Vendor: N\$2.6 million

Details

Shareholders
Langer Heinrich Mauritius Holdings
Ltd 100%
Ultimate Holding Company:
Paladin Energy Limited (75%)
Chinese Overseas Uranium
Holdings Ltd (25%)

Related operations in Namibia
None

Mines in Namibia
Langer Heinrich mine
(ML 140)
(ML 172)

Date of production start
2007

Latest estimate of life of mine
2038

Safety rating at end 2016
4 Star NOSA Platinum

Affirmative Action Plan
Approved

Number of bursaries awarded in
2016
Nil

Managing Director : Mr Simon S
Solomons



Contact Details

PO Box 156, Erf 3981B, Ext. 10, Einstein Street, New Industrial Area, Swakopmund, Namibia
Tel: +264 64 410 6200 | Fax: +264 64 413 6299
contact@lhupl.com | www.lhupl.com



LANGER HEINRICH URANIUM (PTY) LTD

A Member of the Paladin Energy Ltd Group of Companies

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 (NSE). The mine produces "yellow cake" for export to power utilities in countries which are signatories to the Nuclear Non-Proliferation Treaty.

Highlights for 2016

- Langer Heinrich Uranium (LHU) successfully implemented numerous cost saving initiatives resulting in a significant decrease in total cash costs.

Production

LHU operated at 100.7% of Nameplate run of mine (RoM), 93.0% of Nameplate U₃O₈ and 90.8% of Nameplate RoM Grade during 2016. A project to reduce steam consumption and improve heat recovery was commissioned in November 2016.

Production levels were sustained due to improved operational efficiency and cost cutting measures, ensuring the company's sustainability during trying times driven by the continued weakening of the uranium spot price and the appreciating South African rand.

Exploration

No exploration took place during the course of 2016.

Safety

Langer Heinrich retained its 4 Star Platinum NOSA rating in 2016, with a reduction in LTIs from six in 2015 to four in 2016.

Labour Relations

Two peaceful demonstrations were held in 2016. The first one occurred in February which arose from a request to introduce a medical incapacity procedure. A petition was delivered by the union and the procedure was implemented without further labour action. The second demonstration involved claims of incorrect overtime payments made by the company. After consulting legal advice, it was resolved that overtime remittances by LHU were paid correctly in accordance with company policy and the Namibian Labour Law.

Furthermore, seven labour disputes were recorded of which two were registered by the company, four by the union and one by an individual employee. Thirty employees were retrenched towards the end of 2016, resulting from a decision to temporarily suspend mining operations for the next two to three years due to the continued drop in the uranium price.

Education and Skills

LHU continued to sponsor two bursars in the fields of Metallurgy, Engineering and Mechanical Engineering in addition to providing study assistance to nine employees and internships for 24 graduate trainees and 56 technical trainees. Lastly, the company provided a host of training programmes to employees in various areas of expertise.

Procurement

Goods and services worth N\$1.541 billion were purchased from Namibian businesses and companies by LHU, of which N\$159 million was purchased from previously disadvantaged Namibians.

Community Relations

Despite severe operational cash constraints, the company continued to support local and regional education projects as part of its CSR drive, spending approximately N\$3 million on the following; Mathematics Support and Enrichment Programme, Teachers Annual Mathematics Congress, Mondesa Youth Opportunities, sports development and human resources training to unemployed youth among a host of other initiatives.

Environmental Issues

In 2016, the company reviewed environmental impacts and aspects as well as carried out an Environmental Risk Assessment review. The Environmental Monitoring and Management Programmes were also reviewed after which the monitoring network was expanded. A centralised environmental database assists LHU to monitor, evaluate and report on environmental data. Any anomalies which may arise are investigated and attended to. During the period in review, no anomalies were discovered. Internal and external audits were conducted on site throughout the year.

The Mine Closure Plan was also reviewed in 2016 and mechanical rehabilitation is on-going. Field research on restoration commenced while the on-site plant nursery was revived.

Employees received training on waste management and nursery management techniques.

LODESTONE NAMIBIA (PTY) LTD

Output

Output in 2016
8,478 tonnes of iron ore

Employment

Permanent employees at end
2016
12

Number of temporary employees
at end 2016
Nil

Contractors at end 2016
Nil

Expatriate employees at end 2016
1

Financial

Financial year
1 Jan – 31 Dec

Turnover in 2016
N\$10.6 million

Fixed Investment in 2016
N\$1.2 million

Exploration expenditure in 2016
N\$1.6 million

Royalties paid in 2016
N\$304,718

Details

Shareholders
German Institutions 50.34%
Namibian Individuals 14.91%
German National 11.19%
US Citizen 7.46%
German/US/UK Investment 16.11%

Related operations in Namibia
None

Mines in Namibia
Dordabis iron ore mine (ML 182)

Date of production start
2015

Latest estimate of life of mine
2034

EPL's at end of 2016
EPL 3112
EPL 3839
EPL 4265

CEO: Mr Carsten Mosch



Update of activities in 2016

The Dordabis mine doubled iron ore output in 2016, totalling 8,878 tonnes of iron ore from 4,000 tonnes produced in 2015. Discussions continued with potential customers to establish future off-take agreements.

The company continued to employ and train a local workforce in mining related areas and spent approximately N\$790,000 on procurement of goods and services through local businesses.

Lodestone's exploration programme in 2016 consisted of sterilisation drilling on EPL 3112.

Contact Details

PO Box 41102, Windhoek, Namibia
Tel: +264 61 218 079 | c.mosch@lodestonepty.com
www.loadstonepty.com/namibia

37

CHAMBER OF MINES
ANNUAL REPORT 2016

OPERATING COMPANIES



NAMDEB DIAMOND CORPORATION (PTY) LTD

Output

Output in 2016
403,000 carats

Employment

Permanent employment at end
2016
1,685

Temporary employment at end
2016
76

Contractors at end 2016
772

Expatriates at end 2016
29

Financials

Financial Year
1 Jan – 31 Dec

Details

Refer to Namdeb Holdings

Details

Shareholders
Namdeb Holdings (100%) –
Government (50%) and De Beers
(50%)

Related operations in Namibia
De Beers Marine Namibia (Pty)
Ltd, trading name: Debmarine
Namibia
Namibia Diamond Trading
Company (NDTC)

Safety Rating at end 2016
OHSAS 18001:2007

Affirmative Action Plan
2016 Certification received

Bursaries awarded in 2016
Nil

Acting CEO: Mr Markus Johannes
Lubbe
Chief Operating Officer: Mr Dirk
Adriaan Burger



*Johan Breedt (Engineering Foreman) and
Sebulon Shitaatala examining a pump*

Contact Details

PO Box 1906, Windhoek, Namibia
Tel: +264 61 204 3333 | Fax: +264 61 204 3367
Markus.Lubbe@namdeb.com | www.namdeb.com

PO Box 35, Oranjemund, Namibia
Tel: +264 63 239 111 | Fax: +264 63 239 008
riaan.burger@namdeb.com | www.namdeb.com



A NAMIBIA DE BEERS PARTNERSHIP

Namdeb Diamond Corporation is owned by Namdeb Holdings. In turn, Namdeb Holdings is owned 50:50 by De Beers and the Government of the Republic Namibia respectively. Namdeb Holdings has long-term mining concessions in the south west of Namibia both on land and offshore, adjacent to the Orange River and offshore in the shallow waters. Namdeb Diamond Corporation is the exploration and the mining operator for all land-based licences of Namdeb Holdings, with the exception of the deep off shore mining licences.

Highlights for 2016

- Improved safety systems and human behaviour
- Improved company union relations
- Significant progress with Oranjemund Town Transformation milestones

Production

Namdeb's land based operation produced 403,000 carats in 2016. Output declined in 2016 as a result of lower grades.

Exploration

Evaluation sampling, using the BG36 large diameter drill was undertaken at the Elizabeth Bay mine while run of mine sampling and exploration drilling was done on the Southern Coastal Mines (SCM). The BG36 relocated to Southern Coastal Mine and completed evaluation drilling of the U60 Resource block in addition to the U80 and U90 blocks.

Sample trimming from the Elizabeth Bay mine to Oranjemund made significant progress.

Second phase percussion drilling of a carbonate at Karingarab as part of the rare-earth element (REE) programme was completed and all samples were submitted for chemical assays. The interpretation of the airborne electro magnetic survey on the Orange River licence, aiming to identify buried palaeochannels, was followed up with a short drilling programme.

In the Offshore area, a total of 30 days sampling was concluded in the midwater deposits. A boomer geophysical survey was completed in the shallow water portion of Southern Coastal Mine offshore

areas. The Probe Drill Platform (PDP) continued its drilling programme in the shallow water deposits of the Southern Coastal Mine, proceeding a brief structural integrity analysis early in 2016. The sonic drill was used to drill gaps in areas where accelerated accretion has made more land available.

The Geolab macro diamond laboratory continued to deliver excellent service to the sampling plant as well as auditing Elizabeth Bay mine recovery and Red Area Complex (RAC) tailings. The RAC is the main diamond recovery unit.

Mine Safety

Sadly the operation suffered one fatality in 2016 which involved an operator in a dozer during a seawall/crosswall slumping incident. Namdeb recorded four lost time injuries which equates to a Lost Time Injury Frequency Rate of 0.15. Mining operations recorded a reduction in vehicle and high potential incidents.

Labour Relations

The relationship between the Company and the Mineworkers Union of Namibia has been fairly stable over the last few years, a situation which is largely attributable to rigorous engagement activities between the two parties. This is also further manifested through ongoing collaborative efforts between both parties on matters of mutual concern. In 2016 the parties made good progress with the revision of the Disciplinary Code and Grievance Procedure.

A Labour dispute related to the extension of a Housing Allowance was settled with the intervention of a conciliator.

Education and Skills

No new bursaries were offered in 2016, however Namdeb continued to provide job attachment opportunities and offer internships as well as Work Integrated Learning across various disciplines.

Skills development focused on managing talent and targeted desired behaviour in line with the aspirations laid out in 2050 Vision. Namdeb thus invested in programmes for supervisors and line managers to advance business knowledge and leadership competencies. Additionally, leadership and coaching skills were harnessed along side employee relations training, better equipping managers to deal with disciplinary and grievance cases.

Procurement

A total of N\$1.6 billion was procured from Namibian registered businesses for the financial year.

Community Relations

2016 marked a significant year for Namdeb with regard to its CSR Activities. The company introduced the Social Way, a social management framework that was adopted from De Beers and Anglo American. Among others, the main aim of the framework is to strengthen relationships with host communities, identifying and understanding their needs while contributing to their socio-economic development. Vital aids were established in the surrounding communities, such as the social incidents and external community complaints procedure as well as social commitment registers. Stakeholder engagement targets direct engagement to better understand needs and address issues directly linked to mine impact.

Namdeb also played a significant role in 2016 through support provided to the Oranjemund Town Council in its sustainable transformation efforts, providing financial and in-kind support to this end.

Pertaining to direct social investment, carried out by the Debmarine – Namdeb Foundation (the joint social investment vehicle for Namdeb and Debmarine – Namibia), a number of projects focusing on women empowerment and education continued to be supported.

Environmental Issues

At the Sendelingsdrif, rehabilitation activities to re-establish a red listed species was carried out. A

successful external environmental stakeholder's forum was held at Sendelingsdrif with key specialists, De Beers and key authoritative representatives showcasing this work. Other significant issues that were discussed with stakeholders included the closure plans for Elizabeth Bay mine, rehabilitation in the licence areas and an update of the midwater project.

Namdeb Environmental Management System (EMS) is aligned to the ISO 14001:2004 standard. The company intends to transition to the new standard before September 2018. The company conducted a review on all their environmental programme reports per licence area.

Outlook

Macro-economic conditions underpinning consumer demand for diamonds remain broadly stable in aggregate, with the US expected to continue to be the main driver of global growth in 2017. The extent of global growth, however, will depend on a number of macro-economic factors, including the new administration in the US, the strength of the US dollar impacting consumer demand, economic performance in China, the effects of Indian demonetisation, and sentiment following the main US and Chinese New Year retail season.

With midstream stocks having returned to typical levels in 2016, rough diamond demand is expected to normalise in 2017, reflecting underlying consumer and retail demand.

Paulus Iileka at EBay Main Treatment Plant Washing Station Scubber 002 Area



Financial

Financial Year
1 Jan – 31 Dec

Turnover in 2016
N\$10.892 billion

Wages and Salaries in 2016
N\$1.616 billion

Fixed investment in 2016
N\$1.962 billion

Exploration expenditure in 2016
N\$323 million

Corporate tax paid in 2016
N\$1.672 billion

Royalty tax paid in 2016
N\$1.089 billion

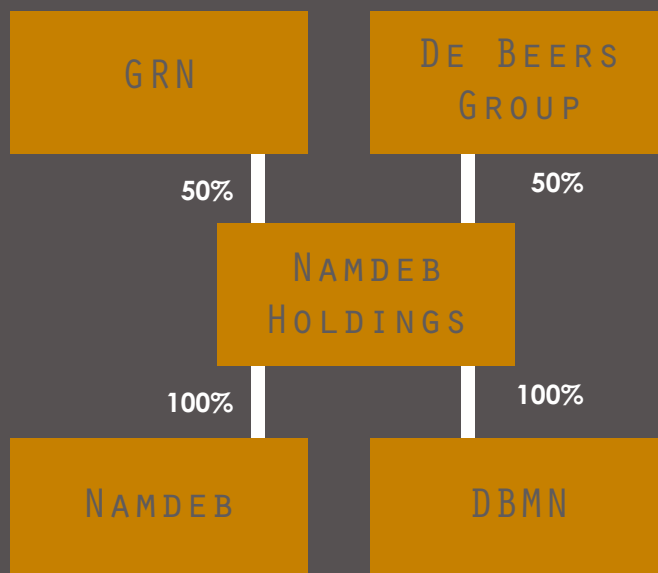
Details

Shareholders
De Beers – 50%
GRN – 50%

Wholly owned subsidiaries
De Beers Marine Namibia (Pty)
Ltd, trading name: Debmarine
Namibia
Namdeb Diamond Corporation
(Pty) Ltd

Concessions in Namibia
Orange River
(ML 42)
Mining Area 1 (ML 43)
Bogenfels (ML 44)
Elizabeth Bay (ML 45)
Douglas Bay (ML 46)
Atlantic 1 (ML 47)
Midwater (ML 128 A, B and C)

Date of production start
Mining Area No 1 – 1928
Orange River – 1990
Atlantic 1 – 1990
Elizabeth Bay – 1991
Daberas – 1990
Bogenfels – 2007
Sendelingsdrif – 2015



Output

Output in 2016
1,890 kg

Employment

Permanent employees at end 2016
409

Number of temporary employees at end 2016
19

Contractors at end 2016
411

Expatriate employees at end 2016
4

Financial

Financial year
1 Jan – 31 Dec

Turnover in 2016
N\$1.138 billion

Wages and salaries in 2016
N\$236.3 million

Fixed Investment in 2016
N\$200.6 million

Exploration expenditure in 2016
N\$7.4 million

Profits in 2016
N\$244.8 million

Corporate tax paid in 2016
Nil (Tax loss position)

Royalties paid in 2016
N\$31.4 million

Details

Shareholders
QKR Namibia Mineral Holdings (Pty) Ltd – 92.5%
JG Investments (Pty) Ltd (EpangeloGold) – 7.5%

Related operations in Namibia
None

Mines in Namibia
Navachab Gold Mine (ML 31)
ML 180

Date of production start
1989

Latest estimate of life of mine
2036

EPL's at end of 2016
EPLs 999, 3275

Safety ratings at end 2016
OHSAS 18001: 2007

Affirmative Action plan
Approved

Number of bursaries awarded in 2016
3

Managing Director: Mr Johannes Stefanus Coetzee



Contact Details

PO Box 150, Karibib, Namibia
Tel: +264 64 552 000 | Fax: +264 64 550 231
info@navachab.com.na | www.qkrcorp.com



Navachab gold mine is an open pit mine, producing gold bullion which is refined for onward sales at the Rand Refinery in South Africa.

Highlights for 2016

- ML 180 approved and issued
- Three Major plant expansion projects completed and commissioned

Production

Gold production remained steady at the Navachab gold mine, posting an output of 1,890 kilograms. Mining of the Western Pushback continued, in order to expose new ore which is planned for mining in 2018 and 2019. An upgraded pit dewatering system was successfully implemented to supplement water supply to the Mining and Processing operations. All CIP (Carbon in Pulp) plant projects were fully commissioned and became operational while the PCP (Pre-Concentration) plant commissioning continued a steady ramp up.

Exploration

A total of 11 Reverse Circulation (RC) holes were drilled on EPL 999 to follow up on rock chip and channel sample anomalies. Drilling on EPL3275 comprised of 17 RC holes aimed at infilling the 2011 grid and targeting zones of high gold in soil values from the 2009 soil geochemistry. Exploration on the mining licence area focused on probing the down-plunge extension of the main and second shoots drilling from North Pit 3.

Brownfield exploration on ML31, ML180 and EPL999 for 2017 will focus on extensive mapping and modelling, followed by rock chip and channel sampling, trenching and ultimately drilling of delineated anomalous zones.

Safety

The mine was audited in April of 2016 and retained its OHSAS 18001 certification and reported a fatality free 2016, although seven LTI's occurred.

Labour Relations

Labour relations remained stable throughout 2016.

Education and Skills

Three new bursars were sponsored in 2016 in the fields of Metallurgy, Mining and Electrical Engineering. The company also offered self-study assistance to 23 employees in various fields of tertiary studies. Skills development training included training on new mining trucks, excavators and rock breakers for Mining Operators.

Procurement

Purchases from Namibian suppliers for the year totalled N\$771.5 million, which represents approximately 83% of total purchases.

Community Relations

CSR initiatives involved projects in poverty eradication, education, and health and youth development. The main focus of support was the karakul sheep project in which 24 households were targeted.

Environment

The mine retained its ISO14001 certification and continued with its EMP in 2016. During the year, Navachab ran a campaign on a hydrocarbon waste clean-up and built a sewage treatment wetland to recover waste water for operational use. A geo-hydrological study was conducted to assess alternative water source options and to better manage pit and storm water surrounding the Anomaly 16 area.



ROSH PINAH ZINC CORPORATION (RPZC)

Output

Output in 2016
80,560 tonnes zinc concentrate
14,862 tonnes lead concentrate

Employment

Permanent employees at end 2016
463

Temporary employees at end 2016
4

Contractors at end 2016
104

Expatriate employees at end 2016
8

Financial

Financial year
1 Jan – 31 Dec

Turnover in 2016
N\$977 million

Profit in 2016
N\$133 million

Wages and salaries paid in 2016
N\$211 million

Fixed investment 2016
N\$177 million

Exploration expenditure in 2016
N\$360,000

Corporate tax paid in 2016
N\$81 million

Royalties paid in 2016
N\$25.3 million

Details

Shareholders
Glencore - 80.08%
Jaguar Investments – 15.57%
PE Minerals – 3.15%
Rosh Pinah Employee
Empowerment – 1.19%

Related operations in Namibia
None

Mines in Namibia
Rosh Pinah mine (ML 39)

Date of production start
1969

Latest estimate of life of mine
+/- 2025

EPLs at end of 2016
EPL 2616

Safety ratings at end 2016
OHSAS 18001
ISO 14001

Affirmative Action plan
Approved

Number of new bursaries awarded
in 2016
Nil

Managing director: Mr Christo
Horn



Contact Details

Private Bag 2001, Rosh Pinah, Namibia
Tel: +264 63 274 201 | Fax: +264 63 274 209
christo.horn@rpzc.com.na | www.glencor.com



Rosh Pinah is an underground mine producing zinc and lead concentrates. Both lead and zinc concentrate are sold to the international market.

Highlights for 2016

- RPZC reached a safety mile stone, recording 471 LTI free days – a first in the history of the mine
- Started producing Run of Mine (RoM) from a new ore body, which will be the primary source of ore supply in the foreseeable future.

Production

Zinc and lead production were severely affected by a two -month strike, from February to April 2016. Zinc concentrate fell from 99,665 tonnes produced in 2016 to 80,560 tonnes in 2016, while lead concentrate declined from 18,521 tonnes produced in 2015 to 14,862 tonnes in 2016.

Exploration

In 2016 RPZC limited its exploration activities in-line with a strategic decision to focus on improving confidence of the measured mineral resource. A total of 3,091 metres was drilled while a high-resolution aeromagnetic and radiometric survey was conducted.

Safety

Unfortunately, three LTI's were recorded after the operation reached its 471 LTI free days' mile stone. RPZC continued to implement global best practice initiatives in line with Glencore policies and guidelines to ensure zero harm.



Labour Relations

Labour relations were constrained during 2016. A dispute involving wages registered at the Labour Commissioner's office resulted in a legal strike which lasted 54 days.

The strike was resolved by signing a two-year wage increase after the initial one-year offer.

Education and skills

RPZC undertook various training initiatives for the year under review, which included three job attachments and other in-house training and skills development programmes.

Procurement

The mine spent some N\$ 346 million on locally produced goods and services in 2016.

Community Relations

RPZC contributed some N\$3.85 million to communities in the Rosh Pinah area. These included financial support to schools, hospitals, the Karakul Carpet project and the Leather Handbag project.

Environment

An integrated environmental management programme ensures limited environmental impact on-site and the immediate surroundings. New dust suppression technologies were implemented to reduce dust pollution at its source.

RPZC is part of the Rosh Pinah Community forum where all interested and affected parties of mine operations regularly meet and discuss issues of mutual concern.



RÖSSING URANIUM

Output

Output in 2016
1,850 tonnes

Employment

Permanent employees at end
2016
949

Temporary employees at end
2016
31

Contractors at end 2016
752

Expatriate employees at end
2016
4

Financial

Financial year
1 Jan – 31 Dec

Turnover in 2016
N\$3.071 billion

Wages and salaries in 2016
N\$613.8 million

Fixed investment in 2016
N\$169.3 million

Exploration expenditure in 2016
Nil

Profit in 2016
N\$107.1 million

Corporate tax paid in 2016
Nil (Company in tax loss position)

Royalties paid in 2016
N\$80.4 million

Dividends paid in 2016 N\$1.487
billion

Details

Shareholders
Rio Tinto (68.62%)
Iran Foreign Investment Company
(15.29%)
Industrial Development
Corporation of South Africa
(10.22%)
Government of Namibia (3.38%)

Related operations in Namibia
None

Mines in Namibia
Rössing mine (ML 28)

Date of production start
1976

Latest estimate of life of mine
2025

Safety rating
Rio Tinto All Injury Frequency Rate
0.82
ISO 14001

Affirmative Action plan
2016-2018 Pending

Number of bursaries awarded in
2016
6

Managing Director : Mr Werner
Duvenhage



Contact Details

Private Bag 5005, Swakopmund, Namibia
Tel: +264 64 520 2275 | Fax: +264 64 520 3017
werner.duvenhage@riotinto.com | www.rossing.com



Rössing Uranium, which is majority owned by Rio Tinto plc, is one of Namibia's two uranium producing mines and is the country's longest running open pit uranium mine which has been in operation for 40 years. Rössing produces uranium oxide for nuclear power utilities in countries which are signatories of the Nuclear Non-Proliferation Treaty.

Highlights for 2016

- The mine celebrated its fortieth year of production.
- 2016 marked the first full year of continuous operations following two years of curtailed production.

Production

Considerable success was achieved in removing bottle necks and improving mining efficiencies. This resulted in increased mill throughput and a 48% rise in production from 1,245 tonnes of yellow cake produced in 2015 to 1,850 tonnes in 2016. Full year production fell short of planned production by approximately 10%.

Exploration

No exploration was undertaken during the year in review.

Safety

As part of the Rössing safety strategy, the organisation continued implementing its three-tiered approach in managing safety namely; fatality elimination, reduction of injuries and catastrophic event prevention. The adoption of this approach yielded a number of safety milestones in 2016. The company scored an impressive rating of 2.41 against a set group target of 2 in the on-boarding phase of its fatality elimination initiative, Critical Risk Management.

The second milestone achieved was the reduction of Potential Fatal Incidents (PFI) by 30% compared to 2015. In addition, investigation training for Superintendents and Managers led to further improvements in the quality of such undertakings and in identifying root causes so as to implement sustainable actions, avoiding repeat incidents. Finally, the severity of injuries was reduced by more than 40% with a decline in LTI's from nine in 2015 to five in 2016.



Although the approach yielded notable safety improvements in these areas, the All Injury Frequency Rate (AFIR) of 0.82 was 12% higher than in 2015.

Labour Relations

Rössing maintained sound labour relations with the trade union and its employees during 2016. A monthly Company/Union Forum takes place where both sides work to understand and resolve issues. No new agreements were put in place.

Education and skills

The company spent a total of N\$7.59 million on skills development in 2016. This included 11 bursaries, 26 students provided with educational assistance through the Rössing Dependent Scholarship, ten trade related job attachments, one apprenticeship, 11 employees pursuing part-time and full-time degrees, five employees pursuing limited contact studies in various fields, seven employees undergoing graduate

development and lastly a host of in-house technical training provided to a large range of personnel.

Procurement

Namibian spend in 2016, excluding non-discretionary expenditure amounted to N\$1.672 billion. This included approximately N\$90 million that was spent on businesses owned by PDN's.

Community Relations

Since the mine commenced operations in 1976, Rössing has recognised the importance of developing and contributing to their surrounding communities. The company invested some N\$15.4 million either directly or through the Rössing Foundation in 2016, with their CSR programmes focusing primarily on education and enterprise development.

Environment

Mineral waste generated in 2016 amounted to 25.7 million tonnes including 9.2 million tonnes of tailings and 16.5 million tonnes of waste rock. Tailings were deposited on the existing tailings storage facility, mainly in the re-activated deposition areas which were prepared in 2015. The tailings footprint extended by 4.65 hectares into a partially disturbed area to the immediate north of the facility.

Rock waste generated was deposited on the existing rock dumps close to the open pit with no extension of the footprint. The total mineral waste inventory generated by Rössing over the last 40 years now consists of 1.36 billion tonnes covering a total footprint of 1,377 hectares.

In June 2016 a new waste management contractor was appointed by Rössing. The contractor handles recyclable materials like scrap metal and packaging materials including containers, paper and wooden pallets. Waste sorting has been introduced on site to reduce volumes of waste disposal through the separation of recyclable material. Non-recyclable material is bailed and taken to the Swakopmund domestic waste site. The Rössing land fill site which was in operation for 40 years has since been closed. An oil recycling company buys the mine's old oil for recycling.

Radioactive contaminated waste is co-disposed on the Rössing tailings storage facility and other hazardous non-radioactive wastes are disposed at the hazardous waste facility of the Municipality of Walvis Bay.





SAKAWÉ MINING CORPORATION (SAMICOR)

Output

Output in 2016
Nil

Employment

Permanent employees at end 2016
23

Temporary employees at end 2016
Nil

Contractors at end 2016
Nil

Expatriate employees at end 2016
2

Financial

Financial year
1 Jan – 31 Dec

Wages and salaries in 2016
N\$5.89 million

Fixed investment in 2016
N\$21 million

Exploration expenditure in 2016
N\$17.3 million

Details

Shareholders
Atligo (76%)
Epangelo Mining (8%)
Longlife Mining (10%)
National Youth Service (2%)
Employees (4%)

Related operations in Namibia
LL Namibia Phosphates
Samicor Diamond Mining
LLD Diamonds Namibia

Mines in Namibia
ML 36A-J, ML 103A and ML 51
(Samicor), ML 159 - (LL Namibia
Phosphates)

New and Pending applications
ML 163, ML 164, EPL 5063
(Samicor)
ML 191 (LL Namibia Phosphates)

EPL's at end of 2016
EPL 3946, EPL 5285- (LL Namibia
Phosphates) , EPL5063 (Samicor)

Number of bursaries awarded in
2016
None

Managing Director: Mr
Kombadayedu Kapwanga



Contact Details

PO Box 3498, Windhoek, Namibia
Tel: +264 61 386 100 | Fax: +264 61 249 253
kk@sakawe.com | www.sakawe.com



LL Namibia Phosphates, is embarking on a project in which it plans to produce fertilisers using phosphates mined from a marine deposit off the coast of Lüderitz.

Update on activities during 2016

Samicor Diamond Mining

A contract diamond miner proceeded with trial diamond mining on the high grade deposits of ML 151. The crawler, however was unable to maintain a sufficient mining rate in testing mining conditions. In 2017, the contractor will pursue lower grade areas, with easier to mine, thinner sediment, following planned exploration work. Research is scheduled to run concurrently as how best to modify the tool for optimal mining in high grade areas.

LL Namibia Phosphates (Fertiliser Project)

The Phosphate Demonstration plant hot commissioning during 2015 identified several design optimisations to be implemented. During 2016 these optimisations have been designed and implementation is on-going.

LL Namibia Phosphate (LLNP) designed and built a phosphate grab sampling system that was operated from a large vessel in order to reduce weather down time at sea. This was executed during the sampling programme and the phosphate was successfully processed at the Separation Test Facility. The sampling programme consisted of 265 grab samples. The grab sampling programme is planned to continue into 2017, exploring the whole licence area to establish higher confidence in fertiliser production potential.

The marine mining industry is still struggling to find a way forward for their phosphate mining operations. The Ministry of Marine Resources and Fisheries (MFMR) and lobby groups have impeded progress relating to the Environmental Impact Assessment of marine phosphate mining, despite wide consultation on studies required. Environmental Performance Assessment Report (EPAR's) are submitted bi-monthly for the Demonstration Test Facility in Luderitz and every six months for all other licences.

Discharge water sampling was replaced by biological sampling on MFMR's request. Given the limited diamond mining and very small impact from phosphate sampling, environmental impact from Samicor's operations were minimal in 2016. LLNP's full Environmental Impact Assessment (EIA) will commence once a decision is reached regarding Namibia Marine Phosphate's Environmental Clearance Certificate (ECC).



SALT & CHEMICALS (PTY) LTD

Output

Output in 2016
698,590 tonnes

Employment

Permanent employees at end
2016
37

Temporary employees at end
2016
4

Contractors at end 2016
Nil

Expatriate employees at end
2016
Nil

Financial

Financial year
1 Jul – 31 Aug

Turnover in 2016
N\$112 million

Wages and salaries in 2016
N\$30 million

Fixed investment in 2016
N\$74 million

Exploration expenditure in 2016
Nil

Profit in 2016
N\$5.33 million

Corporate tax paid in 2016
Nil (Company had an assessed loss
due to development expenditure
on expansion project)

Royalties paid in 2016
N\$2.2 million

Dividends paid in 2016
N\$3 million

Details

Shareholders
Walvis Bay Salt Holdings (Pty) Ltd
(100%)

Related operations in Namibia
• Walvis Bay Salt Refiners (Pty) Ltd
• Ekango Salt Refiners (Pty) Ltd

Mines in Namibia
Walvis Bay salt pan (ML 37)

Established
1964

Safety ratings at end 2015
OHSAS 18001
NOSA 4 Star

Affirmative Action plan
Approved

Number of bursaries awarded in
2016
Three

Managing Director: Mr CAA.
Snyman



Contact Details

PO Box 2471, Walvis Bay, Namibia
Tel: +264 64 213 350 | Fax: +264 64 209 635
andre.snyman@wbsalt.com | www.wbsalt.com



Salt & Chemicals (Pty) Ltd produces coarse salt at Walvis Bay through solar and wind evaporation for exports to South Africa as well as other markets. The coarse salt is also refined and beneficiated at the Salt and Chemical's sister companies Walvis Bay Salt Refiners and Ekango Salt Refiners.

Highlights for 2016

- Inauguration of salt pan expansion project on 18 July 2016, raising annual salt production to 1 million tonnes as from 2020.
- The operation was certified by the USA National Science Foundation (NSF) in November 2016, allowing access to markets in the USA.
- ML expansion to cover the pumping facilities was approved by MME.

Production

There were no changes in production processes, however, efforts were centred on the quality of salt produced. The operation produced 698,590 tonnes of salt in 2016, an increase from the 614,980 tonnes produced in 2015.

Marketing of the Walvis Bay Salt Refinery product continued throughout the year with scheduled visits to the USA, with customer requirements being evaluated and consultations with potential clients are on-going.

Exploration

The expansion upgrade was completed in 2016, while ponds are currently being filled and brine is concentrated.

Safety

In general, safety and health management at the Salt & Chemicals mine site, which includes the entire Walvis Bay Salt Holding operation, has remained laudable achieving a NOSA safety rating of two in 2014, four in 2015 and three in 2016. Employee participation and ownership in the Occupational Health and Safety (OHS) Management has improved and can be seen in the reduced number of incidents/injuries reported. The severity of incidents has dropped significantly from 25 shifts in 2015 to 19 shifts in 2016. The combined LTIFR for the mine for 2016 was 1.09, also a reduction from 1.43 recorded in 2015.

Labour Relations

Labour relations eased during 2016, with a new Branch Executive Committee which was elected. Quarterly feedback sessions were continued, which ensured employees were informed on the company's performance and goals. Daily meetings between Managers and Supervisors also helped to address concerns raised at the shop floor. Further initiatives are planned for 2017 to improve communication.

Regular meetings held with the employee representative committee also allowed management to address concerns and issues as they arose.

Education and Skills

In 2016, the skills and development initiatives were focused on First Line Development Management. All team leaders and supervisors underwent a year-long First-line Management development programme while two Senior Supervisors pursued Management Development at the University of Stellenbosch, and two employees continued with their Masters in Business and Administration (MBA).

The company also continued to provide apprenticeships in a number of trades and introduced internships, which adhered to their strategy of developing current and future human capital. Six apprentices and four interns were accommodated in 2016.

Procurement

The company spent approximately N\$45 million on local goods and services in 2016, of which N\$14.1 million was procured by firms owned by PDNs.

Community Relations

The company continued to provide transport to special needs children attending the Sunshine Kids Centre, to and from their homes on a daily basis and reconfirmed their commitment to manage the centre in 2016. They also hosted several schools/tertiary institutions for educational tours of the operation. Financial and supportive assistance was provided to the Namibian Mathematics Education Project and to the annual cricket development week hosted in Walvis Bay, which includes primary school children from across the country.

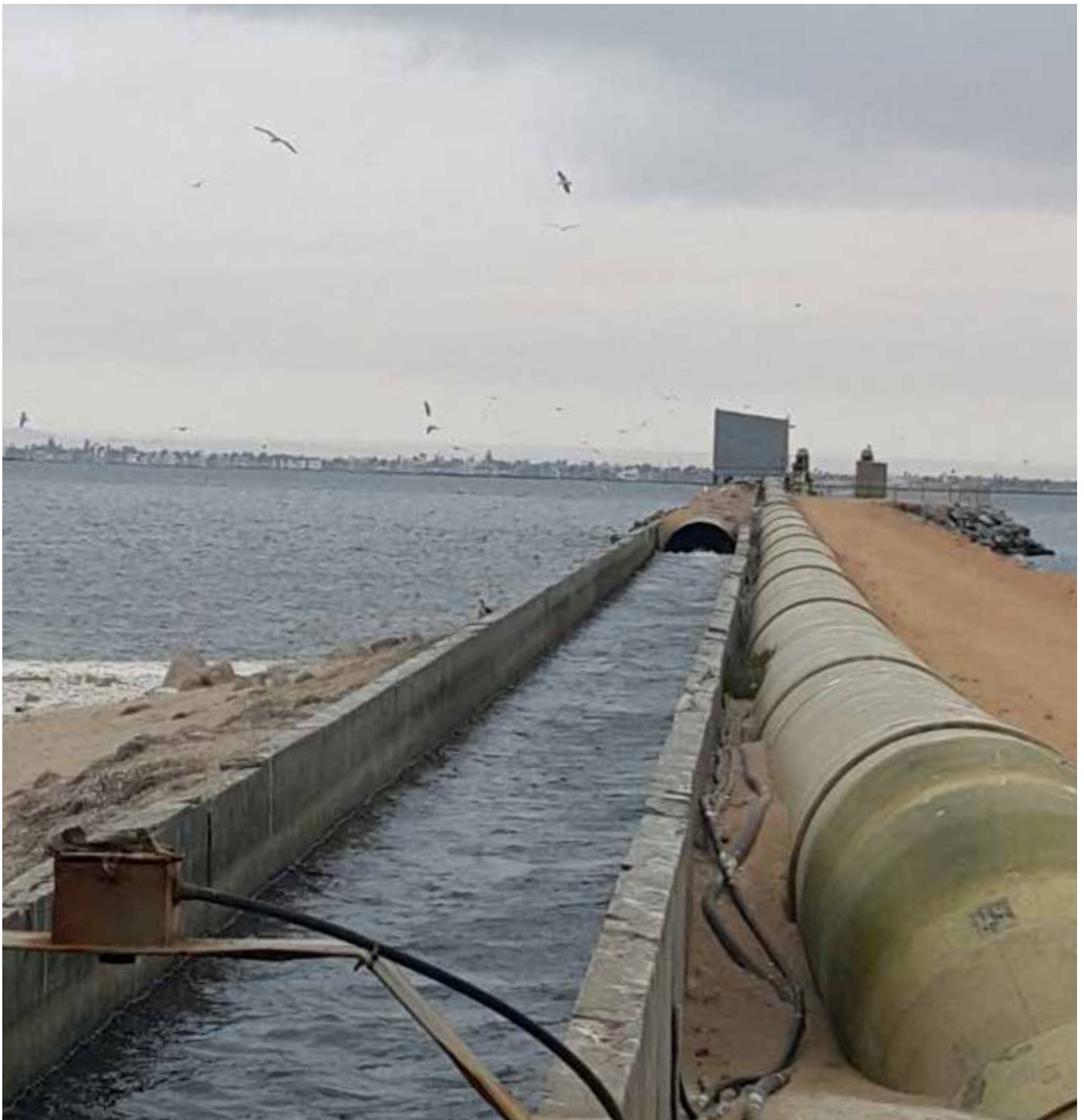
Environment

As part of the water demand management programme, additional water meters were installed for improved monitoring and measurement of water use per business unit. The hummock

monitoring programme was continued to identify any discrepancies or anomalies of the hummock population due to the salt field expansion.

Solid waste management programme which was implemented in 2015 proved successful for recycling of waste materials.

The mine plan closure plan was compiled and submitted to MET for review and approval.





SKORPION ZINC (PTY) LTD

Output

Output in 2016/17
85,427 tonnes

Employment

Permanent employees at end
2016/17
811

Temporary employees at end
2016/17
4

Contractors at end 2016/17
650

Expatriate employees at end
2016/7
23

Financial

Financial year
1 Apr 2016 – 31 Mar 2017

Turnover in 2016/17
N\$2.937 billion

Wages and salaries in 2016/17
N\$372.9 million.

Fixed investment in 2016/17
N\$89.21 million

Exploration expenditure in 2016/17
N\$28.9 million

Profits in 2016/17
N\$933.1 million

Royalties paid in 2016/17
N\$15.63 million

Dividends paid in 2016/17
No dividends were paid as money
has been retained to fund future
expansion project of the refinery
conversion.

Details

Shareholders
Vedanta Resources plc through
its subsidiary company Vedanta
Limited (100%)

Related operations in Namibia
Skorpion Mining Company (Pty)
Ltd
Namzinc (Pty) Ltd

Mines in Namibia
Skorpion Zinc Mine
(ML 108 and ML 127)

EPL's at end of 2016/17
EPL 2229 EPL 5283
EPL 5261 EPL 5262
EPL 5263 EPL5264

Date of production start
Skorpion Mining Company - 2002
Namzinc – 2003

Latest estimate of life of mine
2020

Safety ratings at end 2016/17
ISO 9001:2008, 14001:2004
OSHAS: 18001:2007

Affirmative action
Approved

Bursaries awarded in 2016/17
No new bursaries awarded
Bursaries in place: 8
Graduate Trainees: 18

General Manager: Mr. Irvinne
Simataa

Contact Details

Private Bag 2003, Rosh Pinah, Namibia
Tel: +264 63 271 2380 | Fax: +264 63 271 2526
information@vedantaresources.co.na | www.vedanta-zincinternational.com



Highlights for 2016/17

- Water abstraction: Permission obtained from the Ministry of Agriculture, Water and Forestry to re-treat the water from the pit. Skorpion Zinc (SZ) is engaging with local suppliers to provide the best technological solutions to do this. This will potentially relieve the pressure on the Orange River system.
- The Pit 112 Project was approved as the next phase of mine development. The project will be executed as a contractor-mining project. Restarting Pit 112 will mitigate production loss and mine closure in 2017/2018. The pushback will extend the life of mine by another three years to 2020.
- Ore from Pit 103 is scheduled for depletion in June 2017 with a cessation of mining activities.

Production

Production for FY16/17 was 85,427 tonnes of Special High Grade (SHG) zinc which is a significant increase from 2015/16 considering the operational challenges encountered; inter alia ore depletion, declining ore grade and difficult mining conditions due to dewatering challenges among others. The rising cost of water, electricity, fuel, equipment repairs and mining consumables also remained an operational constraint.

Skorpion Zinc safely and successfully completed the Refinery maintenance shutdown in October 2015 since its start-up in 2002 at a cost of N\$86 million. The goal of the shutdown was to improve the reliability of the Refinery in the foreseeable future. Furthermore, methods have been developed to process low grade material. To maximise output, the company also imported ore from Turkey and Morocco.

Exploration

SZ is one of few mining companies in Namibia pursuing an aggressive Greenfield exploration strategy. It forms part of the Vedanta Zinc International growth vision to produce 1 million tonnes of metal. The exploration strategy for Vedanta Zinc International has put in place a minimum exploration programme to meet long-term production targets. It is also aimed at addressing all parts of the project pipeline, from Greenfields exploration to resource development for Pre-Feasibility and Feasibility studies. As reported in the 2015/16 report, all exploration activities were focused on the southern EPL's through the integration of exploration methodologies.

Safety

The Skorpion Zinc Mine strives towards Zero Harm through continued improvement plans, employee engagement programmes and is certified according to the ISO 9001:2008, 14001:2004 and OSHAS: 18001:2007 requirements. The mine recorded three LTI's for the period which resulted in 87 days lost time.

The Risk Management Programme equips employees with relevant risk management tools to ensure that detailed risk assessments are conducted on all potential high-risk activities. SZ is equipped to respond promptly and effectively manage emergency situations. The health of employees is monitored on an ongoing basis through medical and occupational hygiene surveillance programmes in terms of their specific exposures and minimum medical fitness requirements.

HSE remains a top priority and since the last fatality in 2015, SZ has worked relentlessly to ensure that their safety standards are on par with international best practices. To date, no fatality has been recorded.

Labour Relations

SZ and the MUN are committed to maintaining sound labour relations. The union and the company have in place a Redundancy/Termination Agreement in terms of Section 34 of the Labour Act, Act 11 of 2007 that was signed by both parties in 2016.

To enable the technical and economic viability of the Pit 112 project, Skorpion Zinc took a decision to outsource its mining activities to a competent and capable mining contractor. As part of its business restructuring, about 192 of our existing SZ employees have been seconded to Basil Read while only a minimal number will be retrenched. A collective redundancy agreement was successfully concluded between the Union and SZ on 31 March, 2017.

Education and skills

During the period in review, SZ sponsored seven bursars in various fields including Engineering Finance and Commerce. SZ has an active Graduate Development Programme which is geared towards professional development, assisting fourth year students to gain experience in their fields of expertise. The company currently employs 17 Namibian graduates, three interns and three apprentices.

Procurement

A total of N\$953 million was spent on Namibian goods and services of which N\$414 million was spent in Rosh Pinah.

Community Relations

Various CSR interventions were carried out in the //Kharas Region, particularly in Rosh Pinah, where SZ supports communities and implements projects for the socio-economic development of the individuals and towns.

In 2016/17, the company supported CSR ventures in the following areas; Education, Health, Youth & Sport and Livelihood Upliftment (including Skills Development). A total of approximately N\$ 3.9 million was spent on CSR activities for the year.

One of the flagship CSR initiatives for SZ is the Goat Project. In 2016/17, five new beneficiaries received goats (31 goats per beneficiary), bringing the total number of beneficiaries to

21. The sustainable design of the project allows for the project to grow and reach out to other community members without incurring a huge cost. However, due to drought impact in 2016, in consultation with the Ministry of Agriculture Extension Officers, SZ had to assist the farmers with veterinary supplements for the animals to avoid loss of stock.

A group of women also organised themselves and formed a self help group (SHG). It is the wish of the company to see many women take on the responsibility of alleviating poverty, first and foremost, at a micro level (their own homes) before they can do it for the community. The initiative taken by these women to venture into a self help tailoring group incentivised the support by SZ to establish themselves. Successes of this project include the refurbishment of old linen from SZ and tenders awarded for the supply of school uniforms.

Other successful projects include the Gardening Project run by women, a youth project by Omayambeko Hope Foundation, involving the youth in various constituencies of the //Kharas Region.

Environment

During the financial year 2016/17, the following new Environmental Clearance Certificates were issued to Skorpion Zinc;

- Environmental Clearance Certificate for EPL 5283
- Environmental Clearance Certificate for the Abstraction and Disposal of Groundwater for Dewatering Purposes.

Skorpion Zinc is investigating the treatment of groundwater abstracted as part of the mines' dewatering activities. Licence to treat the water and use in the ore treatment process was granted by the Ministry of Agriculture, Water and Forestry.

Biodiversity preservation remains one of Skorpion's key focus areas. In 2016 SZ partnered with the Namib Ecological Restoration and Monitoring Unit (NERMU) of the Gobabeb Research and Training Centre, which is the leading institution in arid restoration. The Skorpion Biodiversity Action Plan (BAP) prioritises the development of arid-adapted restoration techniques and improving such knowledge, as well as to gain a better understanding of the mine's impacts on biodiversity out of a suite of biodiversity opportunities.



SWAKOP URANIUM

Employment

Permanent employees at end 2016
1,488

Temporary employees at end 2016
27

Contractors at end 2016
300

Financial

Financial year
1 Jan – 31 Dec

Fixed investment in 2016
Over US \$ 2 billion spent to date

Details

Shareholders
Taurus Investments (Pty) Ltd (90%) – owned by China General Nuclear Power Holding Company (CGN) and China-Africa Development Fund (CAD Fund);
Epangelo Mining Company (10%)

Mines in Namibia
Husab mine
ML 171

Date of production start
Fourth quarter of 2016

Latest estimate of life of mine
2037

EPLs at end of 2016
EPL 3138
EPL 3439

Number of bursaries awarded in 2016
Two

Chief Executive Officer: Mr Zheng KePing



First barrel of yellow cake produced on 30 December 2016.

Contact Details

Private Bag 8667
Tel: +264 64 410 9000 | Fax: +264 64 410 9001
Frieda.Abraham@cgnpc.com.cn



Swakop Uranium (SU) represents a partnership between the people and governments of the Republic of Namibia and the People's Republic of China. The interaction has nurtured a unique culture, in which employees from both countries learn from each other with great agility, to breed a High Performance Culture of excellence and success.

The Company completed the construction of the world class uranium Husab Mine, located near Swakopmund on the west coast of Namibia. Husab Mine will become the second largest uranium mine in the world.

Update of Activities for 2016

Following the construction of the mine, processing plant and associated infrastructure which began in 2013, the first drum of yellow cake was produced on Friday, 30 December 2016.

Mining operations commenced in 2014, removing overburden stripping to expose the uranium bearing ore ready for the start of the processing operations, and significantly, over 6 million tonnes of ore have been removed to date.

During 2017, the plant will continue to be optimized, and throughput will be progressively ramped up towards the target of nameplate operation.

Safety

No Fatalities were recorded in 2016, and only one LTI was reported in October 2016 equating to an LTIFR of 0.33.

Swakop Uranium was awarded with certificates in compliance with the international OHSAS18001, ISO9001 & ISO14001 safety, health and environmental standards in 2016.

Labour Relations

The Company and MUN continued to build a sound relationship based on the SMART (Sound, Measurable, Agreed Upon, Realistic, Time-related) principles. As a result of the partnership, both parties signed a historic three year wage agreement for the period 2016 to 2018. Both parties, with the involvement of the Ministry of Labour, signed the Settlement Agreement on Continuous Operations, aligned to the provisions of the Labour Act.

No strikes or industrial action occurred in 2016.

Labour relations involving construction employees with the Metal and Allied Workers Union of Namibia (MANWU), contractor companies and SU ceased when construction of the processing plant was completed in 2016. MANWU thanked SU for setting up a Recognition and Procedural Agreement between the three parties to work together as "One team" for the construction of the mine, within budget and adherence to the project schedules. MANWU hailed the Agreement as "best in class" for other construction projects to follow.





Education and Skills

A number of Swakop Uranium employees are given the opportunity to visit China and gain exposure to the high standards and quality applied at nuclear power plants. Returning employees enhance the Company's management and supervisory practices to uplift productivity and work ethics. Over 500 employees, which involved mining and processing operators as well as graduate artisans, received practical on-site training in their respective fields.

The company awarded two new bursaries, while five students completed their tertiary education, bringing the total number of SU graduates to 20. In addition to the comprehensive graduate programme, the company also facilitated 26 internships from various institutions across the country.

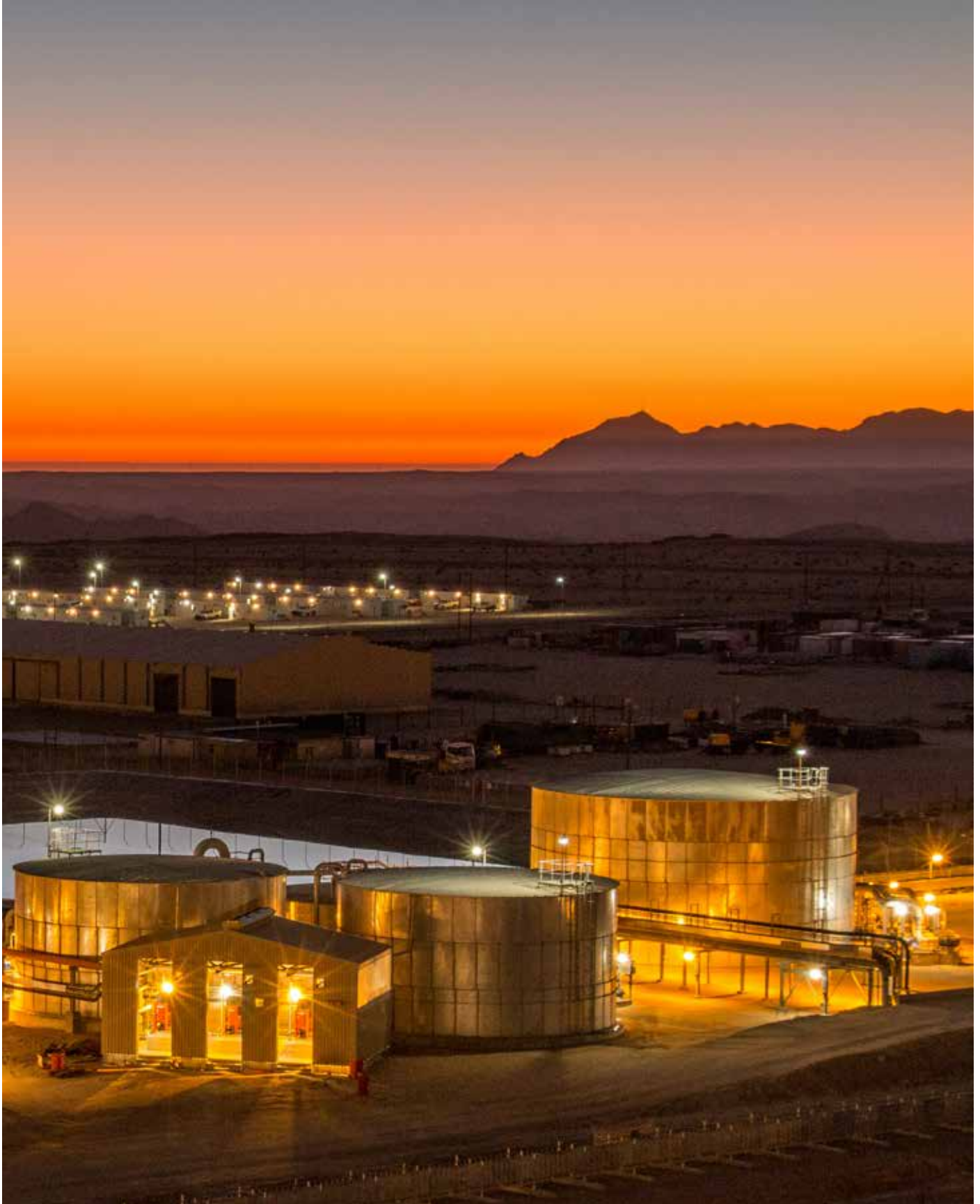
Community Relations

The Company established a social responsibility trust, the Swakop Uranium Foundation. In association with the local communities, the Erongo Development Foundation (EDF) and the Erongo Regional Governor's

office, the Foundation collaborates to help uplift the living standards of the communities, focusing on the poor, the elderly and disadvantaged communities. The Swakop Uranium Foundation set aside N\$800,000 in 2016 to assist with areas such as youth unemployment, a Food Bank, drought relief, improving sanitation, vocational education training and rural enterprising. Overall, the Foundation spent N\$2.4 million in 2016. The Foundation's focus areas are strongly aligned with Government's development agendas, such as Vision 2030, National Development Plans and the Harambee Prosperity Plan.

Environment

A fully fledged Environmental section was established within SU to focus on environmental matters, involving various sections of Ministries and other authorities. Good progress has been made to ensure the Company is compliant to the environmental legislative and best practice processes.



WEATHERLY MINING NAMIBIA LTD

Output in 2016

Tschudi mine
16,391 tonnes of copper cathode

Employment

Permanent employees at end
2016
112

Temporary employees at end 2016
33

Contractors at end 2016
612

Expatriate employees at end
2016
1

Financial

Financial year
1 Jul – 30 June

Turnover in 2016
N\$1.278 billion

Wages and salaries in 2016
N\$73.6 million

Fixed investment in 2016
N\$51.4 million

Exploration expenditure in 2016
Nil

Loss in 2016
N\$344.2 million

Royalty tax paid in 2016
N\$37.5 million

Details

Shareholders
Weatherly Mining Namibia
Ltd (WMN) is 99% owned by
Weatherly (Namibia St Lucia) Ltd,
which is in turn owned 100% by
Weatherly International plc, a
public company listed on AIM on
the LSE, with shareholding in WMN
of 97.5% and Labour investment
Holdings of 2.5%

Mining Licences in Namibia
ML 3: Matchless
ML 10 and ML 22: Otjihase
ML 125: Tschudi mine

Date of start
Otiase mine: 1976 (re-start in
2011, suspended in 2015)
Matchless mine: 2005 (re-start in
2011, suspended in 2015).
Tschudi mine: January 2015

Latest estimate of life of mine
Tschudi mine: 2027
Otiase & Matchless: ten years

Safety ratings at end 2016
Not applicable

Managing Director: Mr Craig
Thomas

Contact Details

PO Box 40791, Windhoek, Namibia
Tel: +264 61 299 4500 | Fax: +264 61 299 4506
www.weatherlyplc.com



Weatherly Mining Namibia operates the Tschudi opencast copper mine near Tsumeb. The mine uses heap leaching and SX-EW processing to produce pure refined copper metal on site.

Weatherly also owns the Otjihase and Matchless copper mines in the Windhoek area. Production was suspended at these underground mines during September 2015 as a consequence of the marked decline in world copper prices. Both mines have been converted to project development status while progressing plans to prepare for a resumption of production at expanded volumes, when copper prices improve adequately.

Highlights for 2016

- Zero fatalities recorded and over three million hours were worked without an LTI as of October 2016.
- 16,391 tonnes of LME grade A copper cathode produced, trebling Namibia's copper production.

Production

Tschudi mine:

After an extended ramp-up period in 2015, Tschudi first achieved quarterly nameplate production in March 2016. In May 2016, the open pit intersected the anticipated groundwater table and dewatering quantities were several times higher than expected. Enhanced infrastructure to cope with the amount of water was installed over a period of four to five months. Open pit ore production and copper production were both negatively impacted. Groundwater management was brought under control and by October, pit production and copper production was restored to nameplate. The mine transitioned also from faster-leaching oxide ore to slower-leaching transitional ore.

Exploration

No exploration was conducted in 2015.

Safety

Weatherly is committed to ensuring the safety of employees and contractors each day through effective teamwork and leadership, as well as to ensuring that the safety management system encompasses the entire workforce.

The company recorded 688 working days without an LTI as of October 2016. In partnership with contracting companies Weatherly further improved safety systems,

policies and procedures to enhance safety awareness and promote safer working practices.

Labour Relations

Labour relations at Tschudi remained reasonably stable. The mine recognised that the Mining, Metal, Maritime and Construction Workers' Union (MMMCWU) has majority representation amongst the employees. As such, a recognition and procedural agreement was signed with the MMMCWU in August 2016.

Education and Skills

The company provided a number of job attachment opportunities for technical services students. Several employees completed management development programmes and one employee successfully completed a master's degree in Metallurgy.

Procurement

Weatherly spent N\$1.047 billion on goods and services from Namibian suppliers in 2016.

Community Relations

Weatherly formally donated the land on which the informal settlement of Kuvukiland at Tsumeb is located, to the Tsumeb municipality. The area covers 67.5 hectares and is valued at N\$31.6 million. The handover presents an opportunity for the servicing of land and provision of basic infrastructure as well as for residents to formally own the land. The company continues to work with the local authorities and organisations such as the Shack Dwellers Federation of Namibia to improve the quality of life for the residents.

The company sponsored the annual open day for the Tsumeb Community Skills Development Centre (COSDEC) and supported the municipality and community at the annual Copper Festival in Tsumeb.

Environment

Weatherly's environmental monitoring program focuses on collecting and assessing data associated with surface and ground water, noise and air quality. This information is made publically available via a quarterly presentation to the Environmental Forum, which includes representatives from Weatherly, Government, local council, communities and neighbouring property owners who review environmental performance relating to our operations.

Weatherly aims to firstly identify then mitigate potential impacts to the environment and community in which it operates. No reportable environmental incidents occurred and no penalties for non-compliance were received during the reporting period.





MINES UNDER CONSTRUCTION

67

CHAMBER OF MINES
ANNUAL REPORT 2016



IMERYS GECKO HOLDINGS NAMIBIA (PTY) LTD

Employment

Permanent employees at end 2016
14

Number of temporary employees at end 2016
3

Contractors at end 2016
2

Expatriate employees at end 2016
Nil

Financial

Financial year
1 Jan – 31 Dec

Wages & Salaries in 2016
N\$11.2 million

Fixed Investment in 2016
N\$235,000 million

Exploration expenditure in 2016
Nil

Details

Shareholders
Imerys Graphite & Carbon 51%
Gecko Namibia 49%

Related operations in Namibia
Imerys Gecko Graphite Namibia (Pty) Ltd, Imerys Gecko Okanjande Mining (Pty) Ltd

Mines in Namibia
Okanjande graphite mine (ML 196- pending)

Date of production start
2017

Latest estimate of life of mine
2037

EPL's at end of 2016
EPL 3037
EPL 4717

Chief Operating Officer: Mr Hans George Nolte

Contact Details

PO Box 81307, Windhoek
067-305404 | hans.nolte@imerys.com
www.imerys-graphite-and-carbon.com



Update of activities in 2016

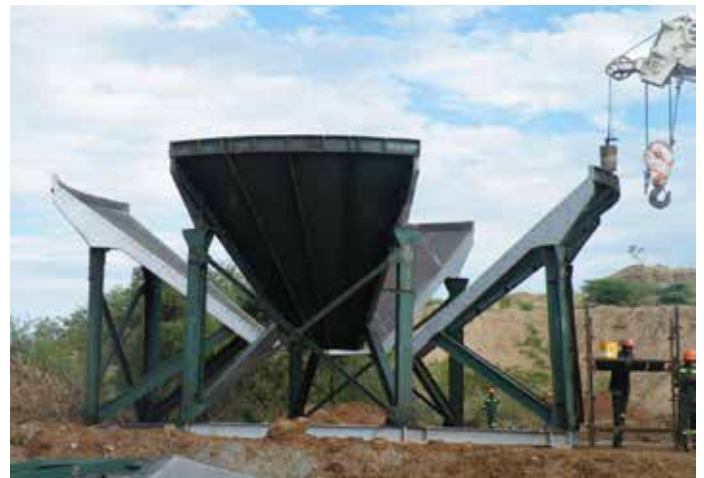
The acquisition of the Okorusu processing plant was concluded in March 2016, after which the joint venture company between Imerys and Gecko was established. Plant refurbishments to process graphite ore began in April 2016 while mine development continued concurrently.

No exploration occurred during the year in review due to development activities, however 36 diamond drill holes with a total of 1,190 are planned for 2017.

No LTI's or severe incidents were recorded in 2016 and the labour relations remained cordial. Staff compliment was not fully realised as the project was still in development phase.

The company spent some N\$96 million on goods and services procured in Namibia, of which 10% was acquired by businesses owned by Previously Disadvantaged Namibians (PDNs). Various CSR initiatives were undertaken including the building of a new school hall in Okarara, sponsorship to the running and cycle event at Spitzkoppe, famously known as "The Rock", and support to the San community.

Full Environmental clearance from the Ministry of Environment and Tourism (MET) was granted for mining operations.







EXPLORATION COMPANIES

71

CHAMBER OF MINES
ANNUAL REPORT 2016



BANNERMAN MINING RESOURCES NAMIBIA

Etango Project
Pending renewal of licences
EPL 3345

Pending Licence
Mineral Deposit Retention Licences
MDRL 3345

Highlights for 2016

- In operation for the last 7 years without a Lost Day Injury
- Appointed Mr. Brandon Munro as CEO of Bannerman Resources Limited, replacing Mr. Len Jubber
- Completed the 6-phase metallurgical program at the Heap Leach Demonstration Plant which exceeded key metallurgical assumptions and demonstrated opportunities for further cost reduction.
- Appointed Ms. Twapewa Kadhikwa for the subsidiary board replacing Ms. Monica Kalondo;
- Successfully raised AUD 4 million on the Australian Stock Exchange (ASX)

The successful completion of the 6 - phased metallurgical programme carried out at the Heap Leach Demonstration Plant significantly elevated the attractiveness of the Etango project. The positive results harnessed AUD4 million which was raised on the ASX, positioning Bannerman favourably for the anticipated recovery in the uranium price in the medium term.

Bannerman spent some N\$361,00 on Community activities during the year in review. 2016 marked the 6th year of running the Early Learner Assistance Scheme in Partnership with the Ministry of Education, Arts and Culture whereby underprivileged primary school children in the Erongo Region receive assistance with school uniforms. To date, more than 1,600 scholars have received assistance through this scheme. In partnership with the Topnaar Traditional Authority, permanent water supply to a Children's Day-Care Centre situated about 40 kilometres up the Kuiseb River from Walvis Bay was provided. Sponsorship also continued to the Hospitality Association of Namibia

and specifically to the best Joint Venture Lodge in Namibia, enabling Conservancy members working at the lodge to receive skills training.

In promoting conservation and environmental awareness, Bannerman erected additional signage along the 'moon landscape' tourist road to discourage the public from illegal off-road driving in the National Park and also rehabilitated areas that were damaged by such activities.

In 2017, Bannerman plans to update the Etango Definitive Feasibility Study following the outstanding results yielded by the Heap Leach Demonstration Plant. Metallurgical parameters will be reviewed and the processing flow sheet adjusted where appropriate to improve the capital and operating costs of the Etango Uranium Project. This will continue to position the project in a rising uranium price environment.

Bannerman expects the uranium price to recover in the next few years, and once it reaches a term price (the U3O8 price where contracts are signed) of above US\$65/lb, the financing of the Etango Project can commence.

CEO: Brandon Munro
Managing Director - Namibia: Mr Werner Ewald



Contact Details

45 Mandume Ya Ndemufayo Street, PO Box 2854, Swakopmund, Namibia
Tel: +264 64 416 200 | Fax: + 264 64 416 240
wewald@bannermanresources-na.com | www.bannermanresources.com.au

CRATON MINING AND EXPLORATION (PTY) LTD

Omitiomire Copper Project:
Pending renewal of licences
EPL 4055
EPL 4150
EPL 3589

Pending new licences
ML 197

Reduced exploration and development was conducted during the year in review, due to pending mining and exploration licences and ongoing challenges to access farm Omitiomire. Craton conducted geochemical surveys covering 570 hectares, with 809 sediment samples taken and 12 geochemical assays submitted. Ground geophysical surveys of 2,300 hectares were also undertaken using ground and electro magnetics.

The Company intends to proceed with development once the mining licence for the Omitiomire deposit has been received.

The Craton Foundation continued to build classrooms in the Windhoek area and continued with the eye screening programme for several thousand school children, as well as providing glasses to those who needed them. The Craton Foundation uses an annual budget of N\$300,000 for CSR activities.

Exploration Manager: Mr Karl Hartmann

**Contact Details**

PO Box 81126, Olympia, Windhoek, Namibia
Tel: +264 61 223 522 | Fax: +264 61 220 038
karl.hartmann@craton-me.com | www.interbasemetals.com

GECKO NAMIBIA (PTY) LTD

Current exploration licences

EPL 4167

EPL 4185

EPL 4426

Pending licence renewal

EPL 3037

EPL 4365

EPL 4153

EPL 4154

Pending new Licence

EPL 4717

ML 196

EPL 6996

Highlights for 2016

- The group acquired the Okorusu Mine from the Solvay Group during April 2016
- Gecko Graphite concluded a JV agreement with Imerys Carbon and Graphite to develop the Okanjande Graphite project. Construction started in May 2016 and start-up
- Gecko Salt started to produce first salt at the end of 2015 and continued to ramp up its production during 2016.

Gecko Namibia is a privately owned company, 100 percent owned by Namibians, and has local affiliates in Gecko Salt, Gecko Limestone, Gecko Phosphate, Imerys Gecko Graphite, Gecko Laboratories, Gecko Chemicals, Gecko Exploration, Gecko Mining and Gecko Drilling. Gecko mainly focuses on the development of projects in the industrial mineral sector exploration in Namibia.

Gecko spent N\$18.18 million on exploration in 2016. Exploration consisted of 30 diamond drilling holes, totalling a length of 3,318 metres, with approximately 1,200 litho samples taken and 1,300 geochemical assays submitted.

Gecko enjoyed sound labour relations, with no strikes, demonstrations or major labour disputes. Gecko sponsored an employee to further studies in Logistics Management at the Business School of Excellence

and also provided internships to five Geology students.

The Gecko Namibia (Pty) Ltd fund through the Gecko Foundation supports various social initiatives in regions across the country in areas of sport, health and welfare with a contribution of N\$350,000. The company spent N\$65 million on goods and services procured from Namibian registered companies.

Gecko is currently conducting EIA's for the following projects: Cape Cross Salt mine development, SwaCa mine and processing/production of GCC (ground calcium carbonate) and burned lime products, the Nonidas Industrial township development and the Wlotzkasbaken Dolerite Crusher. Gecko and its partner organisation, Ondonga-Uukwambi Mining Enterprises, are still engaging with MET regarding the appeal against their decision to decline the Environmental Clearance Certificate for the development of the Otjivalunda project.



Contact Details

PO Box 81307, Windhoek, Namibia
Tel: +264 61 225 826 | Fax: +264 61 225 304
pine@gecko.na | www.gecko.na

NAMIBIA RARE EARTHS (PTY) LTD

Lofdal Rare Earths Project
Current Exploration Licence
EPL 3400

Pending new licences
ML 200

Highlights for 2016

- Completion of EIA
- Submission of Mining Licence application
- Ongoing geological mapping and baseline environmental studies

Namibia Rare Earths is a Canadian public company listed on the Toronto Stock Exchange and is 100% owned by Cayman Namibia Rare Earths Ltd. The company's main focus in Namibia is the Lofdal Rare Earths project which it plans to develop in the near future. Lofdal is an early stage, district scale exploration project with known and defined rare earths deposits. In October 2014, the results from the preliminary economic assessment Area 4 of Lofdal indicated an average annual production of 1,500 tonnes of separated rare earths oxides.

Through its team of Namibian consultants and contractors, the company spent N\$10.6 million, with the bulk of expenditures directed towards the Environmental Impact Assessment and associated baseline studies, and technical reports for the Mining Licence application. Two Hundred litho samples were taken and 50 geochemical assays submitted during the course of regional prospecting.

In 2016, the project was managed by only Namibians through the exclusive use of Namibian consultants at site, and the company provided support to the geological team for Geographic Information Systems (GIS) related software.

Namibia Rare Earths continued to support the Sunrise Orphanage in Khorixas. They also engaged with the Khorixas Town Council, Traditional Authorities and local farmers for assistance on various aspects. They provide direct support to local farms for maintenance and operation of water supply systems.

The EIA was completed in 2016 and submitted to MET as well as bi-annual independent environmental audits. On-going monitoring and baseline was collected on site. A Mining Licence application was submitted and the Company awaits outcomes from MET and MME on the respective submissions. EPL 3400 has been renewed with a 50% reduction in surface area.

Director: Mr Don Burton

**Contact Details**

828 Dalton Street, PO Box 31694, Windhoek, Namibia
Tel: +264 61 303 207 | Fax: +264 61 303 210
dburton@namibiaree.com | www.namibiareearth.com

NORTH RIVER RESOURCES (PTY) LTD

Namib Lead & Zinc Project

Current exploration licences

EPL 2902

EPL 4560

EPL 4561

Pending renewal of licences

EPL 3257

EPL 3258

EPL 3261

EPL 5075

Pending new mining licence

ML 185

North River Resources Namibia is 100% owned by North River Resources PLC. The company is currently developing its flagship asset, the Namib Lead Zinc project located 25 kilometres from Swakopmund. The old lead mine was previously operational from 1968 to 1991. The project has a total JORC resource of 1.25 million tonnes, with a resulting underground in situ metal content of 31,000 tonnes of lead, 81,000 tonnes of zinc and 1.7 million ounces of silver. There is significant additional exploration potential within this licence area, with the resource open on strike and down dip.

A 300 metre underground exploration tunnel in the Northern section of the Namib Mine was successfully developed to create drill positions or cubbies for underground diamond drilling for resource extension and infill drilling operations. North River drilled a total of 4,659 metres mainly from this tunnel, but also from elsewhere in the mine. Drill targets were also identified within the regional exploration areas through geochemical sampling, but primarily on the Southern licence EPL 5075.

On-the-job training was provided for employees on geological software.

Groundwater monitoring and sampling were continued as well as weather station recordings. The company plans to update their feasibility study once their mining licence is granted.

CEO: James Beams

Contact Details

PO Box 81162, Olympia, Windhoek

Tel: 061 300205 | Fax: 061 300209

Edwin@northriverresources.com | www.northriverresources.com

REPTILE MINERAL RESOURCES AND
EXPLORATION (PTY) LTD (RMR)

PROJECTS

Reptile Uranium Namibia (Pty) Ltd (RUN) (wholly owned subsidiary)

Omahola, Shiyela Iron, Tubas Sand & Tumas Projects.

Current licences

EPL3496

EPL3497

ML176

Nova Joint Venture – held in Nova Energy (Namibia) (Pty) Ltd with RMR as Manager

(RMR 65%, Nova Energy Africa (Pty) Ltd 25%, Sixzone Investments (Pty) Ltd 10%)

Current licences

EPL3669

EPL3670

RUN as Manager of Oponona Investments (Pty) Ltd's Tenements

Current licences

EPL4604

EPL4605

Aussinanis Joint Venture

(RUN 85%, Epangelo 5% and Oponona Investments (Pty) Ltd 10%)

Current licences

EPL3498

PENDING RENEWAL OF LICENCES, 2016

EPL3498

EPL3669

EPL3670

EPL4604

EPL4605

Highlights for 2016

- Bulk sampling conducted at Tumas Zone 1
- Particle size distribution and metallurgical test work on Tumas 1 material for Marenica Upgrade™ process evaluation
- Change of executive management at Deep Yellow Limited level 23 October 2016, after which Marenica work suspended and renewed focus on large scale uranium discoveries.

RMR Namibia is 100 percent owned by Deep Yellow Limited (Australia), which is listed on the Australian Stock Exchange (ASX) and the Namibian Stock Exchange (NSX).

RMR spent N\$11.9 million on exploration through a team of seven permanent employees.

Bulk sampling carried out at the Tumas Palaeochannel on which metallurgical test work was conducted on new sample material to evaluate the effectiveness of the Marenica U-pgrade™ technology. Five geochemical assays were submitted in 2016. This work was suspended in November 2016.

RMR continued with skills development initiatives for employees, which included on-the-job training, regular workshops, monthly toolbox meetings. These skills development initiatives focused on radiation and excel training, safety and health, International Financial Reporting Standards (IFRS) and tax, anti-bribery and corruption as well as governance training.

The Company spent N\$4.13 million on locally procured goods and services.

RMR continued to provide support to Namib-Naukluft National Park wardens for park installation and signage to better control unauthorised access in the Park. They also sponsored local soccer teams and a local exhibition, along with the donation of office equipment to the Hanganeni Primary School and stationery to Mondesa Youth Opportunities.

Contact Details

PO Box 2538, Swakopmund, Namibia
Tel: +264 64 415 200 | Fax: +264 64 405 384
info@reptile.com.na | www.deepyellow.com.au

RMR concluded an agreement with Bannerman Mining Resources (Namibia) (Pty) Ltd to jointly fund appropriate Corporate Social Responsibility (CSR) projects. The initial project involved installation of infrastructure at the Topnaar Community. Through the partnership, both companies are better positioned to make a meaningful CSR impact in difficult economic times for the uranium sector.

Continuous communication with key stakeholders at all levels was carried out which included government authorities, management consultants, employees and contractors. The Company monitored contractor activity through regular inspections and reported illegal off-road driving in Namib-Naukluft National Park. Since 2009, RMR has been monitoring ten (10) *Welwitschia mirabilis* plants monthly.

Managing Director: Mr John Borshoff



VALENCIA URANIUM (PTY) LTD

Norasa Uranium Project ("Norasa")

Pending licence renewal: EPL 3638 (Namibplaas Project)

Update of activities in 2016

Forsys Metals Corporation flagship project is Norasa which includes the wholly owned Valencia project which has a 25 year mining licence (ML 149). In addition, the Company has a 100% interest in the Namibplaas project (EPL 3638), which is located 7.5 km north east of Valencia. Both projects have NI 43-101 compliant uranium resources and reserves. Forsys Metals Corporation, is listed on the Toronto, Frankfurt and Namibian Stock Exchanges.

The EIA and EMP for the expanded operation area consisting of the Valencia and Namibplaas project was completed in 2016.

As of December 2016, Measured and Indicated Resources were updated to 265 million tonnes with 52,100 tonnes of uranium oxide with the associated Mineral Reserve declared at 206 million tonnes with 41,100 tonnes of uranium oxide.

A total of N\$1.4 million was spend on Namibian goods and services in 2016.

Valencia continued, at a reduced rate, to invest in the Usakos Community Vegetable Garden project, in cooperation with the Usakos Town Council. By the end of 2016, Valencia contributed N\$4 million towards the project in total.

Managing Director: Mr Marcel Hilmer

Contact Details

PO Box 4437, Vineta, Swakopmund, Namibia
Tel: + 264 64 402 772 | Fax: +264 64 402 797
mhilmer@forsysmetals.com | www.forsysmetals.com



ZHONGHE RESOURCES NAMIBIA

Current exploration licenses

EPL 3600

EPL 3602

Pending Mining License Renewal

ML 177

Highlights for 2016

- Supplementary exploration design implemented before mine development.
- Sampling for ore leaching testing and assessment of industrial utilization.

Zhonghe Resources is 58 percent owned by China Uranium Corporation Limited, 21 percent owned by Springbok Investment (Pty) Ltd, and 21 percent owned by Namibia-China Mineral Resources Investment Development (Pty) Ltd. The Zhonghe Uranium project is situated between Usakos and Swakopmund.

Through its team of two Namibian employees and three expatriate employees, Zhonghe Resources conducted geochemical surveys covering 28.1 square kilometers and submitted 255 geochemical assays. Ground geophysical surveys were conducted covering 28.1 square kilometers.

Labour relations remained stable throughout the year. Rehabilitation activities were carried out following the completion of trench, geochemical and geophysical surveys.

Contact Details

PO Box 40903, Ausspannplatz, Windhoek, Namibia
Tel: +264 61 221 712 | Fax: +264 61 221 713
Zhaoxigang418@126.com





MINING AND THE ECONOMY

83

CHAMBER OF MINES
ANNUAL REPORT 2016



Mining and the Economy

The Namibian economy started to flag signs of structural weaknesses in 2016, following two consecutive quarterly contractions, confirming the end of a pro-cyclical monetary and fiscal policy era. In the midst of this slow-down, avenues to pursue pro-growth policies have thus largely been exhausted as a result. In the midst of this slow-down (state economic contraction as released by NSA), avenues to pursue pro-growth policies have thus largely been exhausted as a result. In 2016, the Government debt to GDP ratio surpassed its sustainable threshold of 35%, reaching levels of around 42%. These developments lead to the international ratings agencies, Moody's and Fitch, to change the outlook on investment ratings from stable to negative, placing even greater risk on external debt financing instruments and options for Government.

With the tabling of the mid-term budget review in 2016 and more recently, the 2017/18 budget, much required fiscal consolidation measures have taken centre stage in the Medium Term Expenditure Framework. Economic growth is thus expected to remain weak in the foreseeable future.

The on-going drought and water shortages, and the continued contraction of the South African economy also contributed to weak growth in 2016 through strong trade ties with Namibia.

The mining sector was fortunately not directly impacted by these domestic challenges, with some mineral components performing better than others, and was largely buoyed by a broad based increase in the prices of precious and base-metals. Where other mineral commodities did not perform as well as expected, these

were mostly a result of internal and operational challenges.

Commodity Prices: A mixed bag of surprises

In 2016, commodity prices tended to follow trends which upended predictions and expectations. Metals commodity prices performed better than expected, driven by stronger demand in China, and while the performance of precious metals was volatile, they posted overall gains. The uranium price, however, bucked out at its lowest levels in a decade towards the end of 2016, amidst positive sentiment that the demand for this commodity would recover.

Copper

Overall, the copper price posted steady gains of 27% in 2016, as indicated on the graph below. Price increases were bolstered by growing demand in China, which continued to grow at 6.5% spurred by continued government stimulus and spending on infrastructure. Furthermore, the outlook for the copper price remains positive as demand in the USA is set to pick up under the new administration's US\$1 trillion infrastructure spending plans. These sentiments bode well for Weatherly's Tschudi copper mine and could potentially see the re-opening of the Matchless and Otjijase copper mines.

Lead & Zinc

Similarly the prices of lead and zinc posted impressive price increases, also owing to economic stimulus in China.

Gold

It was an interesting year for the spot price of gold, which performed exceptionally well in the first half of 2016, increasing by 25% following heightened political uncertainty

hinged on the outcome of the Brexit vote and the US presidential elections. During the second half of 2016, however, the price of the precious metal retracted following policy announcements by the Trump administration to boost the US economy as well as a hike in the Federal Reserve rate in December 2016.

The gold price is underpinned by changes in investor confidence, which is being marred by uncertainty through the outcome of Brexit negotiations and growing populist sentiment for the Euro area. However, the US labour market continues to add more jobs and the inflation rate is meeting the Federal Reserve's upper target levels, pointing to further hikes in the Federal Reserve rate and a subsequent decline in the price of gold. It should be remembered however, that these potential price decreases could be offset by growing demand for jewellery demand in the US and India on the back of better performing economies. The outlook for gold thus remains mixed.

Diamonds

According to the DeBeers Group, the rough diamond price recovered in 2016 after a significant drop in 2015, as trading in rough diamonds improved and demand from China increased. Similar to gold, the outlook for the price of rough diamonds remains positive, driven by improving incomes in China, USA and India as these economies are expected to grow in the medium term.

Uranium

2016 was a devastating year for the uranium price, which reached its lowest level in 12 years at US\$18.75/lb in November, with a corresponding fall in the long-term contractual price by more

Copper



Lead



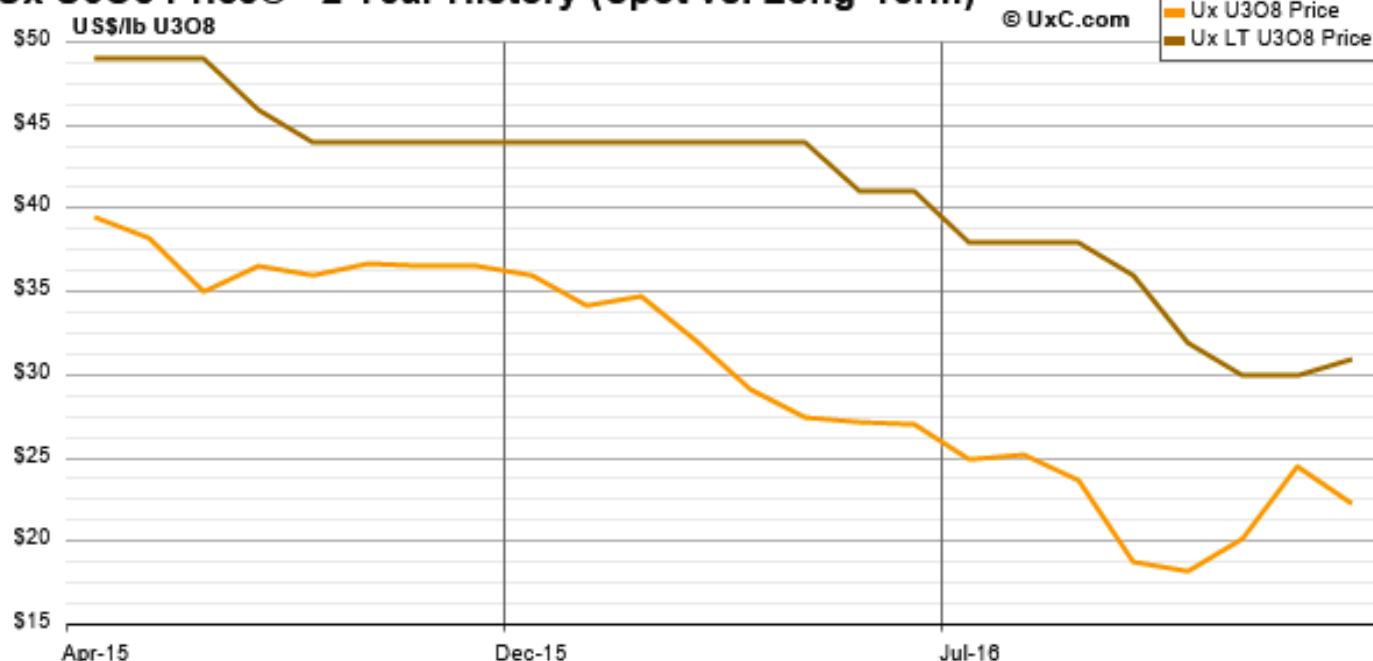
Zinc



Gold



Ux U3O8 Price® - 2 Year History (Spot vs. Long-Term)



than 50%. Despite the 54 reactors currently under construction, the uranium market continued to be plagued by oversupply driven by increasing stockpiles and inventories at utilities.

The long-term outlook for the demand of uranium remains positive as China pursues its nuclear energy programme to reduce its carbon footprint, with 20 reactors currently under construction. Furthermore, demand is expected to be further boosted by the steady start-up of reactors in Japan, post Fukushima. However, in the short-term there is still a major down-side risk as consumers continue to purchase at current low price levels. Spot market sales are more commonly being conducted and preferred over long-term contracts, where there is no longer a concern as to the security of supply for buyers and producers are not willing to enter into contractual agreements below break-even prices.

Performance of the Namibian Mining Sector

Gross Domestic Product

Preliminary statistics produced by the Namibia Statistics Agency show that the mining sector contributed 11.1% to GDP in 2016 and recorded an overall contraction of 4.9% in real terms. The contraction was largely the result of a decline in the output of diamonds, lead and zinc. However, the Chamber is of the opinion that this contraction has been overstated as it has not properly captured the trebling of high value refined copper production in 2016 and the 10% year-on-year increase in gold bullion output. In addition, the Chamber believes that contribution by these two minerals has been further understated in light of the recent increases in the prices of gold and copper as highlighted above.

Overall, mining contribution is also diluted by the exclusion of output from zinc refining and copper smelting activities.

Notwithstanding the decline in output of some minerals, the mining sector continued to create positive spin-offs in the Namibian economy. Statistics collated by the Chamber revealed that the mining sector generated some N\$28.85 billion in foreign revenue earnings in 2016 in nominal terms. Of this N\$11.7 billion was spent on locally procured goods and services which accounts for 64% of the total procurement spend by the mining sector.

Apart from the sector's direct contribution to permanent employment, foreign exchange and government earnings, the sector's biggest impact is made in the massive local spend through up-stream and side-stream linkages. Although much of this spend is on goods and services procured from local suppliers, the majority of inputs are still manufactured outside the country. There is thus a huge opportunity for the manufacture of some inputs locally to further increase value addition in these linkages.

Despite the recorded contraction, the mining sector is expected to continue growing. Swakop Uranium's Husab mine produced its first barrel of yellow-cake on 30 December 2016 and is expected to ramp-up to full production in 2019 which will significantly boost mining's contribution to GDP by approximately 5%. The Chamber also expects to see other mining related investments come to fruition as commodity markets improve and issues within the current policy and regulatory framework are resolved.

Fixed Investment

Fixed investment made by the mining sector continued to taper off from N\$5.48 billion in 2015 to N\$3.46 billion in 2016 from the record highs recorded in 2014, which was driven by the construction of three new mines and the sulphuric acid plant. Fixed investment levels are thus expected to remain steady at these levels following

the extraordinary situation in which three mines were being constructed at once.

Exploration expenditure also remained stable at N\$510 million, a slight increase from 2015, which was driven by a rise in commodity prices. Investments into exploration underpin the livelihood of the sector, through the extension of operations in existing mines and the discovery of new ones. The Chamber thus remains hopeful that positive prospects in commodity markets and the resolution of policy propositions and proposals by Government will revive investors' appetite for expenditure on such activities.

Employment

At the end of 2016 all Chamber members directly employed 9,574 permanent employees, 699 temporary employees, and 5,400 contractors. In the last three years, the mining sector created above

average direct employment ranging from approximately 16,000 jobs in 2013 to 19,000 in 2015, which dropped to approximately 16,000 in 2016 as Swakop Uranium completed the construction of its Husab mine.

Taxation

The mining sector remains an important generator of Government revenue. In 2016 Chamber members paid a total of N\$3.2 billion in taxes and royalties in 2016, a 15% reduction from N\$3.76 billion paid in 2015. The decline was largely a result of reduced diamond output which constitutes the Lion's share of mining taxes and royalties. This amount, however, excludes PAYE which totalled N\$844 million and dividends of approximately N\$1 billion, bringing the total contribution by the mining sector to Government coffers to roughly N\$4.9 billion.

OUTPUT BY MINE

Output by mine	1999	2000	2001	2002	2003	2004	2005	2006
Diamond Fields (carats)	6 692		16 740	25 401	16 762	29 477	n/a	n/a
Langer Heinrich (tonnes of uranium oxide)								
Namdeb Holdings (total carats)	1 289 776	1 320 308	1 384 704	1 275 899	1 454 756	1 858 383	1 774 000	2 084 879
Namdeb Diamond Corporation				696 914	807 139	992 872	878 000	1 000 743
Debmarine Namibia (Carats)				513 053	602 037	841 965	922 000	1 017 867
Beach and marine contractors (carats)				65 932	45 580	23 546		66 269
Navachab (kg of gold)	2 008	2 399	2 694	2 650	2 298	2 068	2 519	2 675
B2Gold								
Dundee Precious Metals Tsumeb*								
Blister Copper (tonnes)		5 082	27 015	17 850	26 306	26 306	22 563	22 711
Ocean Diamnd Mining Holdings Ltd (carats)	73 327							
Okorusu Fluorspar (wet metric tonnes of Fluorspar)	57 700	66 128	81 245	81 084	79 349	104 767	114 886	132 249
Rosh Pinah Zinc Corporation								
Zinc concentrate (tonnes)	69 193	73 535	70 610	77 587	107 920	123 272	126 123	105 134
Lead concentrate (tonnes)	19 283	20 665	26 182	24 140	31 453	27 188	24 690	21 974
Rossing Uranium (tonnes of Uranium oxide)	3 171	3 201	2 640	2 751	2 401	3 582	3 711	3 617
*short tons								
Sakawe Mining Corporation (carats)						119 546	120 100	260 045
Salt & Chemicals (tonnes of coarse salt)	429 230	482 000	500 441	552 000	567 000	717 000	670 000	576 000
Skorpion Zinc (tonnes of SHG zinc)				35	47 436	119 205	132 813	129 897
The Salt Company (total product - tonnes)	73 540	41 009	75 650	70 000	116 526	85 374	89 726	88 045
Coarse salt (tonnes)	60 100	32 077	58 000	54 729	84 818	62 583	66 994	61 423
Refined salt (tonnes)	7 220	4 347	11 250	9 640	11 099	11 384	10 135	12 285
Rock salt (tonnes)	6 220	4 585	6 400	5 631	11 421	7 069	7 399	9 072
Table salt (tonnes)					9 188	4 338	5 198	5 265
Weatherly Mining Namibia**								
Contained copper (tonnes)	-	-	-	-	-	-	-	6 307
Kombat mine								
Copper concentrate (tonnes)		15 614	18 180	23 836	16 701	16 353		
Otjihase mine & Matchless mine								
Copper concentrate (tonnes)	-	3 485	26 152	39 125	35 511	28 071		
Pyrite concentrate (tonnes)	-	11 967	56 994	3 633	31 786	3 658		
Tschudi copper mine								
Copper Cathode								
Tsumeb operations	-							
Copper concentrate (tonnes)	-			1 036	12 657	14 753		
Khusib Springs								
Copper concentrate (tonnes)								
Lodestone Dordabis Iron Ore Mine (tonnes of iron ore)								

Source: Chamber of Mines Namibia

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
n/a	n/a	n/a	n/a	n/a	n/a				
321	1 052	1 170	1 678	1 694	2 306	2 469	2 296	2 228	2 232
2 177 516	2 122 000	929 000	1 472 000	1 336 000	1 659 408	1 762 378	1 885 265	1 764 324	1 573 000
1 068 933	1 039 000	329 000	492 000	346 000	559 408	602 378	612 265	494 324	403 000
1 048 302	1 055 000	600 000	980 000	990 000	1 100 000	1 160 000	1 273 000	1 270 000	1 170 000
67 110									
2 519	2 126	2 014	2 773	2 063	2 287	1 795	1 938	1 878	1 890
							202	4 131	4 714
n/a	16 586	21 543	25 019	34 350	27 415	24 257	36 877	45 220	40 869
118 766	118 263	80 857	104 494	90 834	74 157	65 348	70 414	0	0
94 855	94 236	94 000	101 040	89 236	94 303	113 818	104 046	99 665	80 560
21 876	20 155	20 000	19 202	15 776	17 557	20 551	22 317	18 518	14 862
3 046	4 067	4 150	3 628	2 137	2 699	2 409	1 543	1 245	1 850
145 126	n/a	0	0	0	0	0	0	0	0
665 000	642 000	720 000	792 000	738 000	725 000	717 612	689 947	614 980	698 590
150 080	145 396	150 400	151 688	144 755	145 342	124 924	102 188	82 029	85 427
95 809	90 000	79 150	676 019	525 317	85 000	109 373	107 458	118 000	136 949
66 585	no info	61 800	651 219	516 417	no info	no info			
13 317	no info	9 000	13 200	8 900	no info	no info			
10 200	no info	4 950	10 300	n/a	no info	no info			
5 707		3 400	1 300	n/a					
n/a	8 775	0	0	0	5 304	5 182	5 086	3 254	0
		0	0						
		0	0	14 071	23 032	22 477	20 994	13 919	0
		0	0	0	0				
								10 659	16 391
		0	0	0	0				
								4 000	8 478

*Dundee Precious Metals Tsumeb, formerly known as Namibian Custom Smelters

**Weatherly formerly known as Ongopolo Mining and Processing from 2000 to 2006, and TCL until 1998

PERMANENT EMPLOYMENT BY MINE

Permanent Employment by Mine	1999	2000	2001	2002	2003	2004
African Bounty						
AREVA Resources Namibia						
B2Gold						
Debmarine Namibia					546	565
Diamond Fields Namibia			4	3	3	31
Diaz Point Exploration	85	50	81	64	45	
Imcor Tin (Uis tin mine)						
Langer Heinrich Uranium						
Lodestone						
Namdeb Diamond Corporation	3 269	3 024	2 916	2 890	2 953	2 993
Dundee Precious Metals Tsumeb*						
Namibia Minerals Corporation	75	261	167	300		
Navachab	361	314	311	311	146	246
Otjihase mine						
NIMT						
Otjozundu Manganese						
Okorusu Fluorspar	139	151	157	186	197	208
Ongopolo Mining and Processing (formerly TLC)						
Ongopolo Processing (formerlyTsumeb smelter)		217	271	224	212	212
Tsumeb mine				50	101	110
Kombat mine		306	301	265	262	262
Otjihase mine		379	283	314	366	362
Khuiseb Springs						
Rosh Pinah Zinc Corporation	424	438	491	511	498	502
Rössing Uranium	1 006	808	798	771	817	930
Salt & Chemicals	87	96	101	98	105	108
Sakawe Mining Corporation					18	210
Skorpion Zinc and Namzinc				507	598	616
Swakop Uranium						
SWA Lithium Mines (Rubicon mine)						
The Salt Company	67	59	67	70	73	72
Weatherly Mining Namibia**						
Total employment	5513	6103	5948	6564	6940	7427

Source: Chamber of Mines Namibia

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
					14	n/a	n/a	n/a	n/a	n/a	n/a
				213	206	149	154	47	41	38	35
								95	240	589	781
596	622	622	684	489	509	606	645	722	742	750	808
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
			n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
20	132	132	167	215	268	310	328	327	318	341	309
										12	12
2 913	3 000	2 940	2 594	1 480	1 651	1 363	1 632	1 630	1 774	1 744	1 685
		268	245	269	321	407	442	455	448	530	594
280	267	267	360	405	405	382	410	398	385	390	409
65	95	95	105	160	160		175	204	210	236	243
							52	37	37	no info	no info
249	248	248	273	207	254	252	349	315	n/a	n/a	n/a
903	903	944	n/a								
523	556	556	523	593	575	586	611	600	470	467	463
860	939	1 175	1 307	1 415	1 592	1 637	1 528	1 141	850	953	949
110	110	110	110	46	46	46	46	46	46	35	37
283	n/a	n/a	n/a	37	30	28	44	40	15	31	23
666	677	669	690	674	682	751	752	733	698	822	811
							44	185	670	1 119	1 488
75	78	79	78	78	85	85	84	89	80	87	87
					2	31	33	42	239	115	112
7543	7627	8105	7136	6281	6800	6929	7633	7439	7583	8259	9 143

*Dundee Precious Metals Tsumeb formerly known as Namibian Custom Smelters

**Weatherly formerly known as Ongopolo Mining and Processing from 2000 to 2006, and TCL until 1998

MINING AND THE ECONOMY

Mining and the Economy	2000	2001	2002	2003	2004	2005
Value added (N\$m current prices)						
Diamonds	1 934	2 854	3 591	2 630	3 444	3 182
**Uranium	487	489	617	20	193	390
**Metal ores	235	292	514	302	375	563
**Other mining and quarrying	34	27	70	40	135	122
Other Mining	n/a	n/a	n/a	n/a	n/a	n/a
Mining and quarrying	2 690	3 662	4 793	2 992	4 148	4 257
GDP (N\$m current prices)	26 607	29 929	34 528	36 401	41 862	45 287
As % of GDP						
Diamonds	7.3%	9.5%	10.4%	7.2%	8.2%	7.0%
**Uranium	1.8%	1.6%	1.8%	0.1%	0.5%	0.9%
**Metal ores	0.9%	1.0%	1.5%	0.8%	0.9%	1.2%
**Other mining and quarrying	0.1%	0.1%	0.2%	0.1%	0.3%	0.3%
Other mining	n/a	n/a	n/a	n/a	n/a	n/a
Mining and quarrying	10.1%	12.2%	13.9%	8.2%	9.9%	9.4%
Value added (N\$m 2010 constant prices)						
Diamonds	3 380	2 968	4 557	4 325	6 266	5 225
**Uranium	1 549	1 334	1 142	194	1 254	1 302
**Metal ores	812	940	889	979	987	1 087
**Other mining and quarrying	220	272	186	237	409	483
Other mining	n/a	n/a	n/a	n/a	n/a	n/a
Mining and quarrying	5 961	5 513	6 774	5 735	8 916	8 097
% Growth						
Diamonds	-6.7%	-12.2%	53.6%	-5.1%	44.9%	-16.6%
**Uranium		-13.9%	-14.4%	-83.0%	547.1%	3.9%
**Metal ores		15.8%	-5.4%	10.2%	0.8%	10.1%
**Other mining and quarrying		24%	-31%	27%	73%	18%
Other mining	13.3%	n/a	n/a	n/a	n/a	n/a
Mining and quarrying	-1.7%	-8.4%	36.0%	-8.2%	45.0%	-10.9%
Gross Fixed Capital Formation (N\$m current prices)						
Mining and quarrying	831	923	1 760	1 765	1 738	1 762
as % of value added	30.9%	25.2%	36.7%	59.0%	41.9%	41.4%
as % of GDP	3.1%	3.1%	5.1%	4.8%	4.2%	3.9%
Exports of ores and minerals (N\$m current prices)						
Metal ores including uranium ore	1 190	1 342	1 709	1 098	1 261	1 532
Other Minerals	59	64	112	95	117	132
Diamonds	3 936	4 161	5 192	3 546	4 911	5 002
Total	5 185	5 567	7 013	4 739	6 289	6 666
Copper	58	201	262	186	212	214
Zinc Refined			0	242	694	1 318
Total mining export (N\$m current prices)	5 243	5 768	7 275	5 167	7 195	8 198
Total export of goods	9 217	10 414	13 453	13 054	13 917	16 048
Diamonds as % of merchandise exports	43%	40%	39%	27%	35%	31%
Minerals as % merchandise exports	57%	55%	54%	40%	52%	51%
Source: NSA Namibia						
Exploration expenditure by Class D members (N\$m current prices)						
Source: CMN annual reports	167.0	249.0	146.0	264.0	no info	no info
Number of Class D members	24	15	14	14	15	15
Source: CMN annual reports						

0	31.7%	27.7%	7.5%	18.7%	
a	n/a	n/a	n/a	n/a	
6	36.0%	-8.2%	45.0%	-10.9%	2

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
4 591	3 646	5 971	2 616	4 741	4 255	8 148	10 683	12 434	11 733	10 708
673	2 245	4 159	3 250	1 778	1 505	2 223	1 900	1 459	1 384	1 474
1 171	1 376	1 145	1 351	1 144	909	1 066	1 387	1 529	2 818	4 696
219	566	759	961	934	1 164	2 124	2 247	1 517	936	831
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6 654	7 833	12 034	8 177	8 598	7 833	13 562	16 218	16 939	16 872	17 708
53 055	61 583	70 111	75 214	82 599	90 108	106 863	122 817	138 471	147 479	159 105
8.7%	5.9%	8.5%	3.5%	5.7%	4.7%	7.6%	8.7%	9.0%	8.0%	6.7%
1.3%	3.6%	5.9%	4.3%	2.2%	1.7%	2.1%	1.5%	1.1%	0.9%	0.9%
2.2%	2.2%	1.6%	1.8%	1.4%	1.0%	1.0%	1.1%	1.1%	1.9%	3.0%
0.4%	0.9%	1.1%	1.3%	1.1%	1.3%	2.0%	1.8%	1.1%	0.6%	0.5%
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
12.5%	12.7%	17.2%	10.9%	10.4%	8.7%	12.7%	13.2%	12.2%	11.4%	11.1%
7 210	6 987	6 878	3 291	4 741	4 580	5 176	5 695	5 976	5 728	5 180
1 137	1 201	1 563	1 691	1 778	1 335	1 697	1 579	1 424	1 167	1 326
890	1 248	1 152	1 164	1 144	1 021	1 352	1 004	1 010	1 616	1 597
501	598	699	887	934	1 196	1 945	2 159	1 315	735	589
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
9 737	10 035	10 293	7 033	8 598	8 132	10 170	10 438	9 725	9 246	8 692
38.0%	-3.1%	-1.6%	-52.2%	44.1%	-3.4%	13.0%	10.0%	4.9%	-4.1%	-9.6%
-12.7%	5.6%	30.1%	8.2%	5.2%	-24.9%	27.1%	-6.9%	-9.9%	-18.1%	13.6%
-18.1%	40.3%	-7.7%	1.1%	-1.8%	-10.7%	32.4%	-25.8%	0.6%	60.1%	-1.2%
4%	19%	17%	27%	5%	28%	63%	11%	-36%	-44%	-20%
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
27.6%	0.5%	2.6%	-31.7%	22.2%	-5.4%	25.1%	2.6%	-6.0%	-4.9%	-6.0%
3 842	2 908	4 013	4 731	4 754	6 499	6 490	13 902	18 897	18 116	no info
57.7%	37.1%	33.3%	57.9%	55.3%	83.0%	47.9%	85.7%	111.6%	107.4%	no info
7.2%	4.7%	5.7%	6.3%	5.8%	7.2%	6.1%	11.3%	13.6%	12.3%	no info
2 638	3 948	8 533	6 733	7 034	5 893	7 141	8 181	6 746	7 779	no info
236	394	528	539	592	700	768	875	829	625	no info
6 787	5 546	6 241	5 642	6 971	7 073	8 708	10 805	13 784	15 409	no info
9 661	9 889	15 301	12 913	14 598	13 666	16 617	19 861	21 359	23 813	no info
314	1 157	1 483	2 196	1 860	3 208	3 192	1 721	1 064	1 172	no info
2 518	3 881	2 521	2 427	2 604	2 391	2 265	2 658	3 259	1 950	no info
12 493	14 927	19 305	17 536	19 061	19 264	22 074	24 240	25 682	26 935	no info
20 968	26 872	33 674	33 926	34 465	35 648	40 833	46 449	51 326	57 717	no info
32%	21%	19%	17%	20%	20%	21%	23%	27%	27%	no info
60%	56%	57%	52%	55%	54%	54%	52%	50%	47%	no info
no info	no info	no info	no info	524.0	348.0	380.4	338.0	140.7	101.7	82.6
18	27	28	31	37	38	39	36	39	40	40

TAX REVENUE

Tax Revenue	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08
Revenue (N\$m)									
Non-diamond mining									
Budgeted	120.0	65.0	55.0	120.0	150.0	14.9	6.5	7.0	350.0
Actual	211.7	36.4	106.2	283.9	3.2	7.9	0.9	350.7	779.9
Non-diamond mineral royalties									
Budgeted									228.8
Actual									42.9
Diamond mining									
Diamond mining - budgeted	200.0	185.0	475.0	745.0	1 160.0	52.0	48.3	45.0	250.0
Diamond mining - actual	142.7	439.9	764.4	1 157.4	175.4	301.4	199.3	359.9	220.7
Diamond profits - budgeted									
Diamond profits - actual									
Diamond export - budgeted									
Diamond export - actual									
Diamond royalties - budgeted	205.0	240.0	294.0	420.0	450.0	500.0	242.1	316.4	271.2
Diamond royalties - actual	269.4	240.0	286.1	479.1	301.9	385.4	404.6	482.0	600.4
Budgeted	405.0	425.0	769.0	1 165.0	1 610.0	552.0	290.4	361.4	521.2
Actual	412.1	679.9	1 050.5	1 636.5	477.3	686.8	603.8	841.9	821.1
All mining									
Budgeted	525.0	490.0	824.0	1 285.0	1 760.0	566.9	296.9	368.4	1 100.0
Actual	623.8	716.3	1 156.7	1 920.4	480.5	694.7	604.7	1 192.6	1 643.8
Total tax revenue	6 597.7	7 790.4	8 452.0	9 808.9	9 064.8	10 853.6	12 368.0	16 325.2	19 826.2
Non-diamond mining as % of tax revenue	3.2%	0.5%	1.3%	2.9%	0.0%	0.1%	0.0%	2.1%	3.9%
Diamond mining as % of tax revenue	6.2%	8.7%	12.4%	16.7%	5.3%	6.3%	4.9%	5.2%	4.1%
All mining as % of tax revenue	9.5%	9.2%	13.7%	19.6%	5.3%	6.4%	4.9%	7.3%	8.3%
Source: MoF									

LICENCES GRANTED

Licences Granted	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Non-Exclusive Prospecting Licences issued	552	404	488	338	464	518	510	583	379	363
Exclusive Prospecting Licences awarded	24	24	53	121	178	92	155	160	70	71
Claims Registered	240	195	158	74	85	176	147	206	231	243
Mining Licences granted	1	3	2	9	4	8	5	4	8	12

Source: MME

08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	19/18
460.5	554.5	462.3	704.4	51.7	59.0	27.5	57.5	490.7	122.0	156.0
730.9	61.1		10.2	16.8	7.5	94.2	99	81		
200.0	250.0	250.0	360.0	300.0	305.0	384.8	310.0	310.0	199.0	363.0
92.8	261.0		305.4	183.2	185.4	201.0	309.0	195		
355.0	10.1	184.5	746.3	993.7	1 049.1	1 532.6	2 166.8	2 341.2	2 056.0	2 268.0
498.8	511.3		840.7	1 003.7	655.3	1 980.0	2 199.0	2202		
442.5	125.2	252.0	350.0	644.3	631.4	1 159.2	620.0	620.0	976.0	1 010.0
451.8	230.8		631.7	678.9	107.8	1 043.3	1 060.0	960		
797.5	135.3	436.5	1 096.3	1 637.9	1 680.5	2 691.8	2 786.8	2 961.2	3 032.0	3 278.0
498.8	742.1		1 472.4	1 682.6	763.1	3 023.3	3 259.0	3 162.0		
1 458.0	939.8	1 148.8	2 160.7	1 989.6	2 044.5	3 104.1	3 154.3	3 761.9	3 353.0	3 797.0
1 774.3	1 064.2		1 788.0	1 882.6	956.0	3 318.5	3 667.0	3 438.0	n/a	n/a
21 768.7	22 734.5	21 537.6	28 084.9	36 181.3	39 199.6	48 082.3	50 272.0	49 831.0	48 676.0	48 676.0
3.4%	0.3%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	n/a	n/a
2.3%	3.3%	0.0%	5.2%	4.7%	1.9%	6.3%	6.5%	6.3%	n/a	n/a
8.2%	4.7%	0.0%	6.4%	5.2%	2.4%	6.9%	7.3%	6.9%	n/a	n/a

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
328	316	243	443	467	311	439	348	441	465	598	656	641
75	96	135	194	165	179	230	402	258	395	138	56	142
363	191	104	223	241	305	133	428	212	331	101	117	97
2	1	0	7	4	4	2	4	3	0	3	0	1





ANNEX 2

97

CHAMBER OF MINES
ANNUAL REPORT 2016



CHAMBER COMMITTEES

Chamber Committee as at 14 December 2016

Exploration Committee

Volker Petzel (Chairperson)

B2Gold Namibia (Pty) Ltd

HR Committee

Sam Januarie (Chairperson)

Imerys Gecko Holdings (Namibia) (Pty) Ltd

Safety Committee

Benadicta Uris (Chairperson)

Dundee Precious Metals Tsumeb (PTY) Ltd

Mine Surveying Committee

Edmund Nel (Chairperson)

Namdeb Diamond Corporation (Pty) Ltd

Mining Consultative Forum

Kombadayedü Kapwanga
Johan Coetzee
Veston Malango
Raimo Hausiko(deceased)
Ebben Zarondo
Bro-Matthew Shiguandja
Erasmus Shivolo

President, The Chamber of Mines of Namibia
1st Vice President, The Chamber of Mines of Namibia
CEO, The Chamber of Mines of Namibia
President, Mine Workers Union of Namibia
General Secretary, Mine Workers Union of Namibia
Ministry of Labour, Industrial Relations and Employment Creation
Ministry of Mines and Energy

Chamber Members as at 14 December, 2016

Class A Founder Members

Namdeb Holdings (Pty) Limited
Rössing Uranium Ltd
Weatherly Mining Namibia

O. N. Shikongo
W. Duvenhage
C. Thomas

R. Burger
A. Thomson

Class A Members

Skorpion Mining Company
QKR Namibia
Rosh Pinah Zinc Corporation (Pty) Ltd
Langer Heinrich Uranium Ltd
AREVA Resources Namibia
Swakop Uranium (Proprietary) Ltd
B2Gold Namibia (Pty) Limited

I. Simataa
J. Coetzee
C. Horn
S. Solomons
H. Mbako
Z. KePing
M.T Dawe

M.Chalmers

Class B Members

Samcor Diamond Mining (Pty) Ltd
Salt & Chemicals (Pty) Ltd
Bannerman Mining Resources Namibia
Valencia Uranium (Pty) Limited
OHORONGO Cement (Pty) Ltd
Zhonghe Resources (Namibia) Development (Pty) Ltd
Imerys Gecko Holdings (Namibia) (Pty) Ltd (Okorusu mine)
Namibia Marble & Granite (Namagra) (Pty) Ltd
Dundee Precious Metals Tsumeb

K. Kapwanga
A. Snyman
L. Jubber
D. Kullmann
H-W. Schütte
Z. Xigang
H.Nolte
F-P Wittreich
Z.Kasete

E. Nefussy
S. Anderson
W. Ewald
M. Hilmer
Dr. J. Hilger

A. Scholz

Class C Members

Salt Company (Pty) Ltd
Peralin (Pty) Ltd
Otjozondou Mining (Pty) Ltd
R.E.D Graniti Namibia (Pty) Ltd
Namibia Marble & Granite

J. Klein Jnr.
M. Rattay
J. Thompson
J.O de Jager
F-P. Wittreich

J. Klein Snr
J. Rattay
E. Rust

Class D Members

Ambase Prospecting (Namibia) (Pty) Ltd
Osino Resources Corp
Teck Namibia Ltd
Rosh Pinah Zinc Corporation (Pty) Ltd
Onganja Mining Company (Pty) Ltd
P.E. Minerals
Rio Tinto Mining & Exploration Limited
Hallie Investment No. 14 (Pty) Ltd
North River Resources (West Africa Gold)
MAWARID Mining (Namibia) (Pty) Ltd
Namibia Rare Earths (Pty) Ltd
Deep Yellow Limited/ Reptile Uranium Namibia (Pty) Ltd
Marenica Energy Ltd
Nutam (Pty) Ltd
Craton Mining & Exploration (Pty) Ltd
Gecko Mining (Pty) Ltd
SWA Uranium Mines (Pty) Ltd
Cheetah Minerals Exploration (Pty) Ltd

R. Joone
J. Andrew
N. Ceyhan
L. Flaviano
R.Carr
C. Wium
K. Sims
A. Ghigini
D. Claridge
H. Scheepers
F. Bizouerne
J. Borshoff
M. Hill
B. De Decker
K. Hartmann
P. Ellis
Dr. V.A. Osiyuk
Dr. B. Corner

E. A. Barbour
E. Mbeely

E. Daweti

K. Woodman

P. Looijen
K. Maiden
O. Krappmann

D. Verran

Sabre Resources Namibia (Pty) Ltd
 African Huaxia Mining (Pty) Ltd
 AVONLEA Minerals Limited
 Lodestone Namibia (Pty) Ltd
 Namibian Marine Phosphate (Pty) Ltd
 Afri-Can Marine Minerals Corporation
 Pitchstone Exploration Namibia (Pty) Ltd
 China Africa Resources Namibia
 NABIRM Energy Services (Pty) Ltd
 "Petunia Investment Three" (Pty) Ltd
 Namibia East China Non-Ferrous Investment (Pty) Ltd
 Osho Resources Namibia (Pty) Ltd
 Epangelo Mining Company (Pty) Limited
 Manila Investment (Kombat Copper Inc.)
 Jindal Mining Namibia (Pty) Ltd
 Top Storey Investment
 Zander Mineral Investments (Pty) Ltd

Associated Members

Walvis Bay Bulk Terminal (Pty) Ltd
 African Wire Ropes (Pty) Ltd
 Alexandra Speiser Environmental Consultants cc
 Barloworld Equipment (Pty) Ltd
 Palfi, Holman & Associates
 NDTC Valuations Namibia (Pty) Ltd
 Eckhart Freyer - Geologist
 Evi Mining Company Ltd

Manica Group Namibia (Pty) Ltd
 NEC Investment Holdings (Pty) Ltd
 NOSA Namibia
 Mega Tech (Pty) Ltd
 Rex Quip cc
 Rubicon Security Services
 Protea Chemicals Namibia (Pty) Ltd
 Karibib Mining Construction Company
 Terratec Geophysical Services Namibia cc
 Namibia Institute of Mining & Technology
 Atlas Copco Namibia
 LM Environmental Consulting
 MCC Open Cast Mining Contractors (Pty) Ltd
 GPM Drilling & Exploration cc.
 Bureau Veritas Namibia (Pty) Ltd
 Intertek Genalysis Namibia (Pty) Ltd
 International SOS Namibia (Pty) Ltd
 BM Earth Moving cc
 Knight Piesold Consulting
 Lithon Mining Engineers (Pty) Ltd
 Transworld Cargo (Pty) Ltd
 Aveng Water Treatment (Pty) Ltd
 Kraatz Marine (Pty) Ltd

J. Ashipala
 A. Li
 D. Riekie
 A. Mayrick
 H. Scheepers
 B. J. Tourillon
 S. J. Blower
 E. Pekema
 O. O. Arowolo
 E. Repina
 L. Ming
 F. Ngorima
 E. Hawala
 A. Tizzard
 I. Prasad
 F. Van Vuuren
 P. Lemmon

C. Mutizwa

K. Kaura

J. H. Akwenye
 E. A.G. Trueman
 C. Thomas
 R. N. Misika
 S. Paraketsov

N. Agrawal
 E. Akwaake
 J. Lusse

H. Schierschmidt
 R. Scholtz

S. Masiza
 L. Strauss
 A. Speiser
 J. Hosking
 A. Palfi
 S. Ndjaba
 E. Freyer
 I. Namaseb and L. van Schalkwyk
 P. Coetzee
 A. Bruckner
 S. Jordaan
 P.J. M Koster
 A. Lang
 C. Groenewald
 F. Schutz
 J. Crafford
 G. Symons
 E.D.G. Mueller
 F. Foord
 Dr. L. Maartens
 W. Joubert
 G. McGregor
 C. Murta
 M. Diedericks
 B. Schiekerling
 B. Muller
 G. Leicher
 A. Grobler
 H. Herrlich
 A. Kostopoulos
 D. van Niekerk

A. Ashby

R. Wartha

J. Kaitungwa and N.
 Du Plooy

D. Scholtz
 C. Lang

K. Laas

G. Fassbender

P. Zietzman
 S. S. McGregor

V. Simumba
 J. Lawrence
 N. Muller
 M. von Dorrssen
 G. Dreyer

T. Tjazuko
 D. Roeseman

Remote Exploration Services (Pty) Ltd
Cymot (Pty) Ltd
Desert Mining Supplies
ALS Laboratory Namibia (Pty) Ltd
Taurus Maintenance Products (Pty) Ltd
Shali Group Holdings (Pty) Ltd
African Bounty cc.
Mincon Namibia (Pty) Ltd
Fisher, Quarmbly & Pfeifer
Namibia Mining Industrial Solutions
Weir Minerals Pumps & Mining Solutions.
Power Line Africa (Pty) Ltd
Verminen Mining Services CC.
3M Personal Safety Namibia A. Nel
Basil Read Mining Namibia (Pty) Ltd
BARTKO Mining Namibia (Pty) Ltd
Bulk Mining Explosives Namibia
ADP Namibia (Pty) Ltd

Honourable Life Members

Honourable A Toivo ya Toivo
Mr. Steve Galloway

Oil and Gas Members

Eco (Atlantic) Oil & Gas Ltd
Chariot Oil & Gas
Petrobras Oil & Gas B.V.

B. Wade
A. Theissen
J. Kirsten
R. Sesetpu
H. Schlag
W. Shali
F. T. Kuys
P. Davidson
J. Gaya
H. P. Reiff
R. Fitzpatrick
I. Milanesi
J. H. Hough
A. Nel
T. Tlhomelang
A. Neethling
C. Vorster
T. Lamboy

B. van Coller
W. Brown

G. Stadtherr
J. Comalie
F. C. De Beer

T. Silver

J. Maree
A. Jakins

G. Holzman
R. Mwanachilenga
R. Maueler

A. Friedman

REFERENCES

Chamber of Mines Namibia

President: Mr Kombadayedu Kapwanga
1st Vice President: Mr Johan Coetzee
2nd Vice President: Mr Hilifa Mbako
Chief Executive Officer: Mr Veston Malango

Chamber of Mines Namibia

PO Box 2895
No. 3 Schutzen Street
Windhoek Central
Namibia
Tel: +264 61 237 925
Fax: +264 61 222 638
Email: info@chamberofmines.org.na
Website: www.chamberofmines.org.na

Namibia Uranium Association

Director: Dr Gabi Schneider
Cottage Avenue
P.O. Box 2747
Swakopmund 9000
Tel: +264 (64) 402393
Fax: +264 (64) 402394
E-mail: info@namibianuranium.org
Website: www.namibianuranium.org

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 Obeth Kandjoze
Deputy Minister: Honourable Kornelia Shilunga
Tel: +264 61 284 8111
Fax: +264 61 284 8363/ 220 386

Permanent Secretary

Mr Simeon Negumbo
Tel: +264 61 284 8312
Fax: +264 61 220 386

Directorate: Diamond Affairs

Diamond Commissioner: Mr Kennedy Hamutenya
Tel: +264 61 284 8320
Fax: +264 61 284 8380
Email: Kennedy.Hamutenya@mme.gov.na

Directorate: Geological Survey of Namibia

Deputy Permanent Secretary: Gloria Simubali
Tel: +264 61 284 8242
Fax: +264 61 249 144
Email: Gloria.Simubali@mme.gov.na

Directorate of Mines

Mining Commissioner: Mr Erasmus Shivolo
Tel: +264 61 284 8111
Fax: +264 61 284 8366
Email: Erasmus.Shivolo@mme.gov.na
Chief Inspector of Mines: Mr Mathews Amunghete
E-mail: mamunghete@mme.gov.na

National Statistics Agency Namibia (NSA)

Statistician General: Alex Shimuafeni
Namibia Statistics Agency FGI House
Post Streetmall
P.o. Box 2133
Windhoek
Tel: +264 61 431 3200
Fax: +264 61 431 3253
Website: <http://www.nsa.org.na>

Useful Documents and Websites

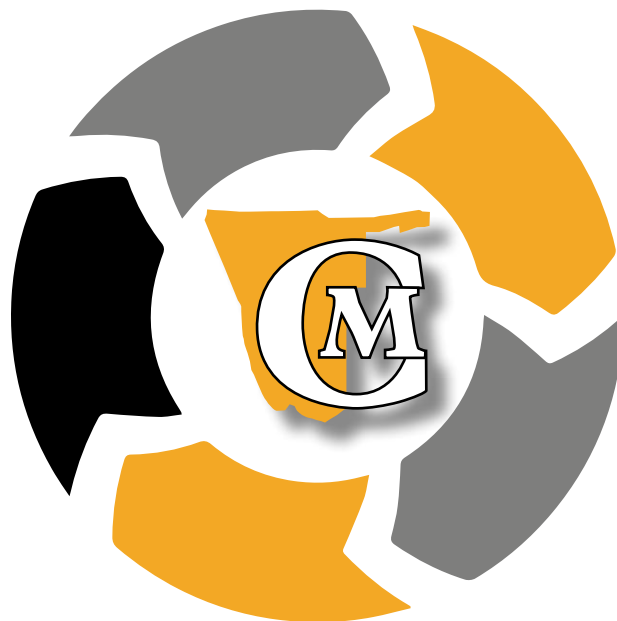
Ministry of Mines and Energy: www.mme.gov.na
• Minerals Act 1992 (Act No. 33 of 1992)
• Minerals Development Fund of Namibia Act 1996 (Act No. 19 of 1996)
• Diamond Act 1999 (Act No. 13 of 1999)
• Minerals Policy of Namibia (Ministry of Mines and Energy)
• Minerals Amendment Act 2008 (Act No. 8 of 2008)

Ministry of Environment and Tourism: www.met.gov.na
National Planning Commission: www.npc.gov.na
Bank of Namibia annual and quarterly reports: www.bon.com.na

103 ABBREVIATIONS

CHAMBER OF MINES
ANNUAL REPORT 2016

AFIR	All Frequency Injuries Rate	MUN	Mine Workers Union of Namibia
ASX	Australian Stock Exchange	mv	Motor vessel
BFS	Bankable Feasibility Study	NEEEF/B	New Equitable Economic Empowerment Framework/Bill
CGNPC	China General Nuclear Power Holding Company	NIMT	Namibian Institute of Mining and Technology
CSR	Corporate Social Responsibility	NOSA	Namibian Occupational Safety Association
DBMN	Debmarine Namibia	NUI	Namibia Uranium Institute
DFS	Definitive Feasibility Study	NUNW	National Union of Namibian Workers
DIFR	Disabling injury frequency rate	NUST	Namibia University of Science and Technology
DPMT	Dundee Precious Metals Tsumeb	NSA	Namibia Statistics Agency
ECC	Environmental Clearance Certificate	NSX	Namibian Stock Exchange
EDF	Erongo Development Foundation	OHSAS	Occupational Health and Safety Advisory Services
EIA	Environmental Impact Assessment	PDN	Previously Disadvantaged Namibian
EMP	Environmental Management Plan	PDP	Probe Drill Platform
EMS	Environmental Management System	PPE	Personal Protective Equipment
EPAR	Environmental Performance Assessment Report	ppm	parts per million
EPL	Exclusive Prospecting Licence	R&D	Research and Development
GDP	Gross Domestic Product	RC	Reverse Circulation
GFCF	Gross Fixed Capital Formation	RoM	Run of mine
GRN	Government of the Republic of Namibia	SADC	Southern African Development Community
HSE	Health, Safety, Environment	SEA	Strategic Environmental Assessment
IAEA	International Atomic Energy Agency	SEIA	Social and Environmental Impact Assessment
ISO	International Organisation for Standardisation	SHEQ	Safety, Health, Environment and Quality
JSE	Johannesburg Stock Exchange	SHG	Special High Grade
JV	Joint Venture	SME	Small and Medium Sized Enterprises
lb	imperial pound	st	short ton (equivalent to 0.907 tonnes)
LME	London Metal Exchange	troy oz	troy ounce (equivalent to 31.104 g)
LoM	Life of mine	UNAM	University of Namibia
LTI	Lost time injury	VAC	Value Addition Committee
LSE	London Stock Exchange	WNA	World Nuclear Association
LTIFR	Lost time injuries frequency rate		
MANWU	Metal and Allied Workers Union of Namibia		
MET	Ministry of Environment and Tourism		
MFMR	Ministry of Fisheries and Marine Resources		
ML	Mining Licence		
MoF	Ministry of Finance		
MME	Ministry of Mines and Energy		
MFMR	Ministry of Marine Resources and Fisheries		



THE CHAMBER OF MINES

PO Box 2895, No. 3 Schützen Street, Windhoek Central, Namibia

Tel: +264 61237925 | Fax: +264 61222638

info@chamberofmines.org.na

www.chamberofmines.org.na