



# Chamber of Mines

## Newsletter

A quarterly newsletter for the Namibian mining industry

• Issue 01/2016

April 2016







# SKORPION ZINC MINE AND REFINERY

## LIVING OUR VALUES

“Our approach to achieving our long-term business goals places utmost importance on safeguarding the welfare of our people by upholding safety as a core value in our operations to build a zero harm culture, and engaging transparently with our communities in a way that shares fairly the value we create.” Tom Albanese, CEO, Vedanta Resources Plc.



**Safe Production is our highest priority for a Sustainable Future.**  
**We abide by the motto of “One Injury is One Too Many” to achieve Zero Harm**

# Contents

## In this issue . . .



### 05 - Power tariff hike looms

Namibians should brace themselves for an electricity tariff hike, following increases by regional suppliers, who supply 60 percent of the country's electricity needs.

### 06 - Not all gloom and doom for miners

Depressed global commodity prices are projected to continue weighing down the local mining sector, impacting on its growth this year, the Chamber of Mines has warned.



### 10 - Meet Namibia's youngest mining GM

At the age of 32, Skorpion Zinc Mine and Refinery General Manager Irvinne Simataa is the youngest executive in nearly 100 years of Namibian mining.

### 25 - Husab processing plant 96% complete

Swakop Uranium, the developer of Husab Mine, has announced that construction of the processing plant at the world's biggest uranium mine has reached over 96 percent completion.

#### Cover picture:

Langer Heinrich uranium mine, processing plant and pit. Photographer: Andre Terblanche.



## Chamber of Mines Newsletter

PO Box 2895  
3 Schutzen Street  
Windhoek, Namibia  
Tel: +264 61 237 925  
Fax: +264 61 222 638  
Email: [dmeyer@chamberofmines.org.na](mailto:dmeyer@chamberofmines.org.na)  
[www.chamberofmines.org.na](http://www.chamberofmines.org.na)  
**President:** Mr. K. Kapwanga,  
**1st Vice President** - Mr Johan Coetzee  
**2nd Vice President** - Mr Hilifa Mbako  
**CEO:** Mr. Veston Malango,  
**HR Administrator:** Ms. Signa Ndombo,  
**Accountant:** Ms. Hilma Nampala  
**PA to CEO:** Ms. Doreen Meyer  
**Economist:** Ms. Lauren Davidson



# Message from the CEO

**T**he year has kicked off with a bang, and with the blink of an eye it is time for the much anticipated 2016 Mining Expo & Conference.

I am pleased to announce that the event this year will be held at the Windhoek showgrounds during 27 – 28 April. The Safari Hotel has served as an excellent venue for the Mining Expo & Conference in the past, however, the new venue is expected to give this event greater public exposure and raise the calibre of future mining expos.

According to preliminary statistics released by the Namibia Statistics Agency, the mining sector fared better in 2015, posting a real contraction of 0.1 percent compared to a drop in growth of 6.2 percent recorded in the previous year.

In line with these figures, the theme for this year's Mining Expo & Conference is "The Namibian Mining Industry – Weathering the Storm," as the sector faces a number of global headwinds which have been largely offset by the realisation of prior investments.

The Mining Conference will cover a number of topics this year such as various challenges

faced by the sector; security of power and water; the challenges and opportunities for rail transport of mining related freight; further value addition in the sector; and the status of marine phosphate mining in Namibia.

We keenly look forward to this conference which promises to offer valuable insight to current challenges and developments in the sector to various stakeholders and the public at large.

The 2015 Fraser Institute Survey of Mining Companies reveals that Namibia dropped four places in its overall attractiveness for investment in mining and exploration after Morocco, Burkina Faso and Ghana. This comes as a result of recent policy announcements made by Government, specifically the new NEEEF and Bill as well as delays in processing of licence applications in 2015.

The Chamber remains concerned that NEEEF, in its current form, will reverse the positive investor sentiment and capital inflows into the mining sector, which would ultimately lead to a stagnant industry and reduced contribution to socio-economic growth.



Government, however, is cognisant of the industry's position and we are positive that input given by the Chamber will be earnestly considered throughout all deliberations on this proposed policy framework and Bill.

We look forward to welcoming you all at the 2016 Mining Expo and Conference.

Veston Malango  
22 April 2016



## African Wire Ropes

**SCAW METALS GROUP**



Oblongs and sub-assemblies  
From 7mm to 32mm



Safety sling hooks from 7mm to 32mm



Endless round and webbing slings in  
different lengths up to 150 ton



Steel wire ropes from  
1mm to 113mm



Chain slings, adjustables from  
1-4 legs, to lift loads up to 85 ton



One, two, three and four Legged steel wire  
rope slings to lift loads up to 120 ton



Hammer-locks from  
7mm to 32mm



Crosby clamps from  
3mm to 90mm



Grab hooks from 7mm to 32 mm



Crosby bow shackle from 0.75 ton to 120 ton



Fibre Ropes, Manila Ropes,  
Cotton Ropes, Nylon Ropes,  
Tow Ropes (with spliced eyes  
according to specifications)  
from 4mm to 96mm



# Power tariff hike looms

ROADWIN CHIRARA

Namibians should brace themselves for an electricity tariff hike, following increases by regional suppliers, who supply 60 percent of the country's electricity needs.

Namibia imports its power from South Africa, Zimbabwe and Zambia to augment local supplies.

South African power utility Eskom, the bulk supplier of Namibia's imports, effected a 9,4 percent hike in March 2015, which will be applicable to Namibia's current import charges.

"Yes, tariff increases applicable to South African customers are also applicable to NamPower," Eskom said in response to an inquiry by the Windhoek Observer.

Eskom was, however, mum on the new proposed tariff details and volumes to be supplied to Namibia, only confirming that it has an agreement with NamPower that expires next year.

"Charges and tariff levels are confidential between Eskom and NamPower. The volume for the financial year is currently being finalised," Eskom said.

"Eskom and NamPower have a bilateral agreement governing their relationship, which is valid until 31 March 2017."

Zimbabwean power utilities - Zimbabwe Electricity Transmission and Distribution Company (ZETDC) and the Zimbabwe Power Company (ZPC) - are facing resistance in their country over a 49 percent tariff hike, although it couldn't be confirmed if this massive increase will impact electricity exports to Namibia.

ZPC signed a 15-year power purchase agreement to supply Namibia with electricity, after it received a N\$500 million loan from Standard Bank Namibia for the 300 MW extension of the Kariba South Hydro Power Plant. The loan is backed by NamPower.

Electricity Control Board Chief Executive Officer Foibe Namene said it was inevitable that the extra cost of electricity imports will be passed on to consumers.

"The substantial shortage of energy in the Southern Africa region at this stage is putting pressure on energy tariffs, not only in Namibia, but in all of the countries in the SADC region. Power from the region has assisted Namibia greatly in meeting the local demand.

"In order to continue sourcing power from the neighbouring countries, customers in Namibia will have to pay the cost of such imports," she said.

Namene said a weaker local currency was also having a negative impact on import costs.

"The impact will be based on the effective increases in those exporting countries. The ECB has noticed a high increase, specifically due to the devaluation of the Namibia dollar against the US dollar, in which currency part of the import



payments are made. It is therefore expected that those increases will be passed on to the consumers, as part of NamPower's cost recovery process," the ECB chief executive said.

She said the country's electricity tariff will have to increase, in order to meet and cover the increasing cost of supplying electricity.

"Cabinet in 2005 resolved that NamPower tariffs should reach and remain cost-reflective by the financial period 2010/11, which was achieved in the financial period 2011/12. Cost-reflective tariffs ensure that NamPower charges tariffs that will cover operating costs and that the utility remains financially viable to meet the country's security of electricity supply," Namene said.

"In light of the above, the ECB will review applicable electricity tariffs for NamPower and distribution licensees for the period 2016/17 for implementation from 01 July 2016, which will ensure continued supply of electricity at affordable rates."

She said the regulatory authority was aware of the likely impact of the hikes on the consumer and would look at ways of reducing their effects.

"Whether the country and the economy can sustain an increase or not, the ECB is confident that any contemplated increase in tariff will be

analysed to ensure minimum and reasonable impact to the customer, utilities and the economy," Namene said.

"Tariff increases mean a rise in the cost of living and production, and a potential to jeopardise job creation and poverty alleviation. It is therefore important that the ECB, as the regulator, takes a long-term view and ensures that its decisions are made against the backdrop of tough conditions prevailing in the economy at all times."

This comes as Namibia battles to keep the lights on, with Minister Kandjoze announcing recently that the country had secured enough supply to avert the possibility of load shedding.

He said of the country's 4015,9 Gigawatt hours requirement, 40 percent will be supplied locally - namely by the Ruacana hydro power plant, the Van Eck coal power station, the Anixas diesel power station and the Omburu solar power plant.

NamPower was also said to be in the process of procuring a temporary base load power plant (capacity 40-120 MW) to increase the currently installed capacity of the country.

Namibia's power import bill, according to previous NamPower figures, was projected to rise to over N\$12 billion over the next four years.

# Not all gloom and doom for miners

ROADWIN CHIRARA

**D**epressed global commodity prices are projected to continue weighing down the local mining sector, impacting on its growth this year, the Chamber of Mines has warned.

This comes as ratings agency Moody's expects the current situation to get worse. The agency notes uncertainty regarding growth in China as one of the primary factors underpinning its negative outlook, as the Asian giant still accounts for more than 40 percent of global demand for most key base metals.

"The Namibia mining sector is not immune to the recent global economic developments, in particular the depressed commodity prices. In response to the depressed market, many operations have scaled back on production, as a cost cutting measure, reducing output and thereby export earnings and government revenue, particularly for the uranium and diamond mining operations.

"We expect the same going forward in 2016, as the downturn is likely to persist in the medium term," Chamber of Mines Chief Executive Veston Malango said.

He said electricity tariff hikes did not augur well for the sector which is currently hamstrung from declining revenues, although he could not divulge how much power is consumed by the sector and at what cost.

"Tariff hikes continue to be a challenge faced by the sector as any increments in this regard add significantly to the mining companies' total cost burden. In an environment of subdued commodity process, the burden is even greater as mining companies grapple with declining revenues and endeavour to pursue every option available to them to reduce such costs," Malango said.

The Chamber chief executive said although a weak South Africa rand translates to increased income for miners who export the bulk of their minerals, the down side was the increased cost for importing capital goods for the sector.



"There is an indirect inflationary risk which exists as a result of the continued weakening of the South African rand. As the South African rand depreciates, so does the Namibia dollar, making imports considerably more expensive.

"The high costs of imports could translate into a higher inflation rate, raising the general cost of goods and services incurred by mining companies. Furthermore, mining companies import most of their mining inputs and capital equipment and the weakening rand could thus have a direct impact on the cost of investment," he said.

"On the other hand, a weaker local currency provides relief to any exporting industry with more local currency to meet operating expenses. There is no direct impact on the local mining sector as all mining exports are paid for in foreign currency. As stated above, it hurts when importing capital goods."

On the upside, Malango said the coming on stream of Weatherly's Tschudi copper mine and B2Gold's Otjikoto mine had provided a relief to the sector.

The Chamber chief executive, however, said





it was not all gloom and doom for the sector with two new mines coming online.

“With the ramping up of two new mines and the Husab mine, which is expected to come onto stream in 2016, we expect these economic contributions to outweigh the negative impacts,” he said.

Husab mine is a N\$20 billion uranium mine located about 60 kilometres from Swakopmund, owned by China General Nuclear Power Holding Corporation. The mine is expected to produce 15 million pounds per annum of uranium oxide.

Malango’s comments come as the Bank of Namibia has warned about the negative impact of weak global commodity prices coupled with uncertain electricity supplies on the local economy.

“Risks to the domestic outlook include low commodity prices that may lead to deterioration in the country’s external position and exert pressure on both the current account balance and the international reserves.

“Electricity supply constraints that started in South Africa could worsen further and spill over to the Namibian economy and restrain growth,”

the bank said in its Outlook Report.

“Over the medium-term, growth will be supported by increased mining output from new mines.”

According to the Chamber of Mines, Namibia’s mining industry value is forecast to grow from an N\$22,78 billion in 2014 to about N\$30 billion in 2018 representing an increase in the mining sector’s contribution to GDP from 12.8% to in 2014 to 17% in 2018.



# Namibia Uranium Association respiratory workshop



The Namibia Uranium Association & Institute in Swakopmund, in conjunction with the Lung Clinic, 3M, and National Environmental Health Consultants (NEHC), held a one day Respiratory Workshop from 8-9 March 2015, with over 50 people from local mines and industries attending and receiving certificates for their participation.

The event was opened by the new NUA Director, Dr. Gabi Schneider, whilst informative presentations were given by Dr. W. Swiegers on Occupational Lung Diseases, Sister K. Crowther on Lung Function Testing, Prof. C. von Garnier on Lung Cancer, and Mr. & Mrs. Cornelissen of NEHC on Occupational Hygiene. These were followed by presentations and demonstrations of 3M Respiratory Solutions by Jaco Combrinck and Tony Nel of 3M Personal Safety.

Attendees were shown various 3M disposable, re-usable, and powered air purification respiratory solutions, with appropriate filters for various occupational exposure levels, and had the opportunity to try some of these for themselves, together with being shown how to do a proper respirator fitment test using the 3M Qualitative Fit Test Kit.





# Serving the Namibian Mining Industry

## Background

The Department of Mining and Process Engineering (DMPE) at the Namibia University of Science and Technology (NUST) was founded in 2009 to provide international best-practice tertiary education, training and applied research in Mining and Process Engineering.

The Department aspires to be the partner of choice for industry, delivering high quality graduates and making meaningful contributions to the advancement of knowledge through applied research and solving industry problems. To achieve its goals, the Department has built a team of highly qualified experts with a rich history of both industry and academic experience. It is now in the process of procuring, installing and commissioning state-of-the-art laboratory facilities in a N\$200m new building. This equipment, some of which will be exclusive to NUST in Sub-Saharan Africa, will serve the Namibian mining industry, particularly in pursuing industry-related research and producing globally competitive engineers.

## Our Vision

To be the premier academic department of choice for Mining and Process Engineering in Southern Africa.

## Our Mission

To provide international best practice education, training and innovative research in Mining and Process Engineering.

The Department offers two programmes, namely the **B.Eng. Mining**, and the **B.Eng. Metallurgy**. Both are four-year programmes and consist of coursework and work-integrated learning which take students through significant practical exposure. The curricula receive significant input from the Namibian mining industry, leading academics and other stakeholders locally and Internationally, including the Chamber of Mines of Namibia. Initially, the Department offered the B.Eng. Mining with specialisation in Mining Production and Mineral Processing.

However, these programmes have been further developed, resulting in a more elaborate and encompassing curricula that match global trends. Metallurgical Engineering commenced in 2013 and the first cohort of students will graduate in 2016. The Department also intends to introduce postgraduate programmes in Mining and Metallurgical Engineering in 2017.

Students experience a rigorous experiential learning process during which they are practically exposed to the real work environment. During that process, the students are required to complete an investigative project and compile a report. They are also expected to identify a design project that is technically oriented and demonstrates key mining and metallurgical engineering competences. This design project is critical as it develops the students' independent learning ability and enables them to exercise their design competence.

## Comments from Industry

### Langer Heinrich Mine:

Aune Ndjenja and Ndapanda Fanuel, as employees: "These two young professionals are just so hard-working and dependable! We all love them here and it is testimony to an excellent coach and lecturer to have yielded these two graduates who have no noticeable knowledge gaps and have such a productive approach to work! Harmony, congratulations on this." - Mr Hein Daiber, former Human Resources Manager at Langer Heinrich Mine.

## Enquiries:

Mr Priviledge Shava  
T: +264 61 207 2729  
E: pshava@nust.na



**NAMIBIA UNIVERSITY**  
OF SCIENCE AND TECHNOLOGY

Department of Mining and Process  
Engineering



# Meet Namibia's youngest mining

## General Manager for mining giant Skorpion Zinc Mine and Refinery

ERIC N MHUNDURU

**A**t the age of 32, Skorpion Zinc Mine and Refinery General Manager Irvinne Simataa is the youngest mining executive in nearly 100 years of Namibian mining.

But don't let that fool you.

With over 10 years of work experience in the mining industry, Simataa oversees the only integrated zinc mine and refinery operation in Africa.

His management team includes nine executives and the operation has approximately 1,500 employees.

Simataa hails from the Zambezi Region and is a born and bred Namibian.

He is a holder of a Bachelor of Science Degree in Mining Engineering from the University of the Witwatersrand (Wits). He also holds business qualifications from the University of Stellenbosch Business School and University of Pretoria's Gordon Institute of Business.

Simataa is a registered professional engineer with the Engineering Council of Namibia. He serves as a director on THL subsidiaries.

He was appointed as Skorpion Zinc's GM at the age of 31 on 1 December 2015.

Prior to joining Vedanta Zinc International, Skorpion's parent company, Simataa was associated with De Beers Marine, as the manager responsible for its offshore mining operations.

His mining experience also includes time at Navachab Gold Mine (then under AngloGold Ashanti) as mining manager and at Namdeb Diamond Corporation (Pty) Ltd in various technical roles.

At Skorpion Zinc, Simataa highlights his immediate priority as developing, articulating and driving a new vision, mission and strategy for Skorpion Zinc Mine and Refinery.

"The mining industry, including our zinc industry, is experiencing a market downturn. Suppressed commodity prices have impacted profitability negatively.

"To secure the sustainability of our business, we have had to focus on operational and cost optimisation during this period. Current market conditions demand that we work differently and it is my prime objective to position the business to respond accordingly. My team and I have taken measures to minimise the impact on employees in the short-term.

"While reviewing the current operating business models with a view to driving immediate



To secure the sustainability of our business, we have had to focus on operational and cost optimisation during this period. Current market conditions demand that we work differently and it is my prime objective to position the business to respond accordingly. My team and I have taken measures to minimise the impact on employees in the short-term.

benefit, it has been imperative to create a safe and an enabling work environment for all employees.

"Key amongst some of the high priority projects has been building a high performance culture, creating a future with life of the mine extension projects, while ensuring that operational and cost optimisation initiatives are implemented, and that social upliftment projects take place in the Rosh Pinah (the host community), the //Karas Region and country-wide," Simataa said.

Asked what his typical day on the mine looks like, Simataa highlighted that over and above crafting and executing strategy, a typical day begins with a daily safety and production update with the executive management team, followed by specific meetings or reviews with corporate, EXCO, suppliers, unions, the Rosh Pinah community or focus groups.

He dedicates time during the day to brainstorm around some of the biggest challenges at present and expedite actions on an immediate basis. He is visible and accessible to all employees. He typically ends the day with a visit to the open pit or the refinery. "Transforming Skorpion Mine and Refinery and positioning it for success has never been this challenging in the life of this operation, but the team and I

are up for the challenge," he said.

Simataa credits his rise in the corporate world to humility, hunger to improve self and others, an unparalleled work ethic, curiosity and a desire to deliver.

"Coming from a big African family, I am grounded in a high degree of morals and a culture of integrity. From the onset, as a graduate engineer, I have never restricted myself to hours of work (coming in at 07h00 and leaving at 17h00). I have never restricted my commitment to how much I learn.

"I have always offered the highest level of service and delivered more than expected. I demand the best out of myself and others. I have taken calculated risks in my career to attain a set of well-developed technical and managerial competencies, positioning myself for onerous executive roles, such as this one. Leadership is about delivering results and creating meaning and this remains key to my on-boarding of priorities in any job.

"I have a consistent and proven track record of delivery, and have built a meaningful network of protégés in the process. Most young people are driven by the glory of titles and positions and the wealth associated with the same."

However, Simataa said success was about more than just big dreams or titles, as there is greater effort that goes into creating it.

He said his number one drive is creating real value for the companies and communities he serves, while sharing in the value additions.

"Key to my success has been the ability to adapt, build and drive efficiencies out of any team I was required to lead, to achieve predetermined objectives. In the final analysis, my legacy has been that of delivery and building lasting and meaningful value for the companies and communities I have served.

"In fulfilling my management and leadership mandate with privilege and humility, age has never really been a factor.

"It is common knowledge that challenges within the mining industry are abound. As a mining executive, I am accountable to shareholders and stakeholders, to pursue, deliver and exceed business objectives safely and sustainably, by balancing operational and cost optimisation imperatives, particularly in times of suppressed commodity prices, whilst ensuring the business remains competitive.



# executive -

"This calls for robust and dynamic leadership, which I readily provide. Leadership knows no age, gender, race or creed. It is a state of being, consciousness and constant re-enforcement, by inspiring and making your management and employees powerful," Simataa said.

He said he manages to do this by enrolling management and employees into a vision supported by strategic themes, with clear key actions communicated and executed with passion and a sense of possibility.

He said he has had the privilege of building and managing multi-disciplinary operational and management teams at major mining houses in Namibia, in diversified commodities on land and offshore.

The youthful GM noted that his eureka moment came right at the beginning of his career, when he realised his ability to transcend technical and management challenges, and use leadership as a catalyst to deliver objectives, irrespective of the age, gender, race and competency of any team he has worked with.

This in itself speaks volumes considering the warm welcome he was given at Skorpion Zinc. His people skills speak volumes, as both his EXCO team and employees have taken warmly to his leadership and have shown confidence in him.

He implored young and upcoming mining executives to stay hungry, be humble and work hard, while recognising that engineering schools may not have adequately prepared them for leadership.

"Therefore, they must seek the assistance of mentors, coaches or protégés, who have self-actualised in the various mining aspects.

"Learning is in doing and knowledge is king," Simataa said.



Irvinne Simataa is the country's youngest mining general manager.



# Otjikoto gold glitters

ERIC N MHUNDURU

Canadian miner B2Gold Corporation expects its Namibian subsidiary, the Otjikoto Mine, to produce between 160,000 to 170,000 ounces of gold this year up from the 145,723 ounces produced in 2015.

In a statement to shareholders, the Namibia Stock Exchange listed entity said that Otjikoto's cash operating costs are expected to be around US\$400 to US\$440 per ounce, 18 percent lower than its 2015 cost guidance of US\$500 to US\$525 per ounce.

The drop in costs is attributed to the higher throughput, lower projected fuel costs and a weaker Namibia dollar relative to the US dollar.

The company is preparing an updated Otjikoto Life of Mine (LOM) Plan after the completion of an updated geological and grade model for the Otjikoto deposit last year.

"For 2016, sustaining capital at the Otjikoto Mine is estimated to be approximately US\$17.4 million, which includes US\$14.7 million to expand the mining fleet for the development of the Wolfshag open pit.

"Non-sustaining capital costs are budgeted at US\$30.9 million for pre-stripping at the Wolfshag phase one and Otjikoto phase two pits.

"The total exploration budget for Otjikoto in 2016 is US\$4.7 million, which is planned to include 10,700 metres of drilling to infill the down plunge extension of the Wolfshag resource.

"In addition, drilling will commence to test the newly acquired Ondundu project, located 190 kilometres southwest of Otjikoto," B2Gold Corporation President and Chief Executive Officer Clive T. Johnson said.

B2Gold's consolidated gold production is expected to increase to between 510,000 to 550,000 ounces, compared to 493,265 ounces produced in 2015.

The higher production relates mainly to increased throughput at the Otjikoto Mine, following the completion of its mill expansion project in September 2015.

"Consolidated cash operating costs are projected to further decrease in 2016 and be in the range of US\$560 to US\$595 per ounce. This is against the 2015 guidance range which was between US\$630 to US\$660 per ounce.

"The favourable reduction which is approxi-

mately 10 percent reflects the positive impact of greater production from the low-cost Otjikoto Mine, including the benefit of an anticipated weaker Namibia dollar, lower projected fuel and energy costs across all operations, and continued efforts to enhance productivity and cost efficiencies," Johnson said.

The company's consolidated all-in sustaining costs are also expected to be significantly lower, between US\$895 and US\$925 per ounce against the 2015 guidance range which was US\$950 to US\$1,025 per ounce.

With the completed mill expansion, the Otjikoto Mine is projected to process approximately 3.3 million tonnes of ore for the year at an average grade of 1.59 g/t gold.

Gold recoveries are expected to average 97 percent. Most ore in 2016 will come from the existing Otjikoto pit, with a minor component from Wolfshag as the pit is developed.

"The production profile is expected to steadily increase quarter by quarter in 2016 due to increasing grade as phase one of the Otjikoto pit is completed. As a result, gold production is expected to be slightly weighted towards the second half of the year by at least 55 percent," said Johnson.



**NAMIBIA**

**MACHINE TOOLS cc**

**MONTABERT**

**Hydraulic Breakers:**

Cutting edge technology  
dedicated to your productivity



1. Upper suspension absorbs vibrations and noise
2. Energy chamber with diaphragm: optimal and constant performance
3. The automatic pressure regulator guarantees constant pressure without power loss (patented)
4. Blank fire protection, avoiding any metal on metal impact, which can damage the piston
5. Large diameter tool with a machined dust protection feature
6. Quick and easy tool replacement system across the range
7. Easy access to remove / replace the retainer assembly and the tool bushing on all models



New Castle Street 27, Unit 2, Northern Industrial, Windhoek  
Tel: 061 - 263 305 • Fax: 061 - 263 581



Authorized Distributors For:



ALSO SUPPLIERS OF: FITTINGS, ACCESSORIES & PRESSURE SWITCHES

**Air Vessel Testing**

- Ultra Sonic
- Pressure



**Sales of IR, Doosan, Montabert**

- Air compressor
- Diesel & Electrical driven filters, parts, oils and air tools
- Hydraulic Breakers

**Hire of IR**

- Diesel Compressor
- Pavement Breakers
- Plate Compactor



WE ALSO SERVICE & DO REPAIRS OF ALL THESE PRODUCTS





# The real threat of fake diamonds

ROADWIN CHIRARA

**T**he Chamber of Mines of Namibia says the country's diamond sector is not under any immediate threat from the production and sale of synthetic diamonds, which seems to be mushrooming around the world.

International banking group ABN AMRO, which finances the global diamond industry, noted in a recent report that the mismatch between high rough prices and lower polished rates is set to give a wider acceptance to laboratory-grown or synthetic diamonds.

But the Chamber of Mines moved in to quell any such fears.

"Namibia's diamond sector is not under immediate threat from the production and sale of synthetic diamonds. However, evolving production technology could make synthetic diamonds significantly cheaper than real diamonds and harder to differentiate, and could threaten the market for natural diamonds world-wide in the future," Chamber Chief Executive Officer Veston Malango said.

Diamond producer De Beers says its concern with synthetic diamonds is the impact on consumer confidence if the artificial diamonds are sold undisclosed with the intention to pass them off as natural diamonds.

"They must know exactly what they're buying and be confident that they are getting what they paid for. De Beers has therefore invested in developing technology to ensure that 100 percent of synthetics are detectable," Daniel Kali, the De Beers representative in Namibia said.

"This technology is in place in all of the world's major diamond centres to support trade and consumer confidence. Thanks to these investments, undisclosed synthetic diamonds have virtually no impact on the Namibian diamond sector."

Ironically, Kali also noted that De Beers was also a producer of laboratory-grown diamonds, but solely for industrial use.

"Through its subsidiary Element Six, De Beers is in fact a leading producer of synthetic diamonds for such industrial uses. The vast majority of synthetic diamonds are for technological or industrial use and research shows that consumers do not see synthetic diamonds as a substitute for natural ones," he said.

"Diamonds are used to celebrate the most important moments in people's lives and research shows that consumers do not see synthetic diamonds as rare, precious



Namibia's diamond sector is not under immediate threat from the production and sale of synthetic diamonds.

or emotionally significant."

Kali said despite the downturn in the sector, which according to the Rapaport Diamond Index, a respected industry benchmark, has seen prices of top-quality stones collapse by as much as 80 percent in real, inflation-adjusted terms over the past 30 years, Namibia's sector still remains profitable.

"In terms of the specific impact on Namibia, the treasury continues to derive a great deal of value from the diamond industry, even in more challenging higher diamond stockpile conditions such as those seen in 2015. As our partner, we work hard to ensure that Namibia continues to derive maximum benefit from every carat produced."

Kali said the diamond mining concern was excited about the sector going forward, with millions having been invested in various marketing initiatives to spur demand after rough diamond prices came down by almost 8 percent in 2015.

"While 2015 was a challenging year for the diamond industry's midstream, De Beers put in place a number of actions that have started to help generate renewed momentum in the industry. These actions included a major additional investment (to the tune of tens of millions of dollars) in consumer marketing over the holiday season and unprecedented supply flexibility for sightholders," the De Beers local representative said.

"While there are still some challenges, the early signs in 2016 are more encouraging. The midstream continues to face some challenges, but we are working collectively to navigate our way out of those challenges and we are seeing some positive early indications this year."

Namibia and De Beers are equal shareholders in Namdeb Holdings.

A proposed new 10-year sales agreement for the sorting, valuing and sales of all of diamonds (production from Namdeb and Debmarine Namibia) provides for an independent sales' outlet for government for 15 percent of Namdeb's run of mine production per annum, over the duration of the agreement.

The NDTC will continue to sort and value Namdeb production.

The agreement will be the longest sales contract ever agreed between the two partners.

In 2015, Namdeb produced a total of 1,75 million carats of diamonds, of which 1,27 million were produced by Debmarine Namibia, the largest annual production recorded to date.





# Cabinet in phosphate fix

## ROADWIN CHIRARA

**A** technical committee was expected to submit its recommendation to Cabinet in February on whether to extend or lift the moratorium on marine phosphate mining in Namibia, as investors express their unhappiness with a lack of government response since 2014.

The Cabinet sub-committee on Trade and Economic Development, chaired by Economic Planning Minister Tom Alweendo, is said to have deliberated on the phosphate issue earlier in February.

The sub-committee was then expected to submit its recommendation to Cabinet.

Alweendo refused to be drawn into the details of what the meeting had discussed.

"We have made a recommendation as a committee, but I cannot share that with you. I am not at liberty to do that until it has been presented to Cabinet, which will make the final decision on the matter.

"We have cabinet every week, but it will be up to the line minister to present the matter and in this case, it is the ministry of fisheries who has to take it to Cabinet," he said.

The development comes as Namibian Marine Phosphate (NMP), the developers of the Sandpiper project, has written to the Ministry of Fisheries and Marine Resources detailing the outcome of a verification study carried out in conjunction with three government ministries in 2014.

The verification exercise, which was undertaken over two years ago, was carried out to verify NMP's Environmental Impact Assessment (EIA) report, which had concluded that its proposed dredging activities will not have an impact on fisheries and the continental shelf ecosystem.

"Both the MET (Ministry of Environment and Tourism) and the MFMR (Ministry of Fisheries and Marine Resources) have so far not approached NMP nor have they given fair opportunity to engage in constructive discussions relating to the EIA of the Sandpiper Project or to explore rational and workable solutions with respect to its co-existence with the fishing sector," the letter from NMP reads.

Namibia Marine Phosphate is claiming that it has not received any response since 2014, despite repeated efforts to make its presentations to the three government departments (fisheries, mines and tourism) involved in the project.

"Following the submission of the verification study in December 2014, the Office of the Environmental Commissioner undertook to arrange for NMP to make a presentation of the EIA and verification study to a joint meeting of the ministries. This has not been forthcoming to date, which is of grave concern to NMP," the company said.

NMP is also querying why the decision to award the licence for the project now vests with the ministry of fisheries.

"As a consequence, there are reasonable grounds for concern over objectivity, given that MFMR is designated as the competent authority to which MET and the Environmental Commissioner have deferred the consideration of the NMP application for and ECC (Environmental Clearance Certificate) for ML170."

Presidential spokesperson Albertus Aochamub said in a brief interview that no decision had been made yet on whether to extend or lift the phosphate moratorium.

He said a decision will only be made after Cabinet has reviewed recommendations by the sub-committee on Trade and Economic Development.

Namibia banned marine phosphate mining in 2013, pending an environmental study. The



“

Following the submission of the verification study in December 2014, the Office of the Environmental Commissioner undertook to arrange for NMP to make a presentation of the EIA and verification study to a joint meeting of the ministries. This has not been forthcoming to date, which is of grave concern to NMP.

ban expired in March last year.

Israel Chemicals Limited has confirmed that it signed a memorandum of understanding (MOU) with Lev Leviev Namibia Phosphate (LLNP) to conduct a feasibility study to mine phosphate and establish a world-scale phosphates and downstream production business in Namibia.

ICL and LLNP currently estimate that establishing a fertiliser factory would take three to four years. The initial estimate is that a world-class fertiliser factory in Namibia will constitute an investment of between N\$16 billion and N\$24 billion.

According to NMP, its shareholders have invested over N\$780 million into the company and the Sandpiper project.

The project development will amount to N\$5,2 billion in capital investment, with an annual turnover of N\$4,2 billion expected.

Government is expected to generate N\$650 million annually in taxes and N\$78 million in royalties, with 450 jobs being created in the initial stage.

LLNP says its mining venture would create about 2 000 jobs.



## FULFILL ALL YOUR TRANSPORTATION AND PLANT HIRE NEEDS

**LOGISTICS:** WE TRANSPORT  
EVERYTHING FROM FOOD,  
CONSTRUCTION MATERIALS  
TO ABNORMAL LOADS

**PLANT & HIRE:** GRADERS,  
EXCAVATORS, JCB TLB,  
BULLDOZERS AND TIPPER  
TRUCKS



KVOLA MEDIA GROUP 2016

### CONTACT US:

Tel: 061- 401 411 Cell: 081 141 1114 | Email: [bnaanda@gmail.com](mailto:bnaanda@gmail.com)  
ACME Building Cnr. Casino Street and Independence Avenue



*Rössing Uranium, the world's longest-running, open pit uranium mine, making a substantial contribution to Namibia's economy over the past 40 years.*

Since 1976, Rössing Uranium has been supplying uranium oxide safely and reliably to the world's nuclear power industry - ensuring we help drive development through energy from the Namib Desert.

As a major employer and purchaser of goods and services, our business provides a strong base for economic growth in our surrounding communities, in the Erongo Region and in Namibia at large.

Our economic contribution comprises the value we add by paying wages, employee benefits and Government taxes and royalties, as well as by making dividend and interest payments and by retaining capital to invest in the growth of the mine. In addition, we make significant payments to our

suppliers of goods and services, both locally and nationally. In 2015 we spent N\$1.78 billion of which 73 per cent was spent with registered Namibian suppliers.

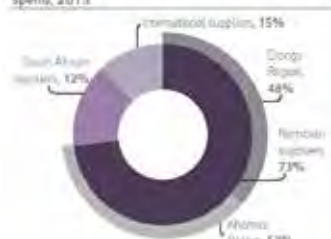
We invested N\$18 million in communities in 2015, totalling around N\$113 million over the past five years.



### Rössing's value addition in Namibia

The graphs shown here highlight some of the key socio-economic contributions we have made to Namibia over the years 2011 to 2015.

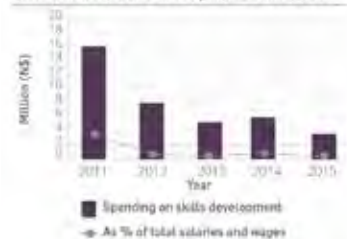
Distribution of Rössing Uranium's procurement spend, 2015



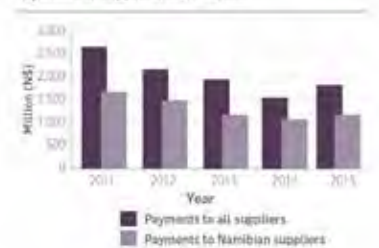
Contribution to Government revenue, 2011 to 2015



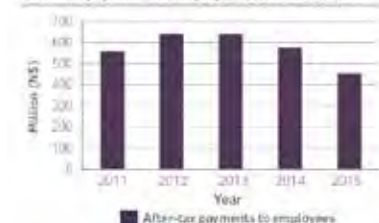
Contribution to skills development, 2011-2015



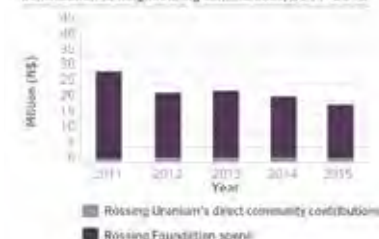
Payments to suppliers, 2011-2015



After-tax payments to employees, 2011 to 2015



Contribution to neighbouring communities, 2011-2015





## The Rössing Foundation

The Rössing Foundation, established in 1978, undertakes a range of activities across a spectrum of community development areas, implementing Rössing Uranium's corporate social investment programmes. All programmes that the Foundation drives and supports involve collaboration with critical partners, among others Government ministries, the National Institute for Educational Development, the Erongo Regional Council and the Arandis Town Council.

Recently the Foundation's innovative concept of mathematics, science and English education centres in three towns in Namibia was replicated in mobile laboratories and deployed to rural schools where tuition in the three critical subjects is now significantly strengthened.



# Kombat ropes in new partner

ROADWIN CHIRARA

Canadian based Kombat Copper has signed an agreement with a newly established mining firm, EBM Mining Namibia, for the refurbishment of its local infrastructure and mining of near surface mineralisation at Kombat Mine for a minimum period of three years.

Initial production at the mine is expected before the end of the year.

Kombat Copper majority owns the copper mine through an investment vehicle, Manila Investments (Pty) Ltd, a joint venture between the Canadian company, Epangelo and Havana Investments.

Kombat Copper owns 80 percent shareholding in Manila Investments, while government mining firm Epangelo holds a 10 percent shareholding, the same as Havana Investments, which is owned by businessman Knowledge Katti.

Kombat has also engaged EBM on several

other business opportunities associated with the Kombat Mine, including the stockpiling and distribution of aggregate stone and sand material, and other important byproducts of the mining operations, which could potentially be sold to the local market.

"Kombat has an extensive database and significant local infrastructure that will allow for a relatively quick start-up of mining and milling operations at the Kombat Mine, with our contractor EBM Mining Namibia," Paul Bozoki, President and Chief Executive Officer of Kombat Copper said.

"The management of EBM Mining Namibia has extensive contract mining experience in Southern Africa and the company feels that this relationship will be financially beneficial to both parties. This work will no doubt have a ripple effect with positive economic implications in the local region.

"Another possible opportunity is the re-processing of tailings at the Kombat Mine, however, further technical test work and studies will be required to determine if this is

economically viable."

Initial mining by EBM of near surface mineralisation will focus on the Kombat East and Kombat Central areas and will also assess the Gross Otavi deposit located 12 kilometers to the west of the Kombat Mine, where a historic resource has been defined.

"The memorandum of agreement (MOA) is structured so that it does not exploit Kombat Copper's core copper resource base located in the Asis West and Asis Far West zones and does not prohibit Kombat Copper from resuming full mining activities on the remainder of the deposit upon completion of technical and engineering studies with respect to mineral resources.

"It is being structured to provide up front monthly payments to the company with an attractive profit sharing component in the event the operation is profitable."

Kombat Copper, with its core operations focused on copper resources in Namibia, is listed on the Canadian stock exchange.

## ULTIMATE Au Field Solution



**GPX 5000**

Au Detector for Field use.



OHAUS YA

Includes FREE KARAT Balance



**Thermo**  
SCIENTIFIC

**Thermo Niton XL2**

Accurate Au Analysis onsite  
Mining and Precious Metal  
Analysis in Seconds.



**Package Deal**

Also Available Individually

Cape Town: +27 (0)21 905 0476

Email: [info@ustech.co.za](mailto:info@ustech.co.za) | Website: [www.us-tech.co.za](http://www.us-tech.co.za)

# Pretorius Plant Hire Trust

• Brandpaaie • Gatdamme • Ontbossing  
Vir al jou grondverplasing behoeftes



Nico Pretorius: T: 061 - 261 327 | F: 061 - 215 477 S: 081 129 7060  
E: nico@pretoriusplanthire.com | E: carmen@pretoriusplanthire.com



Office: +264 (0)61 226 262  
Charles Bothma: +27 (0)79 727 1771

## PRODUCTS & SERVICES

### DUST SUPPRESSION

FlowCentric Mining Technology supply's various environmentally friendly & biodegradable dust suppression products for hauler & pit roads.

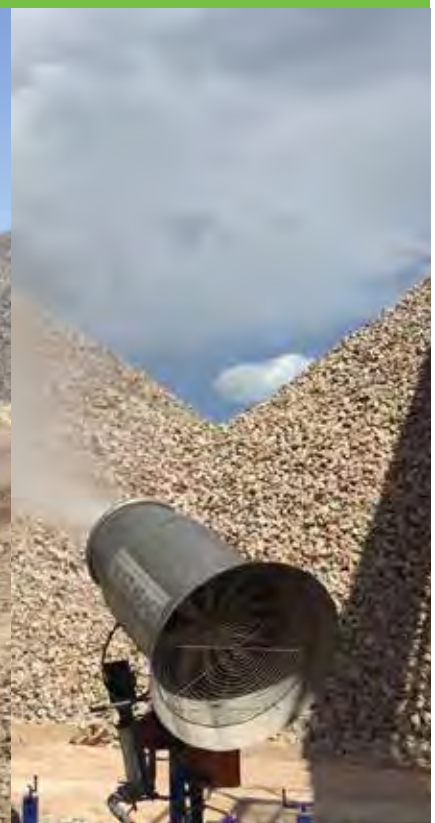
#### Specialised Services Include:

Full dust management services & products  
Dust canons for dust suppression

### WASTEWATER TECHNOLOGY

Desalination  
Wastewater Evaporation  
Chemical Treatment  
Demineralisation  
Self-Cleaning Automatic Backwash Filters  
Patented R/O technology

[www.flowcentric-mining.com](http://www.flowcentric-mining.com)





# Chariot starts 3D survey offshore

Despite depressed global oil prices, which have plummeted to record lows, affecting investments into exploration work, United Kingdom-based oil and gas exploration company Chariot Oil & Gas Ltd has announced that it has started carrying out a 3D seismic survey, of approximately 2,600 square kilometres, in Blocks 2312 and 2412A offshore of Namibia.

This oil exploration work is being carried out in conjunction with AziNam, a 20 percent equity partner, the National Petroleum Corporation of Namibia (Namcor), a 10 percent shareholder, and Ignitus, a five percent partner.

The survey is being conducted by PGS Exploration (UK) Ltd and will fulfil the work commitment for the two blocks. It follows the analysis of its survey of approximately 1,700 line kilometres of 2D seismic data acquired on the north-western flank of the licence carried out last year, where several significant additional leads within the Upper Cretaceous deep water clastic turbidite system were identified.

"While there are drill ready prospects already identified in the blocks, this 3D survey will enable Chariot and its partners to mature these new leads and further develop its inventory in this region, which it believes to contain giant prospectivity. The survey is expected to take approximately 40 days,"



the company said.

The announcement by Chariot comes as Namcor Managing Director Immanuel Mulunga said recently that the downturn in global commodity prices, including oil will not negatively impact on exploration work in the country.

"As you might know, there is a downturn when it comes to exploration in the whole world due to the reduced oil prices. It is a fact that oil prices have significantly fallen. Companies are getting less revenue, hitting on their market capitalisations, so interest in exploration has declined. We hope by 2017 there will be more drilling going on," he said.

"Exploration, however, will continue despite the downturn. There will continue to be 2D and 3D seismic surveys."

About five oil exploration wells are expected to be drilled this year, as companies searching for oil deposits off the south-western coast of Africa remain undeterred.

However, Bloomberg reports that the continuing slump in oil prices is pressuring drillers to reconsider the high cost of exploration on the continent.

The publication notes that in Africa's frontier environment, drilling may bring a higher reward, but since most exploration takes place offshore,

***Knight Piésold***  
CONSULTING

Engineering and Environmental Solutions

## ADDING VALUE. DELIVERING RESULTS.

Established in South Africa in 1921, Knight Piésold has grown with the development of our communities, infrastructure, and resource industries. With offices in Windhoek, Ondangwa and Keetmanshoop we service our clients throughout Namibia. Our local team is supported by more than 800 engineers and scientists worldwide, who can help you advance your project through all stages of development.

**Windhoek**  
+264.61.307.297

**Ondangwa**  
+264.65.241.388

**Keetmanshoop**  
+264.63.223.023

Mining | Power | Water Resources | Environment | Transportation | Infrastructure | Construction

[www.knightpiesold.com](http://www.knightpiesold.com)

Argentina | Australia | Botswana | Canada | Chile | Ghana | Namibia | Peru | South Africa | Swaziland | UK | USA | Zambia



# of Namibia

single wells can cost hundreds of millions of dollars, increasing the industry's susceptibility to lower oil prices.

Repsol, Spain's biggest oil producer, spent almost N\$1 billion on a well that missed in offshore Namibia after no hydrocarbons, commercial oil deposits or their indications, were encountered.

Repsol was the operator of the Welwitschia-1 well in the Walvis Basin, in partnership with London-based oil and gas firm Tower Resources.

Tullow Oil, which was among the most active explorers in Africa, announced last year that it would not drill a single offshore exploration well on the continent this year, as it reduces investment in response to lower prices.

The company cut its exploration and appraisal budget of N\$10 billion by more than two-thirds and will focus on onshore drilling in East Africa, where it has been able to reduce well costs to N\$70 million each.

Explorers such as Tullow Oil Plc, Total SA, BP Plc and Chariot Oil & Gas Ltd snapped up assets in Namibia on a bet that the nation's coastal shelf may mirror that of the oil rich Brazil across the Atlantic.

The fact that South America and Africa were once a joined land mass, raised expectations, and with discoveries in Angola and Gabon, it is expected that there is also oil in Namibia's part of the West Africa margin.

Despite previous excitement, the Namibian government has taken a cautious approach to the possible discovery of commercially viable oil, with Finance Minister Calle Schlettwein saying its impact on the economy will only be accounted for when it has been discovered. Oil discoveries have brought huge economic activity in countries such as Tanzania, a growing market with discoveries, including 19 exploration blocks and poised to receive N\$168,9 billion to N\$337,7 billion investment projected for exploration and production in the coming decade.



## Tube-O-Flex

Specialist Distributor of Flexible Hoses & Fittings



### We offer a variety of Industrial, Agricultural and Mining Hoses & Fittings and allied products like

- Weldon Fittings
- Plastic Water Tanks
- Petrol & Diesel Pumps
- Irrigation systems
- PVC Hoses & Fittings
- Rubber Sheets & Hoses
- Petrol & Diesel Gensets
- Galvanised pipes & Fittings
- Special Fabricated Pipes & Fittings
- Zenner & ISO Water meters
- Cascade repair clamps & saddles
- Air & Fuel Quick Couplings & Fittings
- Submersible & Booster Pumps
- HDPE & LDPE Poly Pipes
- Nozzles
- Valves
- Flow Meters
- Arkar Filters
- Refuse Bins
- Hand Pumps
- Petrolic Fittings

Tel: (061) 22 14 81 /2/3 Fax: (061) 22 14 87 Website: [www.tubeoflex.com.na](http://www.tubeoflex.com.na)



### FURTHER SUCCESS AT BANNERMAN'S HEAP LEACH DEMONSTRATION PLANT

Bannerman Resources' Etango Uranium Project is one of the world's largest undeveloped uranium projects. Etango is one of the few uranium projects in the world with a completed Definitive Feasibility Study (DFS).

In April 2016 Bannerman announced the successful completion of its third phase of testing; a phase that involved trial leaching in three cribs (2mx2mx5m high) in a configuration designed to mirror the set-up of a full-scale heap operation. The Phase 3 highlights are:

- ✓ Fast leach extraction - 93% within a 22 day period;
- ✓ Low sulphuric acid consumption - 13.6 kg/tonne of ore;
- ✓ Excellent material properties with uniform percolation;
- ✓ No evidence of build-up of deleterious elements in the leach solution;
- ✓ The Bannerman team is building capability with a growing metallurgical database.



A NAMIBIA DE BEERS PARTNERSHIP

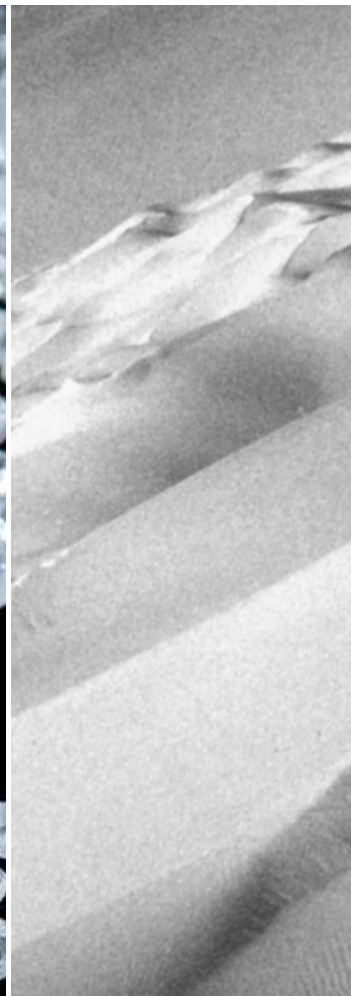
ENSURING THE NAMIBIAN DIAMOND  
INDUSTRY SHINES AT ITS  
**BRIGHTEST**  
THROUGH THE STORM.







Maximising the value Namibia derives from is glittering natural resources even in the toughest of times.



# Minister rules out power cuts

**T**he Ministry of Mines and Energy says it has secured enough power supplies to avert the possibility of load shedding in the country.

"NamPower has secured enough energy for the coming winter and beyond, and there is currently no risk of load shedding. The Namibian maximum demand expected for the coming winter is 630MW (without Skorpion Zinc mine)," Mines and Energy Minister Obeth Kandjoze said in a statement.

The minister said of the country's 4015,9 Gigawatt hours (annual) requirement, 40 percent will be supplied locally by the Ruacana hydro power plant, the Van Eck coal power station, the Anixas diesel power station and the Omburu solar power plant.

"The Ruacana hydro power station is a run-of-the-river station, and due to good rains experienced this year in the highlands of Angola, a favourable percentage of the total installed capacity from the power station will be available," Kandjoze said.

"In addition to the above, NamPower is in the process of procuring a temporary base load

power plant (capacity 40 to 120 MW) to increase the current installed capacity."

The minister said South Africa's Eskom had already committed to provide additional supplies to the country for the rest of the year, in addition to existing electricity imports.

"NamPower will be sourcing the remaining 60 percent from imports; ZESCO 39 MW, ZPC 80 MW at a load factor of 50 percent, while the balance will be supplied by Eskom. The Ministry of Mines and Energy wishes to highlight that Eskom currently has excess power in its system, and has indicated its willingness to supply Namibia with power for the year," Kandjoze said.

He said power utility NamPower was at different stages of implementing various renewable energy initiatives, to augment existing generation capacity locally.

"NamPower is at various stages of implementing renewable energy generation projects such as the Renewable Energy Feed-In-Tariff program (70MW), Greenam solar projects (20MW) and Diaz wind project (44MW), which will, in addition, assist to bridge the gap until the commissioning of a base load power plant," Kandjoze said.



Minister of Mines and Energy Obeth Kandjoze



## Dundee brushes off retrenchment claims

**ROCHELLE NEIDEL**

**T**sumeb-based Dundee Precious Metals has denied claims of mass retrenchments at the smelter.

Recent media reports suggested that retrenchments had taken place at the smelter after some positions were deemed redundant.

But, Dundee spokesperson Alina Garises told the Windhoek Observer that it was not true that the company had embarked on retrenchments, saying that it works with individual cases and not mass retrenchments.

"Dundee Precious Metals Tsumeb is not retrenching. Dismissal and termination can occur following a disciplinary procedure or by mutual

agreement," Garises said.

"These are confidential and handled on a case-by-case basis in a responsible and respectful manner. The company protects the privacy of its employees and does not discuss the details of dismissals in the public domain."

She said that if an employee is aggrieved about the manner in which their termination of employment is handled, the company encourages them to utilise its internal processes or consult with the Mineworkers Union of Namibia, which may decide to file a grievance.

Garises further said that should retrenchments become necessary, the company is obliged to follow specific procedures set out in the Labour Act, and under the agreement it has with the union.

## Kandjoze makes new board appointments

**T**he Minister of Mines and Energy, Obeth Kandjoze has announced new board members for state mining firm Epangelo Mining, Namdeb Holdings and the Electricity Control Board.

Among those appointed to the Epangelo Mining board are Roger Gertze, who is the chairman, Advocate Mandy Samson, Uapi Utjavari, Lilian Matengu and Lelly Usiku.

The Namdeb Holdings board is made up of Michael Humavindu, Kathleen Naruses, Kauna Ndilula, Daniel Motinga, Alex Gawanab and Charlene Tjikukutu as alternate directors. Chris Nghaamwa is the new chairperson.

Gottlieb Hinda will lead the Electricity Control Board as chairperson with Panduleni Shimutwiken, Evangeline Nailenge, Helene Vosloo and Albertus Basson coming in as the other board members.



# Husab processing plant 96% complete

ERIC N MHUNDURU

**S**wakop Uranium, the developer of Husab Mine, has announced that construction of the processing plant at the world's biggest uranium mine has reached over 96 percent completion.

Swakop Uranium Chief Executive Officer Zheng KePing said the mine should be fully operational in the third quarter of this year, exactly 10 years from the discovery of the uranium deposit.

At full production, Swakop Uranium will be the largest open pit uranium mine in the world and will mine 150 million tonnes a year and produce over 15 million pounds of uranium oxide.

KePing said capital investment in the project will exceed N\$20 billion, making it the largest single physical investment to date by China in Africa.

The Husab Mine will propel Namibia to become the world's third largest producer of uranium, with the country justifiably claiming to be cleanly powering the globe.

Swakop Uranium currently employs about 1,350 permanent employees - 34 times more than when the company started operating in 2012. This number is expected to grow to over 1,600 permanent employees by the end of this year, making the mine one of the biggest employers in the country.

More than half of the workforce will be youth, which was Swakop Uranium's contribution to reduce youth unemployment in the country.

"Construction of the project, and the massive investment required, results in economic stimulation of the region, including the engagement of local contractors and sub-contractors, and the employment of the construction workforce, which at peak reached over 4,500 employees," KePing said.

"Even today, as construction nears completion, nearly 2,500 staff work on the site each day. Through their work, these employees have developed skills that they will retain for future projects in the country and abroad.

"When reaching name-plate production (which is full production), Husab will require 11 percent per annum of the total weight of goods delivered to the Port of Walvis Bay. Husab will use more than 50 million litres of diesel fuel per year."

Majority of the uranium oxide produced at Husab would be sold to Swakop Uranium's major shareholder China General Nuclear Power Group (CGNPC).

CGNPC is a large clean energy group with an installed nuclear capacity of 17,091 Megawatts electric (MWe) representing 59,3 percent of China's installed nuclear capacity.

CGNPC has a further 14,650 MWe under construction, which accounts for 51,7 percent of the capacity being built in China, making it the largest developer of nuclear power in the world.

KePing said the company has programmes in place for the training and development of its future workforce, including support for vocational training centres, the awarding of bursaries for university studies and the recruitment of graduates.

He said training continued throughout employees' careers, with computer-based and field training of operators and management at CGNPC facilities in China.

The company spent N\$91 million on training, in particular of the operators and artisans, in 2015.

"Swakop Uranium has made a significant commitment to regional and national social development. The Swakop Uranium Foundation, established by the company, builds on five pillars: Community support, health and wellbeing, MSME (micro, small and medium enterprises) development and poverty alleviation, education and childhood development and sound environmental management." Mining at Husab started with the first blast in March 2014. The mine recently celebrated the milestone of two years of operations without a lost time injury (LTI), a safety record that the company is eager to maintain.



- **General Welding**
- **Precision Engineering & Milling**
- **Hard Chrome & Grinding**
- **Hydraulic cylinder Repairs & Manufacturing**
- **Submerged Arc Welding**
- **Portable Lineboring**

Etienne Rosseau Street | Northern Industrial

Tel: 061-261327

Email: [carmen@swachrome.com](mailto:carmen@swachrome.com) / [nico@swachrome.com](mailto:nico@swachrome.com)





### **PROUD TO BE AT THE HEART OF THE NATION'S PROGRESS**

Since the first Diamond was discovered, the diamond industry has made contributions to the nation through employment, education, infrastructure and taken on various CSR initiatives.

#### **DEBMARINE NAMIBIA**

Namdeb Centre 10 Dr Frans Indongo Street

P.O. Box 23016 Windhoek, Namibia

Tel: + 264 61 297 8000, Fax: + 264 61 2978100



**DEBMARINE NAMIBIA**  
unlocking the sparkle





“Where is Namibia’s latest landmark deal?” / “The ocean.”

Joint arranger and lender.

Debmarine Namibia diamond exploration vessel, 2015.



## > Corporate and Investment Banking

In a landmark US\$150 million deal with Debmarine Namibia, we’ve jointly financed one of the biggest transactions of our 14-year partnership. The new diamond exploration vessel we’ve helped fund will expand Namibia’s core economic sector. That’s why we’re here. That’s what we do. Whatever your opportunities or challenges, we have the local insight and on-the-ground experience to meet them with you. Isn’t that what partnership is all about?

Corporate and Investment Banking

Standard Bank Moving Forward™



## HANDPICKED GEMS



Traditional values. Innovative ideas.

THINK  
NAMIBIA.  
THINK RMB.

**Our skills, thinking and experience find the best prospects.**

Namibia's three new mines were financed by RMB Namibia. Global competitiveness, rock solid commitment and a keen eye for potential, resulted in RMB committing funding of N\$1-billion to the Langer Heinrich uranium mine, the Otjikoto gold mine and the "Mafuta", Debmarine Namibia's new mining vessel at sea. RMB has contributed significantly to the realisation of the NDP4 and Vision 2030 by supporting these and other jewels in the Namibian resources crown.

For more information contact Steve Galloway, Henk Ludik or Angelique Peake of RMB Namibia on +264 61 416 150 or visit [www.rmb.com.na](http://www.rmb.com.na)

Thinking that can change our world.