



Chamber of Mines

Newsletter

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MINING EXPO & CONFERENCE

CHAMBER OF MINES OF NAMIBIA

27 & 28 April 2016

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Cover picture:



Sunset view of the Otjikoto mill area.

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African Wire Ropes





Oblongs sub-assembly
From 7mm to 32mm



Safety sling hooks from 7mm to 32mm



Polyester slings From 1 tonne to 6 tonne



Steel wire ropes from
1mm to 113mm



Chain slings, adjustables
from 1 –4 legs, Tonnage up to 85 tonnes



Chain Blocks
& Lever Hoists (Yale Brand)
from 0,5 tonne to 6 tonne



One Legged Steel Wire Rope Sling 6-32mm
Two Legged Steel Wire Rope Sling 6-32mm
Three Legged Steel Wire Rope Sling 6 - 32mm
Four Legged Steel Wire Rope Sling 6 - 32mm



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 tonne to 120 tonne



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

Tienie Louw Street, Nothern Industrial AreaTel: (061) 261 334, Fax: (061) 215805, Windhoek, Namibia

Rössing turns to locally produced acid

ERIC N MHUNDURU

Rössing Uranium Mine has started sourcing acid for leaching uranium ore from Dundee Precious Metals Tsumeb (DPMT) since August this year after decades of importing the product from overseas markets.

Rössing Managing Director Werner Duvenhage said this following an agreement with DPMT to supply 225,000 tonnes of sulphuric acid annually.

He said the agreement will strengthen local economic benefits by boosting local production and promoting enterprise development.

If required, only the balance of what Rössing uses in sulphuric acid beyond what DPMT provides will be imported from outside Namibia.

Rössing continuously demonstrates its value to Namibia through its partnerships with state-owned enterprises and private entities for services rendered.

"The 'hot commissioning' of the N\$2,7 billion high-tech sulphuric acid plant in Tsumeb is now in full swing.

"DPMT entered into a memorandum of understanding with Protea Chemicals Namibia to assist with the marketing and sales of the sulphuric acid that is produced at the smelter."

As DPMT is now able to produce sulphuric acid cheaply for the local market, Rössing took this opportunity to add value to the local mining industry by entering into a long-term sulphuric acid supply agreement with them.

On 24 August 2015, Ortwin Engelbrecht, DPMT Acid Plant Supervisor watched over the loading of 20 rail tankers, each holding between 40 and 45 tonnes of acid, at their facility in Tsumeb.

Duvenhage said TransNamib was set to benefit from the agreement as they would be responsible for the safe and reliable transport of the sulphuric acid from Tsumeb.

TransNamib recently signed an agreement to purchase six new locomotives from General Electric (GE), in a deal sources estimate to be worth about N\$1 billion.

"The locomotives are said to be an improved model of the current GE locos that have been in TransNamib's service for the past half century.

"The six locomotives are to be deployed specifically to transport sulphuric acid from Tsumeb, following the 10-year Rail Transport Agreement signed earlier this year between TransNamib and Dundee Precious Metals Tsumeb."

Duvenhage added that the new acid plant was designed to capture off-gases that were rich in sulphur dioxide from copper smelting and to convert them into sulphuric acid.

He said based on an expected throughput of 240,000 tonnes to 310,000 tonnes of copper concentrate yearly, the acid plant would produce



“

DPMT entered into a memorandum of understanding with Protea Chemicals Namibia to assist with the marketing and sales of the sulphuric acid that is produced at the smelter.

approximately 270,000 tonnes to 340,000 tonnes of sulphuric acid per year.

Rössing uses up to 1,000 tonnes of sulphuric acid per day in the Processing Plant. The acid dissolves uranium in the ore through a nine-hour cycle involving six massive leach tanks.

The dissolved uranium-bearing solution is then washed and concentrated through further processing and eventually transformed back into solid form to produce the final product, uranium oxide.



B2Gold continues to glitter

ERIC N MHUNDURU

Canadian miner B2Gold has announced a record third quarter and year-to-date gold production for all of its mining operations pushed by the newly constructed Otjikoto Mine in Namibia.

The NSX listed gold miner recorded a quarterly consolidated gold production of 124,371 ounces, 38 percent more than the same period in 2014.

The production was also 4 percent above budget attributed to better than expected mill throughput and very high mill recoveries of 99.1 percent. B2Gold President and Chief Executive Officer Clive Johnson revealed in a statement to shareholders this week that consolidated gold revenue in the third quarter of 2015 was US\$139.3 million on record sales of 124,481 ounces of gold at an average price of US\$1,119 per ounce compared to US\$114.9 million on sales of 91,282 ounces at an average price of US\$1,259 per ounce in the same quarter last year. The 21 percent increase in gold revenue was mainly attributable to a 36 percent increase in gold sales volume, partially offset by an 11 percent decline in the average realized gold price.

"Consolidated gold revenue for the first nine months of 2015 was a record US\$414.6 million or US\$437.7 million including US\$23.1 million

of pre-commercial sales from Otjikoto Mine in Namibia," he said.

"This was on record year-to-date sales of 353,703 ounces or 372,169 ounces including 18,466 ounces of pre-commercial sales from Otjikoto."

B2Gold Corporation is a Vancouver based gold producer with four operating mines in Nicaragua (two), Philippines and in Namibia as well as a strong portfolio of development and exploration assets in Nicaragua, Mali, Burkina Faso and Colombia.

The company is projecting another record year in 2015. Output from all the four mines is expected to be in the range of 500,000 to 540,000 ounces of gold (including pre-commercial production from Otjikoto), an increase of approximately 35 percent over 2014 production.

Consolidated cash operating costs are expected to be in the range of US\$630 to US\$660 per ounce (against an international price for a 1 ounce OPM gold bar selling for \$1323)

Johnson said the increased gold production over the 2014 comparative period was primarily attributable to the successful production start and strong ramp-up in production at the new Otjikoto Mine.

The new Otjikoto Mine achieved commercial production in February, one month ahead of schedule, after a strong start-up following its first gold pour in December 2014.

The mine continued to perform strongly producing 38,252 ounces of gold in the third quarter of 2015, approximately four percent above budget.

"Year-to-date, the Otjikoto Mine produced 106,349 ounces of gold including 18,815 ounces of pre-commercial production and was approximately five percent above budget."

The expansion of the Otjikoto mill from 2.5 million tonnes per year to 3.0 million tonnes per year was completed on time and schedule in September.

The plant expansion included the installation of two additional leach tanks and a pebble crusher.

The Otjikoto Mine is expected to produce between 140,000 to 150,000 ounces of gold including pre-commercial production at a cash operating cost in the US\$500 to US\$525 per ounce range.

All ore in 2015 and most ore in 2016 is expected to come from the existing Otjikoto Pit.

"Beyond 2016, Otjikoto's gold production is expected to be further enhanced by the development of the Wolfshag zone, adjacent to the main Otjikoto Pit."

A conceptual mining study, incorporating the high-grade Wolfshag zone as well as the new geologic model for the Otjikoto Pit, is scheduled to be delivered in the fourth quarter of 2015.

Economic Update

LAUREN DAVIDSON

During the first half of 2015, developed economies moved forward with recovery, while emerging markets and developing countries were faced, and continue to be, with two transitional challenges; the expected monetary tightening by the U.S Federal Reserve Bank and declining commodity prices.

These developments within the global economy have had far ranging consequences in the developing world, including severe exchange rate depreciations, and reduced trade and fiscal earnings resulting in increased balance sheet vulnerability of these countries.

For oil importing countries, such vulnerabilities may be partially be offset by a reduced import bill, but won't eliminate these risks entirely.

Namibia, however, finds itself in a fortunate position in which prior investments will soon come to fruition and should off-set the negative consequences of these global developments.

Despite a slow start for the U.S in 2015, largely brought about by another cold winter and port disruptions, the country continues to make progress in the recovery of its economy.

To date, the U.S posted positive output data and a reduced unemployment rate, creating strong market expectations of an interest rate hike at the end of this year.

These expectations have led to capital outflows from emerging economies causing depreciation of currencies in the respective countries and a U.S dollar appreciation.

While the U.S economy is forecasted to continue on its current growth trajectory, it should be noted, however, that the strong dollar appreciation may have negative implications for growth, and disruptive exchange rate adjustments are likely to continue, signalling the persistence of volatility in the world economy.

Despite the turmoil in Greece, the Eurozone grew more rapidly than originally forecasted by the World Bank and IMF.

This was primarily as a result of the Euro depreciation against the dollar, low commodity prices (particularly for oil), and an accommodative policy implemented by the European Central Bank in March 2015. Although the recent debt crisis in Greece created uncertainty in the stability and legitimacy of the European Union momentarily, and wreaked havoc on the Greece economy, the impact was limited to the Euro Zone and negligible on the world economy.

China's structural slowdown of its economy, currently the main engine of global growth, has had far wider implications on the global economy.

According to the World Bank, as China continues with structural changes and policy efforts, growth is expected to decelerate. In the second quarter of 2015, investors reacted by selling their Chinese assets, which wiped out more than 30% of China's equity market according



to various news sources such as Bloomberg, CNBC and CNN.

The Chinese government reacted by buffering local equity through cash injections and devaluation of the yuan.

China recorded a growth rate of seven percent for the second quarter of 2015. While the country's current growth rate still far outpaces that of other developed economies (i.e. U.S and the Euro Zone) and commodity prices are above historic norms, as demand from China declines, so does their appetite for commodities both domestically and internationally.

A combination of global over supply and a further slowdown in China's economy continues to reinforce market weakness and push prices down.

Recent declines in the gold, diamond and copper price stem from subdued demand in China, as explained above.

During the first half of 2015, there was very little movement in the price of uranium, as China forges ahead with its nuclear energy programme and after Japan re-started its first nuclear reactor, post-Fukushima.

However, these positive indicators have not been sufficient to off-set weak global demand, exasperated by China's cooling economy, and re-instate market confidence in this unique commodity.

Depreciating currencies combined with low commodity prices pose a number of risks to low income countries, particularly with regard to their current account positions.

Countries running high current account deficits, Namibia being a case in point, are more vulnerable to external shocks, as revenue from commodity related exports decline due to the depressed market. In addition, these economies' external balance is further jeopardised by depreciating currencies and capital outflows.

The task of macroeconomic management by policy makers thus becomes more complicated as public balance sheets are increasingly exposed and vulnerable to external shocks.

From a micro perspective, persistently low commodity prices will reduce the attractiveness of such investment and thus delay or stall invest-

ment decisions on exploration projects and new mine developments.

In Namibia, as a result, exploration expenditure has declined year on year between 2011 and 2014, with a number of exploration projects being suspended or delayed until market conditions improve.

Despite these risks to growth in developing economies, Namibia finds itself in a unique position, in which prior investments and reinvestments in the mining sector are soon to be realised and generate significant real value for the local economy.

Two new mines recently came into production (B2Gold's Otjikoto gold mine and Weatherly's Tschudi copper mine) and Swakop Uranium's Husab mine is scheduled to come into production at the beginning of 2016.

The new mines are already making a significant contribution to export and government revenue, and we expect to see this increase even further as the Husab mine comes onto stream.

These new mines will most certainly help to buffer Namibia's external position during a period of continued global uncertainty and declining commodity prices.

It goes without saying that the local mining sector is not immune to external shocks, but we expect any negative impacts to be off-set by growth in the sector. We thus expect to see the growth trajectory continue in the local mining industry as the Husab mine commences production. According to the Behre Dolbear 2015 report "Where to invest in Mining," Namibia ranked as the most attractive destination in Africa for investment in mining and 7th out of 25 countries surveyed globally. Similarly, the 2014 Fraser Institute survey of mining companies revealed that Namibia is the most attractive investment destination for mining and exploration in Africa and ranked 25th out of 122 jurisdictions surveyed globally. Thirty African countries participated in the survey. Namibia has maintained this status quo for the last two years. Coupled with a favourable regulatory environment and the realisation of new investments, Namibia's mining sector is thus positioned to weather the storm in global markets.



Ohorongo moves to localise all debt

ERIC N MHUNDURU

Ohorongo Cement is moving towards localising all its debt to accommodate Namibian institutional investors interested in becoming shareholders in the cement manufacturer.

"We started operations in Namibia during the global economic crisis and now we are operating profitably and the economy seems to be heading in the right direction hence the need for us to be wholly locally owned," Ohorongo Managing Director Hans-Wilhelm Schütte said.

His comment comes in the wake of the appointment of RMB Namibia as mandated lead arranger in the restructuring and "Namibianisation" of the funding package for Ohorongo cement, previously dominated by foreign development banks.

The investment bank provided bridge funding of N\$290 million to allow the cement manufacturer to settle its European bank debt early.

RMB Namibia also extended N\$350 million long term debt to Ohorongo, fully funded out of Namibia while extending another N\$150 million in working capital.

Parent company, FNB Namibia and the Development Bank of Namibia (DBN) played a critical early role in the project which initially cost N\$2.5 billion.

FNB Namibia provided a N\$100m working capital facility for the plant start-up while DBN took a 10 percent equity stake in Ohorongo



Ohorongo Managing Director Hans-Wilhelm Schütte

Cement, which it has now increased to 11.73 percent following the restructuring.

The Development Bank of Southern Africa's stake in Ohorongo has now been reduced to 4.17 percent down from 7.3 percent while the Industrial Development Co-operation of South Africa's stake decreased from 20 percent to 14.27 percent.

Schwenk Namibia is still the majority owner with a 69.83 percent stake.

The cement maker said moving the international debt is also aimed at keeping profits within the country so that the Namibian financial institutions can also benefit.

RMB Namibia expressed delight at having formed a strong Namibian partnership with Ohorongo Cement – owner of Africa's most modern cement plant and currently the only one that exists in Namibia.

It said the plant is a cornerstone of Namibia's "Growth at Home" and industrialisation strategies in support of NDP4 and Vision 2030.

Ohorongo Cement does more than just manufacture cement.

A host of supplier businesses have emerged around the Otavi cement plant, ranging from bush clearing, pallet manufacturing to transport and catering businesses that employ additional numbers to the 300 workforce at the plant.

Schwenk Zement International group, a German-based family group established Ohorongo Cement in 2010 to supply Namibia's total requirements for cement and cater for some exports to neighbouring markets.



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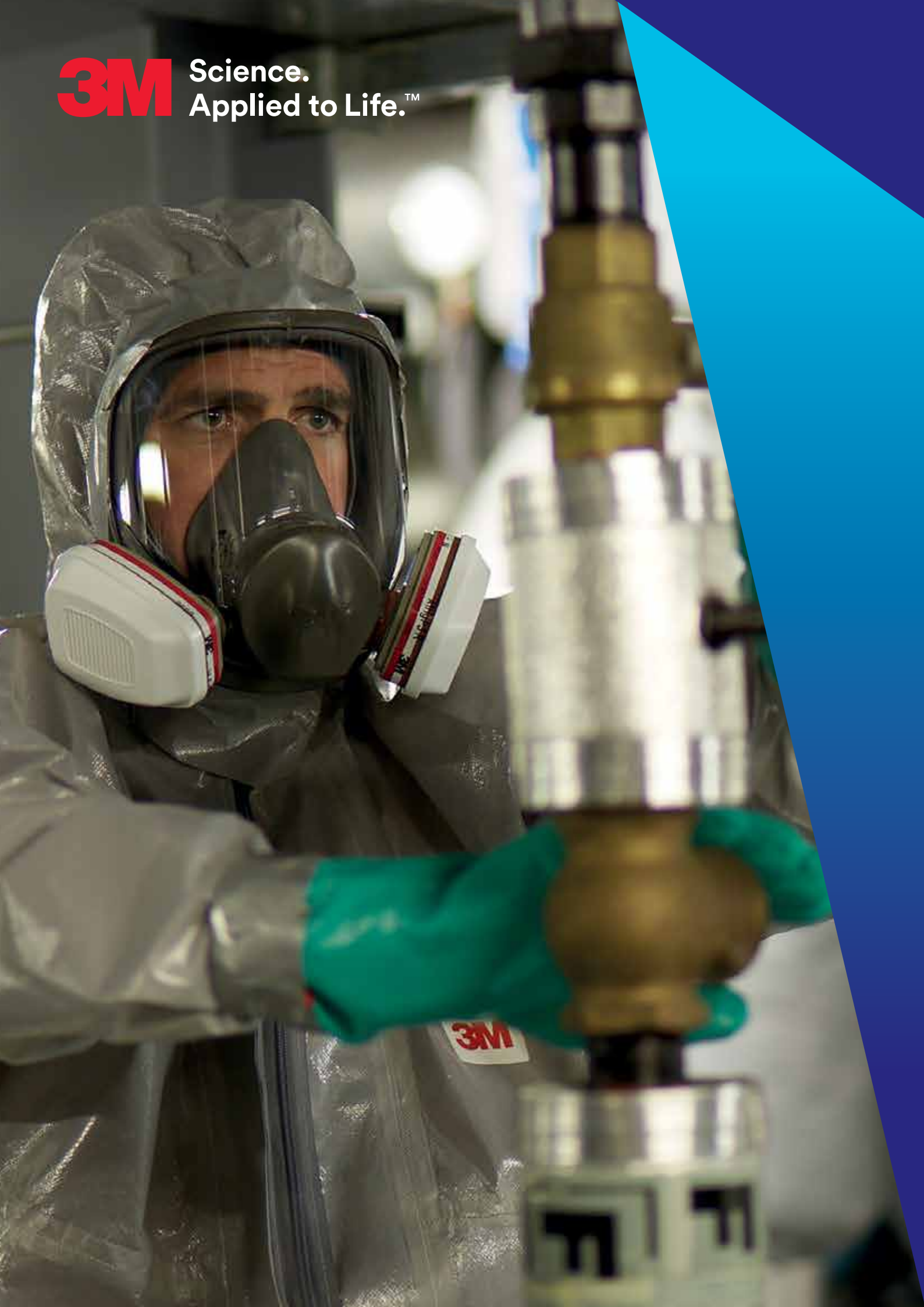
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Swakop Uranium enhances skills pool

ERIC N MHUNDURU

Swakop Uranium is set to spend N\$150 million in training all its Processing, Mining Operators and Maintainer Artisans.

Swakop Uranium Vice President for Human Resources and Business Support Percy McCallum said the company embarked on the first graduate intake last year and employed 15 people to close the skills gaps in the different professional levels.

He said the programme focused on Mining, Engineering, Geology, Chemistry and Processing. "For the next 2-3 years the Graduates will gain hands-on practical experience, build core managerial and technical competencies which will allow the majority to become registered Engineers and thus an integral part of the company's leadership pipeline.

More than 262 operators successfully completed the Mining Operator training programme which enabled them to operate world-class highly advanced earthmoving machines.

"The mode of our Processing Operators training is first-class computer-based training (CBT) complemented by classroom training.

"The Plant Operator training is designed by using process descriptions and flowsheets, safe job procedures, process variable and control loop descriptions and diagrams, interlock and alarm documentation, operating procedures, and troubleshooting guides to improve the overall performance of the plant operations."

To further develop Namibian skills, Swakop Uranium is sponsoring two highly motivated and talented Namibians to study abroad at universities in China pursuing a Post Graduate Master's degree in Engineering.

McCallum said the students would get an opportunity to establish international networks which would be invaluable to their future careers. One student has been selected and is already in China after the others failed to meet the required criteria.

"To enhance the skills of our Operators and



Maintainer Artisans, Swakop Uranium designed a career progression framework to establish a sustainable skills base for Swakop Uranium Operator pool.

"We plan to give recognition of prior learning (RPL) by recognizing relevant workplace skills acquired without the benefit of formal education

and training and ascribe learning outcomes for new entrants with no experience.

"Also to align our operator training with the National Training Authority (NTA) unit standards for qualification requirements, where appropriate and create an environment for operators to become multi skilled within the workplace."



Swakop Uranium maintains an active engagement with tertiary education centres in Namibia such as Unam, NUST and the Namibian Institute of Mining and Technology (NIMT) where the company provides job-attachments to university students to enable them to gain practical experience at a world-class operation.”

Health and safety remain key at Skorpion Zinc

MUFARO MUKWASHI

Skorpio Zinc management and its employees are committed to creating and maintaining a safe working environment within the mining and zinc refining areas.

All employees are seen as ‘Leaders in Safety’ and no distinction is made with regard to contractors working at the company.

Everyone is empowered to take charge of their own safety and safety of peers by promoting the ‘My Brother’s Keeper’ principles and timeously correcting identified unwanted events.

The motto upheld by all Skorpion employees is ‘one injury is one too many’.

While operating conditions have become increasingly more complex, the safety focus and programmes have continued to show improving trends.

Several review mechanisms and initiatives are in place at Skorpion Zinc to manage health and safety issues.

Periodic safety training is conducted to enhance and improve knowledge among employees and contractors.

Safety requirements are communicated through periodic safety meetings with contractor workers, suppliers and vendors.

Skorpion Zinc has had an excellent safety record since its commissioning in 2003. However, this record was shattered this year when the company experienced a fatality in May 2015.

A contractor employee, employed by Grinaker LTA, died when he fell from a height. This was a shock to the company and all employees were deeply touched and affected.

With this fatality, the company decided to intensify its safety measures and once again embarked on a vigorous approach to ensure that safety is maintained at high standards at all times, leaving no room for assumptions.

This approach ensures that the importance of safety basics is further highlighted to all employees.

Management decided that 27 May be declared a ‘Tools Down Day’ across the Vedanta Zinc International units, of which Skorpion Zinc is a subsidiary.

Other units that participated include Black Mountain Mine in South Africa and Lisheen Mine in Ireland. What this means is that no work was done on that day.

All employees across the company, rather than working on regular tasks participated in the activities of the day by basically “Pausing and Reflecting” on all safety aspects.

The main purpose of the day was to re-emphasize safety focus, take out time to reinforce our commitment to safety, to relook and review critical control standards on aspects covering work at heights, confined space work, electrical safety, slope stability, vehicle safety and isolation.

Employees observed a moment of silence in remembrance of all miners that died in the mining industry particularly in Vedanta Zinc International group and the first fatality at Skorpion Zinc.

They also came up with a personal safety plan and reviewed the Vedanta Critical Control Standards. They dedicated themselves to spot hazards in their area, clean-up work areas and sustain these health and safety standards going forward.

As a further awareness measure, Skorpion Zinc continues to put in place various safety campaigns. Some of the recent ones include working at heights, working in confined spaces and electrical safety.

Skorpion Zinc believes that safety behaviour is an individual’s responsibility and each person should embrace change and nurture a positive safety

culture within the organization and off-the-job.

Despite the successful safety interventions, Skorpion Zinc is always ready to learn and receive advice, recommendations and support from its stakeholders within Namibia and outside the country.

Skorpion Zinc believes ‘safety knowledge is for sharing’ and the company is an active participant in the quarterly scheduled Chamber of Mines Peer Reviews.

Mufaro Mukwashi is the Safety Coordinator at Skorpion Zinc.

“

Skorpion Zinc has had an excellent safety record since its commissioning in 2003. However, this record was shattered this year when the company experienced a fatality in May 2015.

B2Gold signs recognition agreement with union

STAFF WRITER

B2Gold Namibia and the Mineworkers' Union of Namibia (MUN) have signed a recognition and procedural agreement after the trade union met the required provision of 50 percent plus one member representation.

In August 2015, B2Gold Public Relations Manager for Africa Gretha du Plessis said the agreement provided a solid and principled basis that would govern the relationship of the parties on various aspects.

"The signing of this document by the MUN and B2Gold Namibia represents a significant milestone in the history of B2Gold and a major step towards achieving harmonious relations between management and employees.

"The basis of any relationship is communica-



tion and it follows that a mutually supportive and beneficial relationship begins with good communication.

"With more than 700 employees, many of whom are represented in the bargaining unit, Otjikoto Mine management and employees would not be able to communicate effectively without a structure to represent the employees just as the management structure represents the company," she said.

B2Gold Namibia Managing Director Mark Dawe said the union and his company solidified the structures that would pave the way towards an honest and mutually beneficial dialogue.

"Realising the importance of the Recognition and Procedural Agreement, both parties went to great lengths to ensure that it is a fair and comprehensive document that will govern and guide this crucial relationship for the life of Otjikoto Gold Mine," he said.

Langer Heinrich Uranium donates computers

ERIC N MHUNDURU

As part of its commitment to Corporate Social Responsibility (CSR), Langer Heinrich Uranium (LHU) places importance on the growth and development of the education sector in Namibia.

With the bulk of its CSR budget allocated to education, LHU has been able to support numerous programmes with worthwhile contributions.

LHU has a strong commitment in making a difference in the lives of youth by giving them the educational support they deserve as determined in consultation with the respective stakeholder groups.

In September, LHU donated

N\$100,000 to the Swakopmund Secondary School Computer Laboratory.

Through consultation with the school's leadership, LHU determined that the school was still relying on computers which the company had donated back in 2008.

Basic computer skills have become a vital necessity in the modern working environment as more and more employers require their employees to have some form of training in programmes such as Microsoft Excel and Word.

Furthermore, the rate at which technology advances has made it expensive for schools to constantly upgrade their computer facilities.

In light of this, LHU proposed to purchase brand new desktop computers including a copy of Microsoft Student software.





MUN President Ismael Kasuto (in red) and B2Gold Namibia Managing Director Mark Dawe congratulate each other on signing the new recognition agreement. They are surrounded by representatives from the union and the mining company.



Mrs Nangula Mbako (Permanent Secretary to Office of the Prime Minister & Chairperson of Independence Committee) received a framed limited edition celebratory bag on behalf of the Office of the Prime Minister, from Mr Hans-Wilhelm Schütte (Managing Director Ohorongo Cement).

Ohorongo donates cement to all regions

ERIC N MHUNDURU

Ohorongo Cement has successfully donated a 36 tonne truckload of cement each to the 14 regions of the country as part of its contributions to the Silver Jubilee Independence celebrations and the general development of Namibia.

The company announced on 21 March this year that it would donate a truckload of cement (720 x 50kg bags) to each of the 14 regions, valued at over N\$1 million through the office of the Prime Minister.

The first hand-over was done on 28 May in the Omaheke Region with the last one delivered on 28 September.

The respective governors, who received the cement on behalf of their communities, were then tasked to identify projects within their regions that would benefit from the cement donation.

Ohorongo Cement Managing Director, Hans-Wilhelm Schütte said the donation was part of the company's public private partnership commitment.

Some of the projects identified to benefit from the cement donation include schools, municipal projects, orphanages, bridge construction, kin-

dergartens and learning centres.

Others include settlements, business communities, mobile toilets, water storm channels, brick making projects, outreach centres, convention centres, open markets, parking bays and community outreach clinics.

Established in 2007 and only started production in 2010, Ohorongo cement has so far spent more than N\$6.5 million as part of its total Corporate Social Investment.

The company established a completely new sub-sector in the manufacturing industry with an initial investment of more than N\$2.5 billion which enabled it to produce cement locally at a competitive price, which is of international quality and standards. Ohorongo has also invested more than N\$15 million to send some of its employees for training in Germany (transfer of skills & knowledge) and to date the company has a 98.7 percent Namibian staff complement.

Ohorongo has created an additional 2,152 job opportunities through downstream activities and support services by supporting vocational training centres like NIMT and CATS, and offering internships as well as job attachments.

The company's future plans include expanding product lines with a focus on increasing the cement industry's contribution to GDP growth in Namibia.

Bannerman eyes 100 percent ownership of Etango



The Etango Heap Leach Demonstration Plant

ERIC N MHUNDURU

Bannerman Resources has proposed to increase its stake in the Etango Uranium Project from the current 80 percent to 100 percent buying out a 20 percent shareholding held by Clive Jones, a director of the company.

The transaction is conditional and subject to shareholder approval.

The proposed transaction would result in Bannerman moving to 100 percent ownership of Etango, becoming debt free and securing funding for next year.

"The establishment of a 1.5 percent royalty over Etango will be part of the proposed elimination of the debt and a capital raising is a pragmatic solution to the A\$12 million convertible notes which are otherwise due for repayment by September 2016.

"Bannerman will have to either pay back the A\$12 million convertible note next year unless a further arrangement is put in place to extend this convertible note beyond September 2016.

"At this stage Bannerman has no income as it is still in the development phase and our debt ratio is about 20 percent," Bannerman's Chief Executive Officer Len Jubber said this week.

He added that the decision to become 100 percent owners of the Etango project follows

positive results from the Heap Leach Demonstration Plant programme in July 2015.

"The proposal of the deal follows on from positive processing results released in July following commissioning and completion of the first phase of testing at the large-scale heap leach demonstration plant at Etango," Jubber said.

The Etango Heap Leach Demonstration Plant will operate at least 18 to 24 months and currently has a five phase programme for 2015/16.

The plant is aimed at showcasing and de-risking the Etango project while highlighting its low technical risk and enables the developers to exhibit the project to potential investors and financiers.

Jubber was, however, not at liberty to reveal the potential investors and financiers as it was not yet clear who they would be but said they could be foreign or local.

"The current capital cost to develop the full scale Etango Mine would be US\$793 million.

"Currently at Etango there are 303.3 million tonnes of uranium ore with an average grade of 195 parts per million (ppm) of uranium oxide which would equate to 130.1 million pounds of uranium oxide," he said.

Bannerman Resources recently released an Optimisation Study for the Etango project, show-

ing a slight improvement over the 2012 Definitive Feasibility Study (DFS).

The OS determined a breakeven uranium price of US\$52 per pound which is still much higher than the current spot market price of US\$36 per pound.

However, industry watchers believe that recently announced construction projects for multiple nuclear reactors in different countries could herald an increase in world demand for uranium, causing the first major price hike since the Fukushima disaster in Japan.

"Key outcomes released last week from an optimisation study which focussed on the resource modelling and mine planning aspects of Etango improved the net present value to US\$419 million.

"This optimisation work represents a significant potential price catalyst for the company in the near-term since it anticipates a US\$3.7 billion cash-flow before capital and tax," Jubber said.

Last year, Namibia produced about 8.4 million pounds of uranium oxide from both Rössing Uranium and Langer Heinrich Mine.



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.

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DEBMARINE NAMIBIA
unlocking the sparkle

Dundee holds drug awareness campaign

STAFF WRITER

Dundee Precious Metals Tsumeb (DPMT) recently conducted drug awareness training for all staff and contractors to reintroduce the company's alcohol and drug policy to employees.

DPMT Health and Wellness Specialist Lucia Sheehama said the initiative illustrated the company's commitment to investing in its employees.

She said the awareness campaign, which formed part of Dundee's employee wellness programme, started at the beginning of July and ended in August.

"The campaign covered the negative impact drugs have on the human body and how obsessive drug use can result in dire consequences in their homes, the society and the overall output of the companies' production.

"The training also aimed at exposing employees to rehabilitation centres in the country and encouraging employees to seek assistance," she said.

In order to ensure the success of the campaign, the company involved the Drug Law Enforcement Unit of the Namibian Police to explain to employees about the unlawful use of



DPMT Staff and Namibian Police

drugs as well as the dangers involved.

Warrant Officer Victor Mbonabi from the Namibian Police at Tsumeb said the use of illicit drugs remains a concern in the town.

Employee Relations Superintendent Paul Amomo said some drug users came as self-referrals for counselling and assistance to quit

drug use as they wanted to become sober employees and exemplary members of the community.

As a measure to sustain this effort, the company introduced on-site drug testing on 3 August 2015 whereby employees are randomly selected for testing.



Delegates at the Society of Mining Professors (SOMP) third regional conference hosted by the Namibia University of Science and Technology (NUST) under the theme: Building Capacity for the Mineral Industry.

Namdeb commits to skills development

ERIC N MHUNDURU

Diamond miner, Namdeb continues to play a significant role in contributing to skills development in the country.

The company recently explored new ways in which to contribute to capacity building in the mining industry through institutions of higher learning. The commitment was made by the company's General Manager Riaan Burger at the Society of Mining Professors (SOMP) third regional conference

hosted by the Namibia University of Science and Technology (NUST) under the theme: Building Capacity for the Mineral Industry.

Conference delegates were presented with technical presentations from academic, government and industry professionals on a wide range of topics.

Burger gave a presentation on Namdeb's development projects while the Human Resources Development Manager Dr Liita Marques facilitated a session on capacity building.

SOMP is a platform for academics, researchers,

government and minerals industry professionals, to interact, exchange and analyse the challenges and opportunities within the sector.

Meanwhile, the Debmarine-Namdeb Foundation donated a Toyota Quantum minibus to Ambrosius Amutenya Primary school on 12 October 2015.

The donation was in response to the school's request for transport which would enable learners to engage with other schools in different extra-mural and educational activities at regional and national level.



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a tsebo

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