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Shell raises commercial viability as a key challenge in Namibia

Shell Chief Executive Wael Sawan says determining the commercial producibility and mobility of new energy molecules in Namibia remains a key challenge.

Namibia has emerged as

a potential hotspot for the discovery of new energy resources. However, the road to commercialisation has been met with challenges.

“As I have mentioned before, while there is no shortage of volume,

the key challenge lies in determining the commercial producibility and mobility of these molecules,” Sawan said during Shell’s second quarter 2024 results analyst briefing.

In Namibia, he said Shell

has made progress with exploration and appraisal wells but faces the intricate task of evaluating complex subsurface conditions.

“We are evaluating the complex subsurface conditions,” Sawan explained, highlighting the detailed nature of the exploration work.

Sawan noted that the presence of several active industry players in the region offers a collaborative advantage and this collaborative effort aids in assessing development needs and potential returns.

“What is beneficial is that there are several active players in the region, allowing us all to learn and gain a better understanding of the reservoir and its contours,” Sawan noted.

He also highlighted that significant infrastructure investment is necessary for successful project development and ensuring projects align with the return ranges.

“Investing in this relatively new area will require considerable infrastructure. We need to ensure that the projects are viable and align with the return ranges we outlined during Capital Markets Day 2023,” he said.

Thus, Shell is adopting a careful approach, taking time to thoroughly evaluate the situation before committing shareholder capital.

“Time is on our side as we learn from our analyses as well as those of other industry players,” Sawan said.

This comes as Shell last year cautioned that the first oil from its discovery in Namibia is unlikely before 2030.

Shell has made four significant discoveries in Namibia to date—Graff, La Rona, Lesedi, and Jonker, where the well was drilled to a depth of 6,168 meters in water, which was 2,210 meters deep.

In April 2024, Shell completed its latest deepwater drilling effort offshore Namibia, confirming the presence of hydrocarbons.

The Enigma-1X probe, operated under Petroleum

Exploration Licence 39, is currently being drilled by Northern Ocean’s semi-submersible rig, Deepsea Bollsta, which is managed by Odfjell Drilling.

Meanwhile, Northern Offshore’s semi-submersible rig, Deepsea Bollsta, is drilling an appraisal well on the Jonker field. The Jonker-1A appraisal well, which spudded in late August, could potentially be the first field to be tapped by Shell.

Jonker-1A is being drilled more than 22 kilometres northwest of the Jonker-1 probe, indicating the potential size of the discovery.

Jonker is estimated to hold about 2.5 billion barrels of oil in place, according to NAMCOR. Namibia is optimistic about the future economic prospects of the country following the discovery of oil by Qatar Energy, Shell, and Total Energies in the Orange Basin, offshore Namibia.



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Eco Atlantic invests N\$273 million in Namibia activities

Eco Atlantic Oil & Gas Ltd. (Eco Atlantic) has invested N\$273 million (US\$15 million) in petroleum and natural gas licences in Namibia during the fiscal year ending 31 March 2024.

According to the company's audited results, Eco Atlantic reported cash and cash equivalents of N\$49 million (\$2.97 million), with no debt as of 31 March 2024.

"Following a cost reduction, Eco Atlantic's cash position

now stands at approximately US\$1.5 million. Total assets are valued at US\$31.3 million, with total liabilities at US\$1.25 million and total equity at US\$30.0 million," said the report.

Eco Atlantic President and Chief Executive Officer, Gil Holzman, said farm-out processes are underway in Namibia and Guyana, with a promising response from a range of high-caliber companies.

"In Namibia and Guyana, we have active farm-out processes underway, and we are very upbeat about the number and calibre of the companies we have had in our data rooms. Both jurisdictions remain at the forefront of global hydrocarbon exploration, and we are confident of delivering a positive update on both in due course," he said.

Eco Atlantic is currently

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engaged in a multi-block farmout process for its four offshore Petroleum Exploration Licenses (PEL) in Namibia.

The company holds an 85% working interest in PELs 97, 98, 99, and 100, covering a combined area of 28,593 km² in the Walvis Basin.

The recent addition of approximately 1,383km of 2D data to the PEL100 (Tamar block) database is under technical evaluation to define additional seismic

acquisition areas and new prospects.

Holzman underscored the progress across the company's asset portfolio despite cost constraints during the financial year to 31 March 2024.

"This has been achieved at a time when we have had a strict focus on costs, which has seen the company operate with non-dilutive financings for the last two years and agree on a farm-out on Block 3B/4B in South Africa, which will significantly

increase our cash resources and leaves tremendous upside potential on the table in the event a discovery is drilled on the block," he said.

The company is also advancing its farm-out process for the offshore Orinduik Block in Guyana.

Holzman pointed to recent developments in the neighbouring Stabroek Block, where ExxonMobil is planning a seventh development at Hammerhead, as a positive sign for hydrocarbon exploration in the region.

Energy



Alweendo reaffirms state ownership of Namibia's natural resources

Minister of Mines and Energy Tom Alweendo has affirmed that all resources, both below and above the surface—including those on the continental shelf and within Namibia's territorial waters and exclusive economic zone—are state-owned unless lawfully claimed otherwise.

His statement aimed to clarify ownership and management rights, emphasising the

government's authority to regulate these resources.

"As per Article 100 of the Namibian Constitution, let us not be distracted by alternative interpretations. The resources are ours, and we have the right to decide how to share them with those investing in their exploitation," he said.

Alweendo acknowledged Namibia's rich natural resources but noted that this wealth is not always reflected in the lives of its citizens.

"We envision a more

dynamic and complex economy supported by our natural resources. The government is committed to developing this sector to build a resilient, sustainable, and diversified economy," the Mines and Energy minister said.

He pointed out that current oil findings are discoveries rather than fully operational commercial entities.

He urged for clarity in communication and expectations as these discoveries are further developed. "The companies

responsible for these discoveries are now analysing data to determine the best approach for translating them into commercially viable production. Communities of interest must understand this process," he said.

This comes as Namibia has introduced a draft National Upstream Petroleum Local Content Policy which outlines a pathway for Namibian citizens and companies to benefit from the country's oil and gas resources.

According to Mines and Energy ministry, the end goal

of local content policy is to spread the wealth generated by the natural resources among Namibians, develop the skills of the Namibian people in oil and gas professions, and promote the establishment of Namibian oil and gas businesses.

The Southern African country, which is yet to produce any oil or gas, has become a global exploration hotspot after offshore discoveries by TotalEnergies and Shell, and wants to accelerate the milestone of first output.

Mining



Andrada Mining completes full acquisition of Uis Tin Mining Company

Andrada Mining Limited (Andrada) has completed acquiring the remaining 15% stake in Uis Tin Mining Company (UTMC) from Small Miners of Uis (SMU), increasing its ownership to 100%.

The move, executed through a legally binding agreement on June 26, 2024, aims to streamline operations and boost economic development in Namibia's mining sector.

UTMC holds Andrada's

licenses, including ML133, ML134, and ML129.

"The Directors confirm that, following the completion of all conditions, Andrada has concluded the ownership restructuring of its subsidiary, Uis Tin Mining Company

Limited, by acquiring the shares in UTMC it did not own from the Small Miners of Uis. UTMC is Andrada’s operational Namibian entity and now owns 100% of the Company’s Lithium Ridge and Uis mining licenses (ML133 and ML134). At the same time, UTMC has disposed of ML129 as part of the consideration for the acquisition,” the company said.

SMU, a non-profit organization, was established by Namibia’s Minister of

Mines and Energy to support local economic development in historical mining areas.

Under the proposed transaction, SMU transferred a 5% ownership interest in UTMC to Sinco Investments Five (Pty) Limited to further empower Namibians and enable broader access to the mining industry.

Andrada Namibia will subsequently acquire this 5% interest from Sinco, who prefer to hold Andrada listed shares.

Andrada Namibia will

sell its 85% stake in License ML129 to SMU, aligning with Andrada’s strategic goals and enabling economic growth in the Erongo region.

This move will enhance Andrada’s engagement with potential funding partners, support economic empowerment in Namibia, and position the company for future lithium processing ventures.

Andrada is a critical raw materials producer with mining and exploration assets in Namibia.

Energy

Hylron’s Project Oshivela reaches 33% completion on solar field

Hylron’s Project Oshivela is progressing steadily, with the solar field now 33% complete and over 220 kilometers of cables installed.

Production is anticipated to commence later this year.

The Project’s Engineer, Kelvin Amukwaya, said the project is making progress, installing solar structures and modules, laying extensive cabling, and currently being in the first phase of constructing the world’s first green iron refinery.



"We have currently installed about 10.2 megawatts worth of solar structures. And then on the panelling side, we've also done about 6 megawatts of solar modules that are installed," said Amukwaya.

He said the electrolyser house has reached the first roof stage, with all the walls up. Additionally, low-voltage cables are being laid from the inverters to the transformer stations.

"On the DC side of things, we have close to 200 kilometres of cables. On the power cables, we are looking at more or less 20 kilometres of cables," Amukwaya stated, bringing the total to approximately 220 kilometres of cable.

He added that this pioneering green iron reduction facility departs from traditional fossil fuel-based methods, instead incorporating green sources for both energy and reduction agents. "Green sources in terms of the energy that we

are using, the input power, in our case it will come from the solar panels, and then the reduction agent also will be hydrogen gas that we will produce also from the green energy," explained Amukwaya.

He said the first phase of construction includes the solar plant, the power will be fed into a localised microgrid to supply energy for the reduction process.

"The primary purpose of the solar panels is for power generation. So we want to harness as much power from the sun as possible," noted Amukwaya.

The project aims to set a global example by demonstrating that sustainable industries are achievable. Green Hydrogen Commissioner James Mnyupe earlier this week said the project's innovative kiln is expected to arrive in Namibia by early September.

"The proprietary kiln that is to be used to make this

new product is expected to arrive in Namibia in early September, and Hylron aims to produce the first batch of local iron ore by the end of November," he said.

The plant, which is being built near Arandis, will use renewable energy to produce iron based on Hylron technology without any carbon emissions.

The plant is expected to start production in late 2024 and will initially produce 15,000 tonnes of direct reduced iron per year, with zero carbon emissions released during the production process.

Renewable energy will replace fossil fuels in the conventional production process, powered by a solar and wind energy plant.

In the initial phase, a 20MW solar photovoltaic installation will provide carbon-free electricity to the plant, and as production scales up, an additional 18MW of wind energy and 140MW of solar energy will be integrated.

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Namibia's mining industry contributes N\$7 billion to GDP in June

Namibia's mining industry continued its dominance in June 2024, contributing a significant N\$7 billion to the country's gross domestic product (GDP), official figures show.

According to recent figures by the Namibian Statistics Agency, the figure represents 54.3% of the total value of all goods exported from Namibia during that month.

According to NSA's International Merchandise Trade Statistics Bulletin, uranium emerged as the top exported commodity, accounting for a substantial 28.5% of the total export

value, at N\$2 billion.

Precious stones such as diamonds followed closely behind, contributing N\$1.3 billion (18.4%) to the export basket.

"This robust performance by the mining industry is particularly impressive considering the N\$4.4 billion increase in exports compared to May 2024," the report reads.

The report stated that uranium was primarily shipped to China and the United States while precious stones, particularly diamonds, had Botswana and the United Arab Emirates as the main destinations.

Fish was ranked third, contributing 8.9%, and was primarily exported to Spain, Zambia, and the Democratic Republic of Congo.

Non-monetary gold secured the fourth spot, representing 7.8% of total exports and mainly destined for South Africa. Copper and copper-related products occupied the fifth position, contributing 4.3% to export earnings.

Moreover, the five most imported goods to Namibia in June 2024 made up nearly 38% of the country's total imports, which amounted to N\$13.7 billion.

Petroleum oils were the most imported item,

constituting N\$2.11 billion or 15.4% of the total import value.

Following closely were copper ores and concentrates with N\$1.69 billion, and nickel ores and concentrates which garnered N\$520.6 million, each representing 12.3% and 3.8% of total imports respectively.

Rounding out the top five were rotating electric plants and parts going for N\$452.1 million, and motor vehicles with N\$383.6 million, contributing 3.3%

and 2.8% to the import bill.

The report stated that sea transport was the dominant mode for exports, accounting for N\$39.01 billion or 68.8% of total exports. This mode was primarily used for shipping uranium, fish, and copper and its derivatives.

Air transport was crucial for the export of high-value commodities, such as diamonds and non-monetary gold, accounting for N\$15.14 billion and 26.7% of total exports.

Road transport was used

for N\$11.62 billion or 20.5% of exports, primarily for fish, petroleum oils, and live animals.

Similarly, sea transport remains the dominant mode for imports, accounting for nearly half (48.5%) of the total import value of N\$6.64 billion.

Road transport follows closely behind, contributing N\$6.59 billion (48.1%) to the import bill. Air transport plays a minor role in imports, representing only 3.4% or N\$0.47 billion of the total value.

Mining



Dundee Precious Metals (Dundee) says it is in negotiations with Chinese mining giant Sinomine to lower the sale price of the Tsumeb smelter to N\$364 million (US\$20

million).

The initial agreement, signed in March 2024, valued the 98% stake in the Tsumeb smelter at N\$891 million. However, subsequent discussions

between the two parties have led to a proposed reduction in the purchase price to N\$364 million.

According to Dundee's second quarter results, the decrease is attributed to

several factors, including the complex financial arrangements involving the previous tolling agent, IXM S.A., and the ongoing negotiations around the transfer of the tolling agreement to Dundee.

The revised agreement is expected to be finalised in the coming weeks, subject to the approval of regulatory authorities in both Namibia and China.

“Dundee and Sinomine are currently discussing amendments to the SPA whereby the consent of IXM for the change of control of Tsumeb will be removed from the closing conditions of the transaction and the cash consideration payable for the sale of the Tsumeb Smelter to Sinomine is expected to be reduced from US\$49.0 million to US\$20.0 million,” the compsnys said.

It stated IXM’s decision to terminate its tolling agreement with Tsumeb due to the pending change of ownership has introduced new variables.

The company is owed approximately N\$1.45 billion (US\$80 million) for unprocessed concentrates and secondary materials, a sum Dundee is expected to settle by 29 August 2024.

To streamline the process, Dundee and Sinomine

are exploring a revised agreement that would see Dundee replace IXM as the tolling agent.

This would involve Dundee purchasing the N\$1.45 billion inventory from Tsumeb and managing the smelting operations until the sale is finalised.

“In addition, the parties are discussing a proposed arrangement pursuant to which Dundee would agree to step into IXM’s position as a tolling agent and enter into a new tolling agreement with Tsumeb on substantially the same commercial terms as the IXM Tolling Agreement, for a period starting from the IXM Extension Date and ending four months following closing of the sale,” the company said.

The proposed amendments to the sale agreement aim to expedite the closing process by removing the need for IXM’s consent. If successful, the transaction is expected to be completed in the third quarter of 2024.

The company ended the period with a robust cash position of N\$12.908 million, up from N\$10.862 million at the beginning of the year.

This increase was primarily driven by N\$1.940 million in operating cash

flow. Additionally, Dundee maintained a debt-free balance sheet and an undrawn N\$2.733 million credit facility.

“Cash and cash equivalents of discontinued operations increased by N\$73 million (US\$4.0 million) to N\$106 million (US\$5.8 million) in the first half of 2024 due primarily to a N\$164 million (US\$9.0 million) cash settlement with IXM on the estimated metal recoverable, partially offset by the loss generated in the period,” the report says.

While the negotiations progress, the Tsumeb smelter’s operations have been classified as discontinued, with its financial performance reported separately.

Despite this, the smelter has shown improved productivity in the first half of 2024. It was reported that 52,858 tonnes of complex concentrate were processed in the second quarter of 2024, which was 3,375 tonnes more than in 2023.

Similarly, 107,631 tonnes were processed in the first half of 2024, representing an increase of 8,501 tonnes over the same period in the previous year.

“This was due primarily to increased plant availability following the completion of

the maintenance work in the third quarter of 2023,” the release stated.

It reported that the cash cost to process each tonne of complex concentrate increased significantly in the second quarter of 2024, reaching N\$6,840 (US\$375). This represented a N\$580 (US\$32) increase compared to the same period in 2023.

“This is due primarily to higher operating expenses reflecting higher labour costs, direct materials and transportation, partially offset by higher volumes of complex concentrate smelted reflecting improved operating performance following the Ausmelt furnace maintenance shutdown and higher sulphuric acid by-product credits,” it reads.

In contrast, the cash cost per tonne of complex concentrate processed in the first half of 2024 was N\$6,419 (US\$352), which was N\$291 (US\$16) lower than the corresponding period in 2023.

“Due primarily to higher volumes of complex concentrate smelted and higher sulphuric acid by-product credits, partially offset by higher operating expenses,” the release

noted.

Sinomine Resource Group is a Chinese-based global mining group with a comprehensive resource industrial chain.

Its main business and operation cover four segments, EV-lithium material development and utilisation, rare and light mineral (cesium and rubidium) development and application, geo-tech services and mining property development.

Sinomine’s business spans more than 40 countries in the world, namely Canada, the US, the UK, Norway, Zambia, Congo (DRC), Zimbabwe, Uganda, Indonesia, Malaysia and other regions in Asia, Africa, Europe, America, and Oceania.

It originates from the former Geological Prospecting Bureau of China National Nonferrous Metal Industry Co Ltd.

Sinomine is recognised for its expertise in geological prospecting services. It went public on the Shenzhen Stock Exchange in 2014 under the ticker symbol 002738, Sinomine became the inaugural listed company in China’s geological prospecting industry.



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Lepidico advances multi-metal exploration in Namibia

Lepidico says it is expanding its exploration activities in Namibia to include lithium, caesium, rubidium, tantalum, gold, copper and tungsten.

This comes as the company, primarily known for its lithium exploration and development activities, reported that it had approximately N\$85.6 million in cash and cash equivalents as of 30 June 2024.

According to Lepidico's quarterly activities report, as part of its expanded exploration strategy, the company aims to extend the life of its Phase 1 project and increase its overall resource base.

"The near-term objectives of this work are to extend the operating life of the Phase 1 Project to over 20 years, expand the resource base to support the Phase 2 Scoping

Study and evaluate the Karibib licenses for their gold potential," the company said.

The company's progress on these exploration efforts has been hindered by legal disputes over land access. Several areas of interest are currently inaccessible due to ongoing legal proceedings.

"Exploration activities during the quarter were limited to regional and reconnaissance work within

ML204 and EPL5349, due to road access still being blocked to a priority drill target," it is reported.

On the other hand, Lepidico has garnered significant interest in its lithium concentrate from the Rubicon and Helikon deposits.

The company is actively negotiating offtake agreements with potential buyers. Furthermore, Lepidico is collaborating with industry partners to develop advanced processing technologies for caesium and rubidium.

"Lepidico is now working on a binding concentrate offtake agreement with

the U.S. trading company that has been marketing Karibib material since April 2023 and conducted the tender process in September 2023. Unsolicited interest in Karibib concentrate along with finance has also been received from other trading companies," the company said.

Lepidico is also exploring the possibility of initially supplying lepidolite concentrate to third-party converters before establishing its chemical plant. This staged approach could expedite project development and reduce financial burdens.

Furthermore, the company reported the successful completion of a share placement, raising approximately N\$52.1 million before costs.

The funds will be used for project financing, strategic partnerships, and working capital. However, the company is still actively seeking investment to reach N\$95 million to bring its projects to fruition.

While the US Development Finance Corporation remains a preferred lender, the identification of a strategic equity partner is crucial for project advancement.

Mining

Deep Yellow reschedules Tumas Project mining timelines

Deep Yellow Limited is undertaking a comprehensive review of the Tumas Project, including optimising mining sequences and the Tailings Storage Facility (TSF) schedule.

The company's Managing Director/CEO John Borshoff said the revision includes a re-estimation of the Ore Reserve Estimate to reduce pre-development costs and enhance the project's

economic efficiency.

"The re-scheduling and re-optimisation of the mining and TSF schedule, including a re-estimation of the Ore Reserve Estimate, aims to reduce pre-development costs and improve project economics," Borshoff said.

The company anticipates completing project financing and marketing and establishing a control capital cost estimate and schedule during the second half of



CY2024.

“Major mechanical equipment will be ordered, and the site will be prepared for major site works early in CY2025, following the Final Investment Decision (FID),” Borshoff added.

With some Mineral Resources upgraded to measured status, the first six years of production are expected to be based on Proven Ore Reserves.

Significant progress has been made on the Tumas Project, which remains the company’s primary focus.

Ausenco Services Pty Ltd has been chosen as the preferred EPCM contractor for the project, tasked with Engineering, Procurement, and Construction Management (EPCM) services in two phases.

“The first phase involves completing detailed engineering to allow the Board to make a Final Investment Decision (FID), along with early works and major equipment ordering prior to FID,” Borshoff said.

The second phase involves completing design and project execution, with ore commissioning planned for August 2026.

The company has also advanced project financing by appointing Nedbank Limited (through its Nedbank Corporate and Investment Banking Division) as the Mandated Lead Arranger and Bookrunner.

“Product marketing for the uranium product has started, and the recent rise in uranium term and spot markets creates a favourable environment for completing this critical aspect of project development,” Borshoff said. Final phases of metallurgical test work continue to support Detailed Engineering and final process design, with results confirming earlier work and no material changes needed to the process design criteria.

Resource upgrade drilling at Tumas 3 has been completed, with final results expected in early Q3 CY2024. Six diamond core

holes were drilled for density determinations required for the Mineral Resource Estimate (MRE).

The resource upgrade is necessary to define sufficient Proven Mineral Reserves for the first six years of operation. The program aims to improve drill spacing in parts of Tumas 3 to 50mx50m, converting approximately 20Mlb U3O8 from Indicated to Measured JORC Mineral Resource status.

RC resource drilling has covered the pit locations planned for the initial six years of operations as outlined in the Definitive Feasibility Study (DFS) for Tumas.

“By the end of June 2024, 100% of the program was completed, including 660 RC holes for 12,727m and six diamond core holes for 144.1m. Once all data is received and validated, the MRE will be updated for mine scheduling and Proven Ore Reserve estimation,” Borshoff said.

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Mining

Trigon Metals exceeds mining targets for FY2024 with 97,525 tonnes of ore

Trigon Metals Inc. mined 97,525 tonnes of ore for the fiscal year ending 31 March 2024, exceeding its planned target for its Kombat Mine.

This includes 85,365 tonnes from the open pit at a 0.98% copper grade and 12,160 tonnes from the underground at a 2.36% copper grade, culminating in an overall grade of 1.15%.

"We are proud to have exceeded our planned target of 90,000 tonnes. Fiscal 2024 was a momentous year for the Company, starting open pit mining, commissioning the mill and starting the underground mining operations at the tail end of the year," said Trigon CEO & Executive Chairman Jed Richardson.

He added that in a few weeks, Trigon will be reporting Q1 2025, completed June 30, 2024.

"We anticipate continuing our progress in demonstrating the profitability of the Kombat Mine and building Trigon Metals into a mid-tier



copper mining company," he said.

Meanwhile, for the same period, Trigon reported a profit from continuing operations of US\$13.4 million (N\$238 million) and a net loss of US\$1.5 million for the twelve months ending March 31, 2024.

"Results were heavily skewed by the positive revaluation of the liability associated with the Sprott

Streaming agreement, to align with the Company's NI 43-101 SRK Feasibility Study. However, improvements at the operational level where the beginnings of the impact of underground production had a dramatic impact on operating costs," said Richardson.

The company reported C1 cash costs of \$3.35/lb on 1,255,652 lbs of copper production in the quarter, a marked improvement over \$3.96/lb reported in Q3 2024.

"The operating results were positively impacted by weakness in the Namibian dollar compared to the US dollar, the Company's reporting currency, and higher ore tonnage with the contribution of the pre-commercial underground ore tonnes," said Richardson.

C1 costs are a standard metric used in copper mining as a reference point to denote the basic cash costs of running a mining operation to allow comparison across the industry.

ReconAfrica completes N\$514m offering led by BW Energy investment



Reconnaissance Energy Africa Ltd. (ReconAfrica) has successfully closed its public offering, exceeding its target by raising approximately C\$38.8 million (N\$514 million).

This was achieved through a C\$35 million underwritten public offering and the partial exercise of the over-allotment option.

BW Energy Limited participated in the offering with a strategic equity investment of C\$22 million (N\$290 million).

This funding follows BW Energy's N\$2.6 billion (US\$141 million) partnership

with ReconAfrica, including the upfront equity investment of N\$290 million (US\$16 million) in ReconAfrica's Namibian exploration licence (PEL 73).

The offering, priced at C\$1.25 per unit, was led by Research Capital Corporation, with Canaccord Genuity Corp. and Haywood Securities Inc. also participating.

The offering resulted in the issuance of 30,944,000 common shares and 31,844,600 warrants.

"The warrants will commence trading on the TSX Venture Exchange under

the symbol "RECO.WT" on or about August 6, 2024. Each Warrant entitles the holder to acquire one Common Share at C\$1.75 until July 31, 2026," ReconAfrica said.

The net proceeds are expected to be used for drilling activities, mobilisation and site costs, geology and geophysics, 3D seismic planning, and working capital.

"The net proceeds from the Offering are expected to be used for drilling activities, mobilisation/demobilisation and site costs, geology and geophysics, 3D seismic planning and acquisition,

and working capital,” the company noted.

Meanwhile, underwriters received a 6% cash commission on the offering proceeds, with a lower commission for strategic purchasers and a higher commission for certain placements. Directors of ReconAfrica participated in the offering, receiving 26,000 units. The company clarified, “Such participation in the Offering constitutes a ‘related party transaction’ as defined in Multilateral Instrument 61-101.”

Meanwhile, in terms of the agreement with BW, additional payments tied to achieving commerciality and production milestones include a N\$407 million (US\$22.5 million) payment when a commercial development decision is made and another N\$407 million (US\$22.5 million) payment one year after oil production starts.

The deal also includes a N\$90 million (US\$5 million) payment 60 days after the first oil is sold commercially and three potential payments of N\$452 million (US\$25

million) each, tied to BW Energy reaching specific total cash flow targets.

Additionally, BW Energy will contribute to drilling two wells targeting the Damara Fold Belt and a comprehensive 3D seismic program to gather geological data and has the flexibility to participate in drilling two more wells in the Rift Basin over the next 24 months. As part of the agreement, ReconAfrica will retain a 70% working interest in PEL 73, allowing it to maintain control over the exploration efforts.

Energy



Elevate Uranium advances Namibian projects with intensive drilling campaigns

Elevate Uranium continues progressing across its Namibian projects, employing five drill rigs to upgrade and expand resources.

According to the company’s quarterly activities report

for June 2024, substantial developments have been made, especially at the Koppies, Hirabeb, and Capri projects.

At the Koppies Project, three drill rigs focus on converting the resource from

the JORC Inferred to the JORC Indicated category.

“The quarter saw 864 holes drilled, totalling 23,956 metres. Detailed metallurgical test work on six tonnes of bulk ore samples is underway, with results to

inform the design of a pilot plant. Representative ore samples for the U-pgrade™ beneficiation process were collected from eight test pits,” shows the report.

Elevate is set to undertake a detailed metallurgical test work program on six tonnes of Koppies bulk ore samples in transit to a metallurgical test work facility in Perth.

“The results of that bench scale program will be used to design the pilot plant. Metallurgical test work samples have been collected from Koppies for subsequent testing using the Company’s U-pgrade™ beneficiation process,” the report reads.

Meanwhile, the Hirabeb Uranium Project, located 25 kilometres from the Koppies resource, completed its two-phase programme.

“The first phase targeted “Koppies 3” style mineralisation at the tenement’s extremities. The second phase focused on confirming the main mineralised envelope to delineate a maiden resource. In total, 262 holes were drilled for 6,419 metres this quarter,” said Elevate.

The company said that the program undertaken during this quarter has occurred in two phases. The first phase targeted Koppies 3 style (basement hosted) mineralisation around the extremities of the tenement.

“The program’s second phase is on the known mineralised area where the current focus is on confirming the extent of the main mineralised envelope, to delineate and report a

maiden resource later this year,” added the report.

The Capri Uranium Project, 25 kilometres from the Marenica Uranium Project, targeted “Koppies 3” style mineralisation.

Elevate said an infill drill programme aims to better define the mineralisation outline. This quarter, 203 holes were drilled for a total of 5,731 metres.

“The second phase of the programme then moved to a known mineralised area, approximately 16 kilometres in length, where the distance between drill lines varied between 800 and 2,500 metres apart. The infill drill programme will close up the spacing between drill lines to better define the outline of the mineralisation.”



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Commodities

Price Movements

Commodity	Last Spot Price	Change	
		Weekly	Monthly
ENERGY			
Brent	67.89	-5.28%	-11.3%
Natural Gas	1.96	-2.62%	-20.0%
Gasoline	2.32	-5.24%	-10.4%
Coal	142.55	3.0%	7.8%
Uranium	85.05	3.4%	-0.7%
METALS			
Gold	2,432.48	1.9%	3.1%
Silver	28.48	1.8%	-6.8%
Copper	4.10	-0.7%	-9.7%
Steel	3,005.00	-2.6%	-12.0%
Iron Ore	102.83	-4.0%	-6.8%
Platinum	961.90	2.6%	-4.1%
INDUSTRIAL			
Cobalt	26,625	0.0%	-1.9%
Lead	2,039	-1.4%	-8.2%
Aluminium	2,261	-1.2%	-11.3%
Tin	29,894	1.6%	-9.2%
Zinc	2,667	-0.1%	-10.8%
Nickel	16,342	3.5%	-5.7%
Palladium	876	0.0%	14.1%

Source: Bloomberg, Trading Economics, Cirrus Data

Year on Year Price Changes



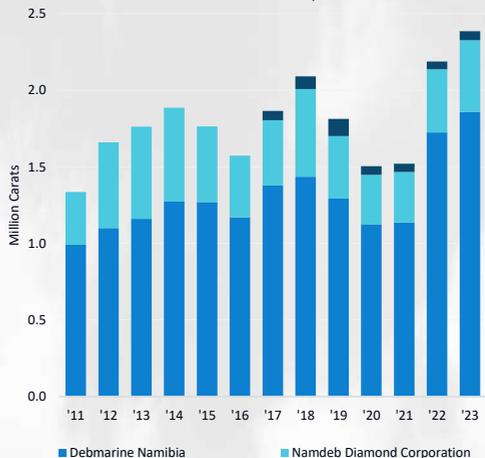
Map of Mines in Namibia



- LEGEND**
- 1. Techud Mine
 - 2. Tigran-Kombet Copper Mine
 - 3. Okarongo Cement
 - 4. BGGold Oigkoko Gold Mine
 - 5. Okorusu Mine
 - 6. Windle Rock Cement
 - 7. Okanzonde Graphite Mine
 - 8. Otjozundu Manganese Mine
 - 9. GKR Namachobab Gold Mine
 - 10. Andrastra Us Tin Mine
 - 11. Rosang Uranium Mine
 - 12. Swelkop Uranium Husab Mine
 - 13. Langer Heinrich Uranium Mine
 - 14. Nambi Lead and Zinc Mine
 - 15. The Salt Company
 - 16. Trekkepoje Mine
 - 17. Walvis Bay Salt and Chemicals
 - 18. Malchless Mine
 - 19. Oijjane Mine
 - 20. Loddstone Dardabas Iron Ore Mine
 - 21. Elisabeth Bay Mine (Sperrgebiet Diamond Mining)
 - 22. DeBmarine Namibia
 - 23. Namdeb Southern Coastal Mines
 - 24. Namdeb Orange River Mines
 - 25. Vedanta Skorpion Zinc Mine
 - 26. Rosh Pinch Zinc Mine

Source: Chamber of Mines of Namibia

Namibia Diamond Output



Source: Chamber of Mines of Namibia