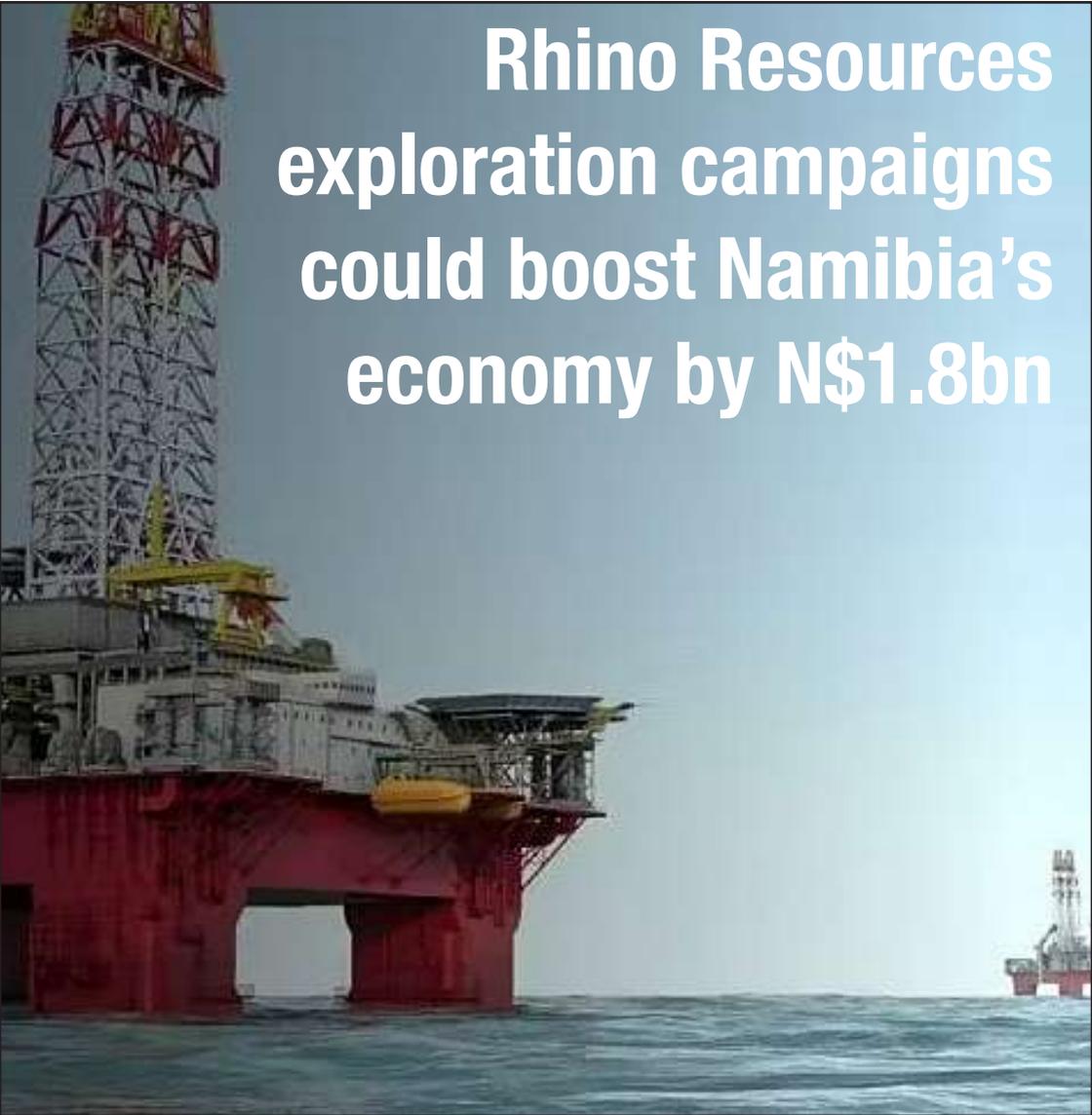


MINING & ENERGY



Rhino Resources exploration campaigns could boost Namibia's economy by N\$1.8bn

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Over 130 Rössing staff opt for separation package

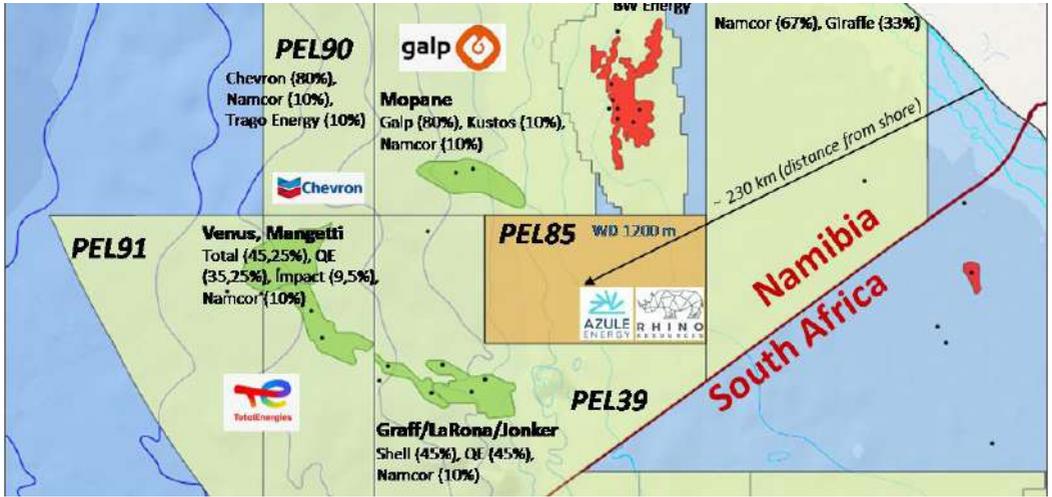
page 06



Namibia's mining sector growth slows in Q1

page 13





Rhino Resources exploration campaigns could boost Namibia’s economy by N\$1.8bn

Rhino Resources Namibia Ltd. (Rhino)’s upcoming drilling campaigns off the coast of Namibia could inject an estimated N\$1.8 billion (US\$94 million) into the local economy.

The company, which holds an Exploration Licence for Block 2914A off the southern coast of Namibia, plans to drill up to 10 exploration and appraisal wells, depending on the success of its initial campaign.

The project, according to documents seen by M&E, is expected to inject approximately N\$70 million (US\$3.75 million) per month into the local economies of Lüderitz, Walvis Bay, and other areas where contractors will be based.

This local expenditure will encompass

a variety of services, including hotels, accommodation, logistics, and fuel costs, thus fostering substantial economic benefits for these communities.

“Rhino estimates a local spending of US\$3.75 million per month during the exploration well drilling, totaling N\$562 million (US\$30 million) for the first campaign of three wells,” documents show.

If the second campaign of seven wells proceeds, an additional N\$1.2 billion (US\$64 million) could be injected, but ultimately depends on the success of the first drilling campaign.

This comes as Rhino has awarded a Namibian deepwater integrated multi-well construction contract to Halliburton.

Under the agreement, Halliburton will provide complete solutions to construct exploration and appraisal wells, along with testing services.

Halliburton will also extend its country operation facilities to support all product service lines from Namibia to enhance collaboration and maximize asset value for Rhino Resources and Namibian customers.

According to the company, the energy service giant will begin work on the wells in the fourth quarter of 2024.

With more than a decade of exploration in Namibia, Rhino Resources holds operatorship of Block 2914A (PEL 85).

The block, located in the shallower portion of the Orange Basin, is strategically located

less than 20 km from the nearest discovery and amidst multiple Namibian discoveries made over the last two years. The block's proximity to other international operators further underscores its strategic relevance.

In May, Azule Energy, a joint venture between BP and Eni, entered into a strategic farm-in agreement with Rhino Resources in Namibia's offshore Orange Basin, a move which marks Azule's entry into Namibia, and its first foray into an international market.

The agreement will grant Azule a 42.5% interest in Block 2914A in petroleum exploration license 85 (PEL85).

The current partners in PEL 85 are Rhino (operator, 85%), Namcor (10%), and a local company, Korres Investments (5%).

Mining

Osino now expects Namibia regulatory approval by early September

Osino Resources Corp. (Osino) says it expects regulatory approval of its acquisition by Yintai Gold Co. from the Namibian Competition Commission (NaCC) by August or early September.

Osino President and CEO Heye Daun says the NaCC's review process, initially set to conclude by 30 July 2024, has encountered a delay following the postponement of its June meeting.

Despite this delay, Daun remains optimistic about the timeline.

"The arrangement remains on track and all closing conditions, other than the NaCC approval, have been met," he said.

He explained that the NaCC, responsible for evaluating mergers under Namibian



law, has forwarded additional clarifying questions to both Osino and Yintai as part of its ongoing analysis.

According to local counsel, the typical review period by the NaCC ranges from

four to six months from the submission date, which in this case was 3 April 2024.

“We still expect approval to be received within the timeframe prescribed by the Namibian Competition Act,” Daun emphasised.

The arrangement agreement, signed on 23 February 2024, between Osino and Yintai includes provisions for extending the review period beyond 30 June 2024, up to 30 July 2024, as mutually agreed upon due to the NaCC’s timing update.

In response to reaching this milestone, Daun remarked that “the arrangement, therefore, remains on track to close on or about the end of H1 2024, subject to approval by the Namibian Competition Commission, which Osino continues to expect to receive in June.”

The acquisition by Yintai Gold has also gained regulatory clearance from Chinese authorities, including the State Administration of Foreign Exchange (SAFE), paving the way for the transaction’s completion by mid-2024.

Previous clearances were obtained from China’s Ministry of Commerce and the National Development and Reform Commission.

Under the approved terms, Yintai will acquire all outstanding common shares of Osino for C\$1.90 per share, totalling N\$5.3 billion in cash.

This deal has secured overwhelming support from Osino shareholders, with 99.9% voting in favour at the company’s special meeting.

Yintai Gold, listed on the Shenzhen Stock Exchange with a market capitalisation of N\$108 billion (US\$5.6 billion), has also committed to an immediate cash infusion of N\$193 million (US\$10 million) for Osino’s operational needs, along with full reimbursement of the termination fee paid to Dundee Precious Metals Inc.

Osino Resources Corp., based in Canada, focuses on gold exploration and development, primarily centred on its wholly-owned Twin Hills Gold Project in central Namibia.



For the latest insights on
Namibian mining and energy

**MINING
& ENERGY**

Mining

Andrada makes first tantalum shipment to AfriMet

Andrada Mining says it has completed its first commercial shipment of five tonnes of tantalum concentrate to AfriMet Resources, marking the company's entry into the tantalum market and positioning it as a multi-mineral producer.

The news comes alongside a 14% increase in Andrada's tantalum production quarter-over-quarter (QoQ) from approximately eight tonnes in Q4 FY2024 to nine tonnes in Q1 FY2025,

"The successful production and delivery of our first five-tonne consignment of tantalum to AfriMet during the quarter is an important milestone for the Company, this places us firmly on the path to becoming a multi-mineral producer of critical metals," said Andrada's Chief Executive Officer Anthony Viljoen

He further explained that the surge in tantalum production aligns with a favourable market trend. Tantalum prices have been steadily rising since mid-May 2024 due to supply constraints caused by disruptions in key mining areas of the Democratic Republic of Congo. Additionally, increased purchasing interest from smelters is expected to further support these elevated prices, he said

Looking ahead, Andrada anticipates a second tantalum concentrate shipment, targeting a further five tonnes, to AfriMet in the coming quarter. The Company is



confident that this supply agreement with AfriMet will be a successful and long-term partnership. This development comes amidst a period of significant operational growth for Andrada.

The Company recently reported a 10% YoY increase in ore processed for tin production of 237,976 tonnes in Q1 FY2025 vs 217,189 tonnes in Q1 FY2024, alongside progress on its pre-concentration circuit expansion project targeted for completion in Q1 CY2025.

The lithium pilot plant has primarily focused on bulk sampling campaigns with limited commercial production during the quarter. However, Andrada is planning for future commercial petalite production through an extension circuit that will be integrated with the existing tin processing plant upon completion of the pre-concentration circuit.

Furthermore, Andrada has initiated a strategic process to explore potential partnerships across its entire portfolio of mineral assets.

Andrada maintained its cost guidance

despite a YoY increase in cash cost to N\$337,588.30 (US\$18,899) per tonne of contained tin and selling expenses to N\$418,917.45 (US\$23,452) per tonne.

This increase is attributed to a combination of processing costs and inflationary mining cost increases, along with a one-off expense from resolved plant outages.

The All-in Sustaining Cost (AISC), remained lower than expected at N\$513,983.06 (US\$28,774) per tonne due to an improved stripping ratio of 1.5:1 achieved at the end of May 2024

Meanwhile, Andrada is finalising a N\$175

million (GBP7.6 million) loan agreement with Bank Windhoek Limited (BWL) to support general working capital needs and ongoing exploration activities.

The Company is also exploring additional funding options with global lenders for project execution.

To mitigate price volatility in the tin market, the company entered into a hedging agreement with Standard Bank Namibia Limited, fixing the price for the first 20 tonnes of contained tin shipped every month from June 2024 to May 2025 at N\$589,471.08 (US\$33,000) per tonne.

Mining

Over 130 Rössing staff opt for separation package after Beifang takeover



Rössing Uranium Limited has confirmed that as part of operational changes, approximately 138 employees have opted for the offered separation package.

Rössing Uranium Limited's Managing Director Johan Coetzee says the total expense of separation packages is around N\$90 million, which includes tax clearances and other related costs for those who have completed the process.

"So far, approximately 138 employees have left under this package. The total expense of separation packages is around \$90 million. This figure includes tax clearances and other related costs," Coetzee told The Brief on the sidelines of the company's sustainability report launch recently.

This comes as Rössing Uranium last year awarded a N\$12.8 billion mining contract to Chinese contractor Beifang Mining Services to

The total expense of separation packages is around \$90 million.

take over responsibility for the operations.

The mining contract agreement—spanning 13 years—will allow the company to secure the necessary resources and expertise to sustain and enhance Rössing Uranium’s mining operations.

As a consequence, the sub-contracting of mining operations will, however, see the uranium miner retrenching around 400 employees.

“This comes with a downfall as the company is set to let go all mining personnel, as a result, Rössing Uranium Limited has introduced a comprehensive workforce transition plan, offering attractive separation packages and employment support to its around 400 mining personnel,” Coetzee says.

According to Coetzee, employees were offered “a very lucrative separation package” with a three-and-a-half-year timeframe to find alternative jobs.

Coetzee said the decision was driven by the financial constraints faced by the company in funding a N\$1.4 billion fleet upgrade investment required to continue operations.

The fleet upgrade would be required after the mining operations reached a 410-metre-deep pit with an additional optional 600-metre-deep pit being the deepest the company could go due to its aging fleet.

The partnership with Beifang Namibia will allow Rössing Uranium to commence Phase 4 of operations, which will be fully operational in 2027, with operations carried out by Beifang.

In May, Rössing Uranium announced a life-of-mine extension for Namibia’s longest-running uranium mine by ten years, from 2026 to 2036, following the completion of their bankable feasibility study.

The mine has been in operation since 1976 and has been mining on phase 2 and phase 3 pits, which will be completed in 2026.



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Domestic electricity production surges by 70.4% in Q1 2024

Namibia witnessed a 70.4% increase in domestic electricity production in the first quarter of 2024, reaching 850 million kilowatt-hours (kWh).

According to data from the Namibia Statistics Agency (NSA), domestic electricity

production led to a 17.1% decline in electricity imports during the period under review, underlining efforts towards greater self-reliance in power generation.

This comes as the electricity and water sector expanded by 9.8% in real value added during the first quarter of the year, a slowdown from the 32.9% growth recorded a year earlier.

Within the sector, the electricity subsector grew by 16.1% in real value-added, compared to 55.6% in Q1 2023.

Despite the overall production growth “the quantity of electricity sold slightly decreased by 1.5% to 909 million KWH compared to the same period last year,” reflecting fluctuations in demand.

Namibia’s total electricity demand is currently estimated at 600MW per annum, while generation capacity stands at approximately 486.5MW. The need for more

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power is projected to grow at a yearly rate of 5%.

Namibia's fifth National Development Plan targets to increase the country's overall power generation capacity to 750MW.

Similarly, national power utility, NamPower's five-year strategic plan, aims to increase its renewable energy generation by 100MW by 2025.

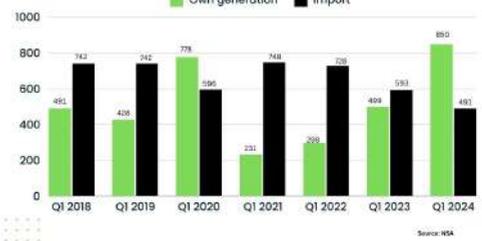
By 2030, it targets to increase the share of renewable energy generation from 30% to 70%, which is likely to reduce the high dependency on electricity imports, while further promoting self-sufficiency.

This comes as NamPower has secured

SOURCES OF ELECTRICITY
in Millions of KWH

M&E

According to the Namibian Statistics Agency, domestic electricity production reached 850 million KWH in the first quarter of 2024, marking a substantial surge of 70.4 percent. Meanwhile, electricity imports declined, experiencing a significant drop of 17.1 percent during the same period.



N\$2.6 billion in funding from the World Bank to expand its transmission network and integrate renewable energy into the grid.

Mining

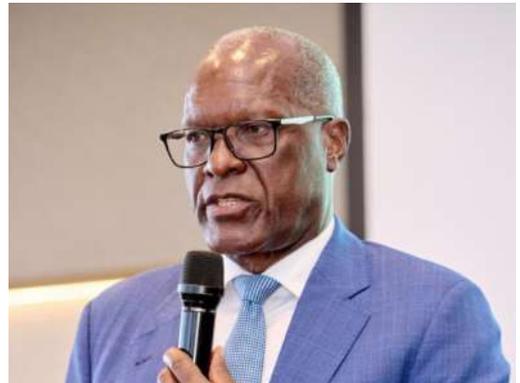
Namibia calls for adoption of sustainable practices in mining

Namibia's Mines ministry has urged Namibia's mining industry to embrace sustainable practices, emphasising the importance of responsible mining with a long-term perspective.

Minister of Mines and Energy Tom Alweendo called on mining industry players to move away from short-term strategies focused on immediate gains.

He advocates for approaches that ensure the long-term sustainability of the sector and consider the needs of future generations.

"In addition, responsible mining necessitates a long-term perspective that considers the needs of future generations. Therefore, industry players must move away from short-sighted approaches that prioritise immediate gains at the expense of long-term sustainability



of our industry," Alweendo said at the launch of the Rössing Uranium Sustainability and Performance Report recently.

The Minister noted that responsible mining is crucial for a sustainable future and requires

collaboration among governments, industry, civil society and local communities.

The Mines Ministry believes that, together, these groups can create a mining paradigm that respects the planet, empowers communities and sustains shared prosperity.

Alweendo commended Rössing Uranium and its shareholder, China National Nuclear Corporation, for their dedication and innovation, which have led to substantial financial achievements.

He highlighted the mine's enhancement of safety standards, evidenced by its recent win at the 2023 Inter-mine Safety Competition held by the Chamber of Mines of Namibia.

"I implore all the mining industry players to adopt a safety-first approach over production," Alweendo urged.

He also praised the mine's leadership for securing approval for Phase 4 mine expansion, extending the life of the mine to 2036 from the previously forecasted 2026.

Alweendo noted that the mine's good production year was due to favourable macroeconomic factors contributing to its financial performance in 2023.

"In an industry as dynamic and challenging as mining, and in particular, the uranium subsector, financial performance is not just a reflection of numbers on a balance sheet. It is a testament to the ingenuity and determination

of those involved," Alweendo remarked.

Alweendo emphasised that Rössing Uranium's success is part of the broader mining industry's significant contribution to the Namibian economy.

This comes as the mining sector's contribution to GDP rose to 14.4% in 2023 from 11.9% in 2022.

Similarly, local procurement by the industry exceeded N\$21 billion, and contributions to the fiscus in royalties and taxes reached at least N\$6.4 billion, up from N\$4.2 billion in 2022.

The sector's direct employment stands at approximately 18,189, with total expenditure on corporate social responsibility (CSR) reaching N\$211 million.

"These statistics indicate that the mining industry remains the bedrock of our economy. Therefore, our ministry remains optimistic about the trajectory of Namibia's mining industry. Hence, I would like to commend all mining industry stakeholders for their positive contribution to the Namibian economy during 2023," Alweendo said.

The Minister pointed out the positive implications of the renewed interest in nuclear energy, noting that uranium prices have surpassed the US\$100 per pound mark.

Coupled with the emerging green hydrogen industry, Alweendo expressed confidence in Namibia's potential to become a regional powerhouse.

"As the Ministry of Mines and Energy, it is our mandate to ensure that our mineral resources are mined responsibly. Responsible mining is not merely a desirable option, it is an imperative," he said.



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Mining

B2Gold Corp. reveals 390,000 ounce gold resource estimate for Otjikoto's Springbok Zone

B2Gold Corp. has revealed an initial inferred mineral resource estimate for the Springbok Zone at its Otjikoto Mine in Namibia of 390,000 ounces of gold.

"The mineral resource estimate for the Springbok Zone, which forms the basis for a potential PEA, includes inferred mineral resources of 1.75 million tonnes grading 6.91 grams per tonne gold, totaling 390,000 ounces," B2Gold Corp. President and CEO, Clive Johnson said.

Located approximately three kilometers south of the Otjikoto Phase 5 open pit, the Springbok Zone represents the southern extension of the recently discovered Antelope deposit.

Johnson said potential mining operations could commence by 2026, contingent upon a positive Preliminary Economic Assessment (PEA) and regulatory approvals.

He said ongoing exploration in adjacent areas and targeted drilling initiatives are expected to enhance the project's growth prospects. Exploration efforts in 2024 included drilling over 36,000 meters into the Springbok Zone, with 33 holes totaling 16,950 meters completed to establish a 50 x 50-meter spacing for this initial estimate.

Further exploration drilling in the Oryx Zone, located northeast and stratigraphically above the Springbok Zone, has shown promising results with high-grade intervals, potentially increasing the Mineral Resource estimate.

Johnson noted that the Springbok Zone could complement the processing of low-grade stockpiles at the Otjikoto Mine until



2031, aiming to raise annual gold production to over 100,000 ounces from 2026 to 2031.

Meanwhile, B2Gold allocated a US\$9 million exploration budget for Namibia in 2024, funding the largest drill program at the Otjikoto Mine since the Wolfshag discovery in 2012. The program is set to drill a total of 39,000 meters with five active rigs currently deployed. "Exploration has intersected mineralization from the Antelope deposit over a combined strike length of approximately 1,500 meters," Johnson said.

Plans for drilling in the untested zone between the Oryx Zone and the southernmost known mineralization in Phase 5 of the Otjikoto Mine open pit are scheduled for the latter half of 2024.

The Antelope deposit was discovered in 2022, following deep drill testing on three-dimensional models of magnetic inversion data. B2Gold Namibia is a 90% owned subsidiary of B2Gold Corp, with the remaining 10% owned by EVI Mining Company Limited, a Namibian broad-based economic empowerment group.

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Mining

Namibia’s mining sector growth slows in Q1 amid declines in diamond and uranium production

Namibia’s mining and quarrying sector recorded a growth of 6.6% in real value added during the first quarter of 2024, a slowdown compared to the 21.8% growth witnessed in the corresponding quarter of 2023, latest government data shows.

The slow performance, according to the Namibia Statistics Agency (NSA), is mainly attributed to the deceleration in diamond production and a decline in uranium production.

During the period under review, the diamond subsector registered an increase of 8.9% in real value added, down from the 25.7% growth observed in the corresponding quarter of 2023.

“The performance emanates from deceleration in diamond production during the quarter under review.”

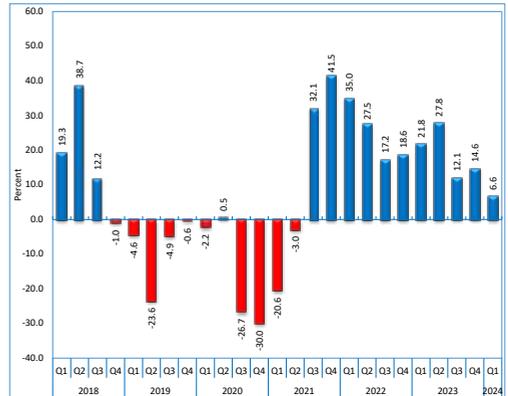
On the other hand, the uranium subsector experienced a contraction of 11.8% in real value added, in contrast to the 27.4% increase registered in the first quarter of 2023.

“The decline in the subsector is attributable to a reduction in the volume of uranium production.”

Similarly, the mining of metal ores subsector registered a decline of 3.3% in real value added during the quarter under review, compared to the 27.4% increase posted in the first quarter of 2023.

“The decline in performance is attributed to the decrease in production of manganese, zinc, and lead, coupled with a slowdown in gold production.”

Mining and quarrying real value added growth rates



NSA

The ‘Other mining and quarrying’ subsector recorded a growth of 18.2% in real value added during the first quarter of 2024, compared to the 4.2% increase witnessed in the corresponding period of 2023.

Mineral exploration during the period under review continued with a positive performance, recording a 22.1% increase in real value added compared to 9.1% in the first quarter of 2023. This performance is due to the continued investment in oil and gas activities.

Meanwhile, investment in oil and gas exploration continues fueling growth in Gross Fixed Capital Formation, according to NSA data, with activities expanding by 23.5% during the period under review relative to the 68% growth posted in the corresponding period of 2023.

Commodities

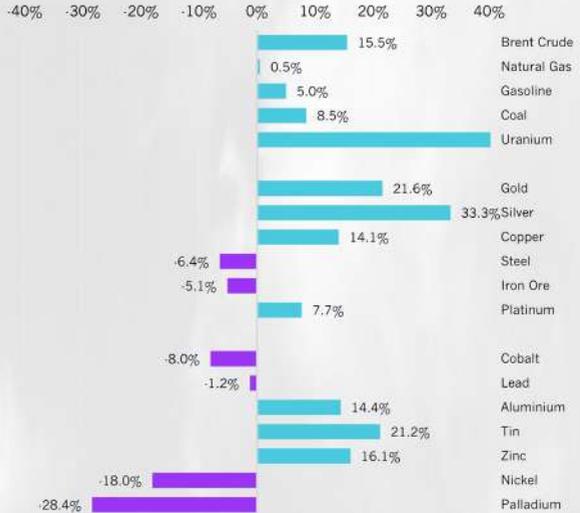


Price Movements

Commodity	Last Spot Price	Change	
		Weekly	Monthly
ENERGY			
Brent	85.71	3.8%	4.7%
Natural Gas	2.71	-6.1%	-4.8%
Gasoline	2.52	4.9%	2.2%
Coal	133.90	-1.2%	-5.6%
Uranium	85.50	-1.1%	-7.6%
METALS			
Gold	2,322.60	-0.1%	-2.2%
Silver	29.76	0.7%	-3.8%
Copper	4.46	-1.1%	-8.3%
Steel	3,429	-0.8%	-5.1%
Iron Ore	107.15	0.0%	-8.9%
Platinum	995	3.3%	-5.0%
INDUSTRIAL			
Cobalt	26,804	0.0%	-2.4%
Lead	2,217	2.7%	-5.1%
Aluminium	2,522	0.3%	-4.8%
Tin	33,086	0.9%	-3.6%
Zinc	2,874	2.9%	-7.0%
Nickel	17,424	1.8%	-15.3%
Palladium	922	5.3%	-6.9%

Source: Bloomberg, Citrus Data

Year on Year Price Changes



Map of Mines in Namibia



- LEGEND**
1. Tschudi Mine
 2. Irigon Kombat Copper Mine
 3. Oshanao Cement
 4. BZGold Oshanao Gold Mine
 5. Okonjua Mine
 6. Whale Back Cement
 7. Okavango Graphite Mine
 8. Oshanao Manganese Mine
 9. OKF Navachab Gold Mine
 10. Antrasto Usi Tin Mine
 11. Roaring Uranium Mine
 12. Swakop Uranium Huabli Mine
 13. Langer Heinrich Uranium Mine
 14. Namb-Lead and Zinc Mine
 15. The Sat Company
 16. Trekkopje Mine
 17. Wafes Bay Salt and Chemicals
 18. Matchless Mine
 19. Oshanao Mine
 20. Loobstone Dorobas Iron Ore Mine
 21. Ekobeth Bay Mine (Sperrgebiet Diamond Mining)
 22. Debranne Namibia
 23. Namdeko Southern Coastal Mines
 24. Namdeko Orange River Mines
 25. Vedatso Skorpion Zinc Mine
 26. Rosh Prah Zinc Mine

Source: Chamber of Mines of Namibia, 2023 Annual Report

Mining & Quarrying - Real GDP



Mining & Quarrying - Nominal GDP

