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BW Kudu licence stalled as Namibia lacks policy to break NamPower transmission monopoly

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Namibia must resolve key oil negotiation hurdles before FID- Alweendo



Koryx targets November completion of Haib Copper PFS



Energy

BW Kudu licence stalled as Namibia lacks policy to break NamPower transmission monopoly

... NamPower objects to private transmission bid

BW Kudu's bid to construct and operate its own electricity transmission infrastructure in Namibia remains on hold as the Electricity Control Board (ECB) develops rules to govern private participation in a segment where state utility NamPower currently holds a monopoly.

The company has applied for a transmission licence to develop a 400-kilovolt power line linking its proposed 420-megawatt Kudu gas-to-power plant near Lüderitz to NamPower's Obib substation.

ECB Chief Executive Officer Robert Kahimise said the application raised broader regulatory questions over whether private electricity producers should be allowed to finance and operate transmission infrastructure required to deliver power from their projects to customers.

BW Kudu intends to



fully finance the proposed transmission infrastructure, with electricity from the planned power station expected to supply both the Namibian market and customers in South Africa.

"It was triggered by the application by BW Kudu. BW Kudu applied for generation and also a transmission licence. That specific transmission licence was fully funded by BW Kudu as an investor to enable them to evacuate their power from the upstream to the power station," Kahimise said.

NamPower, which currently holds a monopoly in Namibia's electricity transmission sector, objected to the application after it was advertised by the ECB in May 2024.

The objection resulted in a public hearing at which NamPower and BW Kudu presented their respective positions on the proposed private transmission investment.

"There was an objection

from NamPower as the monopoly currently. We held a public hearing where NamPower presented its position, while BW Kudu, as the applicant, also justified why it wanted to invest in and operate that specific portion of the transmission network," Kahimise said.

The ECB Board subsequently recommended to the minister that BW Kudu's proposed investment in the transmission infrastructure was justified.

However, the minister determined that the application should remain pending until a regulatory framework was established to govern private investment in electricity transmission.

The ECB has consequently started developing an Independent Transmission Company (ITC) regulatory framework and issued a request for proposals for consultancy services in August 2026.

The framework is expected to determine the conditions

under which private investors can develop and operate transmission infrastructure and how those networks would connect to and interact with NamPower's existing grid.

Kahimise said the issue has become increasingly important as private investors pursue large electricity generation projects requiring significant transmission capacity.

"We have seen a mismatch, or what I can call a misalignment, of the transmission company, in this case NamPower in Namibia, in how they respond to the demands and expectations of those private investors. We are talking about billion-dollar projects, and most of those projects are quite significant," he said.

The BW Kudu case could therefore establish a regulatory pathway for other electricity developers seeking to finance dedicated transmission infrastructure



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for their projects.

Kahimise said the regulatory work also reflects wider changes in electricity markets, where vertically integrated utilities

are increasingly being separated into generation, transmission and distribution functions.

"We have seen the unbundling of traditional

vertically integrated utilities in the region and around the globe. I am talking about the unbundling of generation, transmission and distribution," he said.

Energy

Namibia must resolve key oil negotiation hurdles before FID- Alweendo

Namibia must identify and resolve the key outstanding issues in negotiations with oil operators before pushing for final investment decisions (FID) on discoveries in the Orange Basin, former mines and energy minister Tom Alweendo has said.

Alweendo said pressure to accelerate FIDs should be balanced against the need to ensure that unresolved commercial and regulatory issues are properly addressed and that the eventual agreements serve Namibia's long-term interests. He stressed that FIDs are ultimately made by oil operators rather than the government, with companies expected to commit to developments only once they are satisfied with the terms reached through negotiations.



"The government is not the one to make FID. It's the operators that must make FID, but they are going to make FID only when they are happy with the terms they're getting in negotiations," Alweendo said at the RMB and FNB Strategic Thought Leadership Summit.

Alweendo, who is now founder and head of Alvenco Advisory, said the focus should therefore be on determining which critical issues remain unresolved and what needs to be done to conclude negotiations.

He said greater clarity around the outstanding issues would also allow the public to better understand what is preventing projects from advancing towards investment decisions.

"But I don't really want to give or put undue pressure on the negotiations until one day I know what are the critical outstanding issues. So that this is known to the public, what do we need to do?" he said.

However, Alweendo cautioned that resolving outstanding issues should not become an excuse for negotiations to continue indefinitely.

He warned that prolonged talks could increase project

costs and potentially result in Namibia losing investment opportunities as operators weigh competing projects elsewhere.

"I don't think it will make any sense to drag out the negotiations to the extent that then you lose opportunities, because the longer you take to make a decision obviously is also the higher cost," he said.

Namibia is seeking to move major offshore discoveries in the Orange Basin from exploration and appraisal towards development, with FIDs expected to unlock significant capital investment and demand for goods, services and skills.

Alweendo said negotiations should involve all relevant parties and should seek to strike a balance between protecting Namibia's economic interests and establishing commercially viable conditions for investors.

He also cautioned Namibian businesses against waiting for negotiations and FIDs to be concluded before preparing for opportunities in the petroleum industry.

"I know of Namibians who are already moving, who are building their businesses, who are

building capabilities," Alweendo said.

"Because if you wait until everything is dotted, everybody is agreed, it might be too late for you even to get into the sector anymore."

He said local businesses would have to accept some degree of risk in building capacity before there was certainty over the timing of petroleum developments.

Alweendo said financial institutions should similarly begin assessing opportunities in the emerging sector before FID rather than waiting for projects to reach production.

On local content, he said Namibia should focus on creating commercially competitive domestic businesses capable of participating in the petroleum value chain without imposing requirements that undermine the viability of projects. He said the broader objective should be to ensure Namibia captures greater economic value from its petroleum resources while maintaining conditions capable of attracting the investment required to bring discoveries into production.

Energy

Stena DrillMAX heads to Namibia ahead of new offshore drilling campaign

The Stena DrillMAX drillship is mobilising to Namibia for a new offshore drilling campaign, with the vessel expected to arrive in the country on 25 October.

The drillship departed Las Palmas on 6 October and is currently heading south towards Namibia's Orange Basin, although the operator and specific well it will drill have not yet been publicly confirmed.

The mobilisation comes as exploration activity in the Orange Basin continues, with several international oil companies progressing exploration and appraisal programmes following a series of discoveries offshore Namibia.

Stena Drilling's Health, Safety and Environment team has already deployed to Namibia, where it is conducting SafeStart workshops with crew members to prepare for the upcoming drilling campaign.

While Shell has been linked to the Stena DrillMAX's Namibia campaign, neither the drilling contractor nor



the oil major has publicly confirmed that the vessel has been contracted for Shell's operations.

Shell is currently continuing exploration and appraisal work on Petroleum Exploration Licence 39 (PEL 39), where it is assessing the Merlin discovery.

The Merlin-1X exploration well was spudded on 8 April 2026 and delivered what Shell described as its most promising subsurface results to date on the licence, encountering a good-quality

reservoir containing light oil with limited associated gas.

Shell operates PEL 39 alongside QatarEnergy and the National Petroleum Corporation of Namibia (NAMCOR).

Following its Namibia campaign, the Stena DrillMAX is scheduled to undertake a drilling programme for Energean in the Mediterranean during 2027.

The programme is expected to include the Asopos-1 exploration well on Block 2 in

the north-western Ionian Sea offshore Greece, followed by development and exploration drilling offshore Israel.

Before mobilising to

Namibia, the Stena DrillMAX was active during 2025 and early 2026 on exploration and appraisal campaigns in South America, including

drilling offshore Suriname.

The UK-flagged drillship was built in 2007 and is designed for deepwater drilling operations.

Energy

Namibia, Germany sign N\$103m deal for energy, critical minerals projects

Namibia and Germany have signed a N\$103 million technical cooperation agreement to fund two projects aimed at expanding energy access and developing sustainable critical mineral value chains in Namibia.

The agreement, valued at €5.5 million, was signed by German Ambassador Thomas Wimmer and National Planning Commission (NPC) Director General Dr Kaire Mbuende as part of development cooperation between the two countries.

The projects were agreed during the 2025 Namibia-Germany bilateral negotiations on development cooperation held in Lüderitz and will now move into implementation.

One of the projects will support Namibia's efforts to increase access to modern



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and sustainable energy services as the country targets raising national energy access from 59.3% to 70% by 2030. The second project will focus on developing sustainable critical raw material value chains, including increasing local value addition, improving transparency and expanding economic opportunities arising from growing global demand for minerals required for the energy transition.

The agreement was signed during Wimmer's introductory engagement with Mbuende following the German ambassador's

presentation of credentials to President Netumbo Nandi-Ndaitwah on 7 October.

The new projects add to existing German support for Namibia's energy sector, which has included investment in the construction or replacement of about 1,300 kilometres of electricity transmission lines as well as the expansion and rehabilitation of the Ruacana Hydropower Plant.

The two countries also discussed Namibia's broader development priorities and cooperation following the Namibian-German Strategic Dialogue held in Opuwo in

September.

Germany currently has more than 50 development cooperation projects in Namibia implemented through KfW Development Bank, GIZ and the Federal Institute for Geosciences and Natural Resources (BGR).

The projects cover sectors including sustainable energy, vocational training, urban development and natural resource management.

Germany's cumulative financial and technical development support to Namibia since 1990 exceeds €1.6 billion, equivalent to approximately N\$30 billion.

Energy

Koryx targets November completion of Haib Copper PFS

Koryx Copper expects to release a pre-feasibility study (PFS) for its Haib Copper Project in southern Namibia by the end of November 2026, as the company advances plans for a large-scale milling and flotation operation.

Koryx President and Chief Executive Officer



Heye Daun said conversion drilling required for the PFS has been completed, while metallurgical, infrastructure and permitting work is progressing.

“With conversion drilling now completed for the PFS and our metallurgical, infrastructure and permitting workstreams all advancing in parallel, we remain firmly on track to deliver the Haib PFS before the end of November 2026,” Daun said.

The company has revised the proposed processing flowsheet for Haib, removing heap leaching from the PFS base case and focusing on milling and flotation.

A debottlenecking study has increased planned crushing throughput to 48 million tonnes per annum (Mtpa), while coarse particle flotation is expected to reject about 12 Mtpa of low-grade coarse gangue before material reaches the main flotation circuit.

Koryx said metallurgical testwork is nearing completion, with interim results broadly consistent with historical testing and supporting the project’s processing assumptions and potential recovery of by-products.

Testing showed that partially liberated sulphides

of up to 450 micrometres could be recovered using coarse particle flotation. Koryx said the process could reduce the amount of material requiring fine milling, lowering energy requirements.

Jameson cells are also planned alongside conventional flotation to improve concentrate grades while maintaining copper recovery and reducing power and space requirements.

Infrastructure studies are advancing in parallel, with Haib expected to have maximum electricity demand of about 260 MVA and annual consumption of approximately 1.45 TWh.

Koryx has signed a memorandum of agreement with NamPower, with engineering underway for a proposed 68-kilometre, 220kV grid connection from the Harib substation. The grid supply is expected to be supplemented by solar photovoltaic generation and battery storage.

The company has also signed a memorandum of understanding with NamWater for the project’s water requirements, with the Orange River selected as the preferred bulk water source.

The proposed abstraction

point is about nine kilometres south of the mine, while an off-channel storage reservoir is planned to maintain supply during periods of low river flow and drought.

Koryx has also selected a preferred tailings storage facility site from nine options assessed during the PFS. The site is expected to accommodate approximately 1.15 billion tonnes of tailings over the life of the mine.

On permitting, Environmental and Social Impact Assessment and Environmental Management Plan documents were submitted to the Ministry of Environment, Forestry and Tourism in August and September 2026 for the mining licence area and proposed Orange River water abstraction.

Koryx expects a decision on the Environmental Clearance Certificate applications before the end of 2027.

Haib is a large porphyry copper deposit with associated gold and molybdenum. Koryx’s March 2026 mineral resource estimate contains 2.09 million tonnes of copper in the Indicated category and a further 1.385 million tonnes in the Inferred category.

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Mining

Kenzoll, MSF commit N\$843m to revive Sperrgebiet diamond mine



Dutch private equity firm Kenzoll Capital has partnered with Namibian-registered MSF Commercials to restart the Sperrgebiet diamond mine, formerly known as Elizabeth Bay, with N\$843 million (US\$50 million) earmarked for mine development and further exploration.

Kenzoll Capital said the operation hosts an estimated 10.5 million carats of onshore and offshore diamond resources, providing the resource base for the planned revival of the historic mine.

Kenzoll Capital Chief Executive Officer Corné

Melissen said the investment will focus on returning the operation to production while creating employment and economic activity in southern Namibia.

"We're committed to getting the mine producing again, providing jobs and economic value to an area that has relied heavily on diamonds for over a century," Melissen said.

The Sperrgebiet investment forms part of Kenzoll Capital's broader investment strategy in Namibia, with the firm indicating that diamonds could provide an entry point for future exploration and investment in other critical

minerals.

Kenzoll has already invested more than N\$166 million (US\$10 million) in Namibia and said its investments are targeted at supporting local employment and wider economic activity.

The planned restart comes as Namibia's diamond industry faces weaker export earnings. Diamond exports declined 67% from N\$5.1 billion in 2022 to N\$1.7 billion in 2025, while the Bank of Namibia has identified weakness in the diamond industry as a risk to economic growth.

Elizabeth Bay was previously operated by De

Beers, which began a process to dispose of the mine in 2018 after determining that the operation was no longer economically viable under its ownership.

The sale was completed in 2019 to a consortium comprising Lewcor Group as majority shareholder and MSF Commercials as a minority shareholder.

Kenzoll Capital is an Amsterdam-based private equity and special situations investment firm focused on frontier and event-driven opportunities.

Energy



Namibia warned against crude export trap as oil industry takes shape

Namibia has been warned against building an oil industry centred on crude exports while continuing to import higher-value petroleum products, with experts calling for investment across the value chain to retain more economic value domestically.

Julien Ayippey, Head of Strategy, Research and Data

Analytics at First National Bank Ghana, said Namibia should use its offshore discoveries to develop opportunities beyond upstream production, including gas, refining, fuel supply and industries servicing the petroleum sector.

Speaking at the RMB and FNB Strategic Thought Leadership Summit, Ayippey

said Ghana's experience showed that becoming an oil producer did not automatically translate into the development of a complete domestic petroleum value chain.

He pointed to Ghana's continued reliance on imports of refined petroleum products despite producing crude oil as an example of the economic value that

can be lost when downstream capacity fails to develop alongside production.

"It's not just about exploration. Yes, we found oil. But can't we look at it from oil to pump, which is more of looking at it from the upstream, going to the gas and industry, going to refining and finally to fuel supply," Ayippey said.

Namibia currently imports its refined petroleum requirements, meaning the development of an offshore oil industry without corresponding downstream investment could leave the country exporting crude while continuing to spend foreign currency importing finished fuels.

Ayippey said the country should assess the entire petroleum value chain and determine where Namibian businesses could participate competitively rather than concentrating economic policy solely on extraction.

He said local content should be used to retain a greater share of spending generated by oil projects within the domestic economy.

"Local content shouldn't be seen as a quota. It should be seen as how you keep money within the economy, and that's how your economy grows," he said.

Ghana's experience also demonstrated that building domestic capacity takes time. Ayippey said about 22% of contracts in Ghana's petroleum industry are classified as local content, while 35% involve joint

ventures and about 90% of jobs are held by Ghanaians.

He said Namibia should therefore begin developing suppliers, skills and businesses before large-scale petroleum development and production begins.

The government has approved the National Upstream Petroleum Local Content Policy, which seeks to increase Namibian participation through employment, procurement, enterprise development, ownership, skills and technology transfer, research and innovation.

Former mines and energy minister and Alvenco Advisory founder Tom Alweendo said local content ambitions should, however, be commercially viable and should not impose costs that make Namibia less competitive as an investment destination.

He said local businesses should build the capacity required to compete for petroleum contracts rather than relying solely on regulatory protection.

Alweendo also urged Namibian companies to begin positioning themselves before oil companies take final investment decisions (FID), warning that waiting until projects are approved could leave domestic firms behind.

"I know of Namibians who are already moving, who are building their businesses, who are building capabilities," he said.

"Because if you wait until everything is dotted, everybody is



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agreed, it might be too late for you even to get into the sector anymore.”

Ayippey said Namibia should also consider how future petroleum revenues can be channelled into other productive industries capable of generating economic

activity after oil production eventually declines.

“As a finite resource, that means it’s going to get there. But how can you get that revenue to ensure that at least you are helping other sectors come out?” he said.

The challenge for

Namibia, according to the speakers, is therefore not simply to become an oil-producing country, but to determine how much of the investment, procurement and value generated by the industry ultimately remains in the domestic economy.

Mining

Namibia High Court blocks Ohorongo Cement merger after overturning ministerial approval

Namibia’s High Court has blocked a proposed merger involving Ohorongo Cement after overturning a government decision that had cleared the transaction despite an earlier prohibition by the country’s competition regulator.

The ruling reinstates a July 2025 decision by the Namibia Competition Commission (NaCC) prohibiting the proposed transaction, reversing an intervention by the Minister of Industries, Mines and Energy that had allowed the merger to proceed subject to conditions.

Judge Devittie issued the order on 1 October 2026 following an urgent review application brought by ITE



Products (Pty) Ltd, Pharaoh Cement (Pty) Ltd and the Construction Industries Federation of Namibia.

The dispute centred on a determination signed by the Minister on 11 June 2026 and subsequently published in the Government Gazette.

The ministerial decision overturned the competition regulator’s prohibition of the proposed merger under case No. 2025FEB0004MER and permitted the transaction to proceed subject to conditions.

The High Court reviewed and set aside that

determination, removing the ministerial approval on which the transaction had been allowed to proceed.

The court declared the Minister's decision "unlawful, invalid and of no force and effect".

It also ruled that the NaCC's original determination prohibiting the merger, published on 17 July 2025,

remains in full force and effect. The decision represents a significant regulatory development for Namibia's cement industry and restores the competition authority's original position on the proposed consolidation.

The respondents in the case included the Minister of Industries, Mines and Energy, Whale Rock

Cement, Schwenk Namibia, Ohorongo Cement and the Namibia Competition Commission.

The High Court finalised the matter and removed it from the roll.

The court order does not disclose the value, ownership structure or other commercial terms of the proposed transaction.

Energy

Beyond Discovery: Realising Our Shared Energy Opportunity

Namibia's recent offshore discoveries have transformed the scale of the country's energy opportunity. But discovery alone will not deliver national prosperity.

The true measure of this moment will not be what Namibia finds beneath the seabed, but what it builds above it: skills, competitive businesses, infrastructure, institutions and industries capable of creating value for generations.

Namibia is not starting from zero. Since independence, the country has invested in geological knowledge, legislation, institutions, licensing and investment promotion. The Orange Basin discoveries therefore



Ndapwilapo Selma
Shimutwiken

mark not the beginning of Namibia's petroleum journey, but a more demanding phase in which promise must be converted into lasting value.

Maintain Exploration and Investor Confidence

The conversation is moving from exploration towards appraisal, investment decisions, financing, infrastructure, skills and local participation. Yet exploration remains important to deepen understanding of Namibia's geology and create additional opportunities over the long term.

Namibia has attracted experienced international companies and significant investment. Sustaining that

momentum will depend on clear and consistent policy, strong institutions, good governance and efficient decision-making.

Large energy projects take time. Commercial viability, financing, infrastructure and supply chains must be established before production begins. The period before major development is therefore Namibia's preparation window.

For Namibian businesses, this is also a commercial opportunity. Companies that understand procurement requirements, invest in people and systems, build credible partnerships and

position themselves across the wider supply chain will be better placed to participate as projects advance.

Build People and Competitive Local Capability

Above all, this is the time to invest in our people.

The sector will need technical expertise, but the opportunity extends across engineering, finance, law, logistics, technology, environmental management, construction and vocational skills. Developing these capabilities will require cooperation among industry,

government, universities and vocational institutions, with training increasingly aligned to emerging demand.

The same principle applies to local content. Local content can deliver its greatest value when it goes beyond compliance and contributes to the development of competitive Namibian businesses, knowledge and technology transfer, and stronger participation across the value chain.

Not every capability can or should be developed locally overnight. The objective should be capable, competitive and sustainable participation.

International companies bring capital, technology, expertise and access to global supply chains. Namibia brings resources, institutions, local knowledge, businesses and people. These are complementary interests.

The objective should not be to choose between international investment and national participation, but to create a model in which investment succeeds because local capability grows alongside it.

Namibia can also learn from countries that have travelled this road before. Angola offers useful lessons in professional development, service-company capability,

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regulation and cross-border logistics. The aim is not to copy another model, but to shorten learning curves and draw on established experience.

Use Energy Investment to Develop Infrastructure and Industry

Oil and gas can anchor this opportunity, but they are not the entire story. Namibia's wider energy economy includes power generation, renewable energy, infrastructure, logistics, finance, technology, engineering and services.

Reliable and competitively priced electricity is essential for industrialisation. Investment in ports, roads, water, transmission systems, logistics corridors and digital infrastructure can support activity far beyond individual energy projects, including mining, trade and regional logistics.

Namibia's energy opportunity should also be viewed within a regional context. Greater investment in oil, gas, power, renewables and enabling infrastructure can strengthen both national and regional energy security by diversifying supply, improving resilience and supporting deeper energy trade across Southern Africa.

Namibia's ports, transmission networks and transport corridors can support not only domestic projects, but wider regional trade, logistics and industrial activity. At the same time, neighbouring markets offer experience, capabilities and commercial partnerships that Namibia can draw on.

Namibia can therefore be deliberate in identifying the parts of the value chain where it can build sustainable competitive advantage. The Dangote Refinery in Nigeria illustrates both the strategic appeal and the scale of investment required for downstream value addition. The opportunity is not to pursue every link in the value chain, but to focus on areas where Namibia's resources, infrastructure and skills can support competitive industries and export-capable service companies.

Convert Petroleum Revenues into Lasting National Wealth

An equally important question will be how Namibia manages the revenues that production generates.

Oil and gas can catalyse economic transformation, but long-term prosperity should not depend on a single commodity. Petroleum

income can strengthen Namibia's economic foundations when it is governed transparently and invested prudently in people, infrastructure and productive sectors that continue creating value long after individual fields stop producing.

I believe Government will continue to provide clarity, strengthen capable institutions and enable efficient decision-making. Industry has an equally important role to play through responsible investment, partnerships and credible pathways for Namibian participation. Educational institutions can strengthen this effort by aligning training with future demand, while businesses, too, have an opportunity to prepare early and position themselves for emerging demand.

If preparation begins now, Namibia can use energy to build a more skilled, competitive, industrialised and inclusive economy.

The discovery has been made. What Namibia builds from it will be the real legacy.

This is perhaps the most important meaning of Realising Our Shared Energy Opportunity. Shared does not simply mean sharing the value once it has been created. It means sharing the responsibility for creating it.

NIEC brings together government, industry, investors, Namibian businesses, financial institutions, education and training institutions, experts and emerging leaders to engage on the choices and partnerships shaping Namibia's energy future.

The 9th Namibia

International Energy Conference will take place in Windhoek from 13–15 April 2027 under the theme Realising Our Shared Energy Opportunity. Building Momentum. Creating Value. captures the next phase: continuing exploration and investment, preparing businesses and people,

strengthening institutions and infrastructure, and ensuring that the opportunity creates value across the wider economy.

* *Ndapwilapo Selma Shimutwiken* - CEO of *RichAfrica Consultancy* and *Founder of the Namibia International Energy Conference (NIEC)*

Energy

Namibia relies on imports for 65% of electricity supply in August

Namibia imported 65% of the electricity supplied to the domestic economy in August 2026, with local power stations accounting for just 35% of total supply, according to the Namibia Statistics Agency (NSA).

The country received 413,762 megawatt-hours (MWh) of electricity during the month, of which 269,137 MWh was imported and 144,625 MWh generated locally.

Total electricity supply declined by 5% from 435,543 MWh in July, but increased by about 9% from the 379,696 MWh recorded in August 2025.



South Africa remained Namibia's largest external source of electricity, with Eskom Aggeneis accounting for 46.3% of total imports.

Zambia's ZESCO Limited supplied 32.9%, followed by Zimbabwe Power Company

at 16.5%, while Eskom Orange River accounted for the remaining 4.3%.

Domestic electricity production remained heavily concentrated at the Ruacana Hydropower Station, which generated 108,656

MWh, equivalent to 75.1% of Namibia's total local generation during August.

Independent Power Producers (IPPs) contributed 30,939 MWh, or 21.4%, while the Omburu PV Solar Power Station generated 4,771 MWh, accounting for 3.3%.

Anixas 2 Diesel Power Station generated 259

MWh, representing 0.2% of domestic production, while Van Eck Power Station and Anixas 1 Diesel Power Station recorded no generation during the month.

The figures highlight Namibia's continued dependence on regional electricity imports despite ongoing investment in domestic renewable energy

generation and transmission infrastructure.

The NSA's Electricity Import Index increased by 9.3% month on month in August, following a 9% increase in July.

On an annual basis, the index rose by 13.2% in August 2026, compared with a 28.2% contraction recorded in August 2025.

Mining

Mining, oil and gas investment lifts Namibia's FDI to N\$11.4bn

Namibia's net foreign direct investment (FDI) inflows more than doubled to N\$11.4 billion in the second quarter of 2026, driven by increased foreign investment in mining projects and continued capital inflows into oil and gas exploration and appraisal activities.

The latest Bank of Namibia (BoN) data shows FDI inflows rose from N\$5.5 billion in the first quarter of 2026 and were 67.6% higher than the N\$6.8 billion recorded in the corresponding quarter of 2025.

The increase was largely driven by higher intercompany borrowing



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from foreign shareholders by mining companies, alongside equity injections into the sector.

Foreign shareholders increased funding for the construction of new mines and the expansion of existing mining operations during the quarter, while investment in Namibia's oil and gas exploration and appraisal activities continued to support overall FDI inflows.

"The quarterly and annual increase mainly reflected greater uptake of intercompany debt from foreign shareholders by entities in the mining sector, largely driven by investment in the construction of new mines and the expansion of existing mining operations," BoN said in its September 2026 Quarterly Bulletin.

The central bank said net FDI inflows were also supported by continued investment in oil and gas exploration and appraisal activities.

The figures underline the growing role of Namibia's extractive industries in attracting foreign capital as investment continues in mining developments and the country's emerging upstream oil and gas sector.

Despite mining attracting increased foreign investment, output from the sector remained in negative territory during the second quarter, indicating that the increased capital flows were largely directed towards developing and expanding productive capacity rather than reflecting stronger current production.

The surge in FDI coincided with an acceleration in domestic economic activity, with Namibia's real gross domestic product expanding by 4.8% year-on-year during the second quarter.

This was up from 3.1% in the first quarter and 1.7% in the corresponding period of 2025.

Growth was driven mainly by tertiary industries,

particularly health, wholesale and retail trade, information and communication, and financial services.

Agriculture also maintained strong growth following favourable rainfall and a recovery in the national herd, while fishing activity expanded.

Investment activity strengthened more broadly, with real fixed capital formation expanding at a double-digit pace during the quarter.

The rise in FDI contrasted with portfolio investment, which recorded a net outflow of N\$1.3 billion during the second quarter, reversing a N\$865 million inflow in the preceding quarter.

The portfolio outflow was nevertheless below the N\$3.6 billion recorded in the second quarter of 2025.

BoN attributed the quarterly reversal mainly to increased investment in foreign short- and long-term debt securities, while investments in listed

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and unlisted equities also contributed.

Other investment flows strengthened, with net inflows doubling to N\$4 billion from N\$2 billion in the first quarter and rising from N\$2.6 billion in the corresponding quarter of 2025.

According to BoN, the increase was primarily driven by higher uptake of trade credits and advances linked to fuel imports, alongside withdrawals of foreign deposits by deposit-taking corporations as fuel re-export activity strengthened.

The second-quarter figures position mining and energy investment as major drivers of Namibia's foreign capital inflows, with new mine developments, expansion projects and ongoing oil and gas exploration continuing to attract foreign funding.

Mining

Critical One to spin out Namibia uranium, copper assets into new company

Critical One Energy Inc. plans to transfer its uranium and copper interests in Namibia into a newly created company as part of a proposed spin-out that will separate the assets from its core operations.

The proposed company, Critical Two Energy Inc., will also take ownership of Critical One's Kenora uranium property in Ontario, Canada, and is expected to seek a separate stock exchange listing.

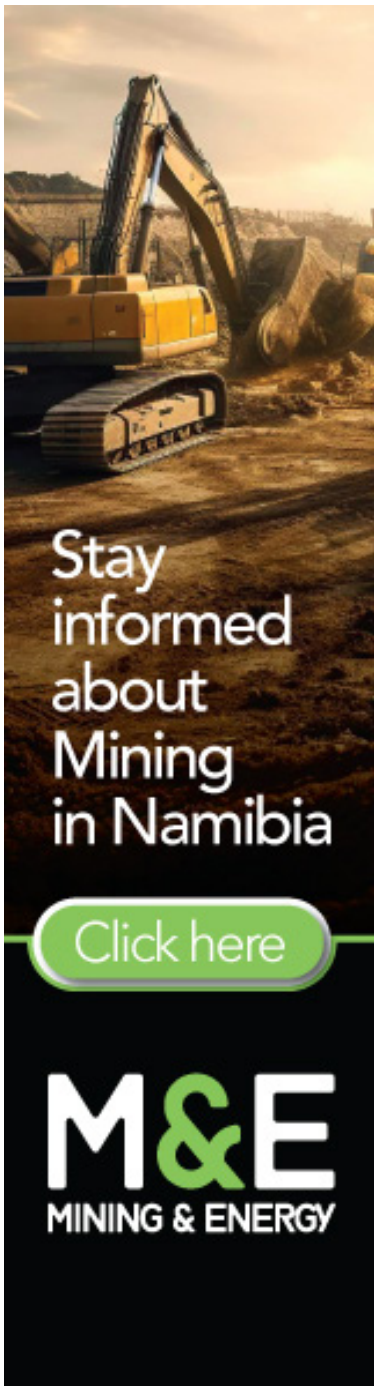
Critical One said shares in Critical Two would be distributed as a dividend to eligible Critical One shareholders on a pro rata basis, with the record date and final distribution terms to be announced once the transaction structure has



been completed.

"The Company intends to transfer the Kenora Property and its uranium and copper interests in Namibia to a new company, proposed

to be named 'Critical Two Energy Inc.' and to distribute the shares of Critical Two by way of dividend to Critical One shareholders of record on a record date to be



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determined,” the company said.

“Critical Two is expected to seek a separate stock exchange listing.”

Critical One said the restructuring is intended to provide the Kenora and Namibian assets with a separate development path while allowing the company to concentrate on its flagship Howells Lake Antimony-Gold Project.

Executive Chairman and CEO Duane Parnham said the company believes the Namibian and Canadian uranium assets have significant development potential that could be pursued independently through Critical Two.

“At the same time, we believe Kenora and Namibia also have great potential, and we want our shareholders to see that potential developed to its utmost value,” Parnham said.

“Critical Two gives those uranium assets their own path forward as a critical metals venture, without taking anything away from what we are doing at the Howells Lake Project.”

Critical One said shareholders are not required to take any action at this stage.

The proposed transaction

remains subject to board, regulatory, stock exchange and shareholder approvals, while the final asset package, capitalisation and management structure of Critical Two are still to be determined.

The company also cautioned that there is no guarantee the proposed transaction will be completed and said the tax implications of distributing Critical Two shares have not yet been established.

As part of preparations for the spin-out, Critical One has appointed Micon International Limited to undertake an independent technical review of its 100%-owned Kenora Uranium Property in northwestern Ontario.

The review will include an audit of exploration work undertaken during the property’s previous option period.

Critical One regained full ownership of Kenora after American Atomics Inc. terminated its option on the property effective 3 May 2026.

The company said its funded 2026-2027 exploration programme at the Howells Lake Antimony-Gold Project will continue unaffected by the proposed restructuring.

Mining

Andrada expands Lithium Ridge potential with new mineralised zones

Andrada Mining has identified additional lithium-bearing pegmatites outside the main mineralised trend at its Lithium Ridge project in Namibia, potentially expanding the project's exploration footprint as drilling continues.

The company said its fifth batch of drilling results confirmed significant lithium mineralisation in newly identified pegmatites intersected by drill holes LRD064, LRD066 and LRD072.

The results come alongside further high-grade intersections within the project, including 34.90 metres grading 1.02% lithium oxide (Li_2O) from 184.42 metres in hole LRD045. The intersection included 6.22 metres grading 1.67% Li_2O .

Another hole, LRD060, returned 10.66 metres at 1.13% Li_2O from a depth of just 0.9 metres, including 4.79 metres grading 2.04% Li_2O . Andrada Chief Executive Officer Anthony Viljoen said the latest results



indicate that the company is yet to establish the full extent of mineralisation across the Lithium Ridge licence.

"This fifth batch of results demonstrates the presence of high-grade intersections confirming that we are still uncovering the full potential of the Lithium Ridge licence," Viljoen said.

He said multiple

pegmatites returned intersections exceeding 1.5% Li_2O , while the discovery of mineralisation beyond the main trend points to further exploration potential.

"These results also confirm that newly identified pegmatites beyond the main mineralised trend at Lithium Ridge also contain substantial lithium mineralisation," Viljoen said.

Andrada said drilling has now confirmed lithium mineralisation from near surface to depths of up to 275 metres. The company also reported tin and tantalum mineralisation within the pegmatites, potentially providing additional commodities alongside lithium if the project advances towards development.

Lithium Ridge is being advanced under a strategic earn-in partnership with SQM International, with further exploration and metallurgical test work planned to assess the project's economic potential.

Mining

Serval hits 37.8% copper at Namibia's Kaoko Basin project

Serval Resources has reported copper grades of up to 37.8% from surface sampling at its Kaoko Basin project in north-western Namibia, as the company moves towards its maiden drilling programme later this year.

The company said the highest-grade sample returned 37.8% copper and 573 grams per tonne of silver, equivalent to 45.49% copper equivalent, following sampling across six prospects on its EPL 7081 licence.

A total of 114 surface grab samples were collected during geological mapping, of which 68 were submitted to ALS Laboratories for analysis. Several samples returned grades above 10% copper equivalent, while copper mineralisation was identified across a strike length of about five kilometres.

Serval Chief Executive Officer Robin Birchall said the



results point to the potential for a broader mineralised system rather than an isolated occurrence.

"This is an excellent set of results from our first systematic sampling campaign," Birchall said.

"It is encouraging that the samples have returned grades of this quality across multiple prospects and over a significant strike length, showing us signs of a large fertile mineralised system, rather than an isolated occurrence."

The exploration programme also identified a new copper prospect, Okamborombonga, increasing the number of confirmed copper prospects across Serval's Kaoko Basin portfolio to 13.

Serval said the laboratory

results validate earlier portable X-ray fluorescence readings and indicate several styles of copper mineralisation across different geological horizons.

The company plans to use the results to rank and prioritise targets for follow-up exploration and its maiden diamond drilling programme, scheduled to begin in the fourth quarter of 2026.

"These results give us the data needed to establish where best to focus our follow-up work and will directly inform target selection for our maiden drilling programme," Birchall said.

Serval holds four exploration licences covering a combined 789 square kilometres in Namibia's Kaoko Basin.



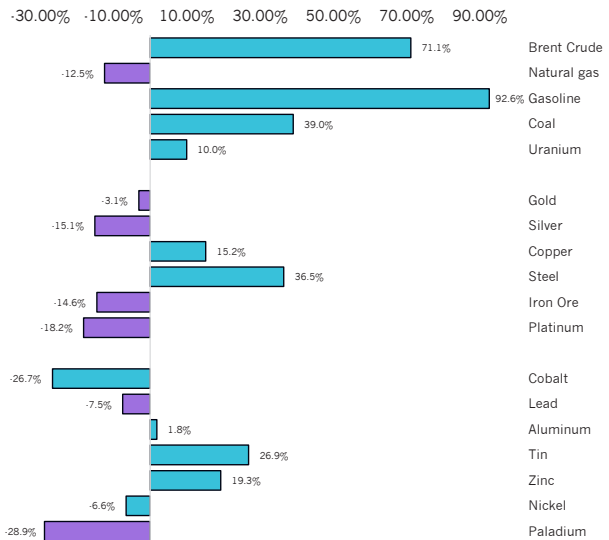
Commodities

Price Movements

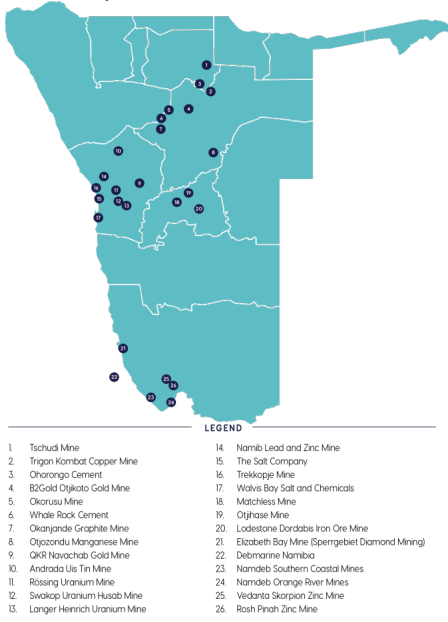
Commodity	Last Price (USD)	Change	
		Weekly	Monthly
ENERGY			
Brent Crude	104.94/bbl	1.7%	2.9%
Natural Gas	2.9/MMBtu	8.7%	14.3%
Gasoline	347.54/gal	-3.5%	2.3%
Coal	144.65/t	0.1%	1.3%
Uranium	90.1/lbs	0.0%	-0.1%
Gold	4361.46/t oz	0.2%	-4.9%
Silver	66.4/t oz	-0.3%	-9.7%
Copper	658.3/lbs	2.5%	-2.7%
Steel	1237/t	0.1%	3.4%
Iron Ore	97.42/t	-1.2%	-8.3%
Platinum	1800.29/t oz	-2.5%	-11.4%
Cobalt	39350/t	0.3%	-10.3%
Lead	1910/t	0.2%	-2.9%
Aluminium	3301.5/t	-2.3%	-8.7%
Tin	53186/t	-5.3%	-6.2%
Zinc	3881.5/t	-0.1%	-7.5%
Nickel	16290/t	-0.5%	-7.8%
Palladium	1306.84/t oz	-2.8%	-15.1%

Source: Bloomberg
*as of 16:30 09 October '26

Year to Date Price Changes



Map of Mines in Namibia



Source: Chamber of Mines of Namibia

Copper demand by end use, Current Policies scenario (kt)

