

RÖSSING URANIUM
MINE EXPANSION PROJECT

Minutes of a meeting held in Swakopmund on 14 November 2007 between Martha Swart, Manager, Jobs Unlimited, Swakopmund, and Marie Hoadley.

- MH Introduced the Mine Expansion Project and the purpose of the meeting, which was to establish the current state of skills available in the area and the amount of recruiting that was taking place. When did you open your offices in Swakopmund.
- MS Opened 1 July 2007.
- MH Why did you decide to open an office in Swakopmund? Was it in response to the needs of the growing mining sector?
- MS No - we identified a gap in the placement market in Swakopmund, and decided to open here.
- MH How much call has there been for your services?
- MS At the moment we have 1400 CVs that have been submitted to us on our database.
- MH What are the skills levels of the applicants?
- MS A significant number of them are unskilled or have never worked. These come mainly from the informal settlement.
- MH Are any of the mining companies using you for recruiting?
- MS At the moment only UraMin, who will start recruiting soon.
- MH Do you have instructions to prioritise Arandis and Spitzkoppe for recruitment?
- MS Yes. We will set up an office in Arandis, and will make some arrangement at Spitzkoppe.
- MH Can you give me some idea of the skills you have on your database? Particularly those that would be relevant to the minerals sector.
- MS
- | | | |
|--|---|-----|
| Unskilled/no work experience | - | 200 |
| Qualified Artisan | - | 150 |
| Professional skills suited to the mining industry, eg geologists | - | 45 |
| Computer skills | - | 50 |
| Human Resources and Industrial Relations | - | 35 |
| Transport and freight managers | - | 25 |
| Administrative, clerical, accounting, senior and junior | - | 250 |
| Non-technical - eg nursing, health and safety | - | 20 |
- MH How many CVs are received from local people?
- MS A number of the above job applications were received from outside the region, and some, particularly the more highly skilled, were made by expatriates. Highly skilled expatriates are applying, particularly from Zimbabwe. We receive many CVs from other parts of the country as well.
- MH Are expatriates aware of the problems with work visas?

MS Yes, we tell them about these, but they still apply.

MH Do you think it will be difficult for mining companies and contractors to source their labour locally?

MS I feel that we would be able to recruit locally, providing that companies are willing to put some effort into training.

END MEETING

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Minutes of a meeting held in Usakos on 13 November 2007 between Joseph Jantze, Usakos Town Council CEO and Marie Hoadley.

MH Explained the purpose of the meeting. In view of all the mining activity going on in close proximity to Usakos, and the RU MEP, it is necessary to get some information on the town, which is affected by all the mining operations, and to find out what their concerns are.

What is the current population of Usakos?

JJ About 6700

MH Economic activities?

JJ The biggest employer is the state – education, health. We have some commercial enterprises, and some small-scale miners. Most of the ones selling at the crossroads are from Usakos. Their parents still stay in Usakos, and they come home now and then. We also have a group in a shopping centre, they are mostly in the service industry.

MH What social problems do you experience in the town, and health problems?

JJ We have a high level of alcohol abuse, usually the result of poverty. Unemployment is high. Most of the people are farmers and with the drought they don't make a living. They farm in the traditional areas. Crime is not too high, now and then there are incidents of violence. This may be due to the fact that most of the youngsters are working at the crossroads, or for Rössing and Navachab. The ones that work for Rössing stay in Swakopmund. This means that their income goes into the Swakopmund economy – it does not come back to Usakos.

MH How many people from Usakos work for Rössing?

JJ I can't give you exact figures, but I will send them to you.

MH Have you been approached by any mining companies with regard to housing of workers?

JJ Two consultants from Valencia came and we lobbied for them to use Usakos. They have not committed themselves.

MH Do you have housing for anyone coming in, or can you supply serviced land easily?

JJ We have about 1265 houses in the town. For immediate occupation, we have about 50. We are busy identifying bad debtors, and we will evict those and sell the houses. The town planning scheme has been finalized and we identified 76 stands for development. It will take between 6 and 12 months to develop these. We have reserved 52 stands for Build Together. These are serviced stands for the low income sector, usually local residents. People who earn more than N\$ 40 000 are not eligible for these houses. Payment for services is good because it is done by debt collectors. We have eight boreholes, of which five are currently used. They provide 50% of the town's water requirements, the rest we get from Namwater.

MH What about health facilities? Can they cope with a bigger population?

JJ The hospital in Usakos is a district hospital. It has 63 beds and 142 personnel.

This includes everyone – cleaners, administrative staff and professionals. There is a problem with the lack of an ambulance. The hospital uses the Council one. As the hospital caters for a very large surrounding area, the main concern is transport. If people are ill, or involved in an accident, you can't transport them in a bakkie. We are hoping, that with the mines coming, the Roman Catholic hospital will be opened again as a private hospital. That was a good hospital, and it still has the equipment in it.

MH What is the position with regard to schooling?

JJ Schooling is adequate. In one school, the secondary school, students have been sent to other schools in the region because of renovations. We are hoping that the arrival of the mines will speed things up. There are four schools, and we have enough teachers. The teachers are well-qualified, as the government has introduced a programme for upgrading of teachers, and they have to do it within a certain period of time.

MH Is HIV/AIDS prevalence significant in the town?

JJ Usakos is the centre of the district AIDS committee. You would have to get the statistics from regional health.

MH Do you have AIDS orphans. How many, and where do they live

JJ Yes, we do, but I am not sure of the numbers. They live in foster homes.

MH And TB?

JJ Yes, we do have TB, but I am uncertain of the statistics. The problem is that many people who have TB think they have AIDS, so they are scared to go for testing. They die unnecessarily of TB as a result.

MH What is the unemployment rate like in Usakos?

JJ I'm not sure of the figures, but it is high.

MH Do you have informal settlements?

JJ Yes, we have two, with a total of about 130 people. They come to Usakos because it is the main centre of the district, and they think there is a possibility of getting jobs here.

MH What is the unemployment rate like in the young people?

JJ We have quite a number that are unemployed. This does cause problems of alcohol abuse.

MH Do you have problems with illegal shebeens and very young children gaining access to alcohol?

JJ Yes, we do, and it is very difficult to control.

END MEETING

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Minutes of a meeting held in Arandis on 13 November 2007 between Petra Ondingo, Rössing Foundation and Marie Hoadley.

- MH Explained the purpose of the meeting. The Rössing MEP needed to look at the regional context, particularly in proximity to RU. The meeting was to get some information on developments in the small-scale mining sector. Further information was also required on the development of SMEs in Arandis.
- PO A small-scale mining forum was formed a while ago. How is this progressing?
Not perfectly due to the fact that not all stakeholders are committed, but some changes are coming. The SSM sector now has direct links with MME, so, for example, there is a meeting on Friday at which they will have an opportunity to talk to the Minister. In the past there was nothing like capacity building, but there are programmes now. The Forum has also provided leadership training. Because of the Forum an Association for SSM has been established to hand over to SSM. The Association has a board of seven members, the constitution is in the process of registration and various co-operatives have become members.
- MH Who are the partners in these development activities?
PO Rössing Foundation, Geological Survey of Namibia, the Federal Institute for Geosciences and Natural Resources, Navachab, MME, Erongo Regional Council, Rural Water Supply, Municipality of Usakos, Municipality of Karibib, Uis Village Council and the Traditional Authority .
- MH What are the objectives of the Forum?
PO These people got together to provide advice and guidance and assistance to the SSMs as to how they can get themselves organised as legal entities.
- MH What progress has been made with achieving these objectives?
PO Some groups has been registered as co-operatives with the Division of Cooperative. Practical results GSN, BGR & the Rössing Foundation conducted two introductory course on cutting and polishing. They need capital to take this forward, as the equipment is expensive.
- MH What is happening about the market at the crossroads?
PO This has been difficult. At the moment we need stones from Spitzkoppe mountain, but we can't find trucks, to collect them. We have started building and maybe we can expect the first phase to be complete by February 2008. This will be an office and eight stalls and a toilet.
- MH How many small-scale miners are licensed?
PO We have five registered co-operatives, all together approximately 700 people.
- MH Is there any indication of how many actually operate?
PO The association went around and took a census of approximately 2300.
- MH Do any of them earn a decent living?
PO No. It is really subsistence work.
- MH Is woman and child labour used?
PO Women are plentiful in the sector and it is very hard work for them. It is very rare to find children doing hard labour. In the rural areas, lots of children are not going to school. Especially in January, when the tourists have left, things are so bad that they can't afford to pay for children to go to school. It is not allowed, but in the more rural areas, children who can't pay school fees are often turned away.
- MH In the vicinity of RU, let's say from Swakopmund to the Erongo Mountains and from the Kuiseb River to the WCRA, where are the main areas in which they operate.
PO The Erongo mountains. Most of the small-scale miners are found around Klein Spitzkoppe, not so much at Groot Spitzkoppe.

- MH What about the living conditions for the community at the crossroads? Have they improved at all?
- PO No. Uramin has made tentative offers to do something about water. Basil Read donated a tank to hold ten thousand litres. The community collected money from each household and bought water from a nearby farmer. They usually could only fill it half-way, but last week they managed to fill it completely. The stand on which the tank was placed collapsed, and they lost all the water. They can get water from Usakos cheaply - 10000 litres for N\$ 100, but to hire a tanker from Namwater to take the water there costs N\$ 1500.00.
- MH There seems to have been a change in the business support programmes being taken by people? Is this the result of a change in demand or in the programmes offered by the RF?
- PO We have adopted a different approach. SME Compete has been contracted by the Rössing Foundation and is doing mentoring on demand. During the mentoring sessions they identify weaknesses, and they watch these. They are responding to identified needs. People come and ask to be mentored.
- MH Have there been any tangible results from the new directions?
- PO Yes, quality is improving. There is a woman making African traditional wear for a very elite market. She doesn't sell on the street, goes to exhibitions has exclusive clients, such as the wives of ministers. She has three employees, but I think she wants to remain small. Then Daniel has got a contract from Pupkewitz to manufacture security doors and fishing rod holders for them. He employs four people now, and will probably expand. ABA has been disbanded and we now have in their place a branch of the NCCI. There is also the Arandis Butchery - you can see it advertised as you come into the town.
- MH Just quickly to look at the general picture in the town. How is the Junior Town Council progressing?
- PO Not really well.
- MH Do you still have child-headed households?
- PO Yes
- MH What is the function and role of the RF office in Swakopmund?
- PO The Conservancy office is there, and the education team is working in the Swakopmund schools. The library there is very well used.
- MH Do you feel that there have been changes in the town.
- PO A number of new people have come in and bought houses and started SMEs. The Standard Bank has opened an ATM which is well patronized - they run out of money often. But now you have to lock your doors. We didn't have to do that before. We are also worried about the houses, their condition, and the sewerage.

END MEETING

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Minutes of a meeting held in Swakopmund on 14 November 2007 between Ebenhard Kandanga, Rössing Uranium, and Marie Hoadley.

- MH Introduced the purpose of the meeting – to gain information about the current Rössing workforce, their view of the expansion, their needs and fears.
- MH What is the size of the current workforce?
- EK 1098
- MH How many of them are unionized?
- EK About 60%
- MH How do you deal with contractor workers? Are they part of the same bargaining procedures within Rössing?
- EK We have many contractors on site, all governed by the same labour act as permanent employees, but they do not form part of our bargaining procedure. The new Labour Bill demands that contract labour must be treated as full equivalent. In terms of conditions of employment, such as pension fund we (Rössing Uranium Limited) can't influence that. Rössing gave commitment to the Minister of Labour that they will phase out Labour hire. One example of an intervention that Rössing made is with regard Labour hire companies - last year we made a commitment that labour hire would be phased out. Currently when we recruit, we give preference to our own employees first, then we advertise externally, giving preference to contractors, labour hire and the general Namibian population. Although contractors and labour hire can apply along external applicants they get preference with final selection. Job entry requirements are reduced for internal appointments as well as for on site qualifying contractors and labour hire. Relevant experience is taken into account when reducing scholastic entry requirements.
- MH What are industrial relations at Rössing like?
- EK Very healthy. We resolve our issues in house, of course there are differences, but we sort those out between ourselves. It is very seldom that we go to arbitration stage.
- MH Have you had any feedback on the feelings of the workforce about the expansion?
- EK Not formally. As far as I could gather, the only problem is about communication. People know the company is expanding, LOME approval was communicated well, and people see things happening. However, what they feel is lacking is communication in terms of strategy going forward.
- MH Where does the majority of the workforce come from?
- EK We don't really record the workforce in terms of their place of origin, but given the population demographics, the majority could be from the northern regions. I think we can safely assume that a large percentage of them come from there.
- ME What kinds of training programmes are in place?
- EK We have just established a training department, but the training programmes they are going to offer are not in place yet. We have a lot of training

opportunities outside the mine – NIMT, bursary schemes, ad hoc training programmes, and so forth.

MH Do you have training programmes for acquiring skills other than those needed in the mining industry?

EK No, but people can get soft loans if they want to study for those.

MH How does the workforce feel about the Mine Expansion Project?

EK They welcomed it. It gave people security. They have started buying property in Swakopmund and have moved out of Rössing houses. Many more workers now have cars. Because of the increased equipment needed on the mine, the numbers of employees have increased, especially with regard to female operators. Then also, we are getting people coming to work for Rössing who were at managerial level with major employers elsewhere.

END MEETING

RÖSSING URANIUM MINE EXPANSION PROJECT

Minutes of a meeting held in Swakopmund on 13 November 2007 between Marcus Swartz and Marie Hoadley.

MH Explained the purpose of the meeting. The residents of the Swakop Valley are a key stakeholder of RU, and more information is needed on them to do their concerns justice in the engagement process.

MS There are approximately 120 small holdings.

MH How many people are living in the Valley?

I am not sure of the exact occupancy figure, but can let you have these figures. All the land is zoned as small holdings. The original subdivision was into plots of 100 hectares. These can be subdivided, but not to less than 10 hectares. We want to retain the character of the area, we do not want cluster development there. Rossmund estate has been zoned for normal residential stands.

MH How many of the residents use the area as a dormitory suburb?

Many people commute to Swakopmund to work but it also works the other way round. There is a garage in the valley, some lodges and a camping site. There is also horse riding and a camel farm.

MH How many are engaged in small scale agriculture?

All the stands are zoned for agriculture. Next to the river bed people get water from Namwater, but they are restricted to five cubic metres a day. The golf club tested the underground water, but it is not fit for irrigating the golf course.

MH What crops are grown, and where are the markets?

Asparagus, is grown, not too many vegetables. There is some pig farming, some catch fish and sell it in the valley. The market is mainly local – it is not a very high-activity area for fresh produce. At the last subdivision and auction it was clear that people go there to live for the peaceful nature of the place. Property sells very quickly.

MH Are there any social concerns – health, schooling and crime?

MS No. Swakopmund is used for schooling and health, and the crime rate is low.

MH Do the activities of the sand miners impact at all on the activities of the residents?

MS No, they have a controlled area within which they can operate, as well as specific hours of operation. They have to have a permit. Big rains sort out the environmental degradation, as it washes the sand back into place.

MH Do you have problems with informal settlers in the riverbed?

MS Not anymore. There was a problem about five years ago, but it was settled consultatively.

MH What is the position with property available for sale or development in Swakopmund?

MS There is a shortage of office space, and the rental charges are high because of this. We are trying to ensure that property prices stay controlled, and one of the ways we are doing this is through auctions. We have brought in a policy of first-time home ownership, to make it as cheap as possible for those in middle income levels to afford to acquire a home.

MH I have rather an old report which indicates quite a significant division in Swakopmund based on race, socio-economic conditions and historical settlement patterns. Is the town better integrated now, or do such definite divisions still exist?

MS Rössing provided good benefits, sufficient for people to move from Mondesa to Tamariskia and from Tamariskia to Vineta. More people can stay in quiet and more affluent suburbs, and the division is not as severe as it used to be. The PDA has been developed to create the possibility of a better way of life for people who do not want to stay in the DRC, where the lifestyle is not great. There are people who want a better life for their children. There are no people living in the PDA yet, but we are looking at a different way of supplying electricity. For instance, we could consider solar power.

How many registered businesses are there in Swakopmund?

Registered businesses approximately 1500, excluding home-based, and they are in the vicinity of about 100.

END MEETING

DRAFT

Notes from Stakeholder Meeting with Farmers (6 December 2007)

Present:

Mr Hans Kriess – Farm owner Wolfskuppe
Mr Jochen Kriess – Farm owner Wolfskuppe
Mr Hartmut Fahrbach – Farm owner Haigamkab
Mr Erich Meyer – Farm owner Namibplaas
Mr John Hassal – Noise and Vibration Specialist
Mr Erwin Smith – Noise and Vibration Specialist
Mr Rainer Schneeweiss – RUL Superintendent
Mrs Svenja Garrard – Rio Tinto Environmental Consultant

The purpose of the meeting was to understand the concerns of the farm owners in particular with respect to noise and vibration associated with mining and blasting operations at Rössing mine. After discussion the issue of dust generation was added to the agenda. The current expansion plans for Rössing and associated environmental approval process were outlined by Mr Schneeweiss.

Each farmer presented his particular concerns, namely:

- Mr Meyer – generally noise was not of particular concern. However, vibration was a major concern given that windows shuddered during blasting and overall the feeling was very disturbing. He had noted that cracks within his buildings reported earlier had widened to 4 to 6 mm. He noted that in the early part of the 2007, the blasting had become very aggressive and more numerous. This had improved recently as blasting seemed to have decreased in the last few months. Mr Meyer also noted that dust has an effect on Mr Gossow's farm and rockfalls occurred on Mr Horn's farm.
- Mr Kriess – he noted that generally when there was a blast, some of his corrugated roof sheets rattled out of position. He noted that the sound of the blast was like a diesel locomotive – the sound came in waves. He had major concerns with respect to dust during N and NW wind conditions. He was concerned about dust settling on plants and having a long term effect. He wanted an understanding of the extent of the dust cloud, especially after a blast and noted that dust extended to heights requiring airplanes to go to 3000 ft. Could there be an affect on water provision given potential changes to underground fractures caused by blasting and mining?
- Mr Fahrbach – he stated that he was not really affected by dust or noise. He can hear trucks during northerly wind conditions.

All expressed special concern that the increased exploration activities in the area cause increased traffic off roads and that the peace which was experienced in the past is under threat. There is disturbing uncertainty about the potential impacts from the new activities. This includes the concerns raised above but also those related to increased use of water and power in the Erongo Region. Some feel that tourism is already affected because tourists are afraid of potential radiation hazards in the area.

John Hassal explained the noise and vibration work currently being undertaken at RUL and gave a short overview of the mechanism of overblast and its perceived vibration effects on humans and structures.

Erich Meyer stated that on behalf of the farmers, they would like information and feedback on any major development and pioneering work, e.g. the commencement of SK4 operations. The farmers would be happy to have a permanent vibration and noise monitoring station(s) on their farm(s) and would provide a gate key, if necessary, to allow trained personnel to access the monitoring station(s) when required. Rössing agreed to inform the farmers of any major developments and thanked them for allowing the establishment of monitoring station(s) on their land.

Mr Meyer wanted to know whether the SK4 development would be similar to the current pioneering work. Mr Schneeweiss stated that this was not likely as following the initial three months of pioneering work within the SK4, the mine pit would descend lower into the valley and would no longer be in line of sight of the farms.

Mr Meyer stated that Rössing should include Mr Horn (also an adjacent Kahn River farmer) in further discussions and correspondence.

It was agreed that Mr Hassall and Mr Smith would accompany Mr Fahrbach the following day to visit his farm to undertake initial noise measurements.