

Suite 201 Bloemhof Building, 65 York Street, George, 6529 P O Box 509, George, 6530 South Africa

Tel: +27 44 874 2165 / Fax: +27 44 873 5843 E-mail: brett.lawson@shands.co.za Website: www.shands.co.za

28 August 2007 Our ref : 402239/7.1163

Chief of Planning
Directorate: Environmental Affairs
Ministry of Environment and Tourism
Private Bag 13346
Windhoek
NAMIBIA

For attention: Dr F Sikabongo

Email: freddy@dea.met.gov.na

Dear Dr Sikabongo,

SOCIAL AND ENVIRONMENTAL IMPACT ASSESSMENT FOR RÖSSING URANIUM LIMITED'S PROPOSED EXPANSION PROJECT

Thank you for meeting with us on 17 August 2007 to discuss the above-mentioned Social and Environmental Impact Assessment (SEIA). Your attention to the matter is appreciated.

We understand that previous meetings in this regard have been held with yourself, Peter Tarr of SAIEA and Rössing personnel. You indicated that your Directorate is sufficiently informed about the proposed expansion project and are comfortable with the launch of the SEIA.

As described at the meeting, the environmental process has been necessitated by Rössing's proposed expansion, comprising the following elements:

- 1. A new sulphur burning plant at the mine, and associated infrastructure that includes storage, handling and transport of dry sulphur from Walvis Bay harbour to the mine;
- 2. A new and expanded radiometric ore sorter plant and related elements (currently only a pilot sorter plant); and
- 3. New mining activity at the SK4 orebody, a smaller area within the proposed new SK pit.

The above projects are being dealt with as Phase 1 of the SEIA and will be taken through to the Environmental Impact Report stage in our assessment. There are a number of other elements of the expansion project, to be dealt with in more detail later during Phase 2, that will only be addressed as far as the Scoping stage in the present SEIA. These are:

- Open pit development of two new orebodies designated as SK and SH;
- The development of a heap leaching facility;
- The establishment on a vacuum belt filter plant within the existing plant area;

- The development of alternate processing facilities with their associated processing plant infrastructure;
- New rock waste disposal facilities in undisturbed areas; and
- New tailings disposal facilities in undisturbed areas.

We envisage submitting the Scoping Report for Phase 1 to your Directorate by the end of September 2007 and the finalized SEIA report for Phase 1 and Scoping Report for Phase 2 by the end of December 2007.

Our envisaged programme for the process is reflected below.

Activity ↓	Aug	Sept	Oct	Nov	Dec	Jan
Project inception						
Authority consultation						
Draft Scoping Report						
Public meetings for Scoping						
Finalise & submit Scoping Report						
Specialist site visit						
Specialist reports						
Draft Environmental Impact Report (EIR)						
Public meetings for EIR						
Finalise & submit EIR						

With regard to Namibia's Environmental Impact Assessment Bill, you informed us that should it be promulgated during the undertaking of our process, it would not be applied retrospectively and therefore would not be applicable to this SEIA. However, the standards and procedures applied by us would comply with global best practice, as well as Rio Tinto's own internal standards, and would thus result in a robust product of international standard.

We enclose for your information a copy of the Public Information Document that has been made available to interested and affected parties by the public participation practitioner, Marie Hoadley.

We look forward to working with you on this project. Should you wish to discuss the matter further, or require any additional information, please do not hesitate to contact us.

Yours faithfully NINHAM SHAND

Genie de Waal Technical Assistant **Brett Lawson** PrSciNat; EAPSA[Cert] Associate Environmental Practitioner

ENCL: Public Information Document