

Development of a mining giant
with Namibian Government
Shareholding and support
May 2014

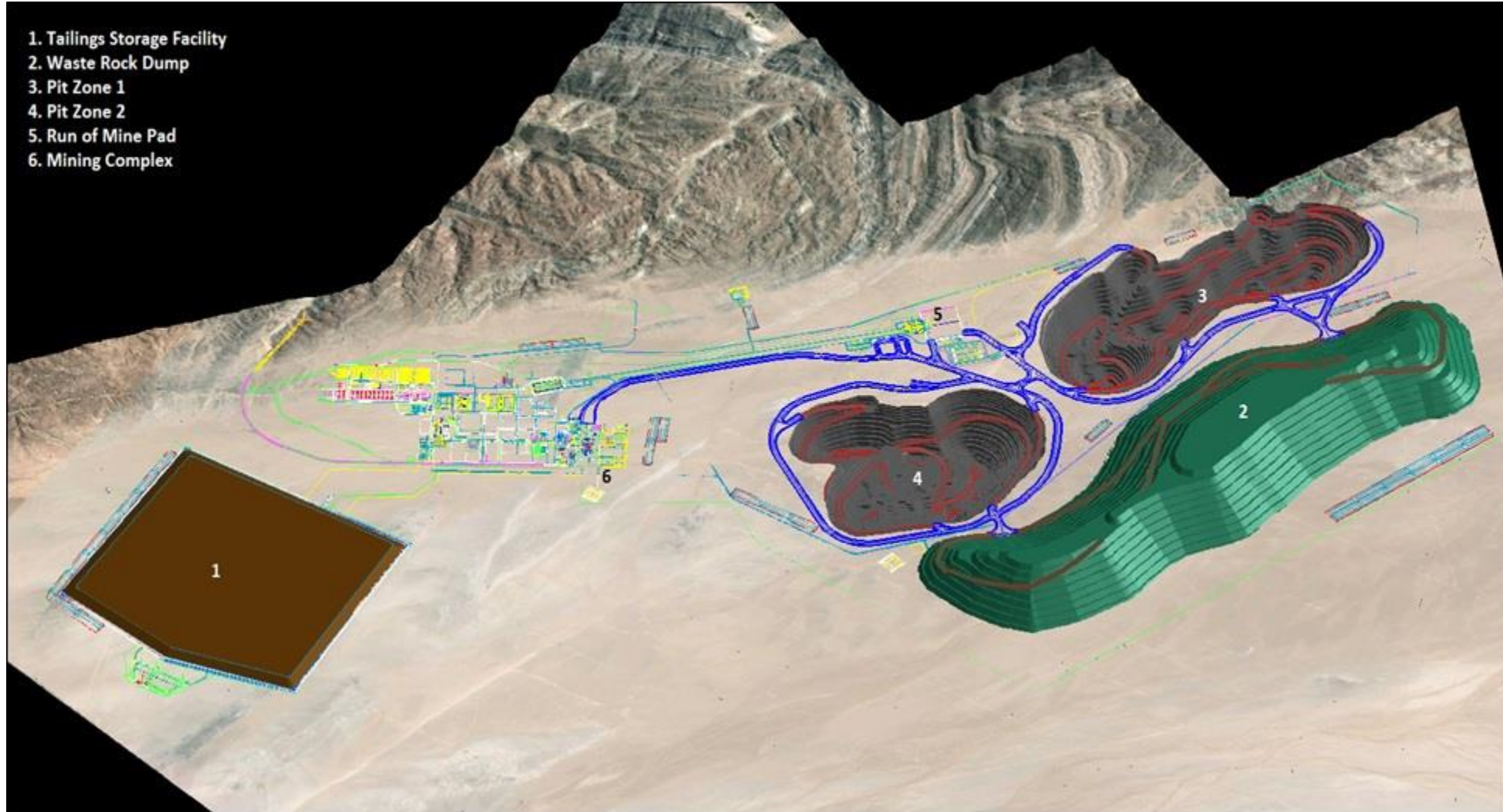


Historical milestones

- ▲ April 2006: Drilling started on Ida Dome
- ▲ April 2011: Feasibility study completed
- ▲ November 2011: Mining License ML171 was awarded
- ▲ April 2012: CGN and CAD Fund through Taurus became 100% shareholder of Swakop Uranium
- ▲ November 2012: Epangelo obtained a 10% stake in Swakop Uranium
- ▲ April 2013 : Ground breaking for construction
- ▲ July 2013: Arrival of first mining equipment on site
- ▲ November 2013 : Signing of Project Labour Agreement between MANWU , CIF and Swakop Uranium
- ▲ March 2014 : First blast took place on the Husab site commencement of pre stripping
- ▲ May 2014 : Road opening and commencement of mining



Mining Site Layout



North



Pit zone 1

Crusher

Conveyer

Pit zone 2

Process plant

Offices

Contractors
Village

Our shareholders

中广核 CGN



- ◆ 90% - Taurus minerals Limited, which is jointly owned by China General Nuclear Power group and China Africa Development Fund
 - ◆ CGN is a large clean energy group
 - ◆ Installed nuclear power generation capacity of 9,400MWe. Namibia in total is 600MWe
 - ◆ 15 new nuclear reactors under construction
 - ◆ Represents a key market for all Husab mine output, thus creating certainty
- ◆ 10% - Namibian State owned mining company Epangelo Mining Company
 - ◆ Wholly owned by the Namibian Government to ensure state participation in mining and mineral resource development



Our infrastructure/contractors village



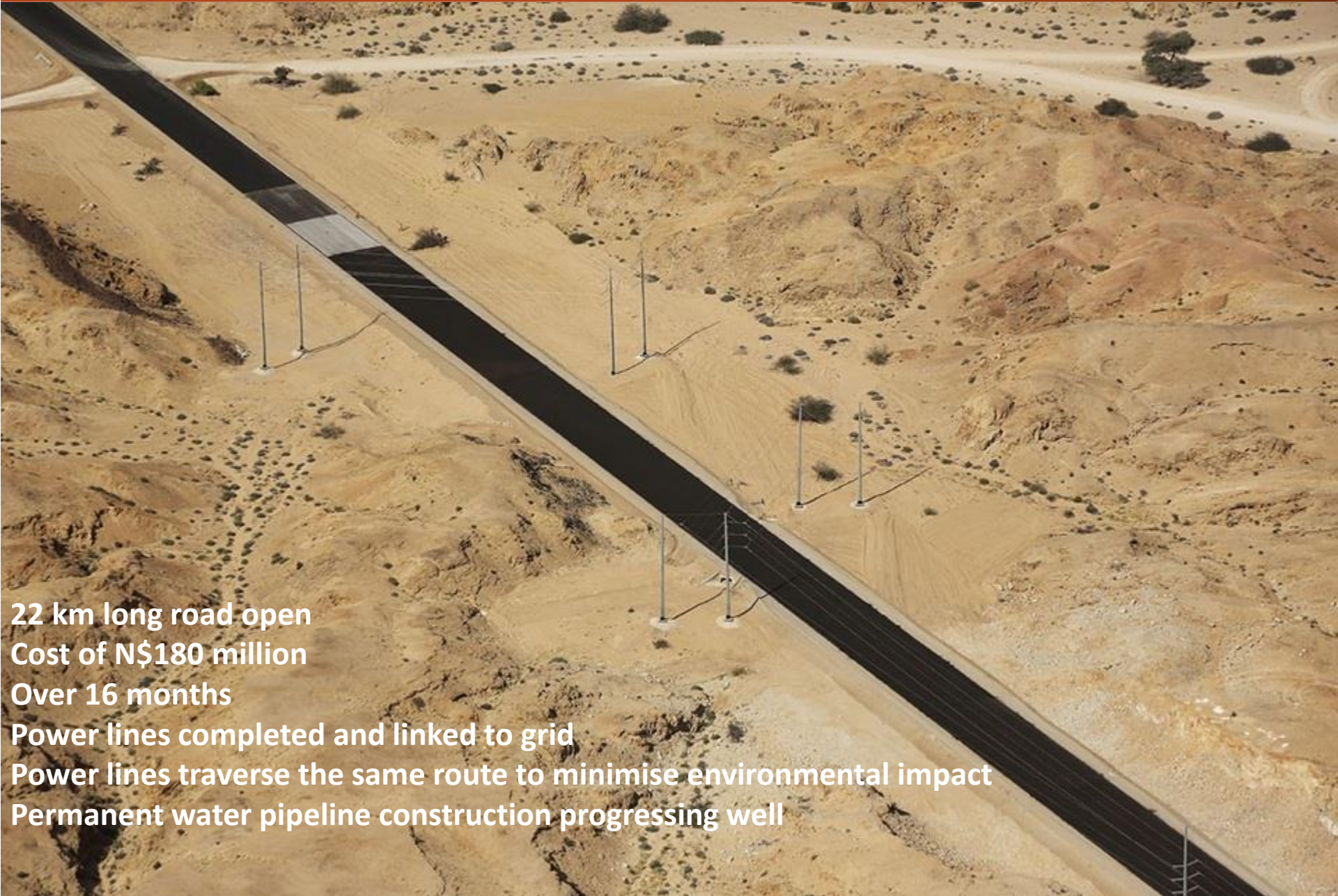
- 37 hectare-contractor village
- Investment of more than N\$410 million to construct the luxury village on site
- About 1000 people now resident on site
- Village can accommodate up to 4 000 people
- Showcase in Namibia and compares well with standards of mining companies around the world

Our village

- ◆ Provision of 3 nutritious meals per day through state of the art kitchens
- ◆ Ablutions, dining rooms, recreation areas, T/V facilities and soccer field
- ◆ On site snack shop for daily needs
- ◆ Laundry provided for overalls, bedding and personal clothing



Our infrastructure



22 km long road open

Cost of N\$180 million

Over 16 months

Power lines completed and linked to grid

Power lines traverse the same route to minimise environmental impact

Permanent water pipeline construction progressing well

Our infrastructure

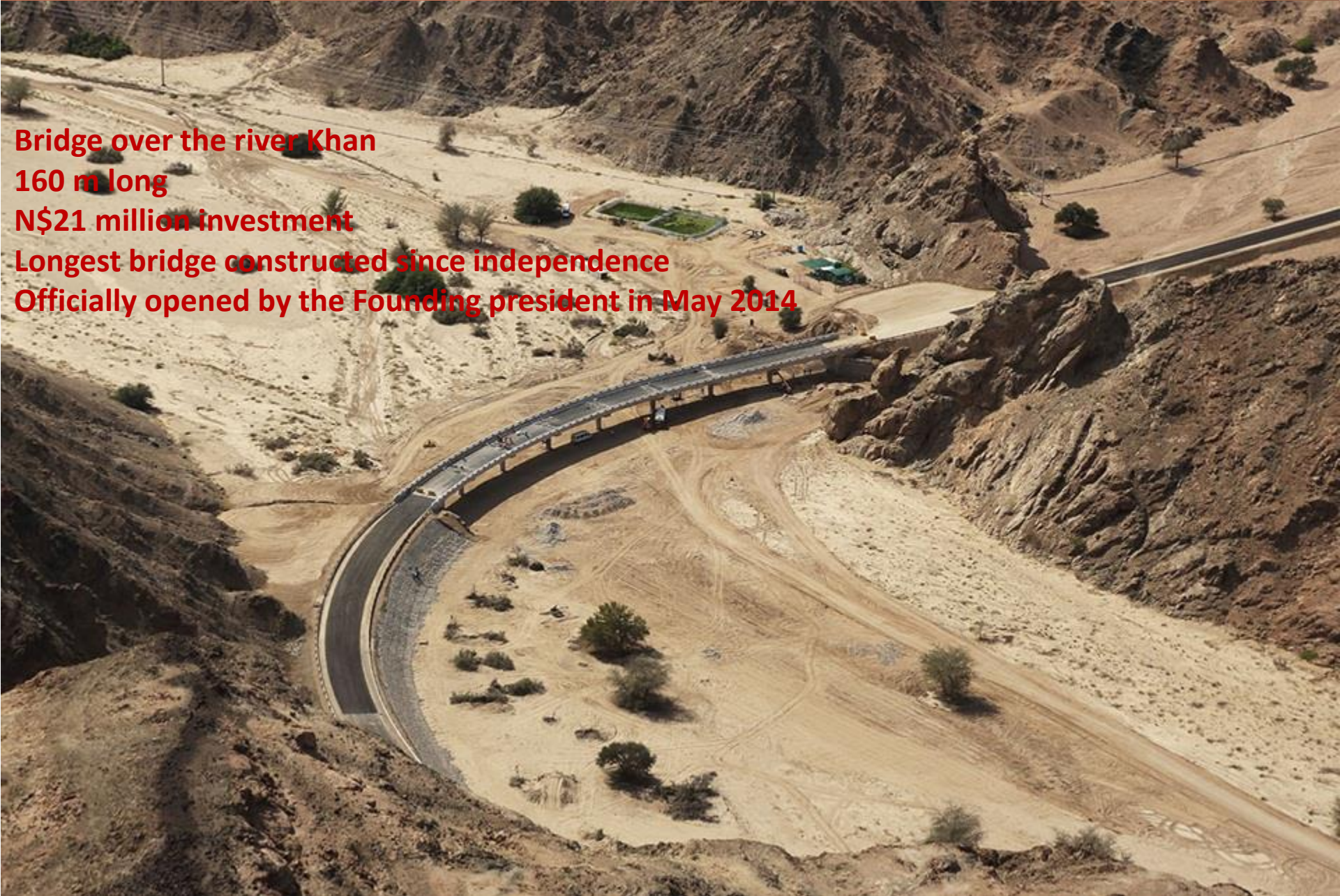
Bridge over the river Khan

160 m long

N\$21 million investment

Longest bridge constructed since independence

Officially opened by the Founding president in May 2014



Our project progress

Primary crusher



Stockpile tunnel



Ball & SAG mill



Our project progress : CCD area



Our project progress



- ◆ Main electrical sub station commissioned in March 2014
- ◆ Consists of 4 x 40 MVA transformers

- ◆ Preparation of trenches for water pipeline from Swakopmund covering 65 km
- ◆ Temporary water supply agreement signed with NamWater, Swakop Uranium and desalination Company
- ◆ About 7 million cube of water required per annum
- ◆ Use of desalinated water only to ensure no impact on coastal water supply



Husab mine in a nutshell

◆ Project

- ◆ Estimated capital/development cost N\$20-billion
- ◆ 3 000 contractor employees currently on site, 90% Namibians
- ◆ Bulk earthworks and structural civil construction. Process equipment installation to start in June
- ◆ Commissioning of processing plant in Q4 2015

◆ Production

- ◆ First blasting for mining in March 2014
- ◆ 150 million tons of rock moved per annum
- ◆ 15 million tons of ore processed per annum
- ◆ Final production of 15 Mlb uranium oxide per annum
- ◆ 20-year life of mine for zones 1 & 2



Husab's contribution to the economy

- ▲ N\$1.1 - 1.7 billion per year in corporate tax incl N\$220-million per year in royalty payments
- ▲ Employee PAYE, duties, withholding and other taxes
- ▲ Create 1 600 permanent employment opportunities
- ▲ Up to 6 000 direct temporary jobs on site during construction
- ▲ Create a further 8 000 indirect jobs in Namibia (Multiplier effect)
- ▲ Contribute an additional N\$7bn per annum to Namibian exports (2012 exports N\$50.8bn)

23 haul trucks have been ordered
11 haul trucks are ready for mining
Load capacity is a massive 327 ton



Our people



- ◆ Committed to building a competent workforce and leadership pipeline at all levels
- ◆ Ongoing recruitment for operations is focussed on a diverse Namibian workforce
- ◆ Special attention is given to female recruitment in a male dominated mining world
- ◆ On the job training, through informal and formal programmes for all operators

- ◆ Graduate programme for Namibians to obtain engineering qualifications
- ◆ On site graduate training programme to develop the skills required for a mining career
- ◆ Post graduate scheme for highly motivated and talented Namibians to obtain Masters degree in China



Massive equipment for a huge mine

Drill rig used for drilling benches during the production process



Rope shovel
109 ton load capacity



Face shovel
60 ton load capacity



Corporate social involvement

Established the Swakop Uranium Foundation to direct CSI initiatives.

To date >N\$5 million

4 pillars of Corporate Social Involvement

Education and skills development

- Graduation scheme
- Assistance in schooling infrastructure
- International Masters education in China

Employment creation and poverty alleviation

- Local procurement
- SME support and development
- Employment of Namibians

Sound environmental management

- Health and radiation
- Environment
- Air quality
- Water
- SEMP principles
- Ecological integrity

Community support

- Alleviation of human suffering



Thank you

