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The Extractor
Mapping Namibia's Mineral Resources

- N$9.7 billion blueprint for Husab's next chapter
- Rosh Pinah's biggest transformation since 1969
- Why C29 backed off from 'transformational' projects
- Teufelskuppe emerges as leading rare earth prospect

VOLUME 04 | Edition 72 MONDAY, 06 JULY 2026

Husab's next chapter

Finding more uranium, extracting more uranium and securing the infrastructure

The company's 2025 Sustainability Report outlines a strategy that combines a N$1.4 billion exploration programme, a US$300 million (about N$5.3 billion at current exchange rates) heap-leach project, and a US$170 million (about N$3 billion) desalination plant.

Klein Aub edges closer to a comeback after nearly four decades

For almost four decades, the Klein Aub Copper Mine has stood as one of Namibia's most enduring reminders of a once-thriving copper industry, its sealed underground workings, abandoned infrastructure and weathered waste-rock dumps marking the place where thousands of tonnes of copper once emerged from beneath the Rehoboth Basement Inlier before production came to an end in 1987.

A LOOK AHEAD TO 2026 IN NAMIBIA – RECONAFRICA

As our work with the communities and authorities of Namibia continues into 2026, we are pleased to share a number of successes and developments around our exploration activities under PEL 073, as well as a look to the year ahead.

KEY SUCCESSES OF 2025

In 2025, ReconAfrica progressed key priorities by drilling our second exploration well in the Damara Fold Belt. The results showed indications of oil and gas over eight separate intervals in the Kavango West 1X well. A total of 64 metres (210 feet) of the sections contained confirmed hydrocarbons, with additional promising signs deeper in the well within the limestone reservoir. These findings suggest that the Damara Fold Belt has real potential for future energy development.

Following these positive results, PEL 073 partners ReconAfrica (operator), NAMCOR, and BW Energy met with Her Excellency President Nandi-Ndaitwah to discuss the oil and gas findings and explore how the partnership could support onshore development and help strengthen Namibia's long-term energy future.

WORKING WITH COMMUNITIES IN KAVANGO EAST AND KAVANGO WEST

ReconAfrica continues to invest in and work with local communities and is proud to have an industry-leading Environmental, Social and Governance programme in Namibia.

To date, ReconAfrica has:

- Locally hired and contracted over 2,700 short and long term positions, and worked with over 550 local, regional and national service and supply companies
- Supported 10 STEAM and 7 SAN Nursing students from the Kavango East and Kavango West regions with scholarships
- Installed 36 solar-powered community water wells in remote areas
- Completed more than 2,600 community engagement sessions
- Provided N$19 million in funding for medical services, equipment, training and wellness programmes
- Provided funding for environmental and social projects in various communities

WHAT IS NEXT FOR RECONAFRICA IN NAMIBIA?

Preparations are underway for a production test of the Kavango West 1X well this year. The team is currently procuring the necessary equipment and has applied for permits required for production testing in order to evaluate the zones of interest. This will be the first production test for hydrocarbons in Namibia and could result in the first flow of hydrocarbons to surface for the Country. We expect to conclude this testing by the third quarter of 2026.

In all aspects of our operations, ReconAfrica is committed to minimal disturbance of habitat in line with international standards and implementing environmental and social best practices in our project areas.

We remain grateful to the people of Namibia for your partnership in exploring the potential for long-term energy development in the area and look forward to providing further updates throughout 2026.

Inside

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COVER STORY

Swakop Uranium's N$9.7 billion blueprint for Husab's next chapter

Swakop Uranium has unveiled an ambitious three-pillar growth strategy for the Husab Mine that will see the company invest approximately N$9.7 billion in exploration, processing capacity and water infrastructure as it positions one of the world's largest uranium mines for a longer life and higher future production.

Outlined in the company's 2025 Sustainability Report, the strategy combines a N$1.4 billion exploration programme, a US$300 million (about N$5.3 billion at current exchange rates) heap-leach project, and a US$170 million (about N$3 billion) desalination plant. Together, the three projects represent the largest coordinated investment in Husab since the mine entered production and signal that the company is looking beyond today's operations towards sustaining production for decades to come.

Rather than pursuing isolated projects, Swakop Uranium has built a strategy around three interdependent objectives: finding more uranium, extracting more uranium and securing the infrastructure needed to support future growth.

The first pillar focuses on expanding Husab's resource base through what the company describes as Namibia's largest exploration programme.

Swakop Uranium has committed N$1.4 billion over seven years to exploration activities around the existing operation. During 2025 alone, the programme includes 100,000 metres of reverse-circulation and diamond drilling to identify additional uranium mineralisation and extend the mine's operating life.

The company has already invested N$231.4 million in exploration across Mining Licence 171, Exclusive Prospecting Licence 3138 and Exclusive Prospecting Licence 3439, completing 122,820 metres of drilling over the past two years. The programme has created 182 jobs and aims to convert exploration success into future mineable resources that can sustain Husab well beyond its current production schedule.

For a mine of Husab's scale, replacing depleted reserves is essential. Without continuous exploration, production eventually declines as ore bodies are exhausted. By investing heavily in drilling today, Swakop Uranium is seeking to ensure that Husab remains one of the world's leading uranium producers for many years to come.

The second pillar centres on increasing uranium recovery through a new US$300 million heap leach project, equivalent to approximately N$5.3 billion at current exchange rates.

Heap leaching enables uranium producers to economically recover uranium from lower-grade ore or material that would otherwise remain uneconomic under conventional processing methods.

Rather than replacing the existing processing plant, the technology complements current operations by extracting additional uranium from previously mined material.

Swakop Uranium expects the project to increase annual uranium production by approximately 580 tonnes of U$_3$O$_8$ by 2028, while creating more than 100 permanent operation and maintenance

jobs. Since July 2024, approximately N$450 million has already been invested in advancing the project.

For Husab, the project represents more than a production increase. It improves the economics

of the operation by enabling the company to generate additional value from existing mineral resources while extending the mine's productive life.

The third pillar addresses water that has increasingly become one of the greatest constraints on mining expansion in Namibia's Erongo Region.

Swakop Uranium plans to invest US$170 million, or roughly N$3 billion at current exchange rates, in a new desalination plant that will supply an additional 6 million cubic metres of water every year.

According to the company, the project will create more than 1,000 construction jobs and over 100 permanent operation and maintenance jobs once operational. A joint venture company to develop the plant was established in December 2025, with construction expected to begin in July 2026, commissioning targeted for the end of 2027, and water production commencing during 2028. At the time the report was published, the appointment of two NamWater board representatives and approval of the land acquisition agreement remained outstanding.

The investment reflects the reality that future mining growth in the Erongo Region will depend as much on reliable water supplies as on the availability of mineral resources. Husab alone consumed 8.49 million cubic metres of water during 2025, illustrating why securing additional long-term supply has become a strategic priority.

The three projects reveal a company preparing for the next phase of Husab's evolution rather than simply maintaining existing operations.

The exploration programme is intended to discover additional uranium resources. The heap leach project is designed to extract more uranium from those resources. The desalination plant will provide the water needed to sustain that higher level of production.

During 2025, the mine produced 5,429 tonnes of uranium oxide, up from 5,232 tonnes in 2024, while mining approximately 114 million tonnes of material.

Collectively, they reveal something much larger: a long-term blueprint to transform Husab from one of the world's largest uranium mines into an even more resilient, longer-life operation capable of supporting Namibia's position as a global uranium powerhouse.

Rather than focusing solely on today's production, Swakop Uranium is investing across the entire mining value chain—resource growth, processing efficiency and critical infrastructure—to ensure Husab remains competitive well into the future.

NAMCOR

Can Victoria Sibeya restore calm at Namcor after two decades of turmoil?

Victoria Sibeya assumes leadership of the National Petroleum Corporation of Namibia (Namcor) at one of the most significant moments in the country's petroleum history.

She takes charge of an organisation whose reputation has repeatedly been overshadowed by controversy, raising an important question about whether she can restore stability, credibility and public confidence in Namcor.

Namcor was created to safeguard Namibia's petroleum interests, participate in petroleum exploration and production, strengthen national energy security and ensure that Namibia derived long-term value from its hydrocarbon resources.

The corporation has become the state's commercial vehicle in the upstream petroleum sector and plays a central role in positioning Namibia as one of the world's most exciting new oil frontiers.

However, its corporate history has repeatedly been interrupted by governance disputes, commercial controversies, financial losses, and leadership instability, which have

often overshadowed its strategic importance.

The first significant cracks appeared in 2005, when the government raised concerns about Namcor's fuel import arrangements with the Swiss commodities giant Glencore.

Those concerns deepened the following year when the Anti-Corruption Commission launched investigations into a N$2.4 billion fuel supply agreement involving Namibia Liquid Fuels, placing the corporation under intense public scrutiny.

By 2007, changes in fuel procurement arrangements had contributed to higher domestic fuel prices, while Sam Beukes had taken over as managing director following the death of Joe Mazeingo.

The corporation's financial position deteriorated rapidly. Delayed fuel shipments, unfavourable exchange rate movements and problematic commercial arrangements forced Namcor to dispose of imported fuel through Afroneft at substantial losses during 2008.

In October 2009, a PricewaterhouseCoopers forensic audit concluded that Namcor had lost approximately N$195 million within only nine months through the Glencore fuel arrangements.

The report also exposed a structural weakness that virtually guaranteed losses on every shipment. Namcor was importing fuel at an exchange rate of approximately N$10.80 per US dollar.

Yet, government price controls required it to sell fuel at an effective exchange rate of only N$7.89, leaving the corporation unable to recover its costs.

Those financial pressures eventually prompted Cabinet to revoke Namcor's mandate to import 50% of Namibia's fuel requirements in November 2010.

Internal investigations also resulted in the suspension of information technology executive Bonifatius Konjore over fuel delivery discrepancies, while the Cabinet later accused Glencore of negotiating in bad faith.

Disciplinary proceedings against Beukes commenced in May 2011 and culminated in his dismissal six months later following audit findings and recommendations by the Namcor board.

The disputes continued into 2012 as Glencore pursued debts against Namcor while the Supreme Court reviewed Cabinet's decision to withdraw the corporation's fuel import mandate.

The appointment of Obeth Kandjoze as managing director in November 2012 brought a period of relative stability as the corporation sought to rebuild confidence and strengthen its upstream petroleum activities. Offshore exploration in Namibia was gaining momentum, and Namcor was increasingly positioning itself as the state's commercial partner in petroleum development. Even so, concerns persisted over the corporation's growing commercial exposure and increasingly complex business partnerships.

A new chapter opened in August 2015 when long-serving Petroleum Commissioner Immanuel Mulunga was appointed managing director.

His tenure coincided with the most significant period in Namibia's petroleum history. Between 2022 and 2025, discoveries by TotalEnergies, Shell, Galp Energia, Rhino Resources and other international operators transformed Namibia into one of the world's most sought-after exploration destinations.

Namcor became a central participant in many of those licences, giving the corporation unprecedented international prominence.

During the same period, it assumed control of

the National Oil Storage Facility and expanded its commercial ambitions beyond traditional upstream activities by entering fuel trading and making regional investments.

Ironically, as Namibia's offshore petroleum fortunes improved, governance challenges within the national oil company became increasingly visible.

In December 2017, Namcor appointed Deloitte to conduct a forensic investigation into procurement and governance matters.

Questions later emerged over whether the appointment itself had been properly authorised, culminating in a dispute over an N$1.7 million payment after the Ministry of Finance concluded that the engagement had not received the necessary approvals.

The corporation was also caught in one of Namibia's most significant cyber-enabled payment frauds. In late 2019, Namcor attempted to pay Malaysian supplier Hyrax Oil for lubricants, but fraudsters intercepted correspondence and substituted fraudulent banking details.

Approximately N$2.2 million was transferred into an Estonian bank account instead of Hyrax's legitimate account. Because the supplier had not received payment, Namcor was forced to pay the invoice a second time, exposing the corporation to a potential loss of N$4.4 million before any recovery could be achieved.

Rather than reducing its commercial exposure after those setbacks, Namcor continued expanding its business activities.

In August 2019, it entered into a N$3.2 billion fuel supply agreement with Swakop Uranium while simultaneously pursuing investments outside Namibia.

The corporation also became involved in financing arrangements, strategic partnerships and regional petroleum opportunities that significantly increased both its commercial profile and its exposure to governance risks.

By 2022, public attention had shifted to Namcor's investment in Angola.

The board opened investigations into a controversial N$100 million deposit linked to the transaction, while questions surrounding governance, approvals and due diligence steadily intensified.

On 4 April 2023, Mulunga was suspended pending investigations into the Angola investment and broader governance concerns.

Although the Anti-Corruption Commission announced in July 2023 that it had found no criminal wrongdoing by Mulunga in relation to the Angola transaction, internal disciplinary proceedings continued, and he remained out of office.

The suspension marked the beginning of one of the most turbulent periods in Namcor's history. Former finance minister Iipumbu Shiimi approved payment of N$375 000 for board meetings that had not been formally authorised but had discussed the controversial Angola investment. Namcor also agreed to pay the departing finance executive, Jennifer Hamukwaya, N$1.6 million as part of an out-

of-court settlement.

Investigations followed into a N$60 million military fuel transaction involving Enercon, allegations that N$53 million had been fraudulently paid for government fuel storage tanks, and continuing questions surrounding an estimated N$8 billion Angola oil transaction.

The controversies steadily eroded public confidence in the corporation even as offshore exploration accelerated.

After more than a year of disciplinary proceedings and investigations, Mulunga was formally dismissed in August 2024.

The leadership uncertainty that followed further undermined institutional stability. Since his suspension in April 2023, Namcor has been led by six different executives. Shiwana Ndeunyema first assumed the role as acting managing director before Bank of Namibia deputy governor Ebson Uanguta was appointed interim managing director in January 2024.

Sibeya then became acting managing director on 28 March 2025 before returning to her substantive role, after which the former deputy finance minister, Maureen Hinda-Mbuende, was appointed interim managing director.

Mtundeni Ndafyaalako succeeded her in March 2026, before Sibeya was finally appointed substantive managing director on 1 July 2026.

That revolving door in the executive office occurred precisely as Namibia's petroleum industry entered its defining phase.

International oil companies committed billions of dollars to offshore exploration, appraisal drilling intensified, development plans for major discoveries began to take shape, and expectations of first oil moved closer to reality.

Yet while global investors increasingly viewed Namibia as one of the world's most attractive petroleum jurisdictions, the country's own national oil company remained preoccupied with governance disputes, executive turnover and financial investigations.

Sibeya arrives with a markedly different background from that of many of her predecessors.

Having joined Namcor in 2006, she spent almost two decades rising through the technical ranks before becoming Executive for Upstream Exploration. She played an important role in managing Namibia's offshore petroleum portfolio.

She worked closely with international operators as the Orange Basin emerged as one of the world's most prospective hydrocarbon provinces.

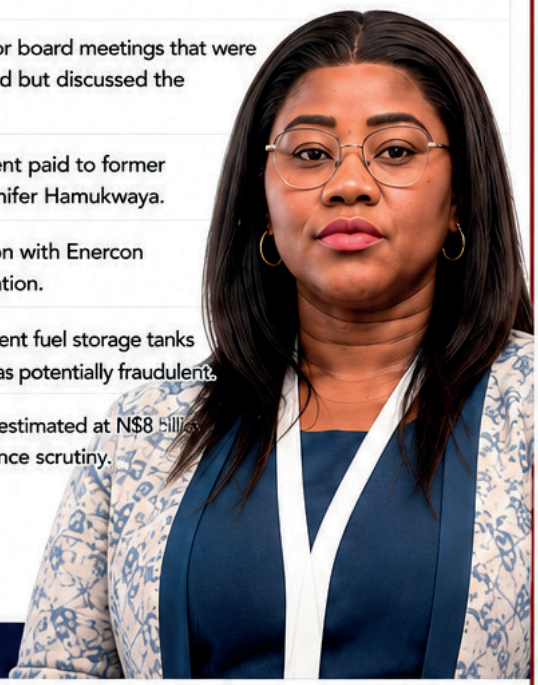
Her technical expertise is therefore well established, but her greatest challenge will lie not beneath the seabed but within the institution she now leads.

The number of explorations will not ultimately measure her success in licences Namcor acquires or the discoveries made offshore, but on whether she can restore confidence in an organisation that has spent much of the past two decades defending itself against controversy rather than advancing its mandate.

TWO DECADES OF CONTROVERSY

MAJOR FINANCIAL CONTROVERSIES AND GOVERNANCE ISSUES (2006–2026)

YEAR	AMOUNT (N$)	DETAILS
2006	N$2.4 billion	Fuel supply contract with Namibia Liquid Fuels investigated by the Anti-Corruption Commission (ACC).
2009	N$195 million	PwC forensic audit reveals losses linked to Glencore fuel arrangements.
2018	N$1.7 million	Disputed payment to Deloitte for a forensic investigation questioned by the Ministry of Finance over lack of proper authorisation.
2019	N$4.4 million EXPOSURE	Hyrax Oil cyber fraud: N$2.2 million was transferred to a fraudulent Estonian bank account. Namcor had to pay the invoice a second time.
2019	N$3.2 billion	Fuel supply agreement signed with Swakop Uranium.
2022	N$100 million	Deposit for Angola oil investment investigated by Namcor's board over governance, approvals and due diligence.
2023	N$375,000	Payments approved for board meetings that were not formally authorised but discussed the Angola transaction.
2023	N$1.6 million	Out-of-court settlement paid to former finance executive Jennifer Hamukwaya.
2023	N$60 million	Military fuel transaction with Enercon comes under investigation.
2023	N$53 million	Payments for government fuel storage tanks questioned by Namcor as potentially fraudulent.
2024	N$8 billion	Angola oil transaction estimated at N$8 billion comes under governance scrutiny.



Note: *Not every amount represents a proven loss. Some figures relate to contracts, investments or transactions that later became the subject of investigations or governance scrutiny.*

LEADERSHIP INSTABILITY AT THE TOP

	1	2	3	4	5	6	7
	APR 2023 (ANNOUNCED)	APR 2023 – JAN 2024	JAN 2024 – MAR 2025	28 MAR 2025 – AUG 2025	AUG 2025 – 28 FEB 2026	1 MAR 2026 – 30 JUN 2026	FROM 1 JUL 2026
	LIONEL MATTHEWS	SHIWANA NDEUNYEMA	EBSON UANGUTA	VICTORIA SIBEYA	MAUREEN HINDA-MBUENDE	MTUNDENI NDAFYAALAKO	VICTORIA SIBEYA
	Interim MD appointment announced but withdrew before assuming office.	Acting MD	Interim MD	Acting MD	Interim MD	Acting MD	MANAGING DIRECTOR
	Did not take office						

Sources: Public reports, Namcor announcements, ACC statements, media reports.

Historic Klein Aub edges closer to a comeback after nearly four decades

For almost four decades, the Klein Aub Copper Mine has stood as one of Namibia's most enduring reminders of a once-thriving copper industry, its sealed underground workings, abandoned infrastructure and weathered waste-rock dumps marking the place where thousands of tonnes of copper once emerged from beneath the Rehoboth Basement Inlier before production came to an end in 1987.

Today, however, the historic operation appears closer to returning to life than at any point since its closure, after London-listed Unicorn Mineral Resources secured a £1.25 million loan facility to complete the mine's acquisition and lay the foundations for its redevelopment.

The financing itself is not the story.

Rather, it is the latest milestone in what could become the revival of one of Namibia's best-known copper mines.

Subject to the

completion of formal loan documentation, regulatory approvals, and the signing of the sale and purchase agreements, Unicorn will use the funding to complete the acquisition of Klein Aub, cover transaction costs, and provide working capital for its operations in Namibia.

The funding, provided by Unicorn chairman Paddy Doherty, underlines the company's commitment to bringing the historic mine back into production after nearly four decades of inactivity.

Unlike many junior explorers entering Namibia in search of discoveries, Unicorn is pursuing a mine that has already proved its ability to produce copper.

Klein Aub is not an exploration concept waiting to be drilled. It is a former producer with established underground workings, extensive historical geological information and proven mineralisation that the company believes can once again become a commercially viable mining operation.

Located about 90 kilometres south of Windhoek and 45 kilometres southwest of Rehoboth, Klein Aub occupies an important place in Namibia's mining history.

The deposit was first documented in 1920, after prospectors working for the South West Africa Company investigated reports from Nama farmers about unusual green, copper-stained rocks in the area.

Historical records preserved in the National Archives of Namibia attribute the first documented discovery to prospector H. F. Kohrs, whose initial sampling laid the foundation for what would later become one of central Namibia's best-known underground copper mines.

Subsequent geological investigations by W. F. Söhnge and the Geological Survey of South West Africa during the 1930s confirmed extensive copper mineralisation on Farm Klein Aub.

At the same time, later work by government geologist G. L. Reeves identified widespread occurrences of malachite and azurite at the surface.

Those discoveries ultimately led to systematic underground development beginning in 1958, when the first production shaft was sunk to a depth of 180 metres, establishing the infrastructure that would support more than two decades of commercial mining.

Commercial production commenced in 1966, with Klein Aub producing high-grade copper-silver ore grading between 2% and 3% copper, together with silver values of up to 60 grams per tonne. Ore was transported to Tsumeb Corporation Limited (TCL) for smelting, while the company also provided technical services and geological supervision.

According to the Geological Survey of Namibia, the underground operation processed more than two million tonnes of ore and produced approximately 55,000 tonnes of contained copper between 1966 and 1987, establishing Klein Aub as one of Namibia's most important

copper producers during that period despite its relatively modest size.

The mine's contribution extended well beyond its 55,000 tonnes of copper production. For more than 21 years, Klein Aub supported employment, generated business for transport operators, engineering contractors, and local suppliers, and served as an important link in the mining value chain connecting central Namibia to the Tsumeb smelter. At a time when Namibia's mining industry was still developing, the operation demonstrated the commercial viability of inland copper deposits and helped stimulate further exploration across central Namibia.

Production eventually ceased in 1987 after a combination of sharply weaker international copper prices and changing regional smelting economics undermined the mine's commercial viability.

Following closure, the underground workings were sealed and the property placed on care and maintenance. Although mining stopped, the geological potential of the area continued to

attract periodic interest from companies seeking to reassess the remaining mineralisation and evaluate opportunities for recovering copper from historical tailings and remnant ore zones.

It is this remaining potential that has attracted Unicorn Mineral Resources.

The company announced in April 2026 that it had agreed to acquire the historic mine as part of its strategy to establish a meaningful presence in Namibia's growing copper sector.

Rather than beginning with grassroots exploration, Unicorn has chosen to pursue a project in which decades of mining have already demonstrated the presence of an economic orebody.

At the same time, modern geological interpretation suggests that additional opportunities remain both underground and along strike.

The newly announced £1.25 million loan facility, equivalent to approximately N$30 million, now provides the financial bridge needed to complete that acquisition. The unsecured facility, which carries a one-year term, a 10% annual interest rate and a 3% establishment fee, will fund the purchase of Klein Aub, associated transaction costs and working capital as Unicorn prepares to take ownership of the project. Once the remaining legal documentation has been completed and regulatory approvals secured, the company is expected to begin advancing plans for the mine's next phase of development.

Although Unicorn has yet to publish a definitive mine restart schedule, the company's interest extends beyond the historic underground operation.

Previous exploration and technical studies have identified opportunities associated with historical tailings, remnant mineralisation and additional exploration targets surrounding the old mine, offering the potential for a phased redevelopment strategy that combines near-term opportunities with longer-term underground mining.

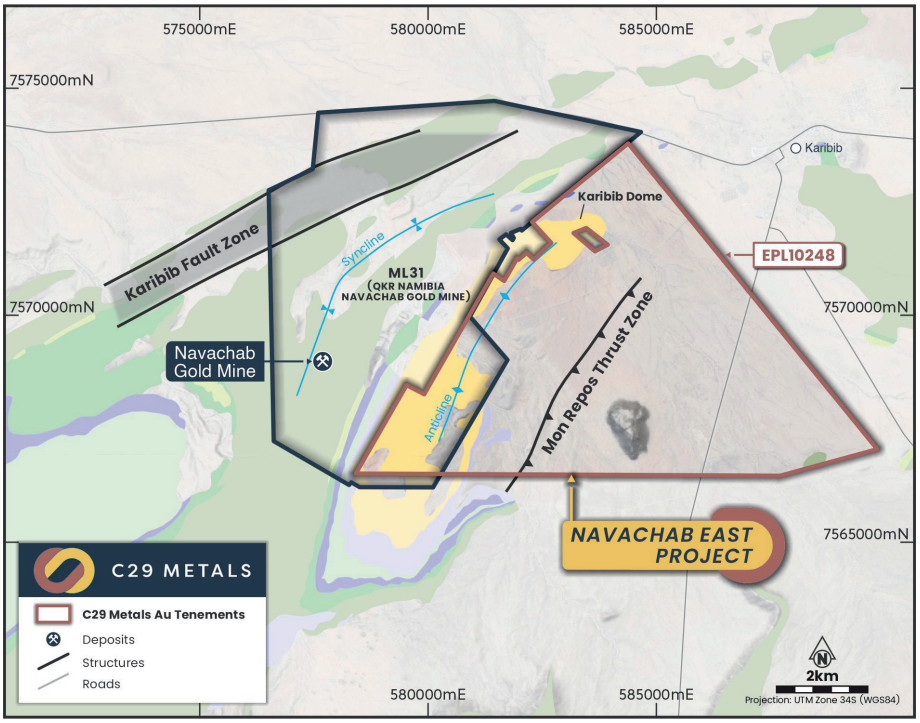
The timing of the proposed restart is significant. Copper has become one of the world's most strategically important industrial metals as demand accelerates, driven by investment in electricity transmission networks, renewable energy infrastructure, electric vehicles, battery technologies, and data centres.

Mines that closed during previous commodity downturns are increasingly attracting renewed attention as producers search for additional sources of supply in politically stable mining jurisdictions such as Namibia.

COPPER-GOLD

Why C29 walked away from projects it once called transformational

Barely two months after describing a proposed acquisition in Namibia as the start of "a new chapter" for the company, Australian explorer C29 Metals has abandoned the transaction altogether, bringing an abrupt end to what had been promoted as a transformational entry into one of Africa's most prospective copper-and-gold jurisdictions.



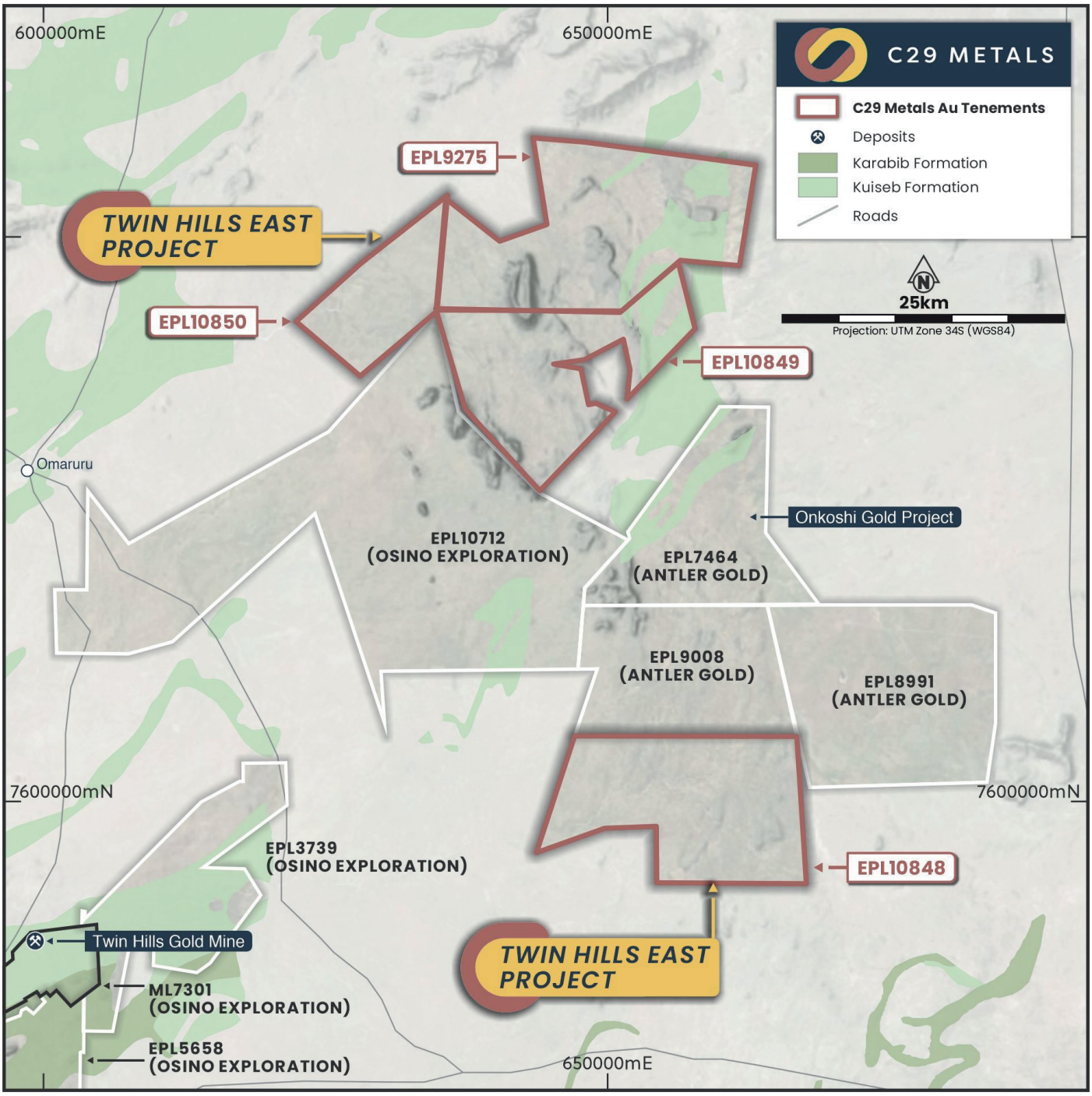
The decision marks a remarkable reversal for a company that, on 30 April, announced plans to acquire an 80% interest, with the right to increase that stake to 90%, in a portfolio of seven exploration licence applications covering approximately 1,074 square kilometres across three project areas in Namibia.

The transaction centred on the advanced Kopermyn Copper Project in the Otavi Copper Belt and two gold projects in the Damara Gold Belt, assets the company believed would reposition it in commodities benefiting from the global energy transition and record gold prices.

At the time, Managing Director Shannon Green described the acquisition as providing C29 with exposure to "a highly prospective copper and gold portfolio in Namibia, one of Africa's premier mining jurisdictions."

The company pointed to the Kopermyn Copper Project's location adjacent to Midas Minerals' Otavi Copper Project, its proximity to the Tsumeb copper smelter and a series of encouraging historical drilling results as evidence that it was acquiring an advanced brownfields opportunity with significant exploration upside.

Among the drilling results highlighted were intersections of 6 metres grading 4.79% copper, 12 metres at 2.08% copper, 12 metres at



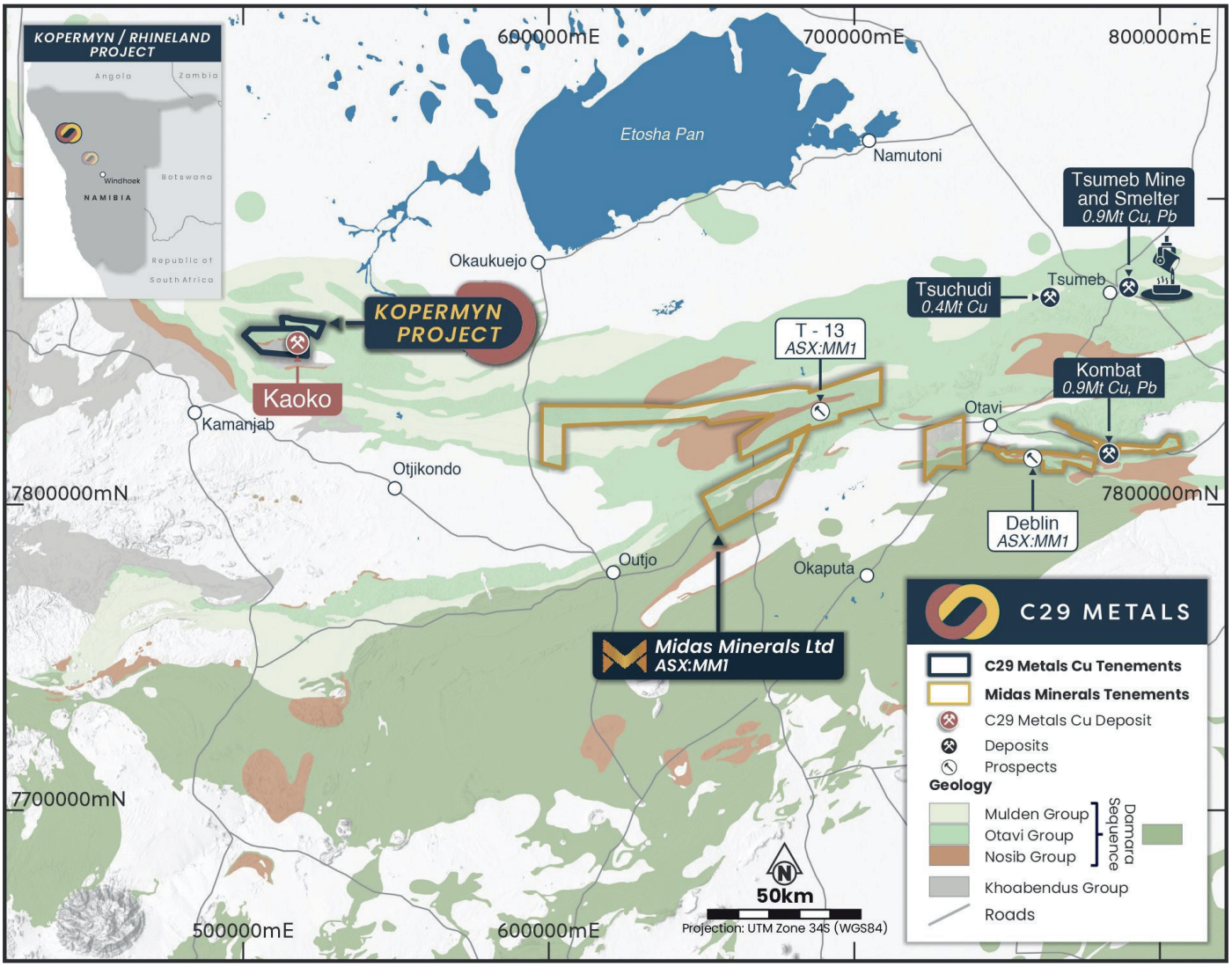
1.97% copper, 15 metres at 1.78% copper and 5 metres at 1.87% copper, all from relatively shallow depths.

The company also noted that mineralisation remained open both along strike and at depth, with exploration potential extending over an interpreted 10-kilometre basement-cover contact.

Drilling was expected to commence soon after exploration permits were granted, which C29 anticipated would happen during May.

The acquisition was sufficiently important for C29 to launch a A$4.7 million capital raising to help fund the transaction and future exploration.

The placement attracted commitments from institutional and sophisticated investors. At the same time, the company also sought shareholder approval to issue acquisition shares, performance rights, introducer shares and additional placement



shares linked directly to the Namibian deal.

Yet the optimism that surrounded the announcement did not survive the company's final stage of due diligence.

According to C29, Exploration Manager Rod Watt travelled to Namibia in late June to undertake what the company described as the final component of its legal and technical due diligence investigations before completion of the acquisition.

Following that visit, the board concluded that the Kopermyn tenements did not meet the company's legal and technical due diligence criteria, thereby triggering a condition precedent in the acquisition agreement, allowing C29 to terminate the transaction. No funds were paid, no exploration licences changed hands, and the acquisition agreement was terminated.

Significantly, the company stopped short of explaining precisely what its due diligence uncovered. It did not state that the historical drilling results were inaccurate, nor did it question the prospectivity of the copper or gold projects.

Instead, it specifically referred to the Kopermyn tenements failing to satisfy its legal and technical due diligence criteria, suggesting the concerns extended beyond simple exploration results.

In the mining industry, due diligence is designed to test far more than geology. It examines whether

licence applications and ownership structures are legally sound, whether exploration data can be independently verified, whether permitting risks exist, whether historical work supports the technical model being presented and whether a project is capable of progressing within the timeframe and commercial assumptions underpinning an acquisition.

A company is not obliged to disclose every deficiency identified during due diligence, particularly where a transaction is abandoned before completion, and C29 has exercised that discretion in this case.

What makes the decision particularly noteworthy is that the company reached it only after its senior technical representative had inspected the projects on the ground. Desktop reviews had already been completed before the acquisition agreement was signed in April.

The late-June site visit was the final opportunity to verify both the project's legal standing and the technical assumptions underpinning the investment. It was only after that process had been completed that the board decided not to proceed.

The consequences extend well beyond the acquisition itself. Because the Namibian transaction formed the centrepiece of C29's growth strategy, the company has also cancelled the second tranche of its capital raising, with investors who had committed funds to that tranche set to receive refunds.

Shareholder approvals relating to acquisition shares, performance rights, introducer shares, director placement shares and the second placement tranche will likewise no longer proceed.

The decision serves as a reminder that attracting investor interest is only one part of developing a successful exploration project.

The country's geology continues to attract international explorers, particularly across the Otavi Copper Belt and the Damara Gold Belt. Still, rigorous legal and technical due diligence remains the final hurdle before transactions are completed. Projects that appear attractive on paper can still fail to satisfy the commercial, legal or technical standards required by investors once detailed investigations are undertaken.

The outcome means the company will return its attention to its Australian exploration portfolio while continuing to assess new opportunities.

The termination raises an obvious question that remains unanswered: what did C29 discover during its final due diligence review that convinced it to walk away from a transaction it had only weeks earlier described as transformation

ZINC

Rosh Pinah's biggest transformation since 1969

Nearly five years after an ambitious expansion plan was first unveiled, Rosh Pinah Zinc is entering the final phase of a transformation that promises to redefine one of Namibia's oldest underground mines.

What began as a feasibility study under former owner Trevali Mining in 2021 has survived financial turmoil, a change in ownership and shifting market conditions to emerge as one of the country's most significant base metals investments, with Appian Capital Advisory now bringing the RP2.0 expansion project within sight of completion.

Recent announcements by Rosh Pinah Zinc illustrate how close the project has come to crossing the finish line. The commissioning of Namibia's first paste backfill plant was followed by the commissioning of a new semi-autogenous grinding (SAG) mill, the final major processing component of RP2.0.

The two milestones have advanced overall construction from more than 85% to over 95%, with the project remaining on schedule and on budget, ahead of completion in the third quarter of 2026

and production ramp-up shortly thereafter.

Although these milestones appear to represent another step in an expansion programme, the story began much earlier.

In August 2021, then-owner Trevali Mining unveiled the RP2.0 feasibility study, describing it as the most significant investment in the mine since production began in 1969. The study proposed a US$111 million expansion that would increase annual processing capacity from 700,000 tonnes to 1.3 million tonnes, representing an 86% increase in mill throughput.

The project blueprint included many of the facilities now being commissioned, including a new SAG mill and pebble crusher, a paste fill plant, a water treatment facility, upgraded flotation, thickening and filtration circuits, together with the development of a dedicated WF3 portal and decline to access deeper sections of the orebody. Trevali also planned to introduce new 60-tonne haul trucks to transport ore to a new surface primary crusher, while larger load-haul-dumpers (LHDs) would improve underground productivity. The existing 30-tonne underground truck fleet would continue servicing other mining areas.

The feasibility study projected an after-tax net present value of US$156 million, an internal rate of return of 58%, a 4.6-year payback period and cumulative free cash flow of approximately US$290 million.

Operating costs were expected to decline by about 26% per tonne milled. At the same time, the paste fill plant and associated water treatment system would reduce water consumption from 1.5 cubic metres to 0.5 cubic metres, lowering both operating costs and the mine's environmental footprint.

The company also entered into a 15-year power purchase agreement with Emerging Markets Energy Services Company (Emesco) to supply approximately 30% of the mine's electricity requirements, reducing energy costs by an estimated 8%. Commercial production from the expanded operation was originally targeted for mid-2024.

At the time, the underground operation already possessed a substantial mineral inventory. Trevali reported measured and indicated resources, including reserves, of 18.5 million tonnes grading 7.4% zinc, 1.8% lead and 25.8 grams of silver per tonne, together with an additional 1.6 million inferred tonnes grading 8.3% zinc, 2.2% lead and 54.9 grams of silver per tonne. Those figures provided the geological foundation for the

expansion and supported confidence that increased processing capacity could be sustained over the long term.

The project, however, never progressed according to Trevali's original timetable. The Canadian miner's financial difficulties, culminating in creditor protection proceedings during 2022, created uncertainty around several of its international operations, including Rosh Pinah.

An expansion that had been expected to enter construction in 2022 and reach commercial production by mid-2024 was effectively put on hold while the company underwent restructuring.

That changed in June 2023, when Appian Capital Advisory acquired a controlling interest in Rosh Pinah Zinc. Rather than abandoning the expansion or redesigning it from scratch, Appian chose to execute the technical blueprint inherited from Trevali while investing further capital to modernise the operation and position it for long-term growth.

Over the past three years, the company has steadily advanced RP2.0. The newly commissioned paste backfill plant introduces technology that has never been used in Namibia's mining industry.

Instead of depositing all processing tailings on the surface, the facility converts part of the

tailings into cemented paste that is pumped back underground to fill mined-out stopes.

The system improves underground stability, reduces mining dilution, lowers the volume of tailings requiring surface storage and enables the recovery of ore that would otherwise remain inaccessible.

Rosh Pinah Zinc has also invested in training Namibian employees to operate and maintain the specialised plant, embedding new technical expertise within the local mining industry.

The commissioning of the SAG mill completes the core processing infrastructure envisaged in the original feasibility study.

Replacing the ageing ball mill, the new grinding circuit will increase annual processing capacity from 700,000 tonnes to 1.4 million tonnes following full mine ramp-up, slightly exceeding the throughput originally envisaged under Trevali's feasibility study.

The revised flowsheet improves grinding efficiency, enhances metallurgical recovery, lowers unit operating costs and enables the plant to process harder ore encountered at greater mining depths.

The mill has also been designed with surplus capacity, creating scope for future production increases should additional resources be converted into mineable reserves.

RP2.0 extends well beyond the processing plant. The expansion includes development of the new WF3 portal and decline, expanded flotation circuits, additional thickening and filtration capacity, new water treatment facilities and upgraded underground infrastructure designed to support higher production over a longer mine life.

Collectively, these investments represent the most comprehensive redevelopment of the operation since Rosh Pinah entered production 57 years ago.

At the same time, the company is looking beyond the completion of RP2.0. More than 80 kilometres of diamond drilling is planned through 2027, combining infill and step-out drilling with regional exploration to expand the mine's mineral resource base and extend its Life of Mine.

Management says results received so far have been encouraging, reinforcing confidence that further resource growth remains possible even as the expanded operation prepares for higher production.

General Manager Alex Mayrick said commissioning the paste fill plant represented another major milestone for RP2.0, enhancing operational efficiency and sustainability while keeping the project firmly on schedule and on budget.

Ignacio Bustamante, Appian's Base Metals executive, said the commissioning of the SAG mill completed the project's core processing infrastructure and positioned the mine for a step change in production once throughput reaches full capacity.

LIGHT RARE EARTH ELEMENTS

Teufelskuppe emerges as leading light rare earth prospect

Five months after acquiring a controlling interest in the project, the London-listed company is rapidly advancing what it regards as one of the world's most prospective light rare earth deposits, with the latest drilling campaign strengthening confidence that the mineralised system extends well beyond the impressive surface exposures first identified several years ago.

The Teufelskuppe project represents far more than another exploration asset. It offers the opportunity to develop what could become Namibia's first commercial light rare earth mine at a time when governments and manufacturers across Europe, North America and Asia are racing to diversify supplies of the critical minerals required to manufacture permanent magnets used in electric vehicles, offshore wind turbines, robotics, advanced electronics and defence systems.

While Namibia has established itself as one of the world's leading

uranium producers and continues to attract billions of dollars in investment into gold, copper and lithium, commercial production of light rare earth elements has yet to become part of the country's mining portfolio, making Teufelskuppe one of the country's most strategically significant critical minerals projects.

Kendrick entered Namibia's rare earth sector in February 2026 after signing a definitive agreement with Bonya Exploration Namibia to acquire a 70% interest in the Teufelskuppe and neighbouring Kieshöhe rare earth licences.

Rather than acquiring an unexplored prospect, the company inherited a project supported by several years of geological work.

Extensive channel sampling conducted between 2018 and 2021 had already confirmed widespread rare earth mineralisation across the Teufelskuppe carbonatite complex, and the results were later published in the peer-reviewed Geological Magazine in 2023, providing independent scientific validation of the exploration model.

Historical work established an average total rare earth oxide (TREO) grade of 3.1%, with the central carbonatite zone averaging an impressive 4.5% TREO and the dyke stockwork averaging 4.2% TREO.

In comparison, the less-explored Kieshöhe licence averaged 1.5% TREO, indicating that both projects possess significant rare-earth potential.

Despite those encouraging results, the project still required substantial technical work before it could progress towards development.

Although historical exploration had demonstrated the presence of extensive mineralisation, the project lacked a Mineral Resource Estimate prepared in accordance with the internationally recognised JORC (2012) reporting code, while further drilling was required to determine how the mineralised carbonatite bodies continued beneath the surface. Kendrick

therefore inherited a project with exceptional geological promise but one that still required resource verification, engineering studies, metallurgical testing, environmental work and mine planning before it could be considered ready for feasibility studies and eventual development.

A high-resolution Digital Elevation Model has been commissioned to accurately map the eight principal carbonatite bodies exposed at Teufelskuppe, historical geological information has been verified, and an extensive diamond drilling programme has been launched to establish the depth and lateral continuity of mineralisation beneath the surface.

At the same time, Kendrick has initiated work to convert its historical in-house Mineral Resource Estimate into a JORC-compliant resource, while advancing metallurgical investigations, conceptual open-pit mine planning, engineering studies,

financial modelling, environmental permitting and discussions with potential strategic investors and future offtake partners.

The latest drilling campaign suggests that the strategy is beginning to deliver tangible results. Previously unanalysed sections of drill hole TKDD001 returned individual portable X-ray fluorescence readings of up to 6.42% TREO, while confirming an earlier intercept grading 8.14% TREO over 21.16 metres, one of the strongest intersections reported from the project to date. Drill hole TKDD002 produced even higher

individual readings of 15.10% TREO, 10.02% TREO and 9.99% TREO, together with an interval grading of 4.91% TREO over 2.75 metres. In comparison, TKDD003 intersected 10.91% TREO over 1.25 metres, 4.67% TREO over 3.75 metres and several additional mineralised intervals. Rather than viewing these as isolated high-grade intersections, Kendrick believes the results demonstrate that mineralisation remains continuous both laterally and at depth, significantly increasing confidence that the carbonatite system extends well beyond the surface exposures that first attracted geological attention.

Chairman Colin Bird said the growing continuity between the extensive surface mineralisation and the new drilling results was particularly encouraging because it strengthened confidence that the geological model would ultimately be reflected in the project's first internationally recognised Mineral Resource Estimate. Verification of the company's in-house estimate is continuing alongside the drilling campaign.

At the same time, certified laboratory analyses are expected to validate the portable X-ray fluorescence results before they are incorporated into the formal resource model.

The company's immediate objective is to verify and upgrade its provisional, non-JORC surface Mineral Resource Estimate of approximately 14 million tonnes, announced in May, into a resource that complies with international reporting standards. Importantly, that estimate relates only to mineralisation exposed at the surface and excludes the deeper carbonatite system currently being tested through drilling.

Kendrick now believes those visible resources represent only a modest fraction of the overall mineralised complex, with each successive drill hole strengthening confidence that the total resource could increase substantially as exploration progresses.

Although resource growth remains the immediate priority, the distinction between a mineral resource and an ore reserve remains important.

A mineral resource indicates that economically interesting concentrations of minerals exist and that there are reasonable prospects for eventual extraction, based on geological evidence.

In contrast, an ore reserve can only be declared after detailed engineering, metallurgical, environmental, and economic studies confirm that mining can be undertaken profitably.

Kendrick's current programme is therefore designed to bridge that gap by progressing the project through resource definition, preliminary feasibility studies, engineering design and permitting before reserve declaration.

The Extractor
Mapping Namibia's Mineral Resources

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