COMPETING FOR CAPITAL

Namibia's position in the global context

April 2018

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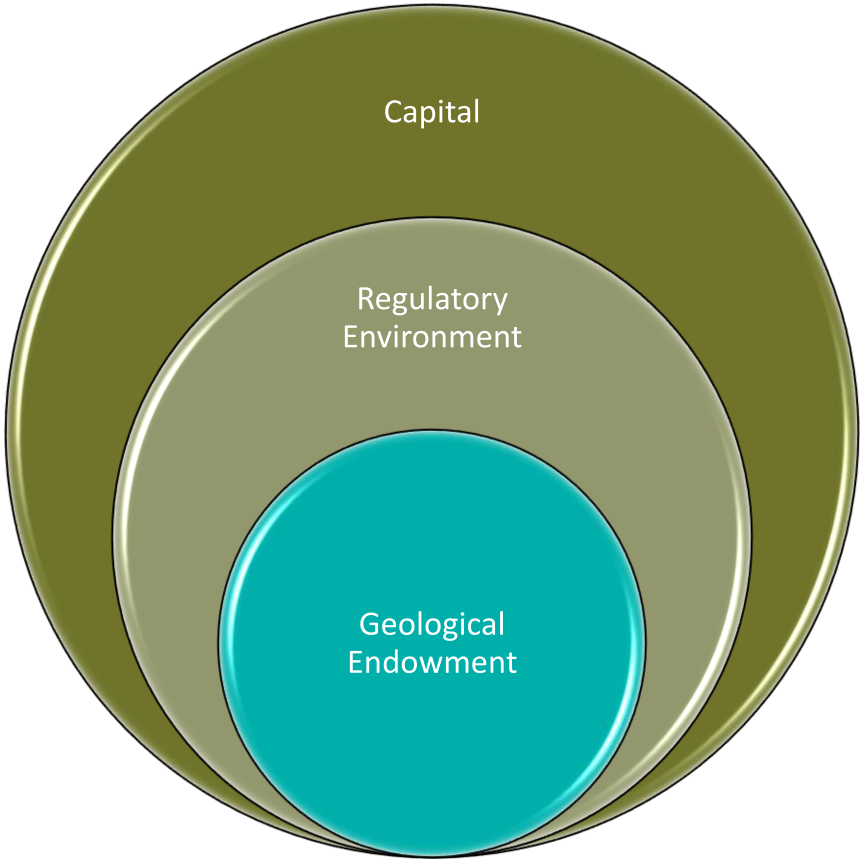
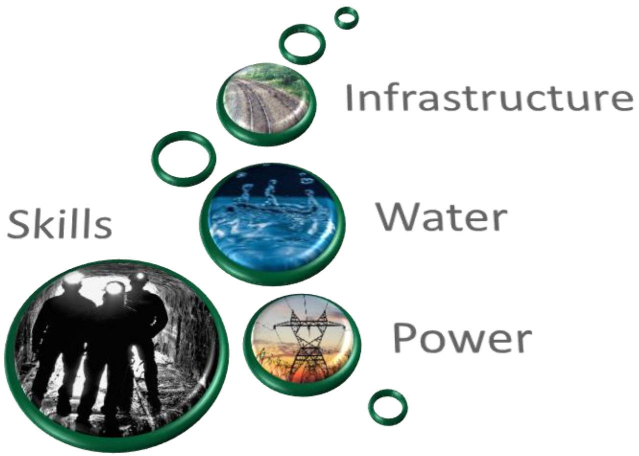
WHAT IT TAKES TO CREATE A VIBRANT MINING INDUSTRY





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BACKGROUND

Our data is biased towards junior and mid-tier mining companies

- We examined 5000 global public market equity capital raisings by mining companies from February 2013 to the present – We were able to categorise 98.9% of the amounts raised – with 9.5% being deployed globally by globally diversified majors, with the rest categorised by estimated destination region and destination country.
- This effort was to determine where equity capital – that most important 1st in"" capital for a growing mining industry - comes from and where it goes to…
- This is only new equity capital raised by publicly listed companies – it does not include
  - Equity raised and deployed by Private Equity funds (QKR)
  - Self generated investment from cash flows (B2Gold)
  - Debt (B2Gold)
  - State owned entities – especially from China (Husab Uranium)
- Data reviewed 123bn US$ in capital raised on stock exchanges in 36 countries and deployed in 105 countries
- This data is biased towards juniors and mid-tier companies

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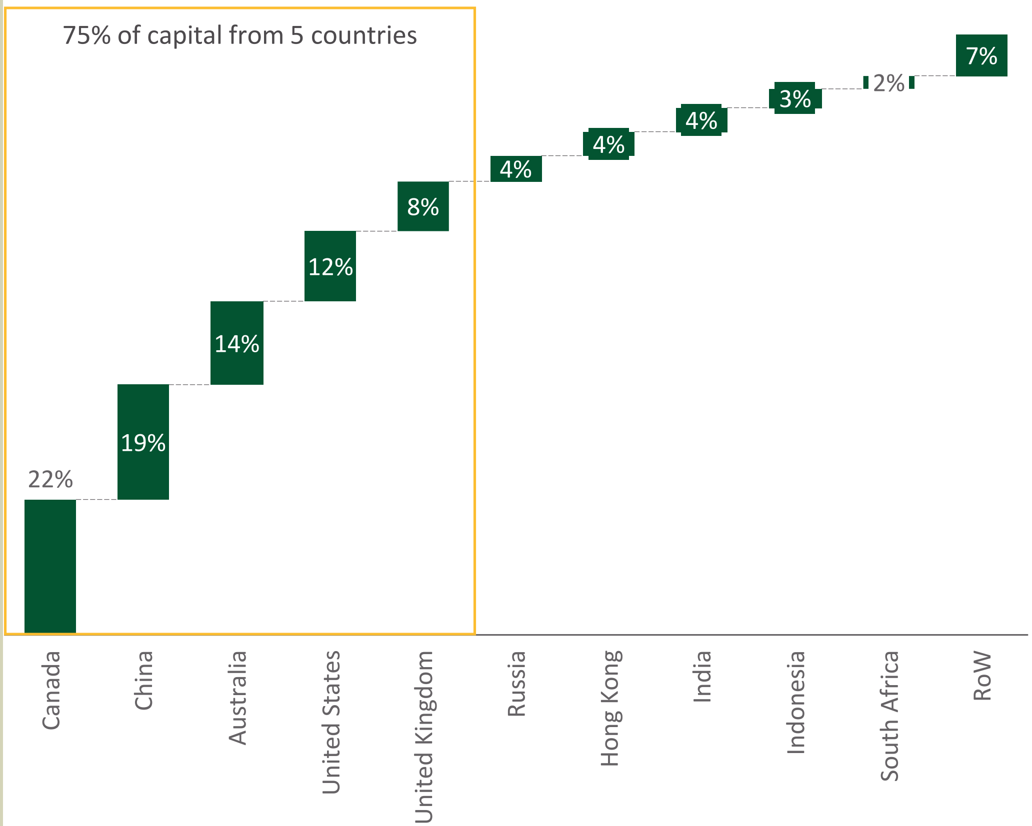
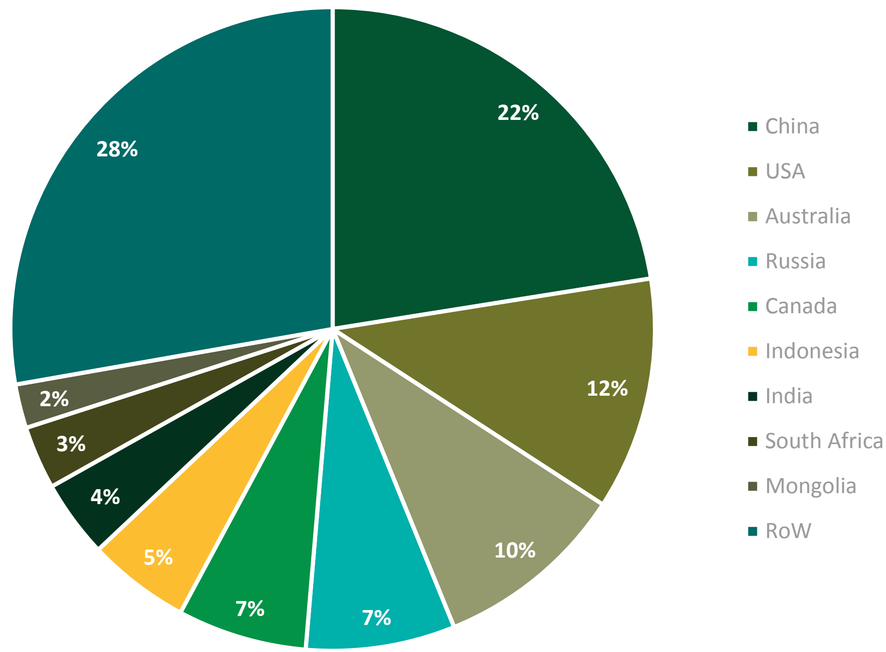
WHERE DOES THE WORLD'S MINING MONEY COME FROM?

… and where does it go?

- US$ 123bn raised from 36 source country stock exchanges



- 103 destination country mining industries



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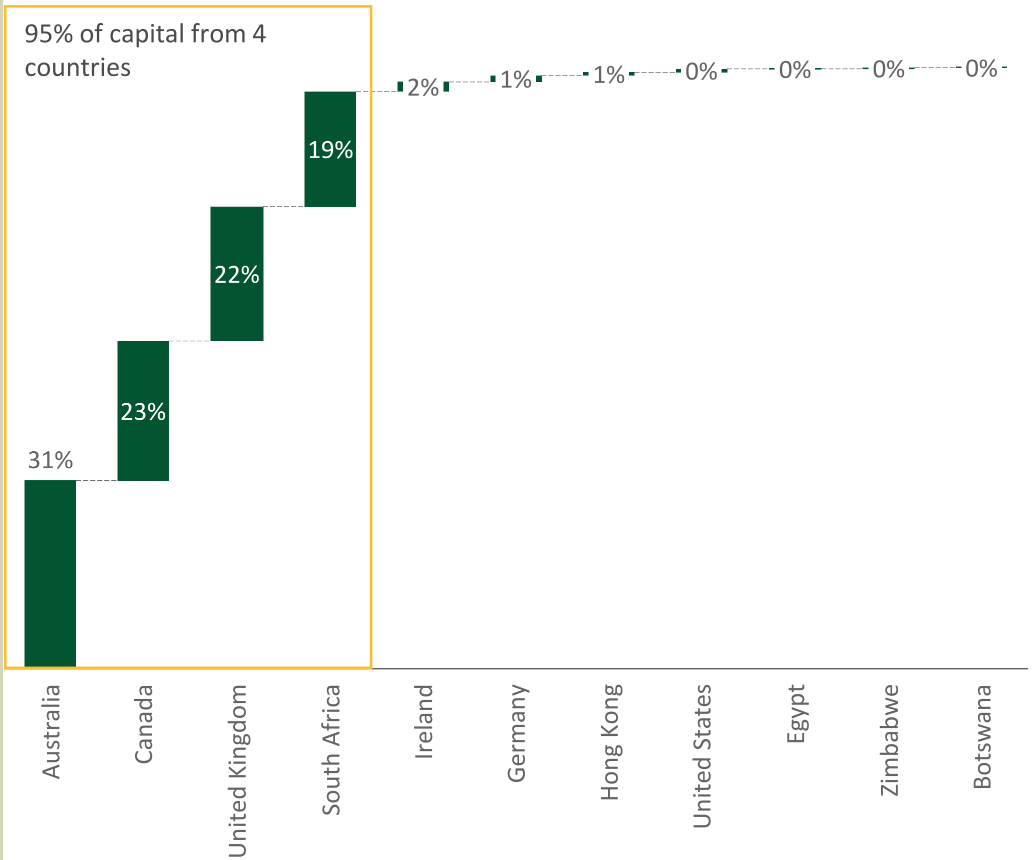
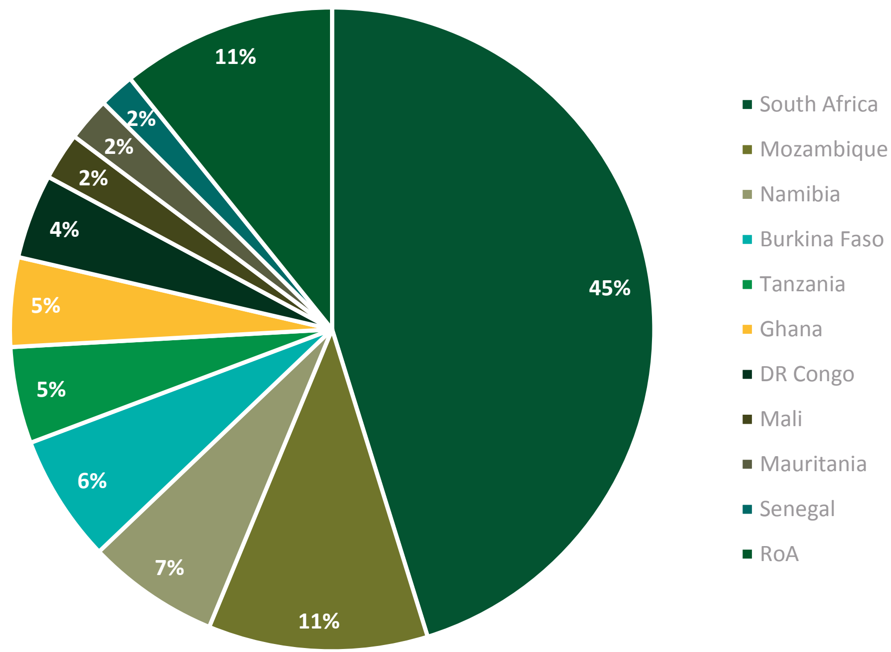
WHERE DOES AFRICA'S MINING MONEY COME FROM?

… and where does it go?

- US$ 8.6bn raised from 11 source country stock exchanges



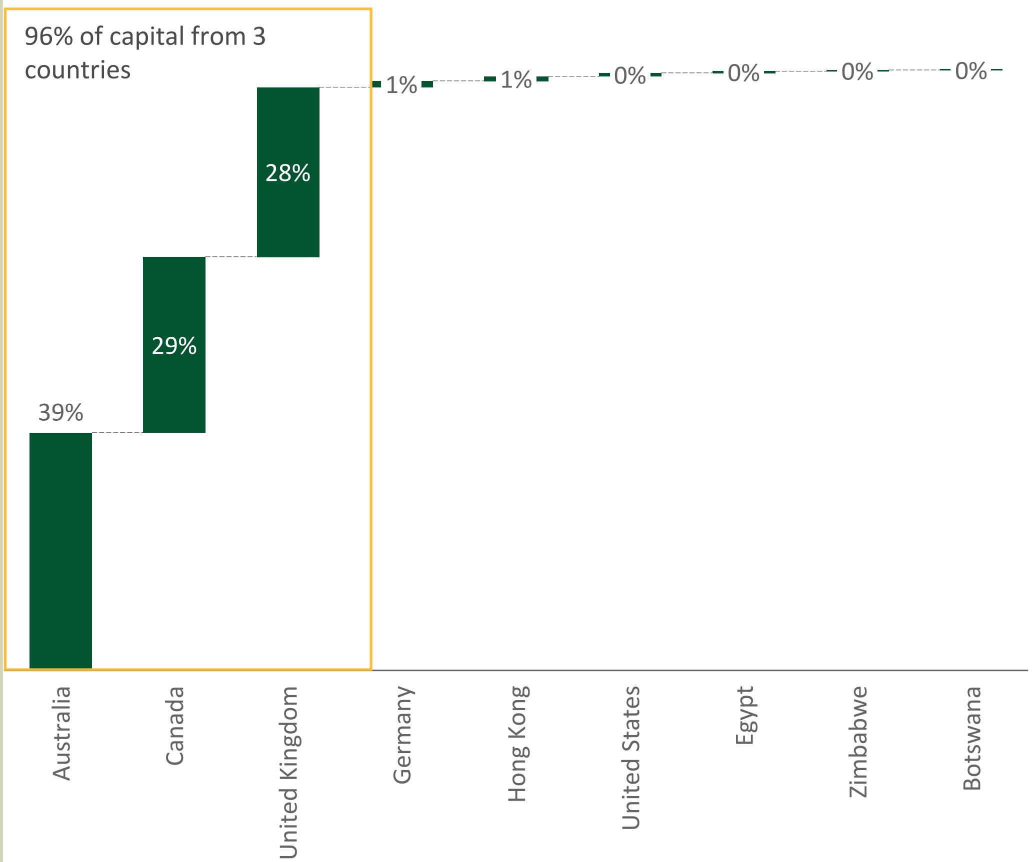
- 39 destination country mining industries



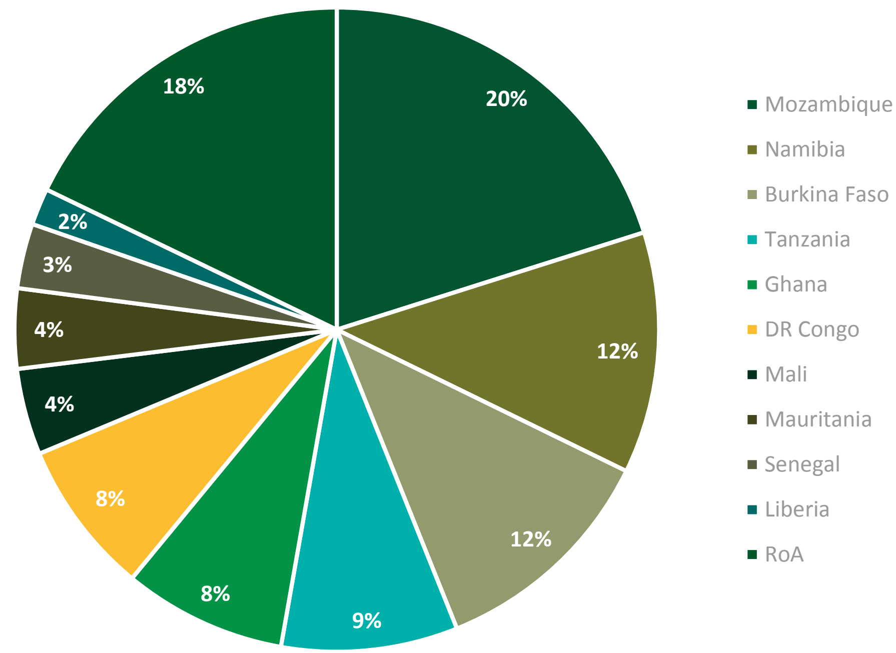
WHERE DOES AFRICA'S MINING MONEY COME FROM?

… and where does it go?

- US$ 4.7bn raised from 10 source country stock exchanges



- 38 destination country mining industries



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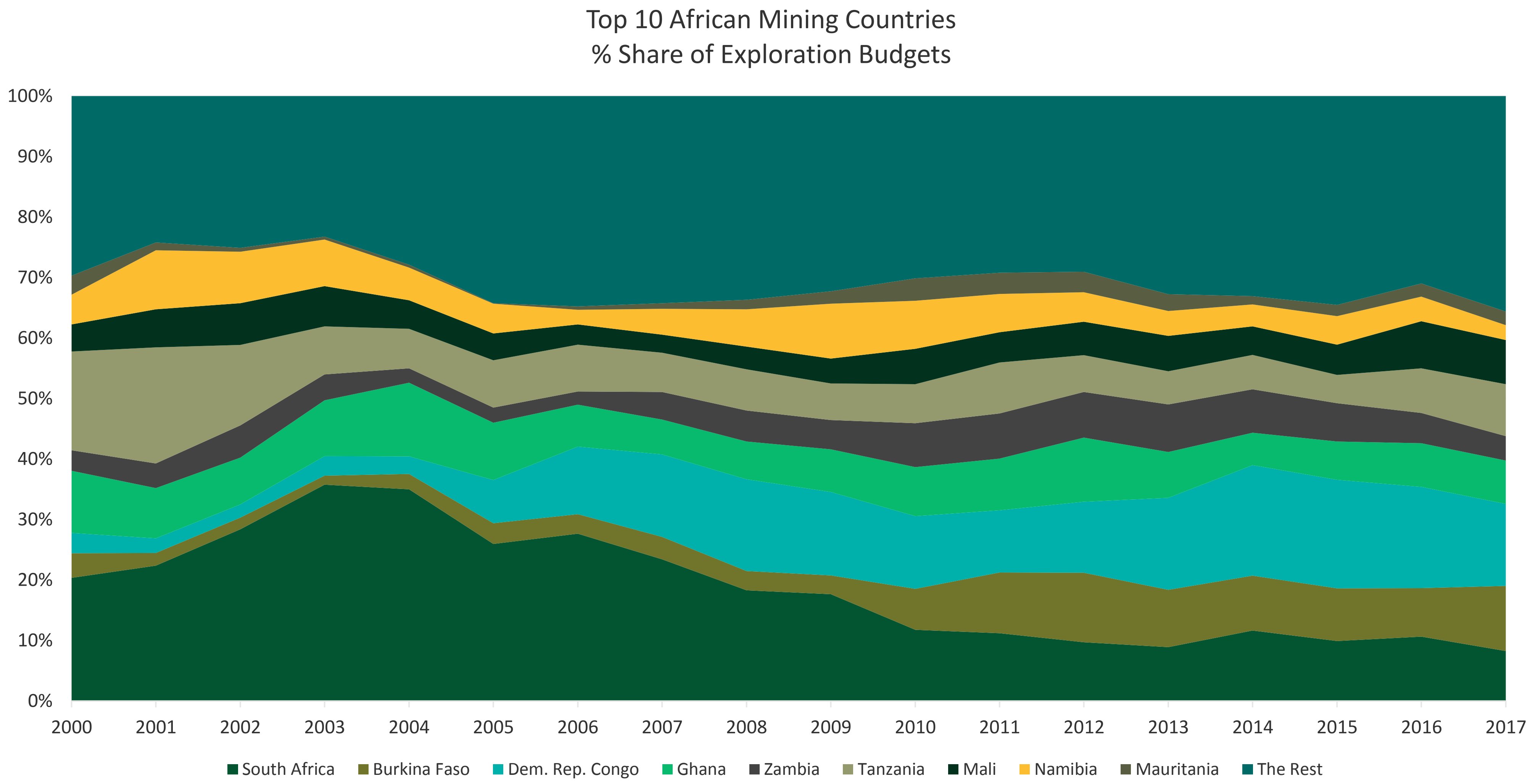
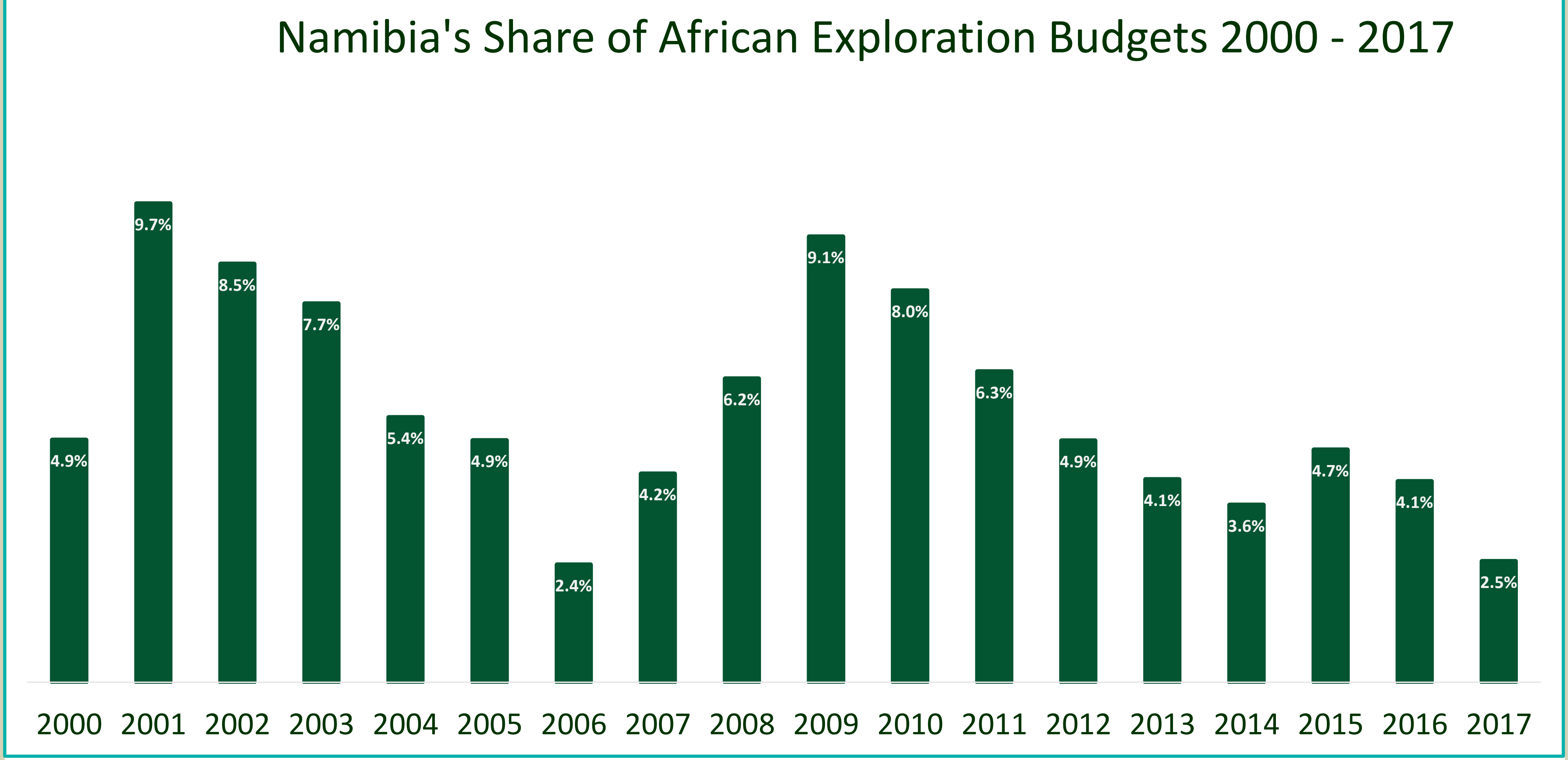
EXPLORATION SPEND – AN INDICATION OF FUTURE GROWTH



EXPLORATION SPEND – A BAROMETER FOR FUTURE GROWTH

Namibia's share has reduced…



AFRICA LEAGUE TABLES - POLICY PERCEPTION

Per the Fraser Institute Annual Survey of Mining Companies

No.	2013	2014	2015	2016	2017
1	Botswana	Botswana	Botswana	Botswana	Botswana
2	**Namibia**	**Namibia**	Morocco	Ghana	**Namibia**
3	Burkina Faso	Morocco	**Namibia**	**Namibia**	Mali
4	Ghana	Burkina Faso	Burkina Faso	Ivory Coast	Morocco
5	Zambia	Zambia	Ethiopia	Zambia	Ghana
6	Tanzania	Ghana	Ghana	Burkina Faso	Burkina Faso
7	Ethiopia	Tanzania	Ivory Coast	Tanzania	Ethiopia
8	Kenya	Ivory Coast	Zambia	Mali	Kenya
9	Ivory Coast	Mali	Tanzania	DR of Congo (DRC)	Ivory Coast
10	Mozambique	Mozambique	Mali	Mozambique	Zambia
11	Mali	South Africa	South Africa	Kenya	Mozambique
12	South Africa	Kenya	Mozambique	Ethiopia	Tanzania
13	DR of Congo (DRC)	Ethiopia	Kenya	South Africa	South Africa
14	Zimbabwe	DR of Congo (DRC)	DR of Congo (DRC)	Zimbabwe	DR of Congo (DRC)
15		Zimbabwe	Zimbabwe		Zimbabwe

AFRICA LEAGUE TABLES – MINERAL POTENTIAL

Per the Fraser Institute Annual Survey of Mining Companies

No.	2013	2014	2015	2016	2017
1	DR of Congo (DRC)	Zambia	Ghana	DR of Congo (DRC)	DR of Congo (DRC)
2	Zambia	Namibia	Burkina Faso	Ivory Coast	Ghana
3	Botswana	DR of Congo (DRC)	Ivory Coast	Zambia	South Africa
4	Ghana	Morocco	DR of Congo (DRC)	Mali	Mali
5	South Africa	Botswana	Morocco	Ghana	Zimbabwe
6	Namibia	Mali	Mali	Botswana	Zambia
7	Ivory Coast	Ghana	Namibia	Burkina Faso	Namibia
8	Burkina Faso	Tanzania	South Africa	Ethiopia	Botswana
9	Tanzania	Ivory Coast	Ethiopia	Namibia	Morocco
10	Kenya	South Africa	Botswana	South Africa	Tanzania
11	Mali	Zimbabwe	Tanzania	Zimbabwe	Burkina Faso
12	Ethiopia	Burkina Faso	Zambia	Tanzania	Ivory Coast
13	Zimbabwe	Mozambique	Zimbabwe	Kenya	Ethiopia
14	Mozambique	Ethiopia	Mozambique	Mozambique	Mozambique
15		Kenya	Kenya		Kenya

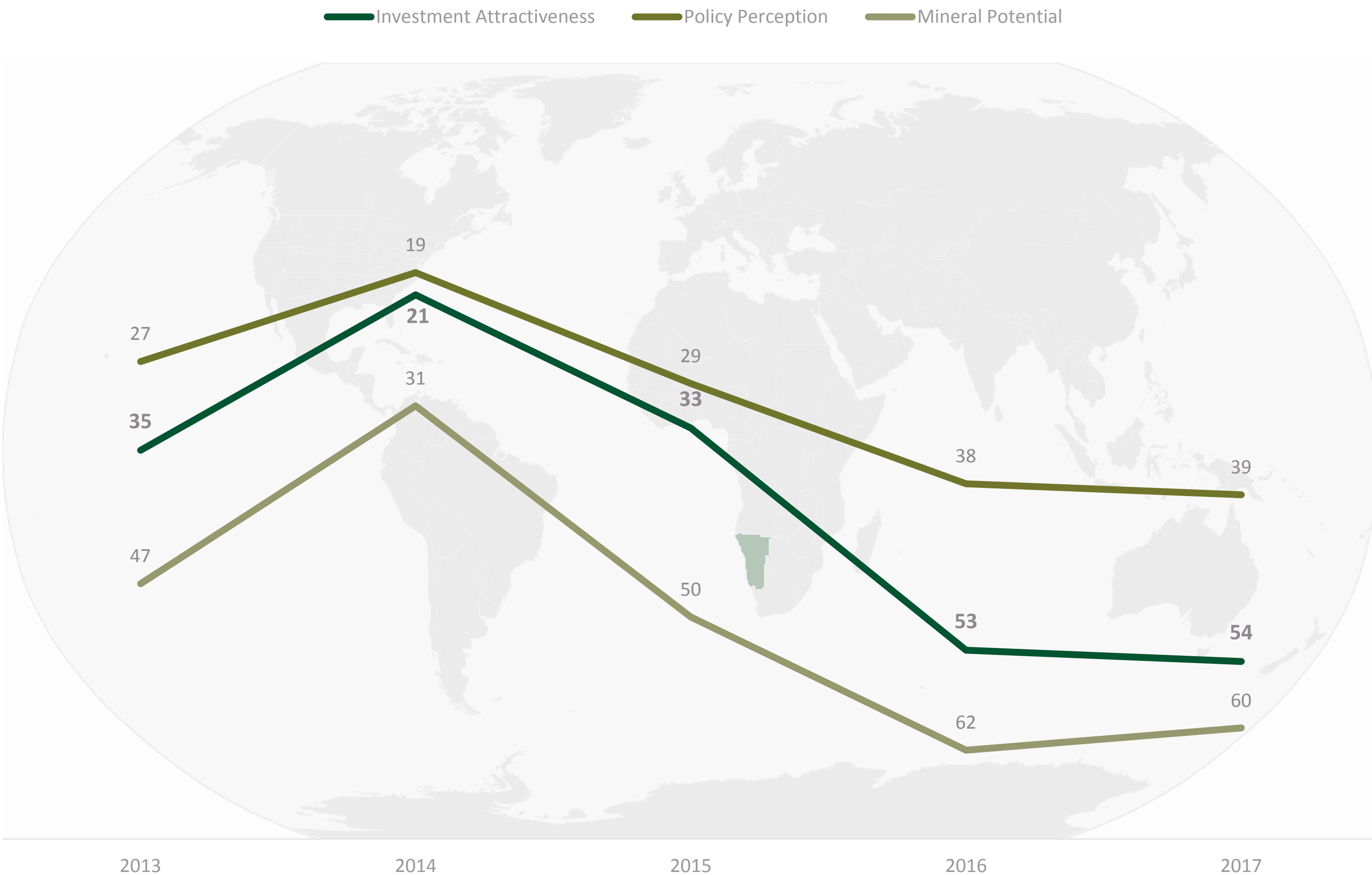
AFRICA LEAGUE TABLES – INVESTMENT ATTRACTIVENESS

Per the Fraser Institute Annual Survey of Mining Companies

No.	2013	2014	2015	2016	2017
1	Botswana	**Namibia**	Morocco	Ivory Coast	Ghana
2	Ghana	Zambia	Burkina Faso	Botswana	Mali
3	Zambia	Botswana	Ghana	Ghana	Botswana
4	**Namibia**	Morocco	**Namibia**	DR of Congo (DRC)	South Africa
5	Burkina Faso	Ghana	Botswana	Zambia	DR of Congo (DRC)
6	South Africa	Mali	Ivory Coast	Mali	**Namibia**
7	Ivory Coast	Tanzania	Ethiopia	Burkina Faso	Zambia
8	Tanzania	Burkina Faso	DR of Congo (DRC)	**Namibia**	Morocco
9	Kenya	Ivory Coast	South Africa	Tanzania	Zimbabwe
10	Ethiopia	DR of Congo (DRC)	Zambia	Ethiopia	Burkina Faso
11	DR of Congo (DRC)	South Africa	Tanzania	South Africa	Ivory Coast
12	Mali	Mozambique	Mali	Kenya	Tanzania
13	Mozambique	Ethiopia	Mozambique	Mozambique	Ethiopia
14	Zimbabwe	Zimbabwe	Zimbabwe	Zimbabwe	Mozambique
15		Kenya	Kenya		Kenya

PERFORMANCE TREND AGAINST THE REST OF THE WORLD

Per the Fraser Institute Annual Survey of Mining Companies



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CONCLUSION

Namibia competing in a global league…

- It is important for the mining community to pull the levers within Namibia's control in order to define the country's position within the global league table.
- Particularly
  - Fine tuning regulatory environment to favour inward investment to the extent possible;
  - Showcasing Namibia's geological endowment.

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