



The Chamber of Mines of Namibia

President's Review

By Mark Dawe

20th April 2007

1. MINING AND THE ECONOMY

2006 was a bumper year for mining in Namibia. In 2006, the Mining Industry generated 11.442 billion NAD of revenue from the sale of its products. This represented a growth of 52 % on revenue generated by mining in 2005, which was 7.535 billion NAD. Over the same period, the profitability of our operations improved from a net loss of 158 million in 2005 to a net profit of 2.248 billion NAD in 2006.

Just to demonstrate the cyclic nature of minerals and metals, as influenced by both pricing and the exchange rate, in 2002/2003 the receiver recorded taxation revenue of 2.5 billion NAD from the mining industry. By 2005/2006, this figure had fallen to 400 million NAD, of which non-diamond mining contributed a mere 10 million NAD.

There could be no clearer message that our mines were struggling to balance their books in 2004/2005. This was precisely when the new royalty tax was imposed on our industry, which was later postponed and modified to a more affordable figure. We are pleased to announce that the Receiver's revenue from profits tax for the 2006/2007 year will once again show a dramatic turnaround. The government estimates that the new royalty tax will generate 229 million NAD of additional revenue during the first year of its implementation in 2007.

A good yardstick of the mining industry's performance is its contribution to total export revenue. Mining's contribution to Namibia's total export revenue of 18 billion NAD (BON estimate) in 2006 was 63%. Mining has once again firmly established itself as the backbone of Namibia's economy, eclipsing all other sources of revenue.

Very significantly, the contribution of non-diamond mining rose from 45.3% of total mining revenue in 2005 to 51.1% in 2006. The increased diversification of Namibia's mining sector away from diamonds is a very healthy development for the future of our country. This is not due to a decline in the production of diamonds, but to the contrary, production of both diamonds and other metals and minerals increased significantly over the period under review. Two of our operations, Skorpion Zinc and Rössing Uranium together contributed 36% to total mining revenue and 49% to the revenue declared by the non-diamond mining sector.

Quite apart from the increased production of diamonds, base metals, precious metals and industrial minerals, the global boom in the demand for commodities in response to the explosion of the dragon and tiger economies, has driven the price of many metals and minerals to unprecedented levels during the period under review. Although we have recently seen some relaxation in the price of base metals, which is thought to reflect a decline in the effect of speculation on pricing, current base metal prices are likely to continue their upward trend over the long term as there seems no let up in demand.

The contribution of Uranium to the economy has shown a dramatic turnaround as the price of Uranium continues to power ahead each day. The price of Uranium remained stable at around 10US\$ per pound from 1990 through to 2002, when the current boom began. We now see Uranium just breaking the 100 US\$ per pound mark, one order of magnitude higher than a mere four years ago. Rössing Uranium has again become one of the pillars of the Namibian economy and has announced exciting expansion plans.

With the successful commissioning in March 2007 of Paladin Resources' Langer Heinrich Uranium and the possibility of another two or more Uranium mines coming on stream, in the future, Uranium may overshadow the contribution to our economy of other minerals, including diamonds.

The Chamber cautions the Ministry of Mines and Energy not to close their doors to potential new investors in the Uranium sector, but to the contrary, to welcome any serious investor with open arms, as it is the exploration juniors that have had the most success with the discovery of new deposits. The Chamber's cooperation with MME at Mining exhibitions such as the Cape Town Indaba, are geared specifically towards attracting FDI to our industry. It is therefore our opinion that the Minister's recent announcement of a moratorium on the issuing of Uranium exploration licences, is counter-productive to our joint efforts. The Chamber appreciates MME's concerns regarding the strategic nature of Uranium, nevertheless, we feel that the concerns expressed by the Ministry regarding the credibility of potential investors in the Uranium sector can easily be verified prior to the granting of a licence. The new royalty mechanism will ensure that the contribution of Uranium to the fiscus will be maximized if the best and most professional exploration companies are granted new licences for Uranium. Namibia currently contributes some 7.5% of global Uranium production. With the coming on stream of our new Uranium mine, Langer Heinrich, this figure is likely to reach 10% at full production. Rössing has announced exciting plans to significantly increase production and it is likely that two or more Uranium producers will enter the fold within the next three years. By the end of this decade, it is highly likely that Namibia will produce up to 15% of the world's Uranium.

This swing of the commodity pendulum in the right direction, together with improved pricing for most metals and minerals, was only partly responsible for the dramatic turn around of the mining industry in 2006, from the loss situation experienced by many Chamber operations in 2004 and 2005. The exchange rate between the Namibian Dollar and the US Dollar is as important to exporters as is the US\$ based commodity price. In the last quarter of 2005 the N\$ began weakening against hard currencies to the current more realistic level of around 7 NAD to the US Dollar, from values as low as 5 NAD to the US Dollar, as the US economy began to rebound after

an extended period economic strain driven by the conflict in the Middle East. By the end of 2006, the Namibian dollar had reached a level many economists feel reflects the true purchase power parity of the Rand Currency Unit. As we have seen from the disastrous years for our industry in 2004 and 2005, a stable local currency is vital for the survival and well-being of our industry.

I now turn to the performance of our industry, under the headings of each of the minerals and metals produced in Namibia;

2. PERFORMANCE OF THE INDUSTRY – BY MINERAL

Diamonds

Diamonds have traditionally dominated the economy and overshadowed the contribution by the non-diamond mining sector. As of 2006, for the first time since 1990, the diamond mining industry was eclipsed by the non-diamond mining industry in terms of its contribution to the value of mineral production. Namdeb's turnover, which includes that of Debmarine, was 5.366 billion NAD, an increase of 34% on the 2005 turnover.

Several milestones were achieved by the diamond industry in 2006. Perhaps the most significant being the achievement of over one million carats produced by Debmarine, producing 1.018 million carats. This is the second year running that production from sea based operations has surpassed that of Namdeb's land based operations, although together with its contractors, Namdeb produced a total of 1.067 million carats from its land based and shallow water operations.

Total diamond production from the Namdeb licences was 2.085 million carats, representing the highest production yet from Namdeb, and only the second time the 2 million carat mark has been broken. The last time was in 1977. Another significant milestone for Namdeb was the conclusion of its Sales Agreement with the Namibian government which is its 50% partner. As part of this agreement, Namdeb established the Namibian Diamond Trading Company, which will handle the sale of all of Namdeb's production. Under this agreement, a significant percentage of Namdeb's diamonds will be sold to local cutting and polishing factories, thereby creating additional value in Namibia.

Production at Namdeb focused on the wetter deposits, closer to the sea and in the accreted areas, as the land based resources are being depleted. Namdeb invested heavily in state of the art and often unique mining technology, expending 459 million NAD on fixed investment in 2006. Most sampling and exploration conducted by Namdeb took place within their Mining licences, with the objective of evaluating known resources, particularly at sea, for conversion to reserve status. Namdeb was granted seven new EPLs in the Caprivi region, for exploration for primary (kimberlite) diamond occurrences. In addition, two joint ventures were entered into for similar exploration projects in neighbouring areas of the Kavango Region.

2007 is expected to be another record year for Namdeb with demand continuing to increase, despite the effects of negative publicity from elements such as the Hollywood film industry. In response to the potential negative impact of the film

“Blood diamond”, Namdeb, through De Beers, launched an aggressive publicity campaign promoting diamonds as development diamonds. Notwithstanding bright prospects for diamonds into the future, stone size is expected to reduce in 2007 as diamonds become increasingly difficult to recover. Sales prices are expected to remain the same or lower, placing increased pressure on the profitability of the company.

De Beers Marine Namibia, which is owned by De Beers (70%) and Namdeb (30%), operates the Atlantic 1 concession under the Namdeb licence. Debmarine mined 5.6 square kilometers of this licence, which is a 17% percent improvement on the 2005 mining figure and significantly higher than the budget of 4.9 square kilometres mined. Debmarine also exceeded its budgeted production of 940 000 carats by 8.3%, producing 1.018 million carats, as already mentioned.

Samicor Diamond Mining Company also mines diamonds from its sea based licences and concession areas. Samicor more than doubled its carat production in 2006, producing 262 000 carats, compared to 120 100 carats in 2005. Samicor has produced a total of 558 674 carats since full scale operations commenced. Samicor’s turnover in 2006 was 249.4 million NAD, compared with 123.3 million NAD in 2005. The successes are ascribed to the optimization of known reserves as a result of reinterpretation of sampling and exploration data. In addition, Samicor benefited significantly from technological advances and invested heavily in its future, expending 265.503 million on fixed investment. Samicor has become a very significant player in the Namibian diamond industry.

Diamondfields Namibia produced 7000 carats in 2006, with revenues totaling 11.7 million NAD.

Total diamond production in 2006, as declared to the Chamber of Mines, was 2.353 million carats with revenue of 5.597 billion NAD.

Zinc

Namibia’s two producing Zinc mines are Anglo Base’s Skorpion Mining and Exxaro’s Rosh Pinah Mine.

Barely two years after commissioning of this pioneering operation, Skorpion reached its nameplate production in May 2005. Skorpion nearly doubled its turnover in 2006, declaring sales of 2.518 billion, compared with 1.317 billion in 2005.

In 2006, Skorpion mine produced 129 897 tonnes of Special High Grade Zinc (SHG). This compares with production of 132 813 tonnes in 2005. The slight reduction in concentrate production was owing to an impurity excursion into the electrowinning section in August 2006, resulting in a three week shut down while fresh synthetic electrolyte had to be produced for restart. Intensive metallurgical R&D is continuing at Skorpion, as this world first operation discovers solutions to challenges with its previously untested technology. Skorpion invested 106.9 million NAD in capital and spent 7.6 million NAD on exploration.

Rosh Pinah mine produced 103 880 tonnes of Zinc concentrates in 2006, compared with 126 123 tonnes in 2005. This represents a decline of 18%. The contained zinc metal in the concentrates declined from 68 582 tonnes in 2005 to 56 587 tonnes in 2006. In spite of reduced production, Rosh Pinah's turnover more than doubled from 415 million NAD in 2005 to 888 million NAD in 2006. This reflects the improvement in the price of zinc from 1900 US\$ per tonne in December 2005 to 4200 US\$ by the end of 2006. Rosh Pinah's production targets were not met due to an unfortunate incident of industrial action, during which the mine was not operated for two full weeks in November 2006. In addition, several technical problems were encountered due to aging equipment in the plant. Rosh Pinah's very successful exploration programme saw the drilling of 42 600m of diamond holes in 2006, outlining more than two million tonnes of ore. Emphasis on exploration will continue into 2007, with a further 48 000 m of diamond holes planned.

2007 promises to be an exciting year for both Skorpion and Rosh Pinah, with metal prices expected to stabilize around the US\$ 3 200 per tonne level and demand for zinc expected to remain strong.

Uranium

Uranium has become the flavour of the year and promises to be the flavour of the decade. Some 15 prospecting licences for nuclear fuels exploration have been issued by MME to date. Our Chamber review reported that there were a further 65 applications for Uranium exploration licences awaiting approval as of October 2006. In October 2006, MME took a policy decision to limit all new Uranium EPLs to a validity period of one year that may be rolled over to the standard three year validity period if the commitment to exploration expenditure is met. The most exciting Uranium exploration projects are Trekopje, owned by Uramin Inc. Valencia, owned by Forsys Metals Corp, Husab, owned by Kalahari Minerals and Tubas, owned by Deep Yellow, via Reptile Investments Four.

Namibia now boasts two producing Uranium mines. Rössing mine, which recorded 30 years of continuous mining operations in 2006, has committed itself to a US\$ 112 million life of mine extension project that will see the mine through to 2022. Rössing recorded production of 3617 tonnes of U₃O₈, 2% above target. Although production was 94 tonnes lower than the production for 2005, Rössing's sales revenue at 1.554 billion NAD increased by 68% over its 2005 sales of 926 million NAD. This was due to the price of Uranium more than doubling from US\$ 31.75/lb at the beginning of the period to US\$ 75/lb at the end of 2006. Rössing intends ramping up its production to its nameplate capacity of 4 000 tonnes per annum, with further expansions planned for the future. Rössing spent 272.7 million NAD on fixed investment and 1.25 million NAD on exploration.

Namibia's new mine, Langer Heinrich Uranium was officially commissioned in March 2007, with the first product being produced on December 28th 2006 and the first product shipment made on the 14th March 2007. As it was still in the construction phase for the period under review, no production was declared for 2006. Langer Heinrich committed 416 million NAD to capital expenditure in 2006, with the total project costs amounting to US\$ 92 million (620 million NAD). Langer Heinrich spent 7.7 million NAD on exploration in 2006. Its current life of mine extends to

2021. Tragically, Paladin's Operations Director and the Managing Director of Langer Heinrich mine, Garnet Halliday, was killed in a light aircraft accident in Malawi one week before the official commissioning of the mine on the 15th March 2007. Council members were shocked and deeply saddened by this tragic loss of an active and respected member of Council.

Gold

AngloGold Ashanti's Navachab mine experienced a bumper year. Production increased from 2519kg bullion in 2005 to 2691 kg in 2006. Turnover improved from 230.5 million NAD in 2005 to 345 million NAD in 2006. The increase in revenue resulted from both production improvements as well as a significant increase in the price of Gold, which moved from 540 US\$ per oz in January 2006 to 620 US\$ by the end of the year. This was largely in response to the unstable political climate throughout the world driven by the war in the Middle East. Analysts predict that this trend is likely to continue into the future.

Navachab mine is engaged in a major exploration programme which is aimed at increasing its life of mine beyond 2020. Fixed investment at Navachab mine was 34 million NAD, of which 4 million NAD was exploration capital.

Ongopolo also produces gold contained in blister copper. Gold production in blister at Ongopolo in 2006 remained approximately the same as that in 2005, at 142 kg.

Copper

Namibia's only copper producer is Ongopolo Mining and Processing. The price of copper also grew significantly throughout the year, from 4500 US\$ per tonne in January 2006 to 6200 US\$ per tonne by the end of the year.

Ongopolo produced 21 699 tonnes of blister copper at its smelter in Tsumeb, of which 8055 tonnes was derived from its own concentrates (captive production) and the remainder, 13 644 tonnes from imported concentrates. This represents a 4% decline on the 2005 figure of 22 563 tonnes.

Ongopolo has been through a turbulent period during the year in review, culminating with Weatherly International's take-over of the company which received the High Court blessing in July 2006. Weatherley's strategy has been to raise production at Otjihase through backfilling and pillar recovery, and to carry out a strategic reassessment of the company's ore resources and assets, thereby concentrating skills and resources on the operations that are likely to show the best cash-flow potential. As part of this process, Ongopolo fully refurbished the Tsumeb smelter, in order to position itself for increased concentrate production from its own operations as well as allowing it to exploit the potential of toll smelting concentrates from other operations, notably in Zambia, the DRC and other non-African countries. Ongopolo's review process has led management to the painful decision to shut down the Asis far west shaft and to explore other opportunities in the Kombat area. Other projects at Ongopolo will be concentrating on the dewatering of the old Kombat shaft down to the 19 and 20 levels, in order to exploit two years ore reserves. Further mining at Kombat will take place at the open pit to exploit previously unmined surface reserves. Ongopolo has also announced plans to relook at the old Berg Auchas mine. The

Tschudi mine is currently under development and is expected to come into the operation within the next four months. Production at the Tsumeb concentrator is expected to recommence with ore from the Tsumeb West mine during the first week of May 2007. Ongopolo spent 114.622 million NAD on capital investment and 40.7 million NAD on exploration.

Lead

Lead concentrate is produced at Rosh Pinah mine. In 2006 Rosh Pinah produced 103 880 tonnes of lead concentrates with 11 868 tonnes of contained lead metal. This compares with 24 690 tonnes of lead concentrates produced in 2005. The lead concentrates are transported to Walvis Bay where they are exported overseas for smelting and refining.

Fluorspar

Namibia's only Fluorspar producer, Okorusu Fluorspar, owned by the multinational Chemicals and Pharmaceuticals group, Solvay, produced 132 249 wet metric tonnes of 97.5% pure acid grade concentrates in 2006. This represents an improvement of 15% over the 2005 production of 114 886 wet metric tonnes, placing Okorusu mine in the third position in terms of global acid grade Fluorspar production.

Okorusu mine's turnover improved from 94.8 million NAD in 2005 to 128.2 million NAD in 2006. Okorusu committed 13.7 million NAD to capital projects in 2006 and spent 1.9 million NAD on exploration.

Fluorspar has not enjoyed the same price improvement most base and precious metals have. Okorusu has managed to offset below inflationary growth in its market price by adopting a strategy that takes advantage of economies of scale. Although the demand for Acid Grade Fluorspar has gradually improved as the world's largest producer, China, has consumed ever increasing amounts of its domestic production, 2006 was not a good year for Okorusu's parent company, Solvay Fluor. China is now competing with Western production of the third generation refrigerants, placing pressure on demand for these finished products.

Okorusu mine will concentrate its exploration drive on its D orebody within the Okorusu complex in 2007 and intends to finalise a feasibility study on its Omburo EPL near Omaruru. Okorusu has completed its expansion programme and intends to stabilize its annual production at 130 000 wet metric tonnes of Fluorspar.

Analysts believe that Fluorspar will be placed under pressure over the short term but in the longer term, Chinese domestic consumption will serve to consume their own Fluorspar reserves, forcing China to buy concentrates from Western producers, thus rekindling an upward trend in the demand cycle. Okorusu has recently announced a unique partnership with the Community of Otjiwarongo. It has set up a Community Trust mainly geared towards the improvement of primary education and health care in the community. The Trust will receive annually N\$ 500 000 regardless of profitability of the operation, as well as 5% of net profits.

Salt

Namibia's major salt producer, Salt and Chemicals (Pty) Ltd, produced a total of 535 334 tonnes of salt. This compares with 577 000 tonnes in 2005. 2006 production was detrimentally affected by poor evaporation rates in 2005 but 2007's production promises to improve as a result of better evaporation rates in 2006. The Salt Company produced 80 000 tonnes of salt during 2006. Namibia's salt is the largest tonnage export from Walvis Bay, from where it is exported to African ports for the production of chloride based chemicals and table salt.

Exploration

As part of its renewed objectives identified during the strategic planning process, the Chamber concentrated on increased representation of the of exploration members. The importance of the exploration community to the future of our industry cannot be overstressed. In fact, it has been the exploration juniors that have made the most significant strides towards the establishment of new mines.

Total exploration expenditure by the industry was 310.7 million NAD in 2006.

Employment

Chamber members employed 8 709 people, inclusive of contractors. 7 125 people were under permanent employment.

Health and Safety

There were 44 accidents resulting in lost time in 2006 compared to 50 accidents in 2005. Unfortunately one fatality was recorded, against two in 2005. All Chamber operations adopt the highest international standards of health and safety, which has become a condition of chamber membership.

Chamber of Mines of Namibia - Safety Statistics

	2006	2005	2004	2003	2002	2001
Number of accidents	44	50	44	68	38	41
Fatalities (included in above)	1	2	0	1	3	2
Shifts lost per accident	160.86	259.08	23.50	102.51	491.71	323.10
F R	1.70	1.91	1.76	2.73	0.43	0.50
S R	272.88	494.15	41.34	280.00	210.02	160.34

The Chamber operates the very successful OHEAP programme which receives the majority of its funding from Okorusu mine. OHEAP has expanded beyond the mining industry into many large companies and parastatals. The Chamber and the mining industry are at the forefront of the war against HIV/AIDS. The results of the programme, which highlights awareness and education, are apparent through the decrease in new infections at many of our operations.

3. CHAMBER OF MINES ACTIVITIES

I now turn to the Activities of the Chamber of Mines of Namibia

The Chamber invests in Training and Skills Development

The training of appropriate skills required by the industry was identified by Chamber members as the keystone of its empowerment strategy. The Council of the Chamber of Mines in its SWOT analysis, also identified the shortage of certain critical skills as one of the greatest threats to the industry. In an effort to address this challenge, the Chamber conducted a detailed and comprehensive assessment of the skills required by both the industry and the Ministry of Mines and Energy at the tertiary and artisan level. The results of this analysis were presented to Council at the meeting this morning. This analysis will be repeated each year in order to ensure that figures remain continually relevant. Chamber members awarded a total of 66 new bursaries to Universities and Technikons in 2006. More than 100 students at tertiary institutions are sponsored by Chamber members. The industry has shown renewed commitment to the highly respected Namibian Institute of Mining Technology (NIMT) which has the reputation of being a centre of excellence. Chamber members have formalized their support through increased sponsorship of full time students and improved interaction between engineers on the mines and lecturers at NIMT, to ensure the relevance of training.

Chamber Committees

Four new committees have been added to the Chamber during the period under review, bringing the total number of committees to 10, inclusive of the executive committee, the Council of the Chamber.

The new committees are;

- The Mine Rehabilitation and Closure Committee
- The Minerals and Metals Value Addition Committee
- The Security of Power Supply Committee
- The Occupational Health and Environmental Standards for Uranium Mines Committee

These are additional to the following committees that were already in existence;

- The Council of the Chamber of Mines
- The Exploration and Environment Committee
- The Safety Committee
- The Labour Committee
- The Mine Surveying Committee
- The Mining Cooperation Council

Each of these committees has been active and resourceful, adding significant value to membership of the Chamber.

Highlights at the Chamber

The first glossy review of the Chamber, containing a wealth of information about our industry against the backdrop of many stunning photographs taken mainly by Simon Wilkie, was published in 2006 and was a great success. The second review, the 2005/06 Review, was published in time for the Cape Town Mining Indaba in February 2007. The Review has become the calling card and the mouthpiece of our industry. In addition to the review, the Chamber established a website, www.chamberofmines.org which went live in February 2006. The website has served to heighten awareness of our world-class industry, and I'm sure it's done its part to attract investment to our Country.

The Chamber's Burning Issues

The Chamber consulted extensively with the government on the issues of Royalty, BEE, Transfer Pricing and Minerals Beneficiation. These issues are dealt with in our 2005/06 review. But without doubt, the most important event in the past year has been the interaction between MME and the Chamber on the issue of a Royalty on gross sales, which was initially poorly handled by MME when it was announced without consultation with the Chamber, in November 2004. But after two years of consultations with MME and a moratorium on its implementation, the Chamber recently expressed its satisfaction with the announcement of revised royalty rates of 2% and 3% of gross sales for the non diamond mining industry, effective as of December 1, 2006. However, two of our A Class members still take exception to the royalty because the Minister has not demonstrated that any of the conditions precedent were in place prior to the introduction of the royalty, as is required by the Minerals Act.

Notwithstanding our acceptance of the principle of a royalty tax, the Chamber has been very vocal about its dissatisfaction with the overall tax regime placed on non diamond mining in Namibia. The combination of a mining corporate tax rate of 37.5% together with a revised gross sales royalty of 2 to 3 % still places Namibia as one of the highest taxed countries in the world for mining companies. This does not auger well for investment in exploration, which is our industry's life-line to the future. We have secured the support from MME on this matter and we shall continue our discussions with the Ministry of Finance, to lobby for a more favourable and competitive corporate tax rate.

We are advocating both a reduction in the corporate tax rate for mining companies and a reprieve from the payment of royalties during lean times for the industry when commodity prices are on the low ebb of the cycle. The former matter is being dealt with through the Ministry of Finance, while the latter is being handled through the Minerals Bill Committee, on which the Chamber is an active member.

The Strategic Planning Process

In 2005, the Chamber Council took a decision to reassess its objectives and develop a mission and vision statement and to critically examine its effectiveness, perceived status and level of service to its members. Through the process of several Strategic Planning Sessions, Council identified several strategies and actions to align itself with its goals and objectives. These strategies and actions will be regularly judged against performance indicators and targets, as a test of the Chamber's effectiveness at regular planning sessions of the Council. The Strategic Planning Process was heralded as a resounding success and culminated with agreement on a new Mission and Vision for the Chamber and a new code of ethics, governing the conduct of member operations over a wide range of activities, from environmental and social responsibility to standards of safety and "poaching" of skills. This code of ethics will be signed by all Council members and will be extended to all classes of the Chamber membership.

I will end this report of the Chamber's activities with our new Mission and Vision statements.

Mission; *To efficiently promote, encourage, protect and foster responsible exploration and mining in Namibia, to the benefit of the country and all stakeholders."*

Vision; *"To be acknowledged as the champion of the exploration and mining industry in Namibia"*

At this point it gives me great pleasure to announce my successor as President of the Chamber of Mines; Otto Shikongo is the MD of De Beers Marine Namibia. Since 1988 he has held numerous engineering positions with De Beers before moving to Namdeb as Operations Manager in January 2002. He was appointed Debmarine Managing Director in 2003.

Otto is a registered professional and certificated Engineer, holding qualifications that include a Master of Engineering degree (mechanical) from the University of Southampton – UK. He completed a Senior Management Development Programme with the University of Stellenbosch Business School – RSA in 1996; An Executive Development Programme with Ashridge in 1999 and a Senior Executive Programme with the London Business School in October 2006.

I am very confident that under Otto's leadership, with Veston Malango at the helm, the Chamber will continue to grow from strength to strength. I urge all Chamber members to utilize the Chamber and to be open and outspoken about how we can continue to add value to your membership.

Today we elected the new Vice Presidents of the Chamber. The first Vice President is Gerald Boting and the second Vice President is Mike Leech.

Together with Otto and Veston, we have a very formidable management team.

To my colleagues and Council Members at the Chamber, a special thank you for placing the confidence in me over the past two years. I think you all agree, it has been a very challenging and rewarding time for the Chamber. Finally, a very special thank you to our GM, Veston Malango. The position fits him like a glove. We've had a wonderful working relationship, but moreover, have developed a great friendship, that means a lot to me.

I thank you all for listening. Copies of my report and of the Chamber Annual Review 2005-2006 are available here and I would ask you to consult our website for all relevant information on the Chamber and on our industry.

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Mark Dawe
President
Chamber of Mines of Namibia
20th April 2007
