

8 March 2019

The Regional Councillor
Oranjemund Constituency Office
//Kharas Regional Council
P O Box 705
Oranjemund
Namibia

Attention: Mr. Lazarus Nangolo

Dear Sir,

RE: AGRICULTURAL PROJECT

Subsequent to Namdeb's reply to your letter dated 17 August 2018 and the ensuing discussions regarding the above topic, Namdeb has further reviewed the areas proposed for agricultural developments along the Orange River.

As part of the economic diversification of Oranjemund, Namdeb investigated a number of possible alternatives. Agriculture was found to be one of the initiatives with the highest contribution to support a sustainable town beyond Namdeb and as such Namdeb is in full support of agricultural developments along the Orange River.

Namdeb is however firstly a mining company and as the mining licence holder is responsible and accountable to ensure that the mining licences assigned to it are optimised and explored to the maximum. To this end, most of the areas proposed by your good office are overlapping with existing operations as well as current and future exploration activities. It must also be brought to your attention that some of the areas proposed fall outside, or partially within, some of the Namdeb mining licence areas and some areas also infringe on existing proclaimed farms in the area.

As may be seen in Figure 1 below, Farms 206, 208 and 209 only have portions falling within the Namdeb Mining Licence Area and other portions outside of it. Namdeb only has jurisdiction over the areas within its Mining Licence Area. All of the farms and/or portions of farms falling within the mining licence area at Sendelingsdrift (Farms 206, 208, 209, 210 & 211) are earmarked for current & future exploration activities and are therefore not available for consideration for the proposed agricultural developments.

Farm 207 falls outside of Namdeb's Mining Licence Area and as such Namdeb does not have any jurisdiction regarding its use.

NAMDEB DIAMOND CORPORATION (PROPRIETARY) LIMITED

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Referencing the pdf document (Agricultural Project – Maps.pdf) provided with your original request regarding areas for possible agricultural development, the following unsurveyed areas are also earmarked for current & future exploration activities and are therefore not available for consideration for the proposed agricultural developments:

- Plot D Daberas (Grape),
- Plot D Daberas (Lucern Plantation),
- Plot D Daberas 2, and
- Plot E (Ubib).

Five areas have however been identified by Namdeb that may be considered for possible future agricultural development as per the target areas proposed in your letter. These areas include a portion of Farm 212 Höhenfels, Lucern A, Lucern B, Plot B Daberas 2 and the upstream portion of Plot B Daberas (as indicated in Figure 3) as referred to in your letter.

More detail regarding the areas identified are given below:

Farm 212 Höhenfels

With regard to Farm 212 (Höhenfels), the original area indicated on the letter is still earmarked for exploration activities and also partly falls on the aquifer that supplies Oranjemund with water and as such unfortunately is not available for agricultural use. However, as indicated in Figure 2, some land can be made available for agricultural use, some of which has already been used for agriculture in the past.

In Figure 2 the blue area indicates Farm 212 Höhenfels whilst the green area indicates the area proposed for agricultural use and contains the area historically also used for agriculture.

Lucern A & Lucern B

The areas indicated as “Lucern A” & “Lucern B” in the letter are not earmarked for future exploration & may be considered for agricultural use.



Figure 3: Lucern A & Lucern B available for agricultural use

Plot B Daberas & Plot B Daberas 2

With regard to Plot B Daberas and Plot B Daberas 2, the following however needs to be taken into consideration:

- The lower portions of Plot B Daberas are still earmarked for current & future exploration activities and are therefore not available for consideration for the proposed agricultural developments. Only the upper portion closer to Plot B Daberas 2 is available for possible agricultural development.

It is hoped that the above will assist in the endeavour to unlock land for possible future agricultural use which will also be to the benefit of Oranjemund town, the //Kharas region and Namibia as a country at large.

It however has to be reiterated that Namdeb does not have any authority regarding the approval of alternative land use within these areas. As previously stated, the future agricultural use of the land indicated will have to be negotiated with the Ministry of Mines & Energy, Ministry of Environment & Tourism and the Ministry of Agriculture, Water & Forestry as the main stakeholders, as well other interested & affected parties.

Please accept Honourable Councillor, our assurance of the highest consideration & support for your endeavours regarding this project.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J. Jacob', written in a cursive style.

Jürgen Jacob
CHIEF OPERATING OFFICER

Cc: Mr. Riaan Burger, Chief Executive Officer, Namdeb
Mr. Simeon Negumbo, Executive Director: Mines & Energy
Mr. Percy W. Misika, Executive Director: Agriculture, Water & Forestry
Mr. Teofilus Nghitila, Executive Director: Environment & Tourism
Mr. Charlton August, Senior Mineral Resource Manager, Namdeb