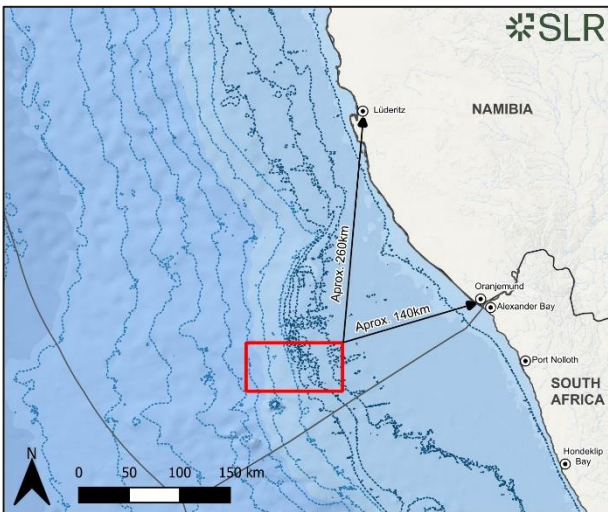


1.0 Introduction

Rhino Resources Namibia Ltd (Rhino) is the holder of an Exploration Licence for Licence Block 2914A, located off the southern coast of Namibia (Figure 1). Licence Block 2914A covers an area of approximately 5 338 km² and is located 140 km offshore at its closest point in water depths ranging from 200 m to 1 800 m.

Rhino proposes to drill up to 10 exploration and/or appraisal wells within the Block to confirm and test the presence and quality of hydrocarbon resources. Related exploration activities include vertical seismic profiling (VSP), well testing, and well abandonment.

Before the proposed exploration activities can commence, Rhino requires an Environmental Clearance Certificate (ECC) from the Ministry of Environment, Forestry and Tourism (MEFT). As part of this process, an Environmental and Social Impact Assessment (ESIA) must be undertaken. SLR Environmental Consulting (Namibia) (Pty) Ltd (SLR) has been appointed to undertake and manage the ESIA process.



Corner	Latitude (°) (S)	Longitude (°) (E)
Top left	29°00'00"S	14°00'00"E
Top right	29°00'00"S	15°00'00"E
Bottom left	29°30'00"S	14°00'00"E
Bottom right	29°30'00"S	15°00'00"E

Figure 1: Locality Map of Licence Block 2914A off the southern coast of Namibia, with coordinates of the boundary corners

Purpose of this Document

This document informs you about:

- The proposed Project;
- Any project alternatives considered;
- The biophysical, cultural, and socio-economic baseline environment of the proposed Project area;
- The ESIA process being followed;
- Possible biophysical, cultural, and socio-economic impacts identified, and related specialist input; and
- How you can participate in the environmental assessment process.

Who are the Consultants?

SLR Environmental Consulting Namibia (Pty) Ltd (SLR) is an independent firm of environmental consultants and has been appointed by Rhino Resources Namibia Ltd to conduct the ESIA process

Your Role

All people who consider themselves an interested and affected party (I&AP) can obtain information about the proposed Project, register on the project database, participate in meetings (see below) and provide input into the ESIA process and reports.

You have an opportunity to review this document and to provide your initial comments to SLR for incorporation in the ESIA process. Everyone registered on the project database will also have the opportunity to review and comment on the Scoping Report, ESIA Report and Environmental Management Plan (EMP) later on.

All I&AP comments will be recorded and included in the reports submitted to authorities for decision-making.

Meeting Details

SLR will convene two public meetings in the pre-application phase of the process, to present the project to and engage with I&APs:

Meeting 1: Lüderitz (Nest Hotel)

Date: 14 November 2023, **Time:** 11:00

Meeting 2: Walvis Bay (Protea Hotel)

Date: 15 November 2023, **Time:** 11:00

How to Register and Comment

Please register on the database online by scanning the QR code or following the link below or by contacting SLR at the details listed below.



<https://forms.office.com/e/TXTNCjTTYg>

Contact Details

Tel: +264 61 231 287

Email: Rhino-2914A@slrconsulting.com

Website: <https://www.slrconsulting.com/public-documents/rhino-2914a/>

2.0 Overview of the Proposed Project

Rhino is applying to drill up to 10 wells within Block 2914A. At this time, the proposed exploration and appraisal wells could be located anywhere within Licence Block 2914A. The estimated project duration for each well is provided below:

- Mobilisation: up to 30 days
- Well drilling: two to four months
- Well abandonment: up to 10 days
- Demobilisation: up to 5 days

Key activities are briefly described below.

2.1 Drilling Operation

Drilling Site Selection: For each well, the drilling location will be identified based on detailed analysis of available seismic and pre-drilling survey data, results of previous well drilling if available, and the geology.

Drilling Stages: A well is created by drilling a hole into the seafloor using a drill bit, which crushes the rock into small particles, called “cuttings”. Depending on the stage of drilling (Figure 2), these cuttings are either (1) discharged onto the seafloor adjacent to the hole or (2) brought up to and treated on the drilling unit and then discharged overboard. After the hole is drilled, steel pipes are placed in the hole and permanently cemented into place to prevent it from collapsing.

Well Testing: Once the target depth is reached, a well may be tested (flared) if a resource is discovered.

Well Sealing and Plugging: Once testing is complete, the well is sealed with cement plugs, tested for integrity and abandoned according to international best practices.

2.2 Equipment and Logistics

Drilling Unit: Rhino proposes to use a drill ship or semi-submersible drilling unit (Figure 3) to undertake the proposed exploration activities. The final drilling unit selection will depend on availability and final design specifications.

Support Vessels: The drilling unit will be supported / serviced by three to four support vessels that facilitate the moving of equipment and materials between the drilling unit and the onshore base, and to assist in case of an emergency.

Helicopters: Personnel will likely be transported to and from the drilling unit by helicopter operating from Oranjemund.

Onshore Logistics Base: The primary onshore logistics base will be located at either the Port of Walvis Bay or the Port of Lüderitz. It will be used for storage of materials and loading and offloading of support vessels.

Accommodation: Shore-based staff will be accommodated in Walvis Bay, Lüderitz or Oranjemund. Accommodation during crew changes may be required for incoming or departing offshore staff.

Waste Management: All vessels will have equipment, systems and protocols in place for prevention of pollution by oil, sewage and garbage in accordance with international MARPOL requirements. Any oil spill related discharges would be managed by a government approved Oil Spill Contingency Plan. Onshore licenced waste disposal sites and waste management facilities will be identified, verified and approved prior to commencement of drilling operations.

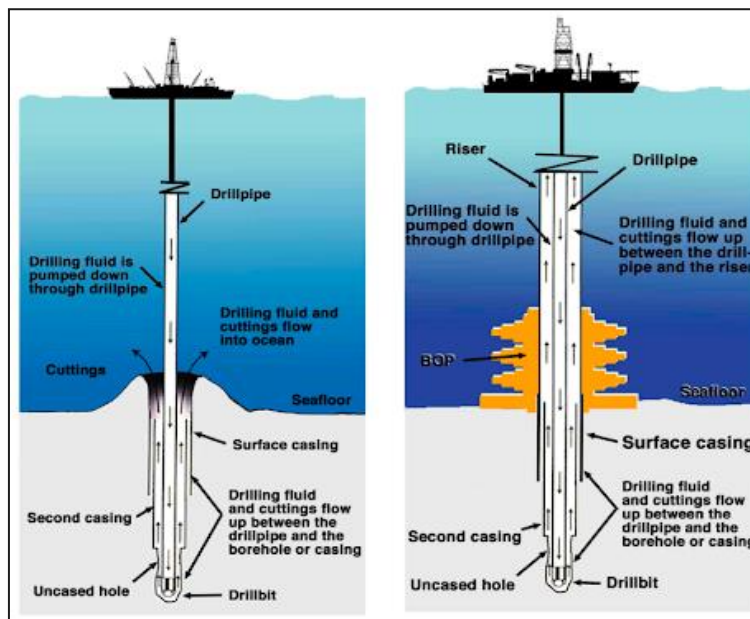


Figure 2: Drilling stages

Source: <http://www.kochi-core.jp/cuttings/>



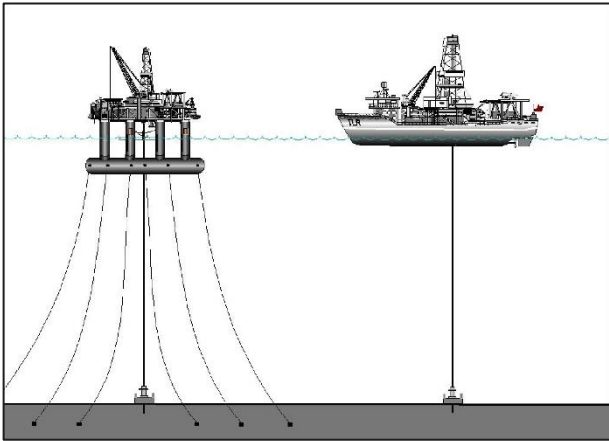


Figure 3: Semi-submersible drilling unit (left) and drill ship (right)

Source: Minerals Management Service

3.0 Need and Desirability

There is global concern of the need to reduce GHG emissions and achieve carbon neutrality by 2050. However, this rapid transition, if not managed properly, poses economic and sustainable development risks. Namibia is committed to a just transition towards a net-zero and climate-resilient society.

Namibian policies currently focus on promoting exploration and investments in the oil and gas sector, aiming to enhance socio-economic welfare through sustainable use of natural resources. The proposed project aligns with these policies, with the potential to generate employment and training opportunities in the offshore oil and gas industry. The exploration is compatible with Namibia's socio-economic goals but is less aligned with certain national and international agreements, such as Namibia's Climate Change Policy Framework and Updated NDC, which stress the reduction of fossil fuel reliance and GHG emissions.

The use of natural gas is accepted as necessary for transitioning to carbon neutrality as per the Paris Agreement. It offers flexibility to complement renewable energy sources. If significant gas resources are found, they could contribute to Namibia's energy transition goals. The exploration project would not result in the production of oil or gas; instead, it aims to confirm and understand possible indigenous resources. As such, it does not directly influence Namibia's current reliance on fossil fuels or consumer choices in energy use.

The project's significance lies in optimising Namibia's own resources, potentially reducing the need for imports and supporting the country's oil and gas requirements in the interim. Namibia's commitment to balancing economic growth with environmental sustainability remains essential in navigating the complexities of the energy transition landscape.

4.0 Key Environmental and Socio-Economic Sensitivities

An initial indication of the baseline environment, which together with the proposed project activities informs the nature of possible impacts and the scope of the impact assessment, is provided below.

4.1 Physical Environment

Block 2914A lies on the shelf edge and upper continental slope. The seabed in the vicinity is likely characterised by a mixture of sand and mud, however hard substrate may be present. A major seabed feature along the southern Namibian coast is Tripp Seamount, located approximately 10 km south of 2914A (Figure 4).

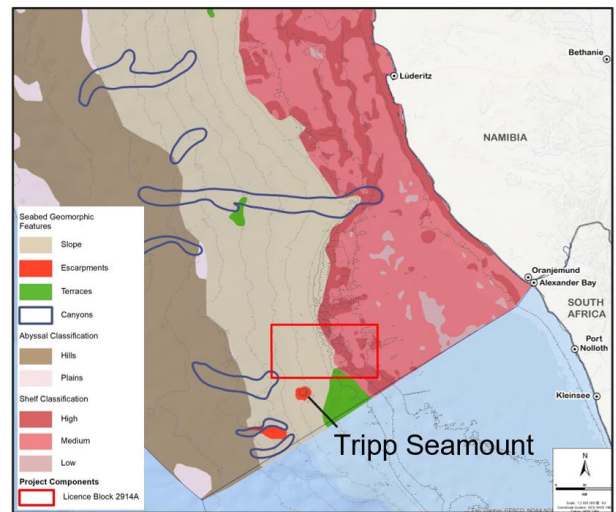


Figure 4: Seabed features

Note: Shelf classification relates to shelf profile/gradient.

4.2 Biological Environment

Block 2914A is located in the Benguela system, which is characterised by the presence of cold surface water, high biological productivity and highly variable physical, chemical and biological conditions. This system supports a wide variety of marine species including fish, whales, dolphins, seals and seabirds.

Benthic communities are widespread but vary based on substrate type and depth zone. These communities encompass hundreds of species and exhibit significant temporal and spatial fluctuations, even at small scales. Most of the benthic habitat types in the vicinity of Block 2914A have been classified as 'Least Threatened', however, the shelf edge along the 500 m isobath has been classified as 'Endangered' due to poor ecological condition (Figure 5).



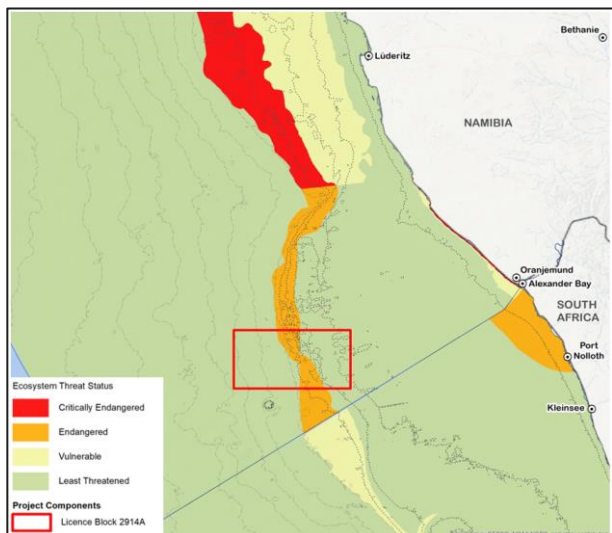


Figure 5: Benthic ecosystem threat status

Block 2914A overlaps with the Orange Seamount and Canyon Complex Ecologically and Biologically Significant Area (EBSA) (Figure 6), which is important for threatened species and habitats, biological diversity, and naturalness. Based on an analysis of long-term trawl-survey data, this area is a persistent hotspot of demersal fish biodiversity, which may be a result of the local habitat heterogeneity (seamount and canyons). Management recommendations for this EBSA do not prohibit petroleum extraction.

The Block does not overlap with approved Marine Protected Areas (MPAs).

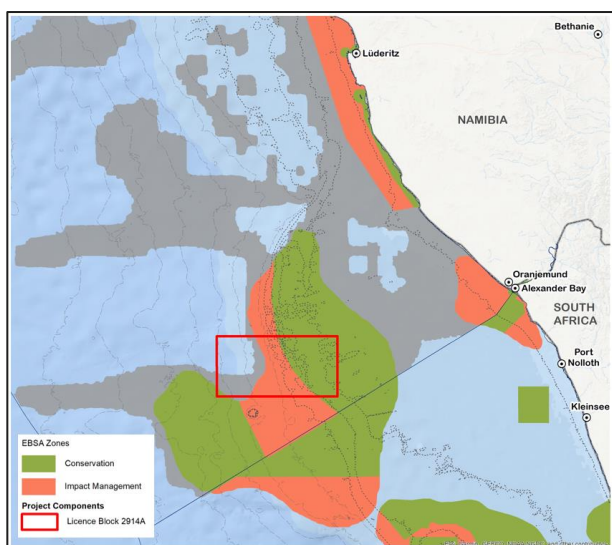


Figure 6: EBSAs and ESAs

4.3 Socio-Economic Environment

The project’s area of influence broadly encompasses the offshore environment to the south of Lüderitz.

The Namibian fishing industry is the country’s second largest export earner of foreign currency and the third largest economic sector in terms of contribution to

the Gross Domestic Product (GDP). Several commercial fishing sectors operate off the Namibian Coast, four of which overlap with Block 2914A (Table 1). Pelagic longline, demersal trawl and demersal longline fishing grounds operate along the length of the Namibian coastline and their southern extents overlap with Block 2914A (Figure 8, Figure 10, Figure 10). The tuna pole-line fishing grounds operates south of Lüderitz and overlap with Block 2914A (Figure 9)

Table 1: Sector overlap with Block 2914A

Overlap	No Overlap
Pelagic longline	Deepsea crab
Demersal trawl	Line-fish
Pole-line	Midwater trawl
Demersal longline	Purse-seine

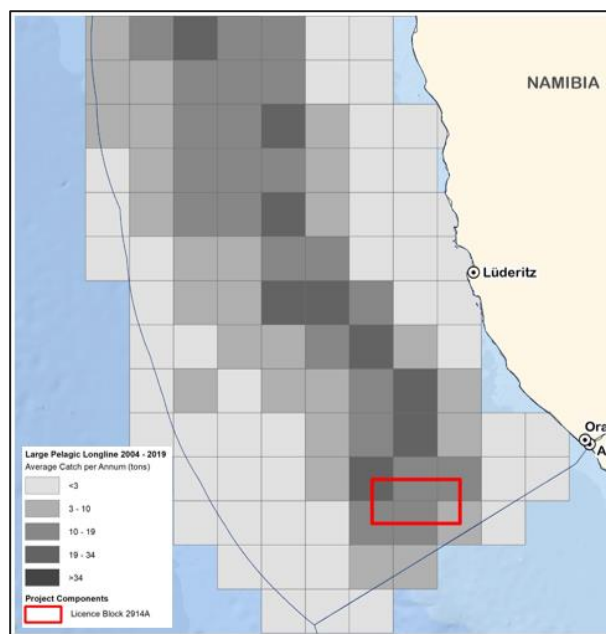


Figure 7: Pelagic longline fishing grounds

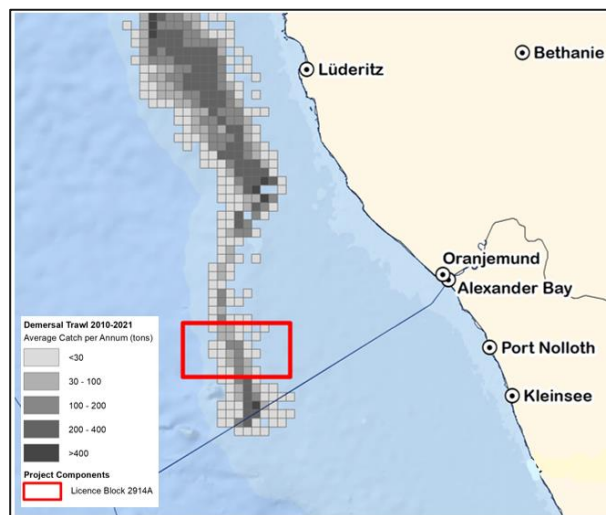


Figure 8: Demersal trawl fishing grounds



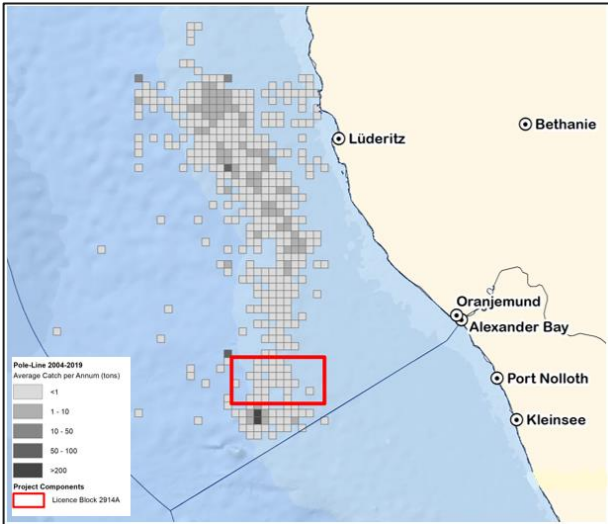


Figure 9: Tuna pole-line fishing grounds

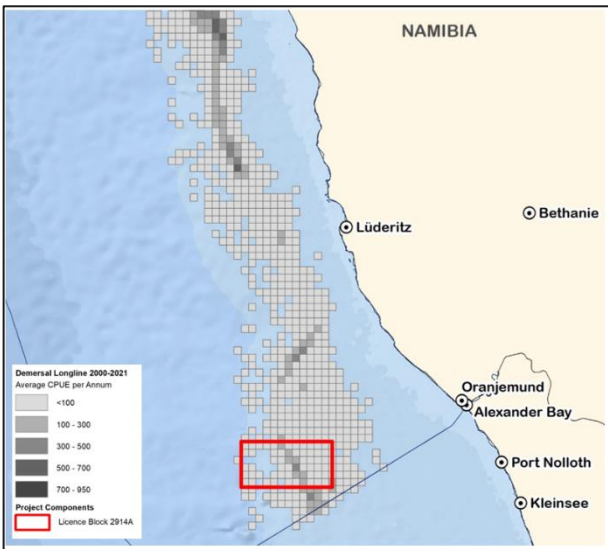


Figure 10: Demersal longline fishing grounds

5.0 ESIA and Public Consultation Process

5.1 ESIA Process

As noted in Section 1.0, the proposed Project requires an ESIA to obtain ECC. The ESIA process identifies and assesses, in consultation with I&APs, the potential negative and positive biophysical, cultural, and socio-economic impacts of the project and identifies management measures required to mitigate impacts to an acceptable level and monitoring requirements (where required).

The process consists of two main phases as shown in Figure 11 – this ESIA process for exploration drilling in Block 2914A is currently in the Scoping Phase.

5.2 Public Consultation Process

Public consultation is a critical component of the ESIA process. The purpose is to notify I&APs of the proposed Project, provide information so that I&APs

can familiarise themselves with the proposed activities and provide I&APs with the opportunity to raise question, issues or concerns regarding the proposed Project.

Potential I&APs are being notified of the proposed Project through various means, including site notices, advertisements, and email notifications and can **register on the project database to confirm their interest and be informed of future opportunities to comment (see page 1).**

Registered I&APs will be informed once reports compiled as part of the ESIA process are available for public review and comment.

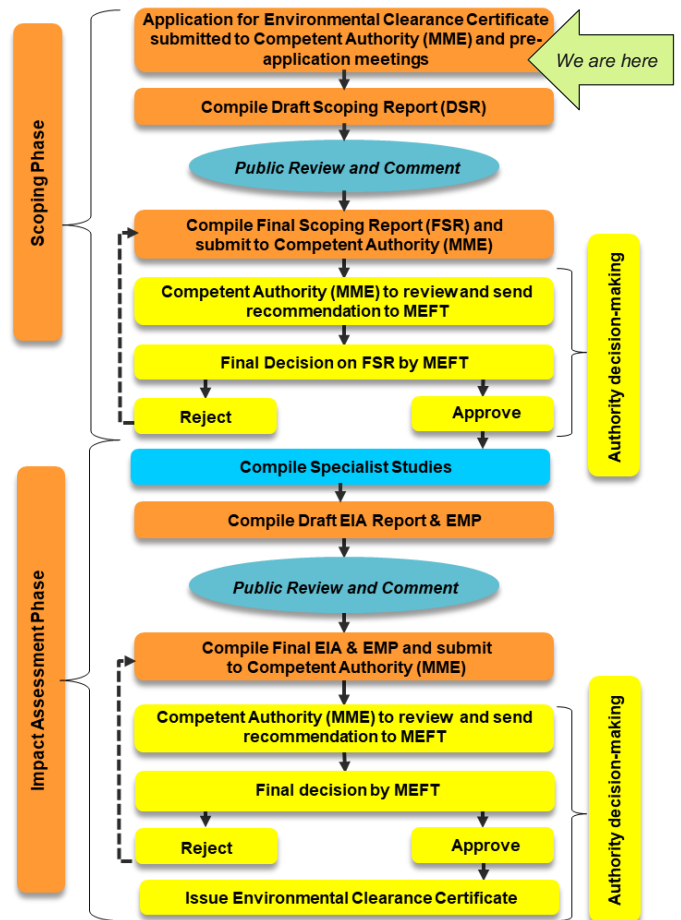


Figure 11: ESIA process phases and steps

SLR has preliminarily identified 275 I&APs from local and national government, fishing operators and offshore oil and gas businesses, and environmental and social NGOs. **Please assist us in identifying any other parties who should be involved – and /or pass on this information.**

6.0 Way Forward

SLR looks forward to your registration as an I&AP and engagement at the upcoming meetings.

We will then compile Draft Scoping Report and release it for public comment. All registered I&APs will be notified of this opportunity to comment.

