

Date: 29 June 2024

Ombombo Traditional Authorities and Their Community

To: The Director

Aloe Investment

Eddy Angula

1. Introduction

Ombombo district is situated about 80 km south of Opuwo which is the regional capital of Kunene Region. This district is inhabited by about 5000 people. The district is made up of villages. Subsistence farming (livestock) is villagers only means of making a living. Thus most of our youth are unemployed and are counting on the mine to provide them with jobs.

Okohongo where the potential mining area is found is situated in Epunguue one of the villages in Ombombo district. This area, Okohongo is normally the core grazing area for Epunguue's communal farmers whose livelihoods heavily depend on livestock farming. This area's importance to this community can in no way be over emphasized as this area is where the villagers would seek refuge during severe drought which has been haunting the village in particular, for the last 8 years or so.

Equally to mention is that Aloe Investment with its international partners have been doing exploration works in and around Epunguue for years and have identified Okohongo as their core area and its where their mining activities will take place should or go well.

In principle, the Ombombo traditional authorities welcome the potential mining activities which might be accompanied by various economic developments while taking cognisance of the total change which may occur among the villagers, some positive and some negative changes. These changes are mentioned but not limited to the hereinafter mentioned.

A. Positive Changes

- Possible employment
- District and villages economic growth
- New Infrastructure to be developed

B. Negative Changes

- Community will have to content with lesser grazing field
- Livestock and human movement will be limited
- Possible increase in HIV and STDs
- Prevalence of more single mothers whom might be impregnated by migrant workers

- Increase in teenage pregnancies
- Alcohol and drug abuse may increase
- Stock theft may increase

In the light of the mentioned socio-economic impacts, and in exchange of the huge sacrifice the community is willing to undertake by forsaking their precious grazing area as well as water source, such should be accompanied by compensating benefits of equivalent or more value in monetary terms which should cover the following aspects:

- Job Creation
- Local Enterprise Development
- Infrastructure Development
- Social Development

2. Mitigating Approach

Since the community remains committed as per previous interactions to the mining development, they deliberated among themselves and suggested various aspects which are their concerns and proposed certain benefits to be accorded to them specifically. As such special and/or preferential treatment should be given to the Ombombo district and its residents geared toward respectful co-existence and mutual benefit. The proposed benefits are mentioned here below:

- 2.1. Aloe investment had requested to camp/fence about 5 km around the mining side, the community had discussed this matter and we had concluded that 5km is too large an area and should be reduced to 2.5km.
- 2.2. All able bodied young people from Ombombo district who are willing should be employed in one way or another. Such employment, and once employed, the people should earn the opportunity granted to them and should regard such employment as carte Blanche appointment.
- 2.3. Elderly people who are able to work should also be considered for possible employment.
- 2.4. Business related contract works should be reserved for enterprises owned or co-owned by the residents of Ombombo district. Where capacity might be lacking, the outside companies to whom such works is to be outsourced should be compelled to sub-contract a local enterprise.
- 2.5. Let build and fully equipped kindergarten and a clinic in Epunguue village.
- 2.6. No trade should be permanently stationed in the immediate vicinity of the mine.
- 2.7. Improvement of the all gravel road within Ombombo district.

3. Small Artisans

The small artisans or commonly known as small scale miners should be allowed to mine their claims and whatever minerals they win or discover, the mining company should have the first option to buy these minerals against a fair, reasonable and market related prices. Only in the events where the mining company is not interested in their materials will they be allowed to sell to any interested third parties.

- 3.1. Since we are no longer to use our borehole at Okohongo, the mining company should connect or help the community connect a water pipeline from the Omumborombonga borehole with the village and connect all the homesteads to this pipeline.
- 3.2. Equally and imperative to mention, is that the mining company should search or let the community search for water inside Epunguue itself and any other village of their choosing when found, drill for a borehole and set up the infrastructure similar or better to the borehole at Okohongo. A small irrigation garden is to be coupled to this borehole.

4. Economic Development

- 4.1. We want Ombombo district to be a living example to other mining villages how to co-exist with mining companies. it has become a norm in this region that a place where a mine is to open, disputes arise and community factions arise. This results normally in delays and financial loses, especially from the mining companies' sides. Unnecessary, costly and protracted meetings being held and often reach dead locks. We want to change the status quo.
Equally, the company, Aloe Investment and its Associates should be willing to listen and accommodate our proposals for it also to be a living example to other companies how to co-exist and share the entire God given mineral resources.
- 4.2. Since the above mentioned benefits (2.1.-2.3) only cater for the youth and the able bodied people, and accompanying mining adverse effects are not only limited to them; the elderly, disabled and the minors should also get a piece from this pie. It is also imperative to mention that most of the mentioned requests are once off (2.4 & 2.5), the effects of the mining activities are long term. Hence there should also be long term accompanying benefits which are inclusive.
- 4.3. At this juncture, the community equity of 15% in the mine is proposed. This equity shares is to be channelled to the community through a yet to be established community trust fund. It will be from this fund from which the vulnerable group will derive financial and/or monetary benefits. The aim here is to compensate all members of Ombombo district for the narrowing their already tiny grazing field and all the other social changes which are likely to occur.

4.4. The trust fund will be managed by 5 members from the community. For the purpose of good governance, the mining company will let this people be trained on the management of the trust fund and be in compliance of the relevant laws of the Republic.

4.5. Normally, the shares are being paid out when profit is realized and so declared. In this case, we anticipate profit to be realized after years, taking into consideration the huge investment required for setting up the time.

4.6. Our Immediate needs from the mining company are:

- Health facility
- Sponsorship to education
- Solar systems installation to five home stead
- Boreholes drillings in villages to supply water to community
- Roads rehabilitation within Ombombo district
- Donation to Okangundumba conservancy



5. Communications

5.1. As such we recommend, on the mining company's expenses, the appointment of a community relation officer. This person should be from Ombombo district, should know and understand the dynamics and concerns of the Ombombo Community and should have basic corporate knowledge as well as being well versed in English and the local language which is Otjiherero. It will be through this person the communication from the company to the community and vice versa will be channeled. This is seemed to be a more efficient, time and money saving way and will avoid misunderstanding between the two parties.

Yours faithfully Ombombo Traditional Aauthorities

Name: David U. Kavetu

Signature:

Name: Josef U. Hiatjiua

Signature:

Name: Ebson Rikambura

Signature:

Name: Mervin K. Herunga

Signature:

