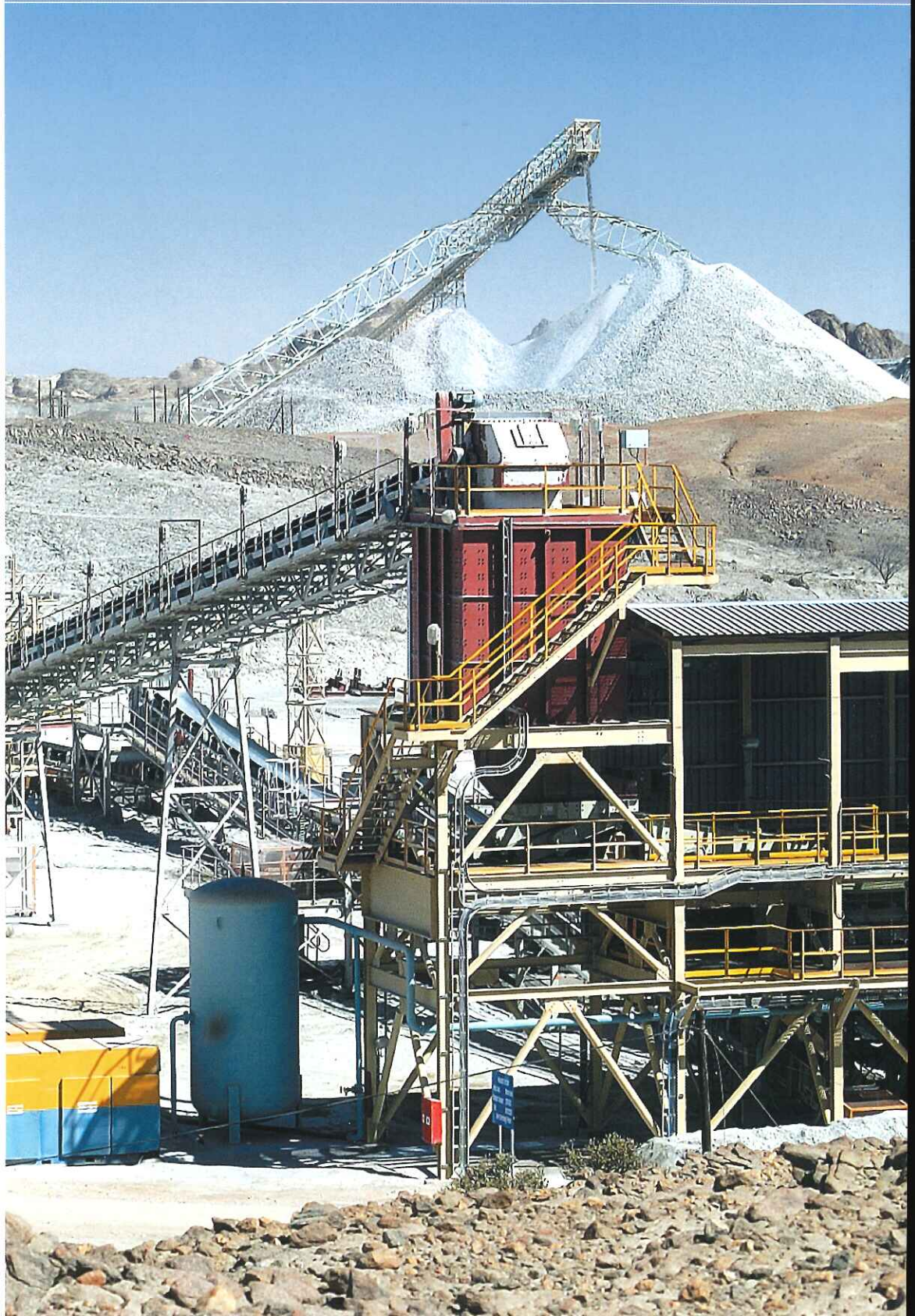




# SOCIAL AND ENVIRONMENTAL REPORT 2002

SOCIAL AND ENVIRONMENTAL





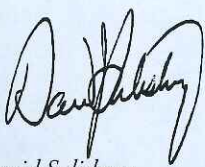
# COMPANY INFORMATION

## MESSAGE FROM DAVID SALISBURY, MANAGING DIRECTOR

2002 was a year of both positive accomplishments and disappointments. The retention of the ISO 14001 certification is an important achievement for Rössing. Continued reductions in energy consumption and freshwater usage clearly resulted from the collaborative efforts of the entire Rössing team.

The aggressive approach to improving safety implemented last year continued, but the results fell short of expectations. The number of lost time incidents was one more than the previous year's level and unfortunately included a fatality. This failure to meet our goal of a 50% reduction in lost time accidents is not acceptable. A renewed focus on establishing a safe working culture actively involves employees in the improvement process.

Rössing's activities continued to focus on improving the quality of life for our employees and the communities that support every aspect of our business. This report reflects Rössing's ongoing commitment to improve our performance in Health and Safety, fulfil our stewardship of the environment and carry out our role as a responsible corporate citizen.



David Salisbury  
Managing Director Rössing

Rössing, a large open pit uranium mine, is situated in Namibia, south western Africa. It lies 65 kilometres inland from the coastal town of Swakopmund in the Namib Desert. The region is characterised by sparse vegetation, rocky outcrops and gravel plains with an average rainfall of approximately 30 mm per year. Today Rössing mine is the fifth largest uranium producer in the world and accounts for 6.3% of total world production. Rio Tinto currently holds 68,58% of Rössing's equity.

## MINING AND PROCESSING OPERATIONS

The ore body is mined by blasting and loading the rock onto 180 tonne haultrucks with electric shovels. The uranium-bearing ore is then delivered to the primary crushers and waste rock taken to dumping sites outside the pit area.

The primary crushers initially reduce the uranium-bearing rock to an average size of 16 cm. It is further reduced to sand grain size in three additional crushing stages and milling. Sulphuric acid is added as a leaching agent to extract the uranium from the rock. The solution is separated from the ground rock and the solid material is pumped as a slurry to the tailings dam for disposal.

In the first stage of recovery, resin beads adsorb uranium from the solution, which is then stripped

from the beads to form a more concentrated solution. This is pumped to a solvent extraction plant where it is further concentrated and the remaining impurities removed. In the next step, gaseous ammonia is added to the solution, causing a precipitate of ammonium diuranate, or yellow cake. This is dried and roasted at temperatures in excess of 600°C to produce Rössing's final product, uranium oxide (U<sub>3</sub>O<sub>8</sub>), in a powder form. The uranium oxide is safely and securely packed into steel drums ready for delivery to the Company's customers.

## OTHER FACTS

Rössing is committed to a workforce that is representative of the local population. Of the 793 employees at the end of 2002, 95.8% are Namibian citizens. The Company offers attractive conditions of employment including housing, transportation to the workplace, membership of a pension and medical scheme together with free 24-hour life and accident insurance. More than half of the workforce has in excess of 15 years service.

In 1987 the Company signed a recognition agreement with the Mineworkers Union of Namibia of which over 80% of employees are members. Union officials and mine management meet on a regular basis to discuss matters of mutual interest.

Rössing's stated and practised policy is to develop all employees by providing extensive training

in mining and related skills and helping to develop a proper understanding of the responsibilities and opportunities each job offers. Rössing is also committed to training Namibians progressively to assume positions of greater responsibility within the Company. Promotions and new appointments are made in line with the Company's equity policy and the Namibian legislation.

The Company plays an important role in the development of Namibia by its contribution to the economy and the generation of approximately 10% of total Namibian exports. In 2002 employee salaries and benefits, taxes paid and local goods and services purchased totalled about N\$914 million.

## KEY ENVIRONMENTAL ASPECTS AND IMPACTS

The various processes at Rössing have potential to impact the environment. All aspects are listed in Rössing's environmental management system database.

*These aspects include:*

- Water management
- Radiation exposure
- Dust generation
- Hydrocarbon management
- Noise generation
- Hazardous chemical control
- Seepage of process solutions
- Waste management
- Energy usage
- Greenhouse gas emissions